



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT  
WASHINGTON, DC 20410-7000

ASSISTANT SECRETARY FOR  
COMMUNITY PLANNING AND DEVELOPMENT

Mr. Mark Havens  
Deputy Land Commissioner  
Texas General Land Office  
1700 N. Congress Street, Suite 935  
Austin, TX 78701-1495

Dear Mr. Havens:

The Department is approving the State of Texas Action Plan for Community Development Block Grant disaster recovery (CDBG-DR) funds appropriated by the Supplemental Appropriations for Disaster Relief Act, 2018 Public Law (P.L.) 115-254 and Additional Supplemental Appropriations for Disaster Relief Act, 2019 P.L. 116-20. On January 27, 2020, the Department announced in the *Federal Register* Notice the allocation of \$3.8 billion CDBG-DR funds for the purpose of assisting in long-term recovery from major disasters that occurred in 2017, 2018, and 2019. The State of Texas was allocated \$72,913,000 from this appropriation and identified the Texas General Land Office (GLO) as its administrative agency for the funds. This allocation will be administered under grant numbers B-19-DV-48-0001 and B-19-DV-48-0002.

Consistent with the January 27, 2020 Notice, GLO submitted the CDBG-DR Action Plan to HUD on August 31, 2020, which includes projects to assist in long-term recovery from major disasters. Subsequently, at the Department's request, the State of Texas submitted revisions on October 9, 2020, which addressed all *Federal Register* Notice requirements for approval and must be made available to the public on the grantee's website. Posting the Action Plan gives the public and other key stakeholders the opportunity to review the Action Plan.

The submitted Action Plan proposes several projects and programs that meet the requirements of the *Federal Register* Notice. The list of CDBG-DR funded programs and respective budgets are in the CDBG-DR Disaster Allocation Table below.

**Table 1: CDBG-DR Disaster Allocation**

<b>Action Plan Activity</b>	<b>Budget</b>
Homeowner Assistance Program	\$31,700,000
Homeowner Reimbursement Program	\$3,470,000
Affordable Rental Program	\$10,110,000
Housing Project Delivery	\$454,800
Infrastructure Competition	\$19,690,000
Infrastructure Project Delivery	\$196,900
Local, Regional and State Planning	\$3,645,650
Administration	\$3,645,650
<b>CDBG-DR Grant Total</b>	<b>\$72,913,000</b>

The Department also takes this opportunity to highlight that at least 70 percent of funds must be used to support activities benefiting low- and moderate-income persons. Further, the January 27, 2020 Notice requires grantees to primarily consider and address unmet housing needs. A grantee may also allocate funds to address unmet economic revitalization and infrastructure needs, but in doing so, the grantee must identify how unmet housing needs will be addressed or how its economic revitalization or infrastructure activities will contribute to the long-term recovery and restoration of housing in the most impacted and distressed areas. Additionally, the State must expend at least 80 percent of the total award amount within the HUD-identified “most impacted and distressed” areas as defined in the applicable *Federal Register* Notice.

Although you have completed an important step in the disaster recovery process, there are additional steps necessary to move forward. On July 2, 2020, the GLO submitted a request that the Department rely on prior CDBG-DR Financial Management and Grant Compliance Certification for this grant. The request is currently under review by the Department. Once the review is complete, HUD will send the applicable grant agreement and grant conditions for signature. The Department remains committed to assisting the State of Texas in its efforts to address the State's recovery needs and looks forward to working with you and your staff to achieve this goal. If you have any questions regarding the information in this letter, please contact Jessie Handforth Kome, Director, Office of Block Grant Assistance, at (202) 708-3587.

Sincerely,



Digitally signed  
by JOHN GIBBS  
Date: 2020.10.15  
09:42:10 -04'00'

John Gibbs  
Assistant Secretary for Community Planning and  
Development (Acting)


# STATE OF TEXAS CDBG-DR ACTION PLAN

**Published: July 29, 2020**

**Public Comment  
Period: July 29 - August  
27, 2020**

**HUD Approved:  
October 15, 2020**

## 2018 SOUTH TEXAS FLOODS

 2018 South Texas Floods  
(counties)

Supplemental Appropriations for Disaster Relief Act, 2018 (Pub. L. 115-254, approved October 5, 2018) and Additional Supplemental Appropriations for Disaster Relief Act, 2019 (Pub. L. 116-20, approved June 6, 2019) 85 FR 4681 (January 27, 2020)





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# 1 EXECUTIVE SUMMARY

Since the Memorial Day Floods of 2015, Texas has experienced numerous major disasters—most notably Hurricane Harvey, one of the costliest natural disasters in U.S. history. The 2018 South Texas Floods (DR-4377) were the first post-Hurricane Harvey test of the state’s resilience against extreme weather events. Pounded by the severe storms and subsequent flooding that began on June 18 and ended approximately June 21, Cameron, Hidalgo, and Jim Wells Counties received a Presidential major disaster declaration on July 6. Several hours after the storms began, the Mid Valley Airport in the city of Weslaco (Hidalgo County) reported over 11 inches of rain in 3 hours.<sup>1</sup>

The National Weather Service estimates the cost of damages from the 2018 South Texas Floods at \$250 million with the following impacts reported:<sup>2</sup>

- At least 20,000 residences and businesses considered affected by the floods.
- More than 600 persons were in at least 10 shelters at the peak of the area-wide flooding.
- More than 2,000 rescues from vehicles and homes were conducted.
- 21,000 meals served by the American Red Cross.
- \$60 million in infrastructure damage across Cameron, Hidalgo, and Jim Wells Counties.<sup>3</sup>

As of February 10, 2020, the FEMA Individuals and Households Program (IHP) approved over 5,117 applications totaling over \$30.6 million in housing assistance and other related emergency disaster assistance.<sup>4</sup> As of March 31, 2019, FEMA’s National Flood Insurance Program (NFIP) had processed 449 claims and disbursed more than \$24.8 million within the three impacted counties. As of March 16, 2020, the Small Business Administration (SBA) has disbursed over \$21 million in home loans and \$3.5 million in business loans.

Following two Congressional appropriations (Pub. L. 115-254 and Pub. L. 116-20), the U.S. Department of Housing and Urban Development (HUD) allocated \$72.913 million in Community Development Block Grant Disaster Recovery (CDBG-DR) funds to Texas through the publication of HUD’s allocation notice (the Notice) in the Federal Register, 85 FR 4681 (January 27, 2020).

As written by the Texas General Land Office (GLO), the state agency designated by the governor to administer CDBG-DR funds, the State of Texas 2018 South Texas Floods Action Plan (the

<sup>1</sup> “Worse than Dolly? Widespread Flooding Eviscerates Drought; Impacts Entire Rio Grande Valley June 18-22, 2018,” National Weather Service, accessed June 20, 2019, [www.weather.gov/bro/2018event\\_greatjuneflood](http://www.weather.gov/bro/2018event_greatjuneflood)

<sup>2</sup> Ibid.

<sup>3</sup> Naxiely Lopez-Puente, “The trickle down: Local governments still reeling from 2018 flood,” *The Monitor*, June 21, 2019, <https://www.themonitor.com/2019/06/21/local-governments-still-reeling-2018-flood/>

<sup>4</sup> “Texas Severe Storms and Flooding (DR-4377),” FEMA, accessed February 10, 2020, [www.fema.gov/disaster/4377](http://www.fema.gov/disaster/4377)



Action Plan) will detail eligibility criteria and the proposed use of all funds, including how these funds will address long-term recovery and restoration of infrastructure, housing, economic revitalization, and mitigation in Cameron, Hidalgo, and Jim Wells Counties. The use of funds for this allocation is limited to unmet recovery needs from the 2018 South Texas Floods (DR-4377). Pursuant to HUD’s requirements, these funds will be used to primarily address unmet housing recovery needs.

HUD designated Hidalgo County as a “most impacted and distressed” (HUD MID) area in their Notice. At least 80 percent of CDBG-DR funding for Texas must address unmet disaster needs within the declared HUD MID area(s). Cameron and Jim Wells Counties were identified by the GLO as State MID.

A summary of unmet need for Cameron, Hidalgo, and Jim Wells Counties is identified in the table below. As required, a needs assessment was completed to identify long-term needs and priorities that calibrate CDBG-DR funding allocations. The needs assessment (the Assessment) takes into account a comprehensive set of data sources that cover multiple geographies and sectors. The Assessment includes specific details about unmet needs within the eligible and impacted communities including housing, infrastructure, and economic conditions.

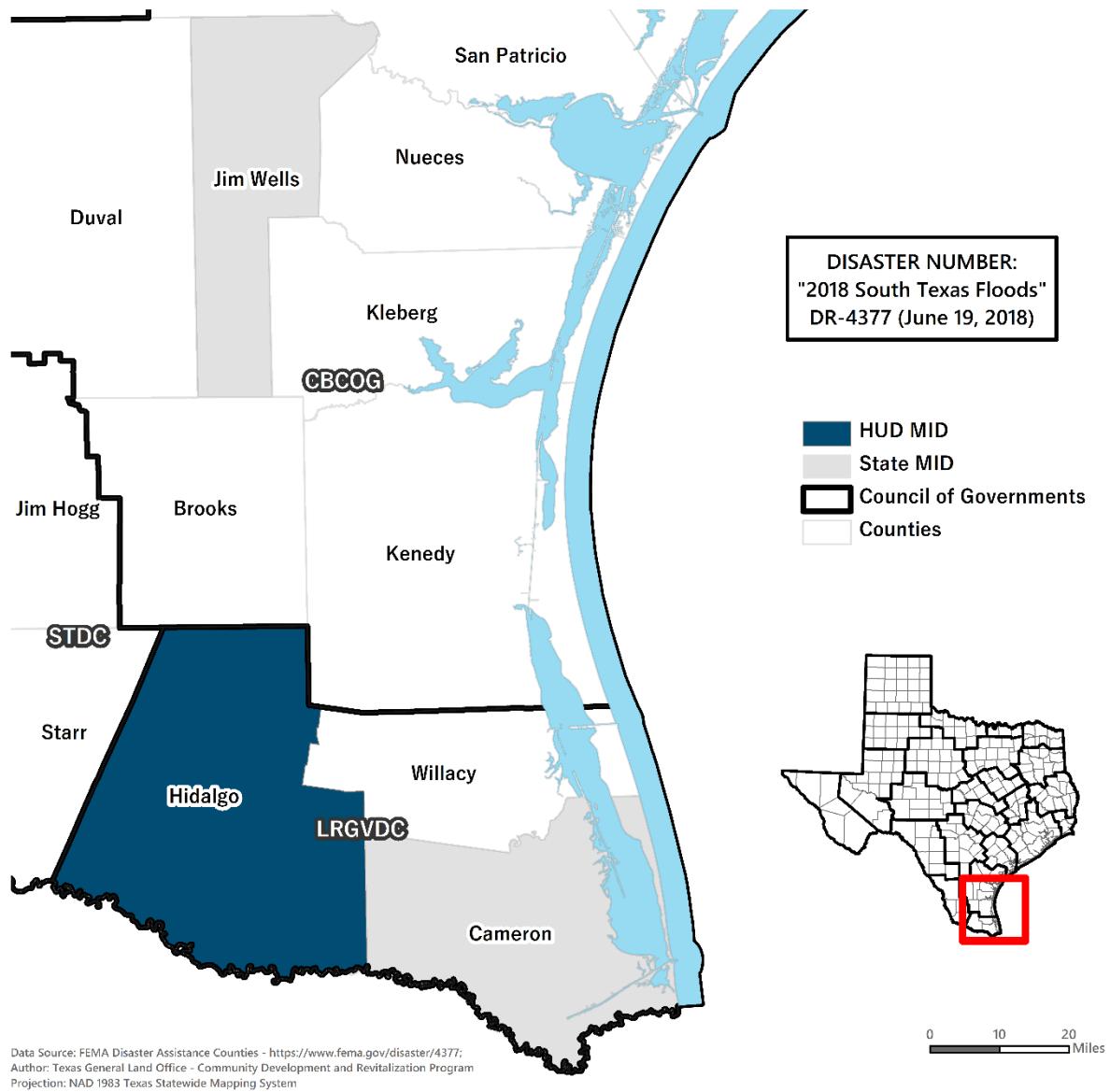
A standard 15 percent resiliency multiplier will be used when examining housing, infrastructure, and economic activities to calculate unmet need—a multiplier previously applied in other Texas CDBG-DR programs. Single family home resiliency solutions add approximately 10 to 15 percent to the total cost per home; multifamily resiliency solutions add 15 to 20 percent to the total cost per project; and infrastructure resiliency solutions add 15 to 20 percent to the total cost per project. Resiliency solutions are varied and dependent on the respective area’s hazards. A standard 15 percent resiliency multiplier was utilized and has been calculated within the “Remaining Unmet Need” column in the following table. The Assessment may be amended as additional information and funds are available or updated.

**Table 1-1: Total Unmet Need for 2018 South Texas Floods**

<b>Unmet Need</b>	<b>Remaining Unmet Need</b>	<b>% of Unmet Need</b>	<b>Total Program Allocation*</b>	<b>% of Total Program Allocation</b>
Housing	\$248,257,325	75%	\$45,734,800	70%
Infrastructure	\$65,109,159	19%	\$19,886,900	30%
Economic	\$18,653,691	6%	\$0	0%
<b>Total</b>	<b>\$332,020,175</b>	<b>100%</b>	<b>\$65,621,700</b>	<b>100%</b>

\*Allocation amount includes project delivery costs but excludes administration and planning costs.

**Figure 1-1: 2018 South Texas Floods CDBG-DR Eligible Areas**





## 1.1 Executive Summary – Total Allocation Budget

Table 1-2: 2018 South Texas CDBG-DR Budget

Programs	HUD MID	State MID	Total Allocation	LMI Amount	% of Total Allocation by Program	% of Total Allocation
<b>Homeowner Assistance Program</b>	\$25,360,000	\$6,340,000	\$31,700,000	\$22,190,000	43.48%	62.73%
<b>Homeowner Reimbursement Program</b>	\$2,776,000	\$694,000	\$3,470,000	\$2,429,000	4.76%	
<b>Affordable Rental Program</b>	\$8,088,000	\$2,022,000	\$10,110,000	\$10,110,000	13.87%	
<b>Housing Project Delivery</b>	\$363,840	\$90,960	\$454,800	\$318,360	0.62%	
<b>Infrastructure Competition</b>	\$15,752,000	\$3,938,000	\$19,690,000	\$13,783,000	27.00%	27.27%
<b>Infrastructure Project Delivery</b>	\$157,520	\$39,380	\$196,900	\$137,830	0.27%	
<b>Local, Regional, and State Planning</b>	\$2,916,520	\$729,130	\$3,645,650	N/A	5.00%	5%
<b>Administration</b>	\$2,916,520	\$729,130	\$3,645,650	N/A	5.00%	5%
<b>Total</b>	<b>\$58,330,400</b>	<b>\$14,582,600</b>	<b>\$72,913,000</b>	<b>\$48,968,190</b>	<b>100%</b>	<b>100%</b>



## 2 NEEDS ASSESSMENT

The state of Texas completed the following needs assessment (the Assessment) to identify long-term needs and priorities that inform the state’s use of the 2018 South Texas Floods CDBG-DR funding. This Assessment is a comprehensive set of data sources that cover multiple geographies and sectors and was completed in accordance with HUD guidelines cited in section VI.A.2.a. of HUD’s Federal Register notice, 83 FR 5844 (February 9, 2018). The information focuses on the flooding impacts in the three CDBG-DR eligible counties: Cameron, Hidalgo, and Jim Wells. The Assessment was compiled using federal and state sources, including information from FEMA, HUD, the Texas Division of Emergency Management, and the Small Business Administration.

This Assessment includes specific details about unmet needs within the eligible communities that relate to housing, infrastructure, and economic revitalization resulting from the 2018 South Texas Floods. The Assessment will primarily consider and address the housing unmet needs before other needs in accordance with HUD’s Federal Register notice 85 FR 4681 (January 27, 2020). The Assessment will also discuss additional types of assistance that may be available to affected communities and individuals such as insurance, other federal assistance, or any other possible funding sources. Taking the above into consideration, mitigation and resiliency measures to protect against future hazards will also be examined.

### 2.1 Cumulative Impact of Prior Disasters

In 2015 and 2016, the state received recurring record amounts of rain. This resulted in five Presidential disaster declarations spread over 160 of the state’s 254 counties. The critical infrastructure damage and already saturated grounds from the 2015 Floods compromised the resiliency of counties during the 2016 Floods. These multiple events led to human fatalities and severe damage across nearly half the state—approximately 134,000 square miles.

On August 25, 2017, Hurricane Harvey made landfall between Port Aransas and Port O’Connor as a Category 4 hurricane with sustained winds of over 130 mph. After the initial impact, Hurricane Harvey’s winds began to decrease, but due to two high-pressure systems to the east and west of the storm, it remained fixed over the Texas coast for the next 4 days. During this period, as much as 60 inches of rain fell over the impacted area in 5 days.<sup>5</sup> The GLO estimates the cost of damages from Hurricane Harvey at \$120 billion, making it one of the costliest events in U.S. history.

<sup>5</sup> “Hurricane Harvey in Texas, Building Performance Observations, Recommendations, and Technical Guidance,” Mitigation Assessment Team Report, (FEMA P-2022/February 2019) FEMA, accessed June 5, 2019, [www.fema.gov/media-library-data/1551991528553-9bb91b4bfe36f3129836fedaf263ef64/995941\\_FEMA\\_P-2022\\_FINAL\\_508c.pdf](http://www.fema.gov/media-library-data/1551991528553-9bb91b4bfe36f3129836fedaf263ef64/995941_FEMA_P-2022_FINAL_508c.pdf)

Less than a year after Hurricane Harvey, on June 18, 2018, a tropical wave making landfall in South Texas brought heavy rain and thunderstorms, impacting some of the same communities that were impacted by Hurricane Harvey as well as the 2015 and 2016 Floods.<sup>6</sup>

Nearly a year after the 2018 South Texas Floods, the 2019 Lower Rio Grande Valley Floods event in June 2019 hit this same region of Texas. Severe storms brought rain that resulted in flooding compounded the impacts of previous recent flooding events.

In September 2019, Tropical Storm Imelda hit Southeast Texas. Imelda’s impacts were seen in only a portion of the area where Harvey hit but did cause higher levels of flooding in some of these areas when compared to Harvey. Many counties impacted by Imelda and Harvey had also been impacted by the 2016 and 2015 flooding events.

The chart below highlights the counties that received a Presidential disaster declaration for the 2018 South Texas Floods; all three counties have been impacted since 2015. Each of the three counties in the eligible area has been impacted by at least two of those disasters, while Hidalgo and Jim Wells Counties have been impacted by at least three. This demonstrates the compounding effects of disasters in Texas since 2015 and the impacts that these recurring disasters are having on housing, infrastructure, and local economies.

**Table 2-1: 2018 Impacted Counties and Declared Disasters Since 2015**

2015 Floods	2016 Floods	Hurricane Harvey	2018 South Texas Floods	2019 LRGV Floods
Cameron	Hidalgo	Jim Wells	Cameron	Cameron
Hidalgo			Hidalgo	Hidalgo
Jim Wells			Jim Wells	

## 2.2 Impact of the 2018 South Texas Floods

From June 18 to June 22, 2018, areas in South Texas were impacted by widespread rain and severe thunderstorms. The majority of rain fell the night of June 19 through the morning of June 20,

<sup>6</sup> “South Texas Heavy Rain and Flooding Event: June 18–21, 2018,” National Weather Service, accessed June 1, 2019, [www.weather.gov/crp/june\\_2018\\_heavy\\_rain](http://www.weather.gov/crp/june_2018_heavy_rain)

leading to upwards of 18 inches of rain throughout the area.<sup>7</sup> Although South Texas was in drought conditions right before this event, the area saw significant flooding. According to the National Weather Service, some of the most impacted communities were the cities of Alfred, Alice, Orange Grove, and Premont in Jim Wells County; Harlingen, Brownsville, and Los Fresnos in Cameron County; and McAllen and Mission in Hidalgo County.

Local and national news reported thousands of water rescues performed throughout South Texas due to the formation of sinkholes and deep water that stalled vehicles. Additionally, at least 20,000 residents and businesses were impacted by the storm with more than 600 individuals in local shelters due to displacement—some residents saw upwards of 7 feet of water inundate their neighborhoods.<sup>8,9,10</sup> On July 6, 2018, a Presidential disaster declaration, DR-4377, was declared for Cameron, Hidalgo, and Jim Wells Counties.<sup>11</sup>

**Figure 2-1: Flooding in Hidalgo County (Weslaco, Texas)<sup>12</sup>**



<sup>7</sup> “South Texas Heavy Rain and Flooding Event: June 18-21, 2018,” National Weather Service, accessed June 24, 2019,

[www.weather.gov/crp/june\\_2018\\_heavy\\_rain](http://www.weather.gov/crp/june_2018_heavy_rain)

<sup>8</sup> “The Trickle-down: Local Residents Still Reeling from 2018 Floods,” *The Monitor*, accessed June 28, 2019,

[www.themonitor.com/2019/06/21/local-governments-still-reeling-2018-flood/](http://www.themonitor.com/2019/06/21/local-governments-still-reeling-2018-flood/)

<sup>9</sup> “South Texas Floods Spread Hundreds of Miles,” *The Patch*, accessed June 25, 2019,

[patch.com/texas/houston/south-texas-floods-spread-hundreds-miles](http://patch.com/texas/houston/south-texas-floods-spread-hundreds-miles)

<sup>10</sup> “The Great June Flood of 2018 in the RGV,” National Weather Service, accessed June 25, 2019,

[www.weather.gov/bro/2018event\\_greatjune\\_flood](http://www.weather.gov/bro/2018event_greatjune_flood)

<sup>11</sup> “Texas Severe Storms and Flooding (DR-4377),” FEMA, accessed June 25, 2019,

[www.fema.gov/disaster/4377](http://www.fema.gov/disaster/4377)

<sup>12</sup> “The Great June Flood of 2018 in the RGV,” National Weather Service, accessed, April 2020,

[https://www.weather.gov/bro/2018event\\_greatjune\\_flood](https://www.weather.gov/bro/2018event_greatjune_flood)

## 2.3 Resiliency Solutions and Mitigation

Recognizing the state's long and well-documented history of flooding, hurricanes, wildfires, and droughts, as well as the state's ongoing efforts to mitigate future disaster impacts in its most vulnerable areas, the GLO continues its commitment to rebuilding while prioritizing resiliency. In assessing unmet needs, it is important to consider the additional costs of safeguarding housing and community infrastructure investments from future disasters. Texas will not only assess projects and consider state-run programs that replace or repair lost property but will also seek to invest resources in mitigation efforts that strengthen the resiliency of communities against future disasters. Although this can increase costs initially, incorporating mitigation strategies in recovery efforts can greatly reduce the cost of future damages by a ratio of 6:1.<sup>13</sup> The success of this long-term recovery practice was seen firsthand during Hurricane Harvey when resilience-enhanced projects from previous GLO-administered CDBG-DR efforts fared better than other projects lacking a mitigation component.

Single family home resiliency solutions are expected to add approximately 10 to 15 percent to the total cost per home; multifamily resiliency solutions add 15 to 20 percent to the total cost per project; and infrastructure resiliency solutions add 15 to 20 percent to the total cost per project. Resiliency solutions are varied and dependent on the respective area's Threat and Hazard Identification and Risk Assessment.

Single family home resiliency solutions may include: (1) elevating the first floor of habitable area; (2) breakaway ground floor walls; (3) reinforced roofs; (4) storm shutters; (5) use of ENERGY STAR appliances and fixtures; and (6) mold and mildew resistant products. Multifamily resiliency solutions include (1) elevation; (2) retention basins; (3) fire-safe landscaping; (4) firewalls; and (5) landscaped floodwalls. In the instance of elevating a first floor of a habitable area, single family units and multifamily dwellings must meet accessibility requirements and visitability standards as defined in the GLO housing guidelines.

In the case of infrastructure resiliency solutions, improvements may include:

- Elevating critical systems, facilities, and roadways above base flood elevation;
- Installing backup power generators for critical systems (water, sewer, etc.);
- Avoiding an increase in impervious cover by keeping projects in their original footprint and encouraging the use of building practices that allow for more pervious coverage;
- Replanting with only native vegetation to preserve the natural environment;
- Storm water management including installing retention basins, larger culverts and debris guards, and erosion control solutions; and

<sup>13</sup> "Natural Hazard Mitigation Saves: 2018 Interim Report," National Institute of Building Sciences, January 2018, [www.nibs.org/page/mitigationsaves](http://www.nibs.org/page/mitigationsaves)



- Supporting local community efforts to enhance building codes and regulations.

The GLO, where applicable, will work with local communities on a case-by-case basis to ensure that the mitigation strategies selected will be cost reasonable for the community. Where applicable, the GLO will work to pair CDBG-DR funds with CDBG-MIT funding that the community has been approved for.

## 2.4 Vulnerability Analysis

The fair and equitable treatment of vulnerable populations is a priority for Texas in the allocation of all CDBG-DR funds. The Social Vulnerability Index, the low- and moderate-income (LMI) analyses, demographic data, and homeless information for the impacted areas of the 2018 South Texas Floods provide critical insights to further understand vulnerable populations in the impacted areas. This Vulnerability Analysis will be used to influence how funds will be allocated throughout the impacted areas. The details for how this analysis will influence the allocation of funds are in the Connection to Vulnerability Analysis section of this Action Plan.

### 2.4.1 DEMOGRAPHIC DATA

The demographic profile data was generated using a wide range of data sets from the U.S. Census Bureau, unless otherwise noted. The three CDBG-DR eligible counties affected by 2018 South Texas Floods cover 3,327 square miles and contains approximately 4.71 percent of the state's population. This equals nearly 1.3 million Texans living in the eligible counties.

Of the 371,107 housing units in the eligible counties in 2016, 67.63 percent are owner-occupied units which is higher than statewide percentage. Some housing and income demographics are slightly different in the eligible counties versus the statewide averages. The 3 eligible counties have an estimated median owner-occupied housing unit value and median household income lower than the state as a whole. Approximately 19.22 percent of the population in the 3 eligible counties is living in poverty. This is higher than the statewide average of 14.9 percent.

By percentage, the 3 eligible counties have a higher Hispanic population when compared to the state as a whole. The 3 eligible counties have a 90.8 percent Hispanic population, compared to the statewide percentage of 39.6 percent.



**Table 2-2: Demographics for Texas and the 2018 CDBG-DR Eligible Counties<sup>14,15</sup>**

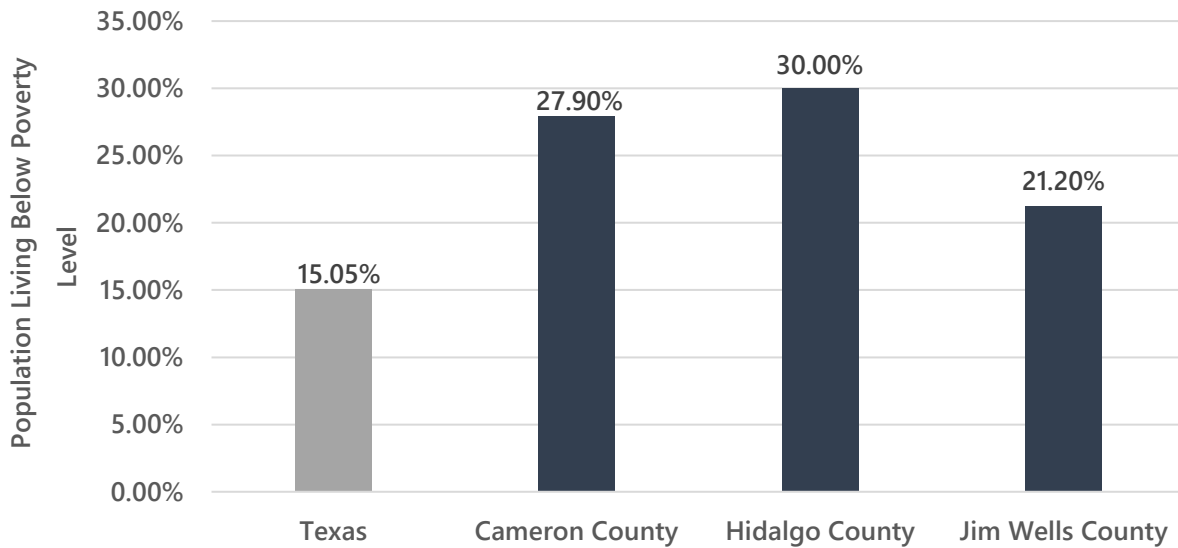
Fact	Texas	3 CDBG-DR Eligible Counties	
	Estimates	Estimates	Percent of Area
<b>Population estimates (2018)</b>	27,885,195	1,312,331	4.71% of Texas Population
<b>Population, percent change – 2010–2018</b>	10.9%	7.4%	
<b>Persons under 5 years</b>	7.17%	118,743	9.05% of Eligible Population
<b>Persons under 18 years</b>	26.2%	425,079	32.39% of Eligible Population
<b>Persons 65 years and over</b>	12.0%	150,442	11.46% of Eligible Population
<b>White alone</b>	78.8%	100,065	7.62%
<b>Black or African American alone</b>	12.8%	5,546	0.42%
<b>American Indian and Alaska Native alone</b>	1%	1,185	0.09%
<b>Asian alone</b>	5.2%	10,818	0.82%
<b>Native Hawaiian and other Pacific Islander alone</b>	0.1%	219	0.02%
<b>Two or more races</b>	2%	1,772	0.14%
<b>Hispanic or Latino</b>	39.6%	1,192,180	90.84%
<b>White alone, not Hispanic or Latino</b>	41.5%	96,527	7.25%
<b>Housing units</b>	11,283,353	371,107	
<b>Owner-occupied housing unit rate</b>	61.9%	250,993	67.63% of Housing Units
<b>Median value of owner-occupied housing units</b>	\$161,700	\$83,300	
<b>Median gross rent</b>	\$998	\$716	
<b>With a disability, under age 65 years</b>	7.9%	99,383	7.57 % of Eligible Population
<b>Median household income (in 2018 dollars)</b>	\$59,570	\$38,398	
<b>Persons in poverty</b>	14.9%	19.22%	
<b>Households with Limited English Proficiency</b>	3,486,872	70,699	19.05%
<b>Land area in square miles</b>	261,232	3,327	1.27% of Texas

<sup>14</sup> US Census Bureau, Quick Facts United States, Accessed January 31, 2020, <https://www.census.gov/quickfacts/fact/table/US/PST045219>

<sup>15</sup> US Census Bureau, American Fact Finder, accessed January 31, 2020, <https://factfinder.census.gov/faces/nav/jsf/pages/index.xhtml>

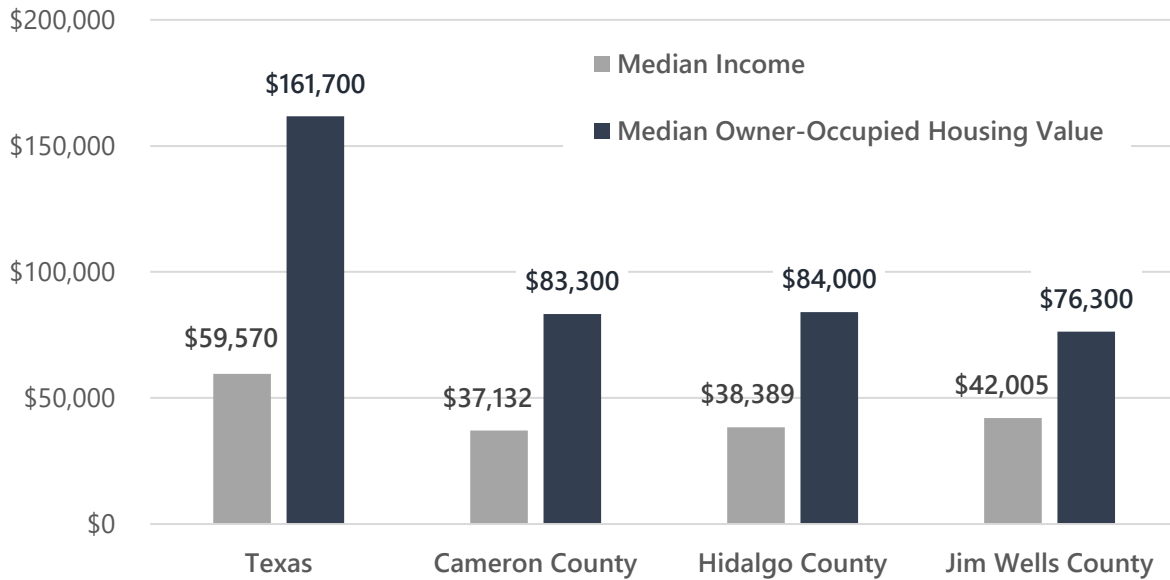
In all three counties, the percentage of the population living at or below the poverty level is almost double that of the state’s overall poverty level, except for Jim Wells County. Hidalgo County had the highest percentage and the greatest number of individuals living below the poverty level. This compares to the statewide 15 percent average that is at or below the poverty level.

**Figure 2-2: 2018 Poverty Levels in Impacted Counties**



All three counties have median household income and housing values that are lower than that of the statewide average. Cameron County had the lowest median household income at \$37,132, while Jim Wells County had the lowest median owner-occupied housing value at \$76,300.

**Figure 2-3: 2018 Household Incomes and Owner-Occupied Housing Values**



## 2.4.2 DEMOGRAPHIC DATA: GEOGRAPHIC ASSESSMENT

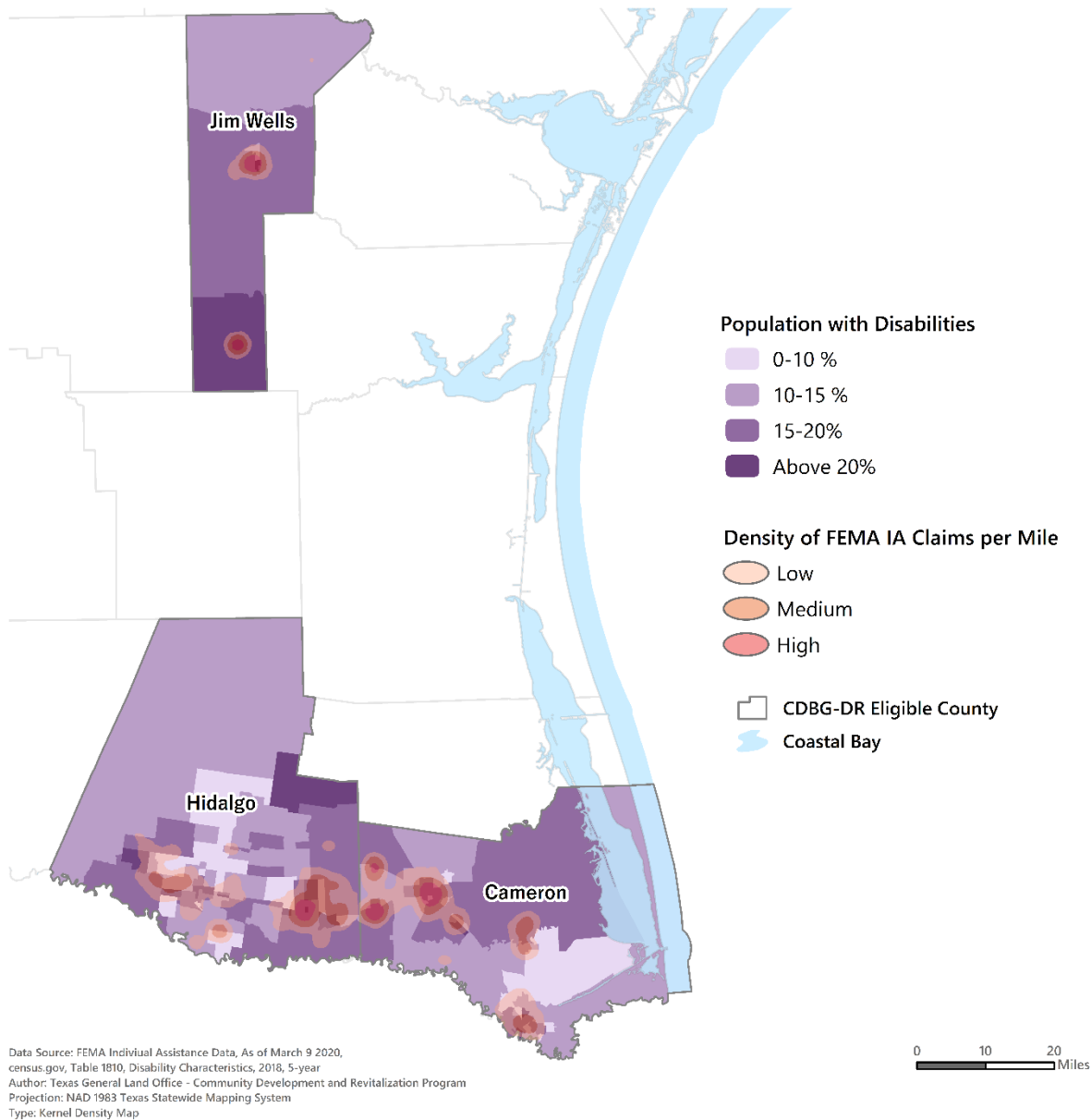
The demographic geographic assessment of the impacted counties will demonstrate the intersection between protected class groups and the targeting of affordable housing, housing recovery programs, and natural hazard response for CDBG-DR funded activities. Further, the below assessment identifies as the Census block group and tract level where data was available the variety of demographic information that will help inform greater localized needs assessments that will be effected in the homeowner program and prioritizations of the affordable rental program. The GLO will promote the availability of affordable housing in low-poverty, nonminority areas where appropriate by following to affirmatively furthering fair housing guidelines, while also responding to natural hazard-related impacts.

Additionally, the primary focus of the housing recovery program is to meet the unmet need for survivors affected by disaster events while complying with all CDBG-DR requirements and addressing recognized impediments to fair housing choice as required under the Fair Housing Act. All housing activities consider the objective to promote housing for households in which members are under the age of 18, female head of household, elderly and disabled households, and/or veteran populations, all while affirmatively furthering fair housing.

### 2.4.2.1 *Population with Disabilities*

The below map provides geographic context for the concentration of FEMA Individual Assistance (IA) across the CDBG-DR eligible counties while highlighting the concentrations of Census Tracts (smallest geography for this dataset) where there is a population with disabilities.

**Figure 2-4: Population with Disabilities (Census Tract)**



Through compliance with the Americans with Disabilities Act (ADA) for our infrastructure and affordable rental program projects, the GLO will ensure that persons with disabilities will maintain access to resources and assets. Additionally, through the affirmative marketing outreach plan development and execution emphasis is focused on successful outreach efforts to hard-to-reach populations, such as persons with disabilities.

Through the GLO housing programs, and guideline requirements, improvements will include accessibility for households with disabilities or special needs. Based on the localized needs



assessments, criteria will be developed to identify projects providing the greatest benefit to the community and provide incentives for providing broader access for persons with disabilities. Through the application intake process the GLO will establish procedures to collect and report data on the presence or non-presence of a household member with a disability. Rehabilitated homes inhabited by a member with a disability will be analyzed as to the special physical needs of such persons. Improvements, such as the widened doorways, ramps, level entry and doorways, and grab bars in bath areas, must be installed, if appropriate.

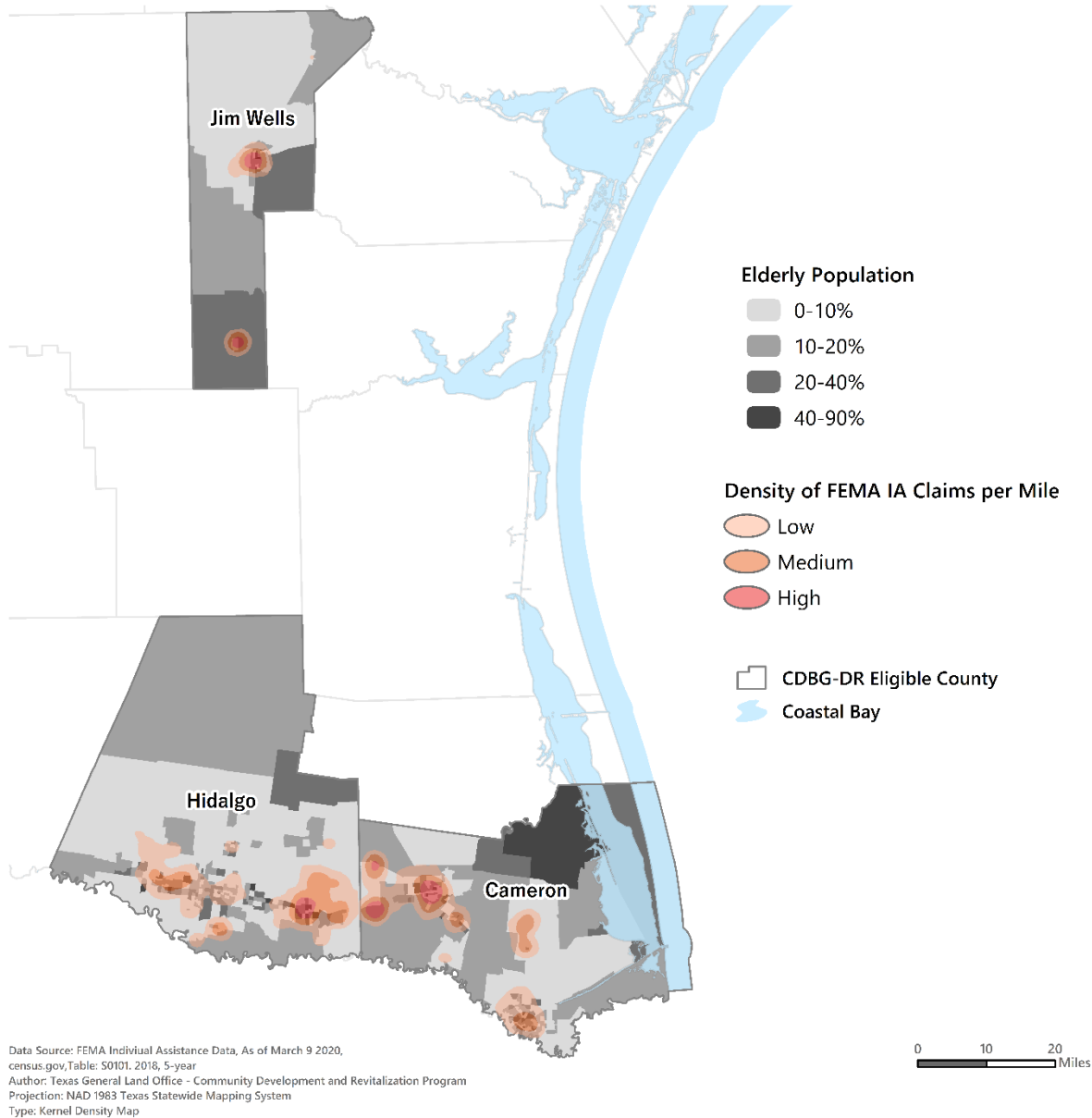
Further, single family housing units must meet the accessibility requirements of 24 CDR Part 8, which implements Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794) and the GLO's Visitability Standards.

Multifamily housing developments must meet all accessibility requirements at 24 CFR Part 8, which implements Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794). Multifamily housing developments must meet all accessibility requirements at 24 CFR Part 8, which implements Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794). Covered multifamily dwellings, as defined at 24 CFR 100.201, as well as common use facilities in developments containing multifamily dwellings, must meet the design and construction requirements at 24 CFR 100.205, which implement the Fair Housing Act (42 U.S.C.3601– 4619), and the ADA 2010 Standards with HUD exceptions.

#### 2.4.2.2 *Elderly Population*

The below map provides geographic context for the concentration of FEMA Individual Assistance (IA) across the CDBG-DR eligible counties while highlighting the concentrations of Census Block Groups (smallest geography for this dataset) where there is an elderly population.

**Figure 2-5: Elderly Population (Census Block Group)**

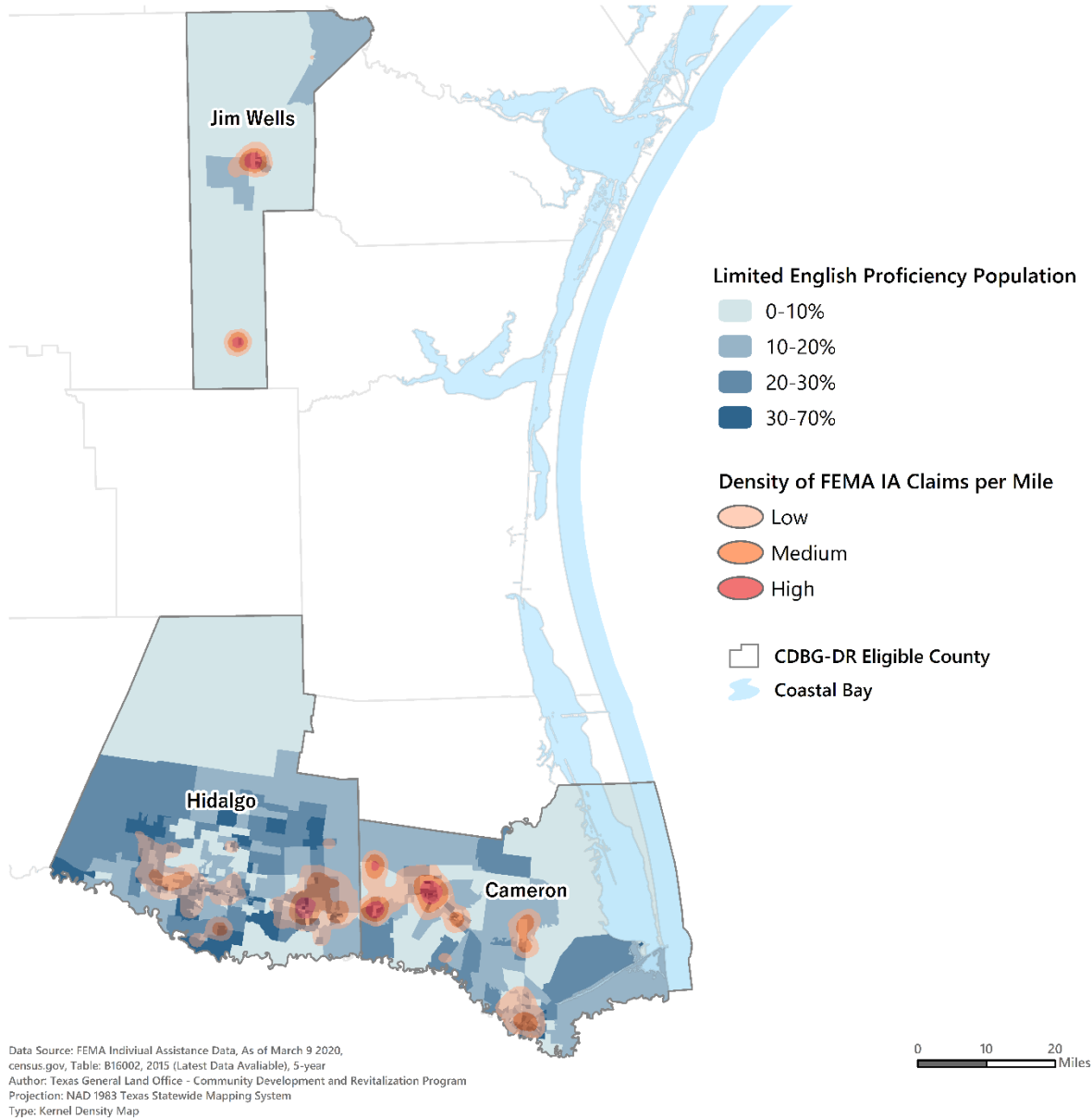


Rehabilitated homes inhabited by a household member that is elderly are analyzed as to the special physical needs of such persons with the same improvements as outlined in the above disabilities section.

### 2.4.2.3 Limited English Proficiency

The below map provides geographic context for the concentration of FEMA Individual Assistance (IA) across the CDBG-DR eligible counties while highlighting the concentrations of Census Block Groups (smallest geography for this dataset) where there is limited English proficiency (LEP).

**Figure 2-6: Limited English Proficiency (Census Block Group)**



The GLO is responsible for ensuring that all citizens have equal access to information about the programs, including persons with disabilities and LEP populations. The GLO ensures that program information is available in the appropriate languages for the geographic areas to be served and will take appropriate steps to ensure effective communications with persons with disabilities pursuant to 24 CFR 8.6 and other fair housing and civil rights requirements, such as the effective communication requirements under the Americans with Disabilities Act. The GLO has evaluated the needs of persons with LEP and consulted the Final Guidance to Federal Financial Assistance Recipients Regarding Title VI, Prohibition Against National Origin Discrimination Affecting Limited English Proficient Persons, published on January 22, 2007.



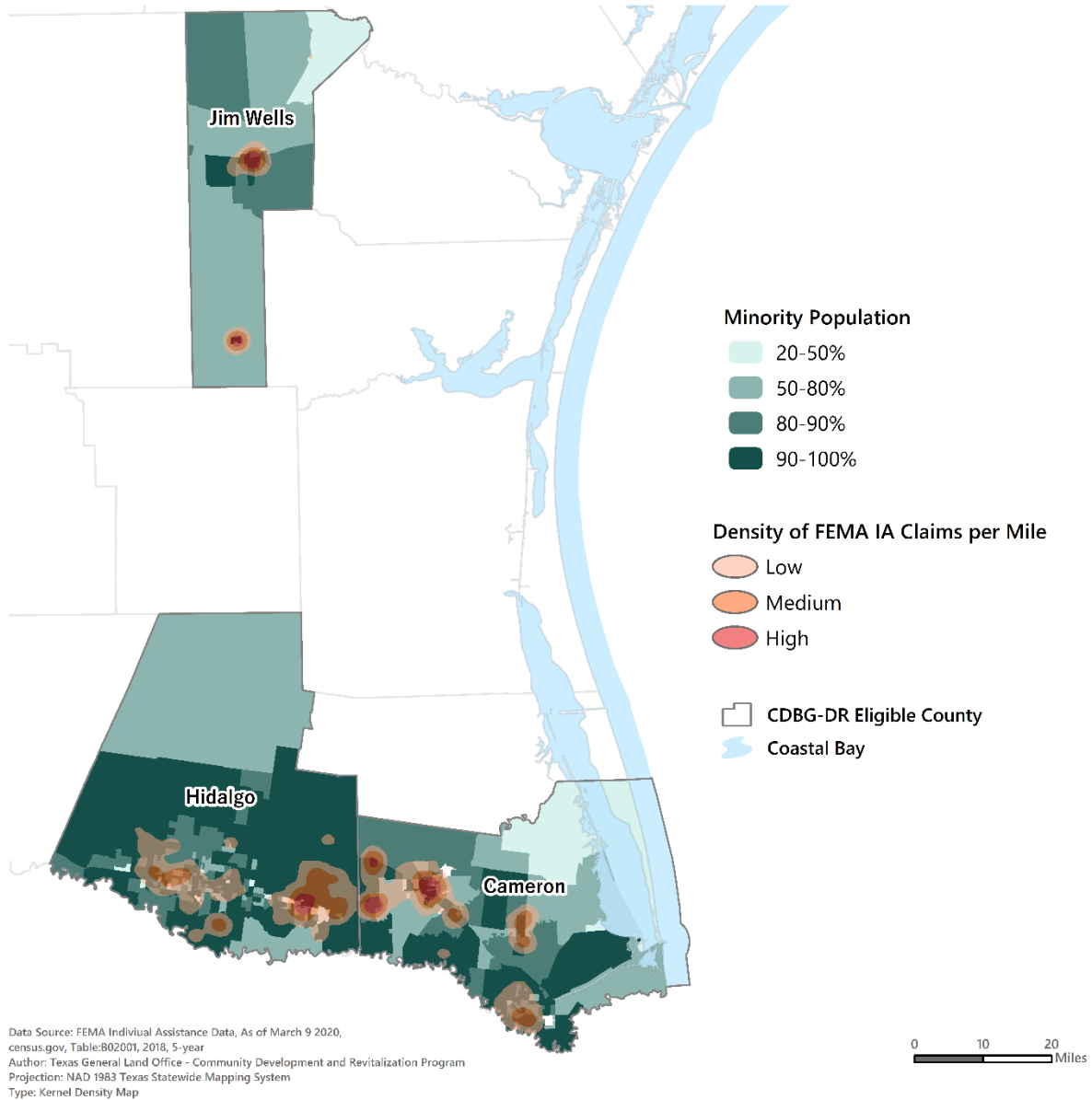
Through this effort the GLO has conducted a four-factor analysis of its 2018 impacted communities and found that provided languages will be English and Spanish. However, in the instance of there being a need for additional language services, the GLO has an easily accessible *contact* website where there is access to interpretation services for 19 languages, alongside brail and American Sign Language interpretation.<sup>16</sup>

#### 2.4.2.4 *Minority Population*

The below map provides geographic context for the concentration of FEMA Individual Assistance (IA) across the CDBG-DR eligible counties while highlighting the concentrations of Census Block Groups (smallest geography for this dataset) where there is a minority population.

<sup>16</sup> Texas General Land Office, Community Development and Revitalization Division, Contact Page, <https://recovery.texas.gov/individuals/contact/index.html>

**Figure 2-7: Minority Population (Census Block Group)**

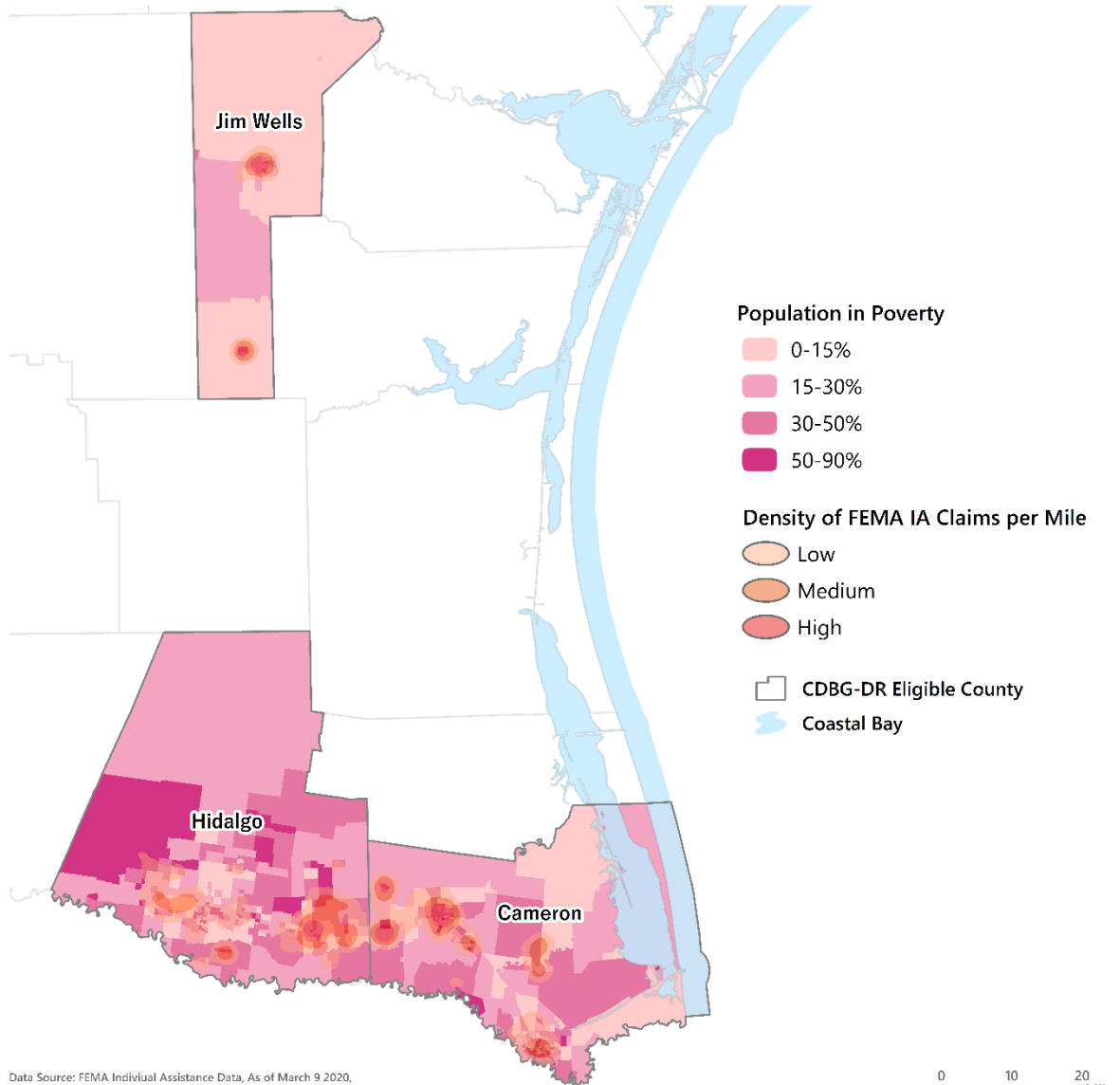


Given the high concentration of minority populations across the impact area, both in Jim Wells county and the Lower Rio Grande Valley counties of Cameron and Hidalgo, natural hazard response and both affordable rental and homeowner programs will target these minority populations. Localized needs assessments and affirmative fair housing marketing plans will establish outreach, marketing, and admissions programs for underrepresented or underserved populations. Currently, the geographic assessment of demographics provides preliminary insight into the concentration on these minority populations along the impact area.

### 2.4.2.5 Population in Poverty

The below map provides geographic context for the concentration of FEMA Individual Assistance (IA) across the CDBG-DR eligible counties while highlighting the concentrations of Census Block Groups (smallest geography for this dataset) where there is a population suffering from poverty.

**Figure 2-8: Population in Poverty (Census Block Group)**



Data Source: FEMA Individual Assistance Data, As of March 9 2020, census.gov, Table: B17021, 2018, 5-year  
 Author: Texas General Land Office - Community Development and Revitalization Program  
 Projection: NAD 1983 Texas Statewide Mapping System  
 Type: Kernel Density Map

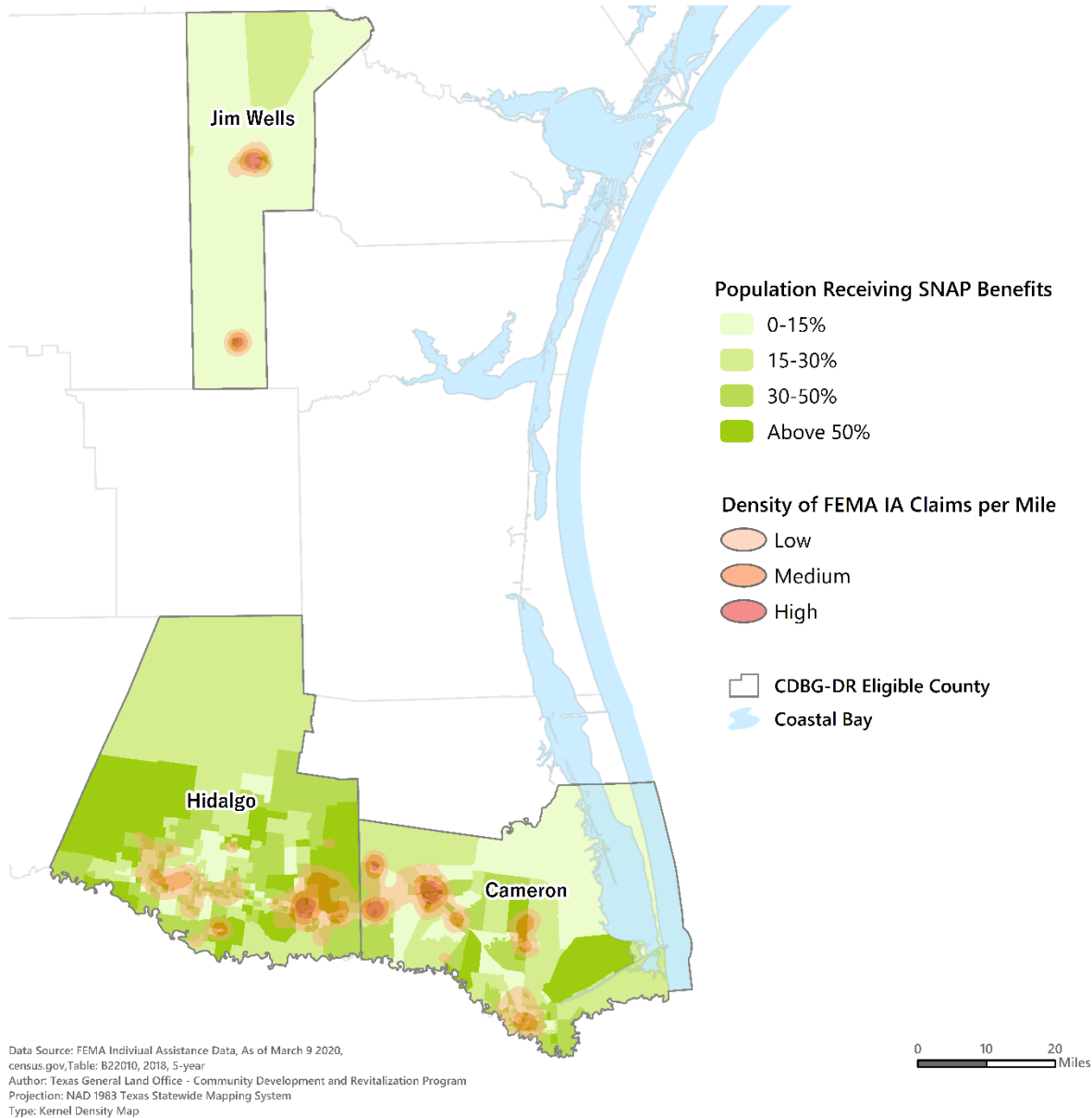
While poverty concentrations across the impacted area vary significantly, the GLO maintains criteria and procedures that target LMI populations throughout the eligible areas. As noted, 70 percent of program funds are required, and will be spent on, LMI population groups through the national objective requirements. The GLO’s infrastructure competition has a high priority on the LMI benefit with 30 percent of the points going toward this criterion. Historically, the GLO has

served populations primarily of extremely low- and moderate-income populations. Through the localized needs assessment, communities will be targeted based on the three categories of LMI, which are: 1) 30 percent of Area Median Family Income (AMFI), 2) 50 percent of AMFI, and 3) 80 percent of AMFI.

#### 2.4.2.6 *Population Receiving SNAP Benefits*

The below map provides geographic context for the concentration of FEMA Individual Assistance (IA) across the CDBG-DR eligible counties while highlighting the concentrations of Census Block Groups (smallest geography for this dataset) where there is a population receiving Supplemental Nutrition Assistance Program (SNAP) benefits. SNAP provides nutrition benefits to supplement the food budget in needy families so they can purchase healthy food and move towards self-sufficiency.

**Figure 2-9: Population Receiving SNAP Benefits (Census Block Group)**



The use of the SNAP benefits component allows the GLO to further understand that dynamics of families in need of assistance in the impacted areas. While this component is not directly addressed through CDBG-DR programs being proposed by the GLO, it does provide further insight into the demographic nature of the populations in the area where GLO programs will serve.

#### 2.4.2.7 Geographic Assessment: Conclusion

This geographic assessment provides a lens through which the GLO’s programs will inherently affect protected classes and racially/ethnically concentrated areas that have been identified. Through policies and procedures that the GLO will have in place, protected classes will be



identified, and needs will be addressed accordingly. Furthermore, these population's identified disaster unmet needs will be addressed while also addressing special needs. The Homeowner Assistance Program and the Homeowner Reimbursement Program will concentrate on those populations identified for in the local affirmative fair housing market plans that will establish outreach, marketing and admissions programs for underrepresented or underserved populations.

When considering the Affordable Rental Program, all proposed projects will affirmatively further fair housing while also greatly prioritizing LMI rental units alongside having minimal affordability periods for both rehabilitation/reconstruction and new construction.

The CDBG-DR programs help address unmet housing recovery needs from the 2018 South Texas Floods related impacts by way of hazard mitigation and resiliency components built into residential infrastructure (homes and multifamily structures) while also being complimented by our infrastructure activities that must contribute to the long-term recovery and restoration of housing.

### 2.4.3 HOMELESSNESS

According to the 2019 Annual Homeless Assessment Report (AHAR) to Congress, Texas accounts for 4.55 percent or 25,848 homeless persons of the nation's total homeless population from the 2019 point-in-time count (PIT) in January 2019. This is an increase from the 2018 PIT where the Texas homeless population was 25,310. Texas had one of the largest decreases of 35 percent in homelessness from 2007 to 2019. However, between 2017 and 2019, Texas had an increase in state homeless populations of 9.77 percent or 2,300 homeless persons.

The HUD 2019 Continuum of Care (CoC) data reports 24 percent of the total homeless population in the state is comprised of households with one adult and at least one child under the age of 18.<sup>17</sup> A CoC is the group of representatives that administers the coordination of homeless services and homelessness prevention activities across a specified geographic area. CoCs implement communitywide, coordinated efforts for assessing and addressing the housing and service needs of individuals and families that are homeless or at risk of homelessness.

The January 2019 point-in-time count for the three impacted counties shows Cameron County having the greatest number of people experiencing homelessness with 293 people—an increase from 249 people in the previous year's count. Hidalgo County was close with 227 people, though that was a decline from the previous year that saw 314 people experiencing homelessness. Of those, 31 people in Cameron County were designated as chronically homeless, while only 7 were found to be so in Hidalgo County. Jim Wells County does not conduct a point-in-time count.<sup>18</sup>

<sup>17</sup> “2019 Continuum of Care Homeless Assistance Programs Homeless Populations and Subpopulations,” HUD Exchange, accessed January 27, 2020, [files.hudexchange.info/reports/published/CoC\\_PopSub\\_State\\_TX\\_2019.pdf](https://files.hudexchange.info/reports/published/CoC_PopSub_State_TX_2019.pdf)

<sup>18</sup> Texas Homeless Network, 2018 and 2019 Community Reports by Area, Hidalgo and Cameron County Reports, accessed February 3, 2020, [www.thn.org/texas-balance-state-continuum-care/data/pit-count-and-hic/](http://www.thn.org/texas-balance-state-continuum-care/data/pit-count-and-hic/)



There are a variety of different organizations, programs, and grants working to prevent or end homelessness throughout the state. These include:

- The Texas Homeless Network<sup>19</sup>
- The Texas Interagency Council for the Homeless<sup>20</sup>
- Projects for Assistance in Transition from Homelessness (PATH) program
- Texas Department of Housing and Community Affairs (TDHCA) Homeless Housing and Services Program (HHSP)<sup>21</sup>
- The Emergency Solutions Grants program<sup>22</sup>
- The Texas HOME Disaster Relief Program
- The Homeowner Rehabilitation Assistance (HRA) Program
- Tenant-Based Rental Assistance Program
- The Homebuyer Assistance (HBA) Program<sup>23</sup>
- The Community Services Block Grant (CSBG) Program
- Ending Homelessness Fund<sup>24</sup>
- Amy Young Barrier Removal (AYBR)<sup>25</sup>
- Housing Opportunities for Persons with AIDS (HOPWA)<sup>26</sup>

TDHCA's Community Services Block Grant Program alone awarded over \$120 million to eligible entities across Texas for the delivery of services to very low-income Texas residents.<sup>27</sup> In 2018

<sup>19</sup> Texas Homeless Network, accessed July 3, 2019,

[www.thn.org](http://www.thn.org)

<sup>20</sup> "Texas Interagency Council for the Homeless (TICH)," Texas Department of Housing and Community Affairs, accessed July 3, 2019,

[www.tdhca.state.tx.us/tich/](http://www.tdhca.state.tx.us/tich/)

<sup>21</sup> "2019 HHSP Allocations and Contact Information 2019," Texas Department of Housing and Community Affairs, accessed July 3, 2019,

[www.tdhca.state.tx.us/home-division/hhsp/docs/HHSP-AllocationsContactInfo.pdf](http://www.tdhca.state.tx.us/home-division/hhsp/docs/HHSP-AllocationsContactInfo.pdf)

<sup>22</sup> "FY2018 ESG Awardees," Texas Department of Housing and Community Affairs, accessed July 3, 2019,

[www.tdhca.state.tx.us/home-division/esgp/docs/18-ESG-Awards.pdf](http://www.tdhca.state.tx.us/home-division/esgp/docs/18-ESG-Awards.pdf)

<sup>23</sup> "HOME Disaster Relief Program," HOME Reservation Summary, Texas Department of Housing and Community Affairs, accessed July 3, 2019,

[www.tdhca.state.tx.us/home-division/home-reservation-summary.htm](http://www.tdhca.state.tx.us/home-division/home-reservation-summary.htm)

<sup>24</sup> Ending Homelessness Fund, Texas Department of Housing and Community Affairs, accessed October 8, 2020,

<https://www.tdhca.state.tx.us/home-division/ending-homelessness-fund.htm>

<sup>25</sup> Amy Young Barrier Removal (AYBR). Texas Department of Housing and Community Affairs, accessed October 8, 2020, <https://www.tdhca.state.tx.us/hhf/single-family/amy-young.htm>

<sup>26</sup> Housing Opportunities for Persons with AIDS (HOPWA), Texas Department of State Health Services, October 8, 2020, <https://www.dshs.texas.gov/hivstd/hopwa/>

<sup>27</sup> "Community Services Block Grant (CSBG)," Texas Department of Housing and Community Affairs, accessed January 10, 2018,

[www.tdhca.state.tx.us/community-affairs/csbg/index.htm](http://www.tdhca.state.tx.us/community-affairs/csbg/index.htm)



and 2019, organizations serving the three impacted counties received nearly \$6 million from the CSBG Program.<sup>28</sup>

Given the variety of programs and funds available in Texas and the impacted region to address housing needs for vulnerable populations, no funds will be specifically allocated for the transitional housing, permanent supportive housing, and permanent housing needs of individuals and families that are homeless and at-risk of homelessness, or the special needs of persons who are not homeless but require supportive housing (e.g., elderly, persons with disabilities, persons with alcohol or other drug addiction, persons with HIV/AIDS and their families, and public housing residents).

No data was available at time of Action Plan development that detailed disaster relief needs of homeless housing assets such as shelters, transitional housing and permanent supportive housing.

<sup>28</sup> “State of Texas FFY 2018 and 2019 Community Services Block Grant Application and State Plan,” Texas Department of Housing and Community Affairs, August 2017, [www.tdhca.state.tx.us/community-affairs/csbg/docs/FFY18-19-StatePlan.pdf](http://www.tdhca.state.tx.us/community-affairs/csbg/docs/FFY18-19-StatePlan.pdf)



#### 2.4.4 LOW- AND MODERATE-INCOME ANALYSIS

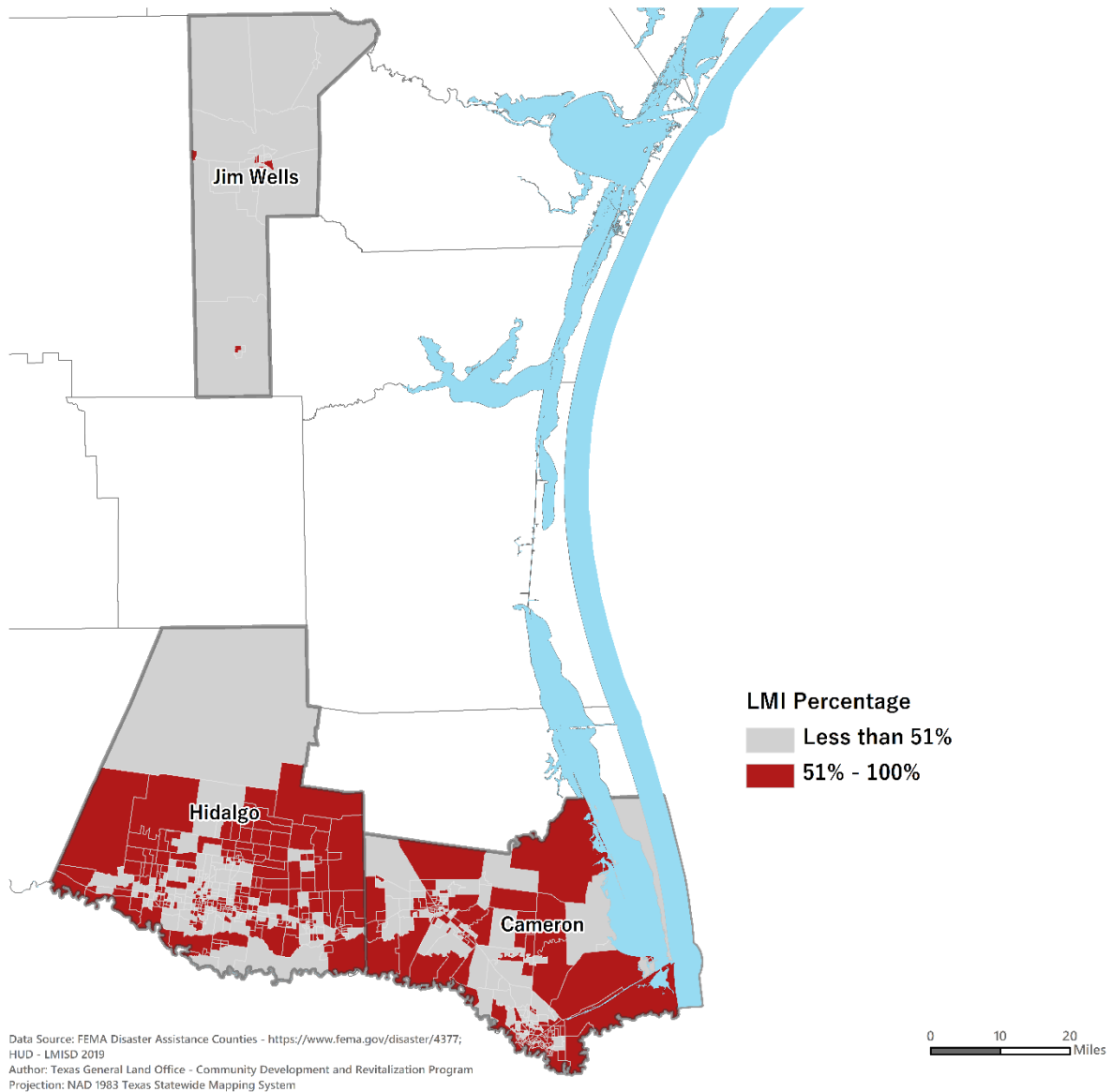
Identifying the percentage and concentration of low- and moderate-income (LMI) individuals throughout the impacted area is an additional factor to consider when identifying social vulnerabilities. The following chart identifies the percentage of LMI individuals in each of the three impacted counties; the map identifies census block groups that have an LMI population of 51 percent or more using HUD’s 2019 LMI Summary Data.<sup>29</sup>

**Table 2-3: LMI Percentages**

<b>County</b>	<b>LMI Persons</b>	<b>LMI Percentage</b>
<b>Cameron</b>	228,375	55%
<b>Hidalgo</b>	444,350	55%
<b>Jim Wells</b>	16,775	41%

<sup>29</sup> “FY 2019 LMISD by State - All Block Groups,” HUD Exchange, accessed June 20, 2019, [www.hudexchange.info/news/updates-to-low-moderate-income-summary-data-now-available](http://www.hudexchange.info/news/updates-to-low-moderate-income-summary-data-now-available)

**Figure 2-10: Low- and Moderate-Income Population by Census Block Group**





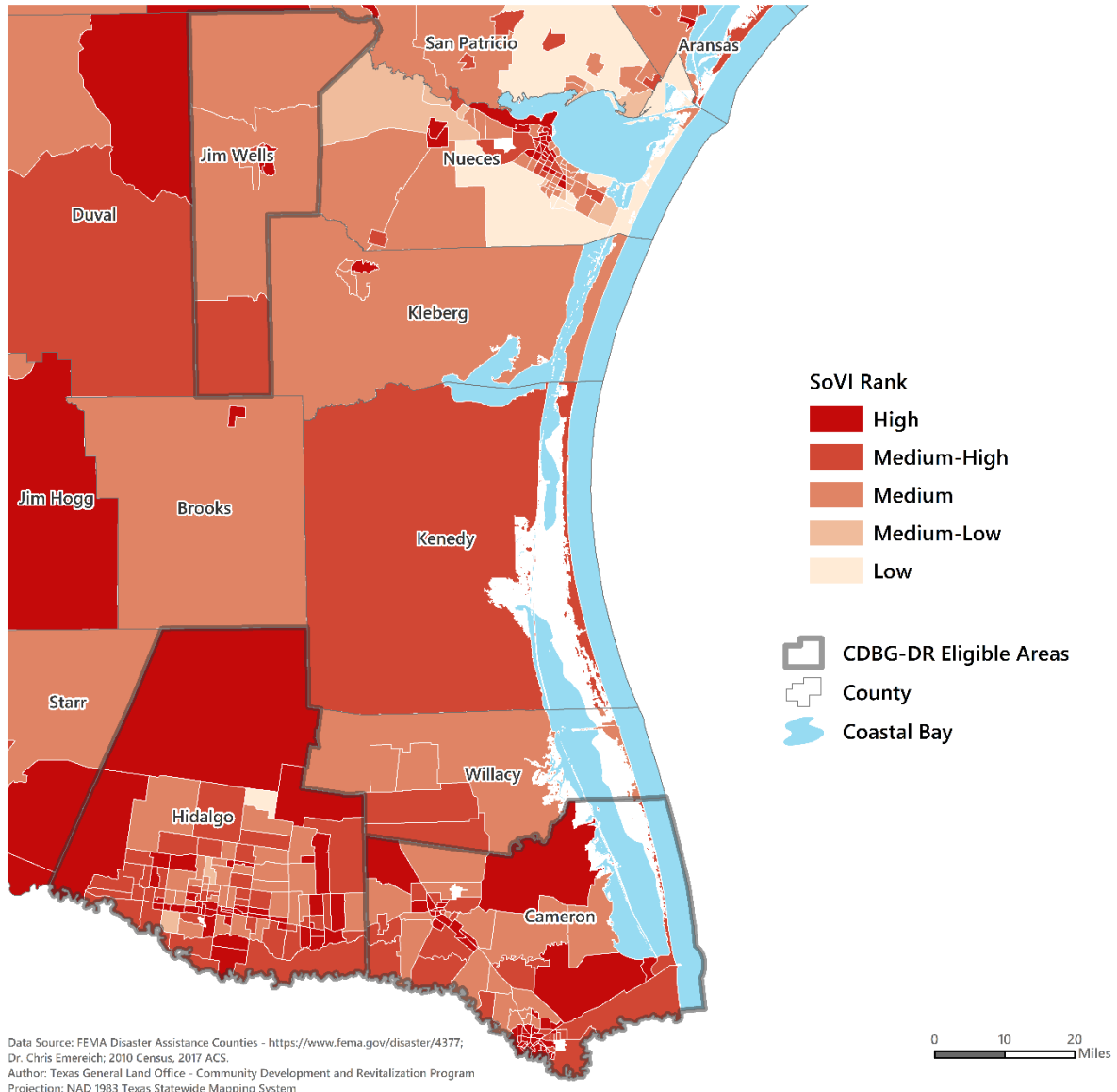
## 2.4.5 SOCIAL VULNERABILITY INDEX

While the above sections demonstrate specific existing demographic characteristics of particular factors and protected classes in the geographic area impacted by the 2018 South Texas Floods, the Social Vulnerability Index (SoVI) provides the opportunity to look at a variety of demographic characteristics at once. SoVI measures the social vulnerability of county residents across the United States—in particular, their vulnerability to environmental hazards. This index, developed originally by the University of South Carolina’s Hazards & Vulnerability Research Institute, synthesizes 29 socioeconomic variables that contribute to a reduction in a community’s ability to prepare for, respond to, and recover from hazards. One of these 29 characteristics, socioeconomic status, affects the ability of a community to absorb losses and be resilient in the face of hazards. The implication of this criterion is the idea that wealth enables communities to absorb and recover from losses using insurance, social safety nets, and entitlement programs. Other factors used in SoVI relate to gender, as well as race and ethnicity; these factors impose language and cultural barriers and affect access to post-disaster funding. Additional factors used in SoVI are special-needs populations, social dependence (i.e., people who are totally dependent on social services for survival), education, family structure, occupation, and other demographic characteristics that help to define social vulnerability for communities and individuals. All of the 29 individual factors combine to form a comparative metric (a SoVI) that facilitates the examination of the differences in vulnerability among counties. It is a valuable tool for discerning geographic variation in social vulnerability which in turn contributes greatly to the response and recovery capabilities of a rural community, a metropolitan city, a county, or the state.

SoVI shows where there is uneven capacity for disaster preparedness and response, and where resources might be used most effectively to reduce pre-existing vulnerability. The data sources for the development of SoVI come primarily from the United States Census Bureau. The SoVI data combines the best available data from both the 2010 U.S. Decennial Census and 5-year estimates from the American Community Survey (ACS).

In the following map the census tract level SoVI data is presented and demonstrated at the state level to show relative vulnerability to other tracts across the state. The majority of the impacted counties have a high to medium-high SoVI. In Jim Wells County the largest city, Alice, has the highest social vulnerability in the county. Cameron County’s highest SoVI are distributed throughout the county with smaller cities just outside of Harlingen having high social vulnerability, such as the communities of Primera and Yznaga. Additionally, areas in the southeast of Cameron County have a high SoVI such as the city of Brownsville. Hidalgo County has high SoVI throughout the county, particularly in the communities of San Manuel-Linn, Elsa, Mercedes, and the city of Hidalgo.

**Figure 2-11: SoVI Ranking By Census Tract**





**Table 2-4: SoVI Factors<sup>30</sup>**

<b>VARIABLE</b>	<b>DESCRIPTION</b>	<b>SOCIAL VULNERABILITY CONCEPT</b>
QCVLUN	Percent Civilian Unemployment	Employment Structure
QEXTRCT	Percent Employment in Extractive Industries	Employment Structure
QSERV	Percent Employment in Service Industry	Employment Structure
QFEMLBR	Percent Female Participation in Labor Force	Employment Structure
QRENTER	Percent Renters	Housing
QMOHO	Percent Mobile Homes	Housing
QUNOCCHU	Percent Unoccupied Housing Units	Housing
QAGEDEP	Percent Population under 5 years or 65 and over	Population structure
QFAM	Percent of Children Living in 2-parent families	Population structure
MEDAGE	Median Age	Population structure
QFEMALE	Percent Female	Population structure
QFHH	Percent Female Headed Households	Population structure
PPUNIT	People per Unit	Population structure
QASIAN	Percent Asian	Race/Ethnicity
QBLACK	Percent Black	Race/Ethnicity
QSPANISH	Percent Hispanic	Race/Ethnicity
QINDIAN	Percent Native American	Race/Ethnicity
QPOVTY	Percent Poverty	Socioeconomic Status
QRICH	Percent Households Earning over \$200,000 annually	Socioeconomic Status
PERCAP	Per Capita Income	Socioeconomic Status
QED12LES	Percent with Less than 12 <sup>th</sup> Grade Education	Socioeconomic Status

<sup>30</sup> Susan L. Cutter and Christopher T. Emrich, “Social Vulnerability Index (SoVI®): Methodology and Limitations,” <https://nationalriskindex-test.fema.gov/Content/StaticDocuments/PDF/SoVI%20Primer.pdf>



VARIABLE	DESCRIPTION	SOCIAL VULNERABILITY CONCEPT
MDHSEVAL	Median Housing Value	Socioeconomic Status
MDGRENT	Median Gross Rent	Socioeconomic Status
QRENTBURDEN	% of households spending more than 40% of their income on housing expenses	Socioeconomic Status
QSSBEN	Percent Households Receiving Social Security Benefits	Special Needs
QESL	Percent Speaking English as a Second Language with Limited English Proficiency	Special Needs
QNRRES	Nursing Home Residents Per Capita	Special Needs
QNOHLTH	Percent of population without health insurance	Special Needs
QNOAUTO	Percent of Housing Units with No Car	Special Needs

## 2.5 Housing Impact

### 2.5.1 REAL ESTATE MARKET

In the Texas A&M’s Real Estate Center’s December 2019 report, the months of inventory of Texas houses is at 3.6 months; 6.5 months of inventory is considered a balanced housing market. This indicates a strong housing demand and tight supply. Texas housing affordability continues to worsen due to limited supply for homes under \$300,000, increased demand for housing at all price levels except those under \$200,000 and increasing construction costs. As of the third quarter of 2019, the median home sale price was \$245,000.



After a natural disaster, housing stocks tend to decrease, while the cost of housing tends to increase.<sup>31,32,33,34,35</sup> This compounds the already high demand for and rising cost of housing.<sup>36</sup> After a natural disaster occurs the housing stock is not only replenished but made more resilient. This is imperative, because when a natural disaster occurs in the future, housing stocks and communities are less impacted.<sup>37</sup>

The housing market in the counties impacted by the 2018 South Texas Floods is not quite as robust as the rest of the state, as the median home sale price was \$140,000 in the Brownsville-Harlingen MSA and \$142,500 in the McAllen-Edinburg-Mission MSA during the first quarter of 2018.

After the flooding event occurred in the third quarter of 2018, the median home price was \$147,000 in the Brownsville-Harlingen MSA and \$148,750 in the McAllen-Edinburg-Mission MSA. This shows a slight increase in the median home price in the Brownsville-Harlingen MSA and in the McAllen-Edinburg-Mission MSA after the 2018 South Texas Floods. The number of active home sale listings and months of housing inventory also fell from before to after the flooding event.<sup>38</sup>

<sup>31</sup> Sara Hamideh, Walter G. Peacock, Shannon Van Zandt, “Housing Recovery after Disasters: Primary versus Seasonal/Vacation Housing Markets in Coastal Communities,” Texas A&M and Iowa State Universities, accessed March 23 2020,

[https://lib.dr.iastate.edu/cgi/viewcontent.cgi?article=1033&context=communityplanning\\_pubs](https://lib.dr.iastate.edu/cgi/viewcontent.cgi?article=1033&context=communityplanning_pubs)

<sup>32</sup> Howard Kunreuther, Susan Wachter, Carolyn Kousk, Michael Lacour- Little, “Flood Risk and the U.S. Housing Market,” The Wharton School and Penn Institute for Urban Research, accessed March 23, 2020,

[riskcenter.wharton.upenn.edu/wp-content/uploads/2018/11/Flood\\_Risk\\_and\\_the\\_U.S.\\_Housing\\_Market\\_10-30\\_.pdf](http://riskcenter.wharton.upenn.edu/wp-content/uploads/2018/11/Flood_Risk_and_the_U.S._Housing_Market_10-30_.pdf)

<sup>33</sup>Anthony Murphy and Eric Strobl, “The Impact of Hurricanes on Housing Prices: Evidence from US Coastal Cities,” Federal Reserve Bank of Dallas, accessed March 23, 2020,

[www.dallasfed.org/~media/documents/research/papers/2010/wp1009.pdf](http://www.dallasfed.org/~media/documents/research/papers/2010/wp1009.pdf)

<sup>34</sup> Julie Kim, Paul Sorensen, Mark Hanson, Mark A. Bernstein, Adrian Overton, and Scott Hiromoto, “Rebuilding Housing Along the Mississippi Coast: Ideas for Ensuring an Adequate Supply of Affordable Housing,” The Rand Corporation, accessed March 23, 2020,

[www.jstor.org/stable/10.7249/op162rc.10?seq=10#metadata\\_info\\_tab\\_contents](http://www.jstor.org/stable/10.7249/op162rc.10?seq=10#metadata_info_tab_contents)

<sup>35</sup> “Planning for Post Disaster Recovery Briefing Papers: Affordable Housing,” American Planning Association, accessed March 23, 2020,

[planning-org-uploaded-media.s3.amazonaws.com/legacy\\_resources/research/postdisaster/briefingpapers/pdf/housing.pdf](http://planning-org-uploaded-media.s3.amazonaws.com/legacy_resources/research/postdisaster/briefingpapers/pdf/housing.pdf)

<sup>36</sup> Anuradha Mukherji, “Post Disaster Housing Recovery,” Oxford Research Encyclopedia of Natural Hazard Science, accessed March 23, 2020,

<https://oxfordre.com/naturalhazardscience/view/10.1093/acrefore/9780199389407.001.0001/acrefore-9780199389407-e-82?rskey=3SXwwK&result=1>

<sup>37</sup> “Rebuilding Stronger and Faster After Natural Disasters,” HUDUser, accessed March, 23, 2020,

<https://www.huduser.gov/portal/pdredge/pdr-edge-featd-article-111819.html>

<sup>38</sup> “Texas Quarterly Housing Report,” Texas Realtors, accessed February 5, 2020,

[www.texasrealestate.com/market-research/quarterly-housing-report/](http://www.texasrealestate.com/market-research/quarterly-housing-report/)

**Table 2-5: Housing Market Before and After the 2018 South Texas Floods**

	Brownsville-Harlingen MSA			McAllen-Edinburg-Mission MSA		
	Q1 2018 (Before Event)	Q3 2018 (After Event)	Percent Change	Q1 2018 (Before Event)	Q3 2018 (After Event)	Percent Change
<b>Median Home Sale Price</b>	\$140,000	\$147,000	+5.00%	\$142,500	\$148,750	+4%
<b>Active Listings</b>	1,643	1,650	+0.43%	2,149	1,962	-9%
<b>Closed Sales</b>	525	607	+15.62%	669	734	+10%
<b>Days on Market</b>	126	108	-14.29%	108	86	-20%
<b>Months of Inventory</b>	9	8.6	-4.44%	8.5	8.1	-5%

## 2.5.2 NATIONAL FLOOD INSURANCE PROGRAM

The National Flood Insurance Program (NFIP) is a FEMA program that provides affordable insurance to property owners in participating communities and works to encourage communities to adopt and enforce floodplain management regulations. In areas at high risk of flooding, Congress has mandated that federally regulated or insured lenders require flood insurance on mortgaged properties.<sup>39</sup> The NFIP offers two types of flood insurance coverage for homeowners: building property coverage up to \$250,000; and personal property coverage (contents) up to \$100,000.<sup>40</sup>

<sup>39</sup> “The National Flood Insurance Program,” FEMA, accessed January 10, 2018, [www.fema.gov/national-flood-insurance-program](http://www.fema.gov/national-flood-insurance-program)

<sup>40</sup> “NFIP Summary of Coverage,” FEMA, accessed January 10, 2018, [www.ncdoi.com/Consumer/Documents/NFIP-SummaryCoverage.pdf](http://www.ncdoi.com/Consumer/Documents/NFIP-SummaryCoverage.pdf)

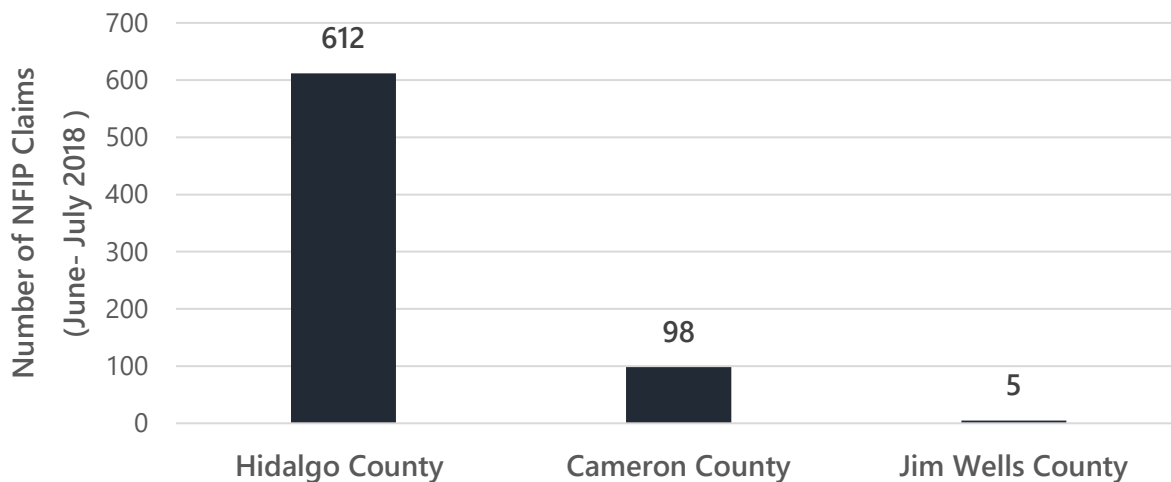


**Table 2-6: Total NFIP Claims**

County	Total Claims for Contents Paid	Total Claims for Buildings Paid	Total Claims Paid
<b>Cameron</b>	\$588,837.36	\$2,936,932.53	<b>\$3,525,769.89</b>
<b>Hidalgo</b>	\$7,654,772.47	\$30,899,931.24	<b>\$38,554,703.71</b>
<b>Jim Wells</b>	\$6,012.80	\$58,717.06	<b>\$64,729.86</b>
<b>Total</b>	<b>\$8,249,622.63</b>	<b>\$33,895,580.83</b>	<b>\$42,145,203.46</b>

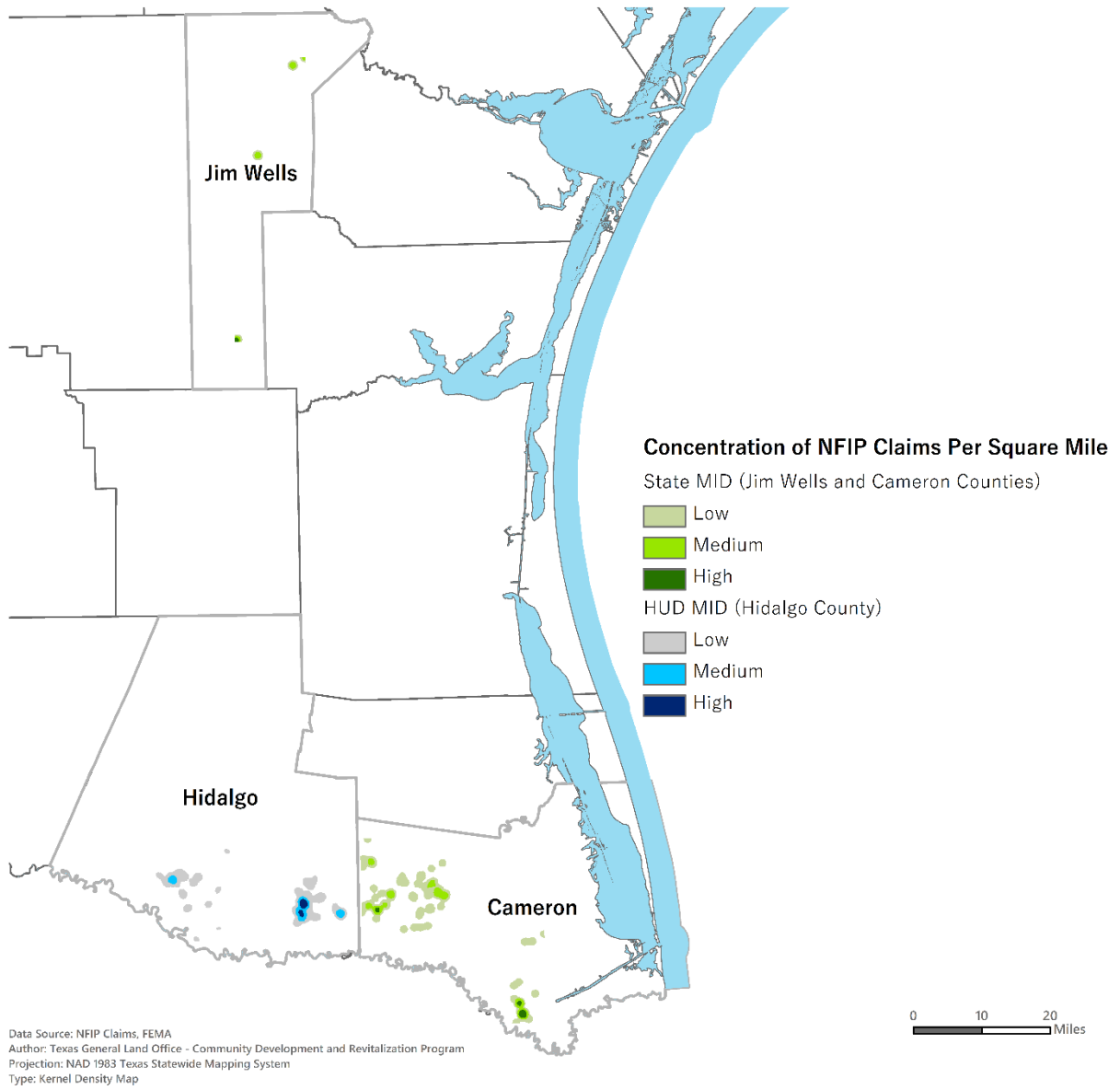
The following information provided by FEMA on January 31, 2019, shows NFIP claims in 2018 increasing in July, September, and October after the 2018 South Texas Floods. Over 715 claims were filed during that time period. In total, \$42,145,203 has been paid out for NFIP claims made during this period with the average of all payments being \$13,717.<sup>41</sup>

**Figure 2-12: Total Number of NFIP Claims, (June 4-July 6, 2018)**



<sup>41</sup> FEMA Floodplain Specialist, email message to GLO staff.

**Figure 2-13: Concentration of NFIP Claims by County**



### 2.5.3 SMALL BUSINESS ADMINISTRATION’S DISASTER HOME LOAN PROGRAM

The Small Business Administration’s (SBA) Disaster Home Loan Program provides financial assistance to homeowners and renters. SBA limits loans to \$200,000 for repair or replacement of a homeowner’s primary residence and \$40,000 to repair or replace either a renter’s or homeowner’s personal property.<sup>42</sup>

The data below reflects SBA loan data available as of March 16, 2020. Hidalgo County has the greatest total verified loss and total approved loan amount.

**Table 2-7: SBA Verified Damage and Approved SBA Home Loan Amount**

<b>County</b>	<b>Total Verified Loss</b>	<b>Total Approved Loan</b>
<b>Cameron</b>	\$2,319,483	\$1,893,900
<b>Hidalgo</b>	\$29,892,397	\$18,588,343
<b>Jim Wells</b>	\$759,698	\$586,100
<b>Total</b>	<b>\$32,971,578</b>	<b>\$21,068,343</b>

<sup>42</sup> “Fact Sheet for Homeowners and Renters,” U.S. Small Business Administration, accessed March 6, 2020, <https://disasterloan.sba.gov/ela/Information/FactSheetHomeownersRenters>

## 2.5.4 PUBLIC HOUSING AUTHORITIES

Public Housing Authorities (PHAs) work to provide decent and safe rental housing for eligible low-income families throughout the U.S.<sup>43</sup> There are 21 PHAs in the three impacted counties. To calculate unmet need for the 21 PHAs, each PHA was contacted by email and a follow-up phone call. The GLO contacted all of the public housing authorities in June 2019: no PHAs reported any remaining damages from the 2018 South Texas Floods.<sup>44</sup>

**Table 2-8: Public Housing Authorities**

Cameron County	Hidalgo County	Jim Wells County
Housing Authority of the City of Brownsville	La Joya Housing Authority	Alice Housing Authority
Cameron County Housing Authority	McAllen Housing Authority	
Harlingen Housing Authority	Mercedes Housing Authority	
Los Fresnos Housing Authority	Mission Housing Authority	
Port Isabel Housing Authority	Pharr Housing Authority	
San Benito Housing Authority	San Juan Housing Authority	
Alamo Housing Authority	Weslaco Housing Authority	
Donna Housing Authority	Hidalgo County Housing Authority	
Edecouch Housing Authority	Hidalgo Housing Authority	
Edinburg Housing Authority		
Elsa Housing Authority		

<sup>43</sup> “Public Housing Authorities,” HUD, accessed March 12, 2020, [https://www.hud.gov/topics/rental\\_assistance/phprog](https://www.hud.gov/topics/rental_assistance/phprog)

<sup>44</sup> Public Housing Authorities Sorted by County, Texas Housing Association, accessed February 7, 2020, [www.txtha.org/index.php/by-county/](http://www.txtha.org/index.php/by-county/)

## 2.5.5 FEMA INDIVIDUAL ASSISTANCE

Through the FEMA Individual Assistance (IA) Program, FEMA helps impacted renters and homeowners recover after a Presidentially declared natural disaster.<sup>45</sup>

In order to receive IA funds, individuals in communities made eligible by a Presidentially declared disaster fill out an application for the IA program; FEMA conducts a home inspection for each applicant to confirm damages and estimate an award amount, then approves or denies the application. If the application is approved, the renter or homeowner received the verified award amount.

The IA data received from FEMA and dated as of March 10, 2020, was used to quantify all housing applicants impacted by the 2018 South Texas Floods. This information was then used to calculate the unmet need by county and divided into renter and owner subsets.

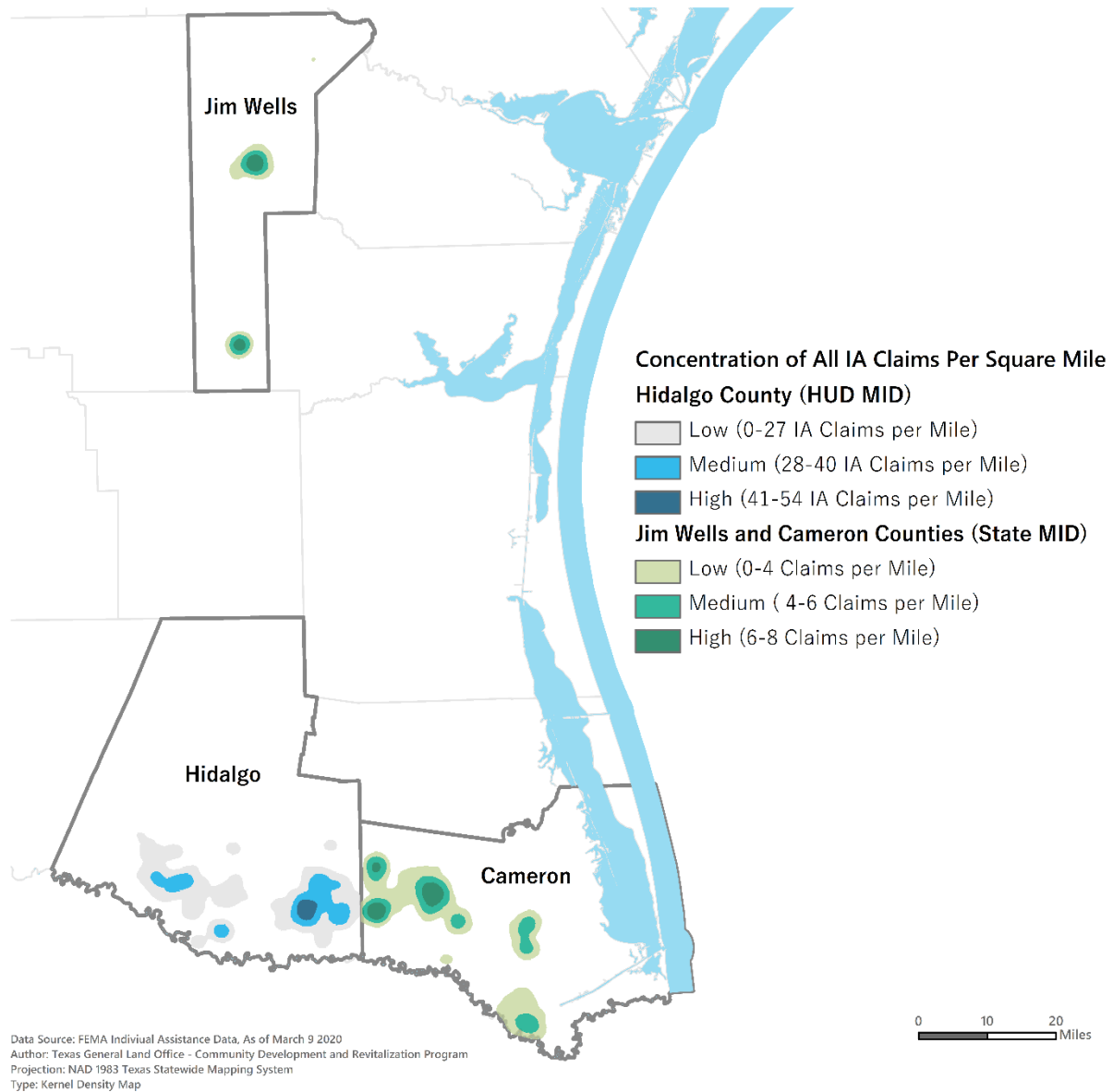
**Table 2-9: Total IA Applications**

Occupancy Type	Total Applications	FVL Over \$0	Applicants with Unmet Need
Owner	10,189	7,441	1,803
Renter	1,821	869	436
Not Specified	83	0	0
<b>Total</b>	<b>12,093</b>	<b>8,310</b>	<b>2,239</b>

The map displays the concentration of all FEMA IA claims for the 2018 South Texas Floods. Hidalgo County has a significantly higher proportion of IA claims in comparison to Jim Wells and Cameron Counties.

<sup>45</sup> “Individual Disaster Assistance,” FEMA, accessed March 10, 2020, <https://www.fema.gov/individual-disaster-assistance>

**Figure 2-14: Concentration of All IA Claims**



The GLO has compiled information from FEMA for individual assistance in order to document estimated repair costs and unmet housing needs by eligible county. The population structure used includes owner-occupied households and renter households. For the purpose of this analysis, the GLO is utilizing certain components of HUD’s methodology for unmet need for both types of households.



To calculate the level of real property damage for owner-occupied homes, the following criteria were used:

- Major-Low: \$8,000 to \$14,999 of FEMA verified loss.
- Major-High: \$15,000 to \$28,800 of FEMA verified loss.
- Severe: Greater than \$28,800 of FEMA verified loss.

To calculate the level of personal property damage for renters, the following criteria were used:

- Major-Low: \$2,000 to \$3,499 of FEMA verified loss
- Major-High: \$3,500 to \$7,499 of FEMA verified loss.
- Severe: Greater than \$7,500 of FEMA verified loss.

To calculate estimated unmet need, the GLO used multipliers provided by HUD. These multipliers are based on the SBA median repair cost for the specific disaster category less the weighted average of expected SBA and FEMA repair costs. Based on FEMA IA data provided to the GLO, the estimated weighted average of expected SBA and FEMA total repair costs for each category is represented in the following table.

**Table 2-10: Unmet Need Multiplier by Damage Category**

<b>Category</b>	<b>Multiplier Amount</b>
<b>Minor-Low</b>	\$56,342
<b>Major-High</b>	\$75,414
<b>Severe</b>	\$101,390

The following table provides a breakdown of total unmet needs for owner- and renter-occupied households. It provides the damage category and the total count and unmet need for those three categories as previously defined.



**Table 2-11: Total Unmet Housing Need by Damage Category**

Damage Category/Multiplier	Total Count	Total Unmet Needs	Owner-Occupied Count	Owner-Occupied Unmet Needs	Rental Count	Total Rental Unmet Needs
Major-Low: \$56,342	1,537	\$86,597,654	1,353	\$76,230,726	184	\$10,366,928
Major-High: \$75,414	655	\$49,396,170	444	\$33,483,816	211	\$15,912,354
Severe: \$101,390	47	\$4,765,330	6	\$608,340	41	\$4,156,990
<b>Total</b>	<b>2,239</b>	<b>\$140,759,154</b>	<b>1,803</b>	<b>\$110,322,882</b>	<b>436</b>	<b>\$30,436,272</b>

HUD requirements for this CDBG-DR allocation specify that the GLO must expend a minimum of 70 percent to benefit LMI populations. The GLO used self-reported applicant information provided by FEMA to calculate what percentage of the population in the eligible counties falls into certain income categories. Approximately 62 percent of the unmet need population is below 80 percent in the LMI category. The unmet need for the LMI population is over \$88 million. The chart below displays the total owner and renter unmet needs by income category.

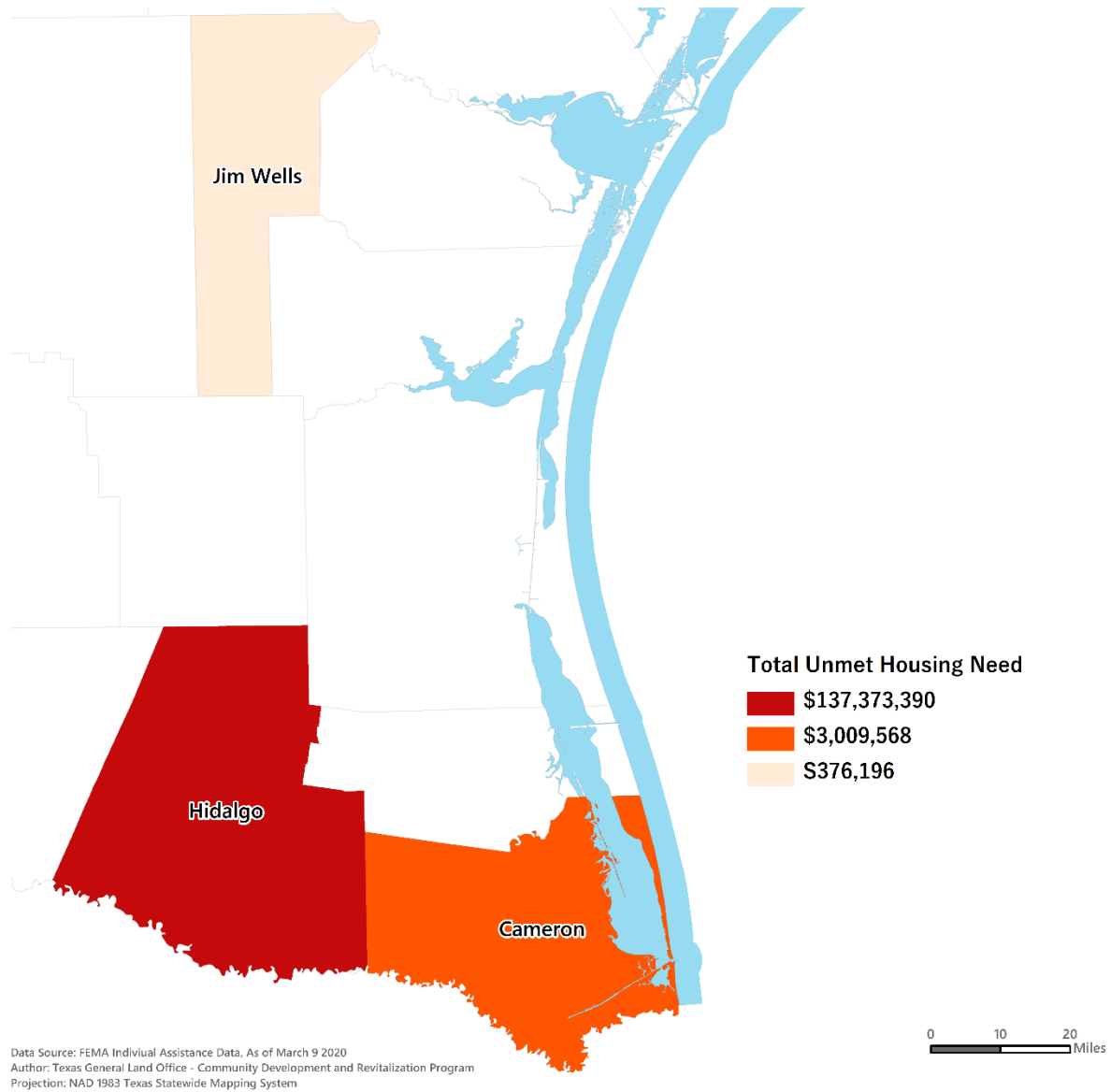
**Table 2-12: Total Unmet Housing Need by Income Category**

Income Category	Count	Total Owner and Renter Unmet Need	% of Count	% of Unmet Need
0-30%	878	\$55,712,676	39.2%	39.6%
31-50%	155	\$9,707,322	6.9%	6.9%
51-80%	374	\$23,051,772	16.7%	16.4%
81-120%	62	\$3,912,788	2.8%	2.8%
Over 120%	557	\$34,711,206	24.9%	24.7%
Not Reported	213	\$13,663,390	9.5%	9.7%
<b>Total</b>	<b>2,239</b>	<b>\$140,759,154</b>	<b>100%</b>	<b>100%</b>



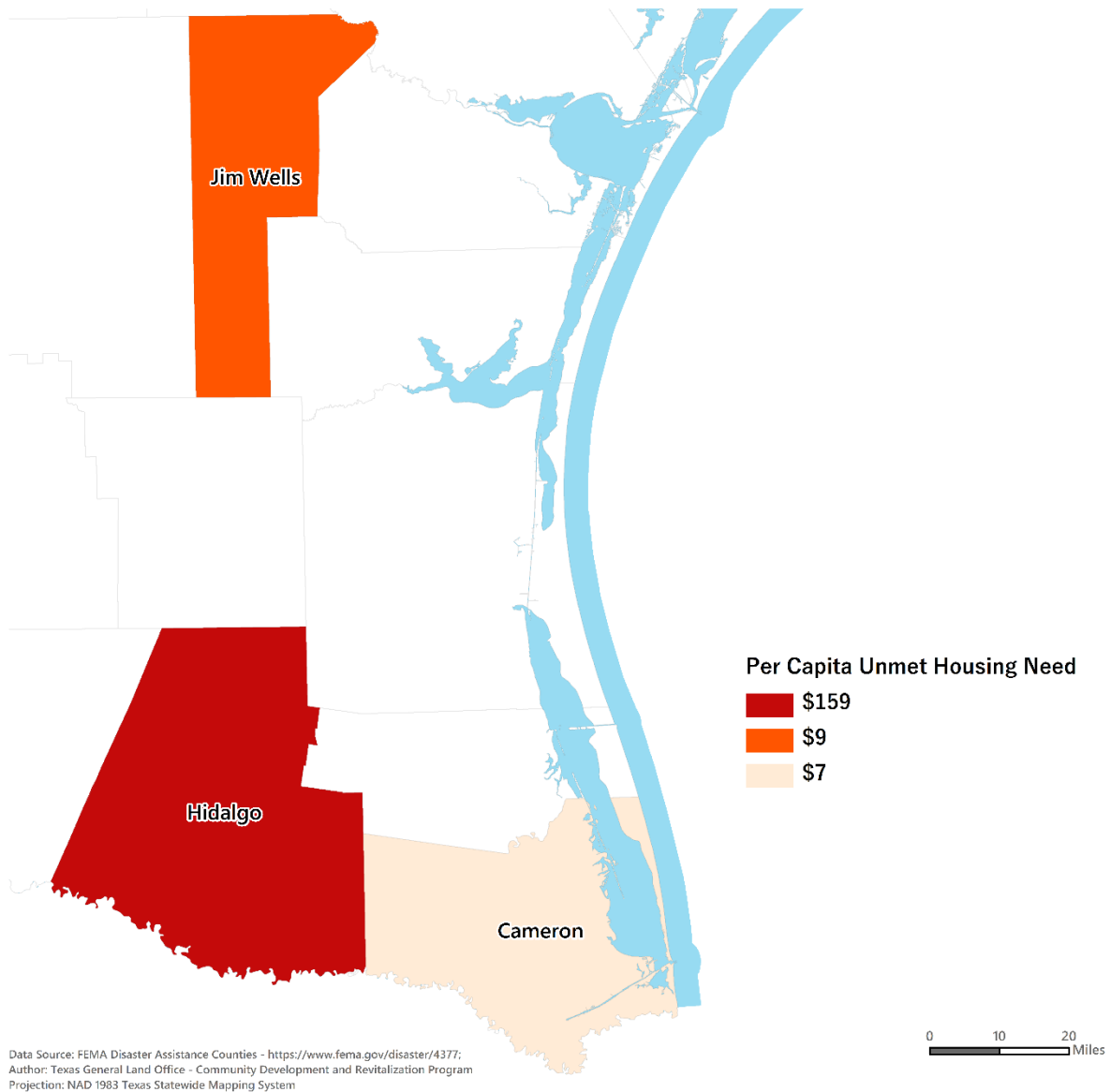
The map below illustrates the total unmet need by county. Hidalgo County has the greatest unmet need in comparison to Cameron and Jim Wells Counties.

**Figure 2-15: Total Unmet Housing Need by County**



The map below displays unmet housing need per capita. The amount of unmet need per capita is an important factor when considering the ability for a community to recover. Unmet need per capita allows for a more accurate depiction of impacts to rural counties, which may not have the resources available to recover on their own.

**Figure 2-16: Per Capita Unmet Housing Need by County**



### 2.5.5.1 Owner-occupied Unmet Need

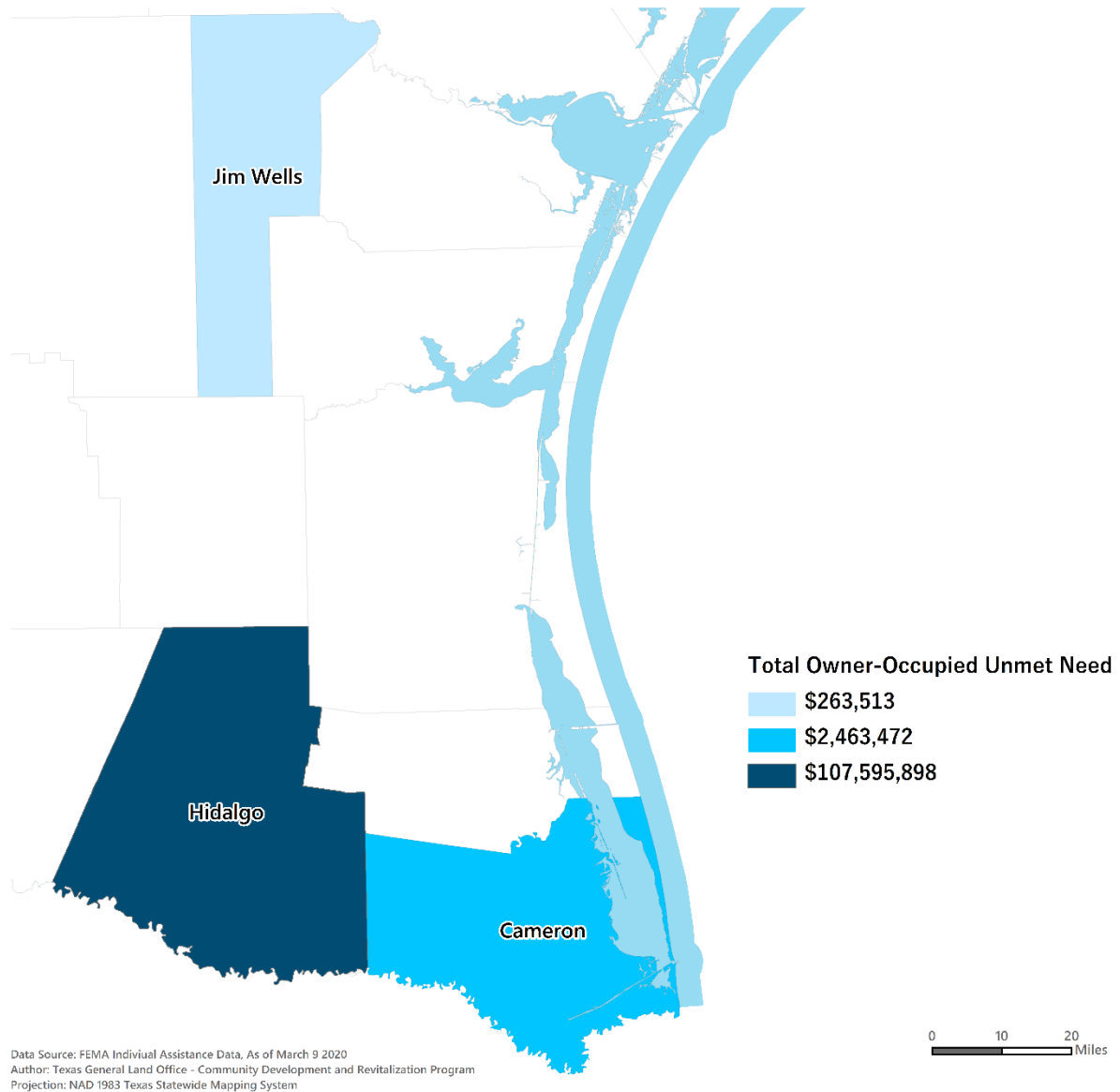
Approximately 57 percent of the owner-occupied unmet need is below 80 percent LMI category. The unmet need for the LMI population is almost \$63 million for owners. The unmet need by income category for owner-occupied households for all eligible counties can be seen in the following table.

**Table 2-13: Owner-Occupied Unmet Housing Need**

Homeowner Income Level (% of Area Median Income)	Number of Applicants	Unmet Need	% of Total Owner Applications	% of Total Homeowner Unmet Need
0-30%	603	\$36,453,586	33.4%	33.0%
31-50%	119	\$7,257,786	6.6%	6.6%
51-80%	323	\$19,514,434	17.9%	17.7%
81-120%	57	\$3,554,790	3.2%	3.2%
Over 120%	525	\$32,551,158	29.1%	29.5%
Not Reported	176	\$10,991,128	9.8%	10.0%
<b>Total</b>	<b>1,803</b>	<b>\$110,322,882</b>	<b>100%</b>	<b>100%</b>

A breakdown of unmet need by total cost per county for owner-occupied homes is represented in the following map.

**Figure 2-17: Total Owner Occupied Unmet Need by County**



### 2.5.5.2 Renter-occupied Unmet Need

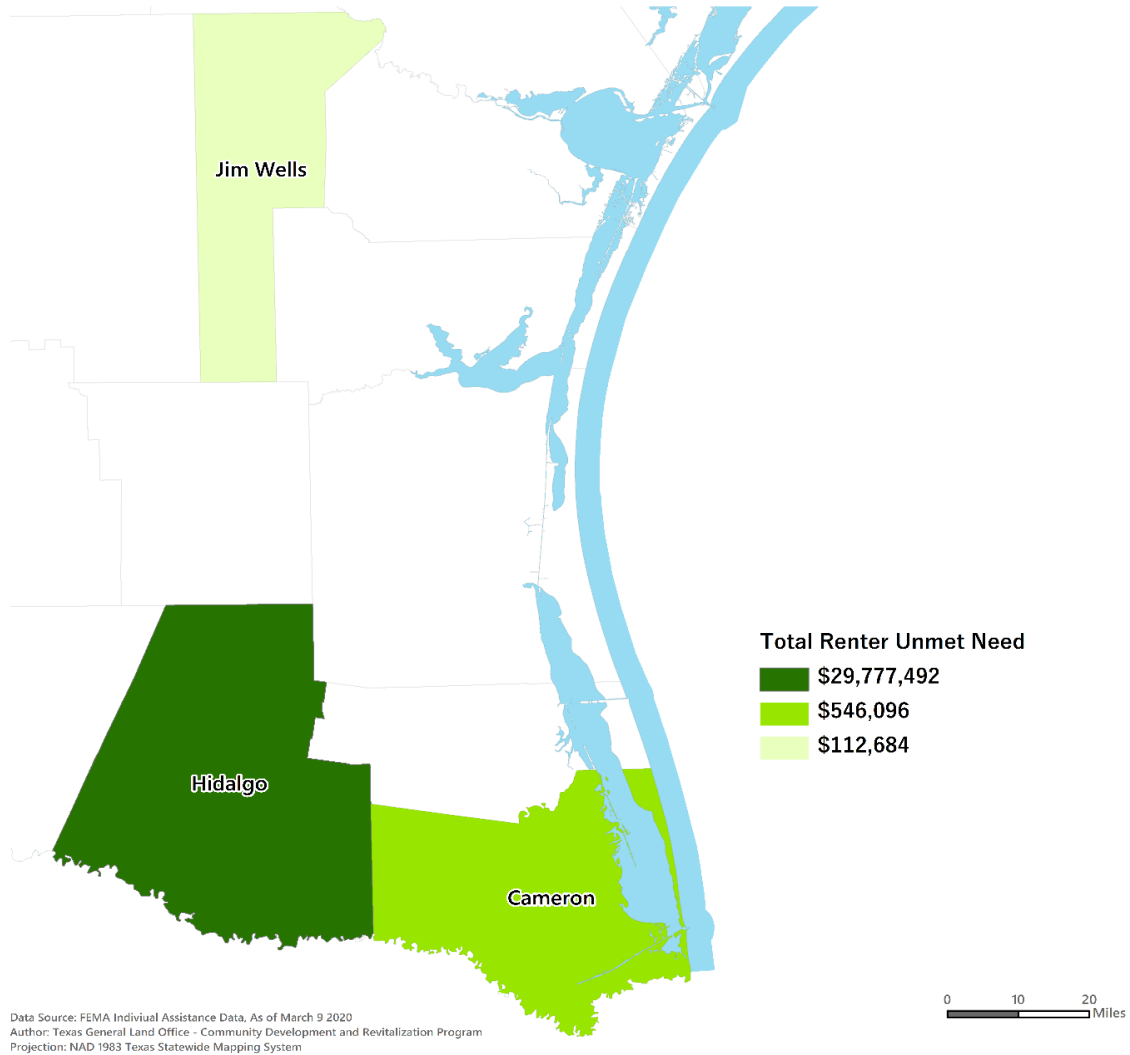
The GLO calculated the percentage of population of renter households within LMI categories. Approximately 80 percent of the unmet need is below the 80 percent LMI category. The unmet need for the LMI population is over \$25 million for renters. The unmet need by income category for renters in all eligible counties can be seen in the following table. This information informed the Affordable Rental Program which was designed to provide funds for rehabilitation, reconstruction, and new construction of public housing and affordable multifamily housing projects in areas.

**Table 2-14: Renter Unmet Housing Need**

Renter Income Level (% of Area Median Income)	Number of Applicants	Unmet Need	% of Total Renter Applications	% of Renter Unmet Need
0-30%	275	\$19,259,090	63.1%	63.3%
31-50%	36	\$2,449,536	8.3%	8.0%
51-80%	51	\$3,537,338	11.7%	11.6%
81-120%	5	\$357,998	1.1%	1.2%
Over 120%	32	\$2,160,048	7.3%	7.1%
Not Reported	37	\$2,672,262	8.5%	8.8%
<b>Total</b>	<b>436</b>	<b>\$30,436,272</b>	<b>100%</b>	<b>100%</b>

A breakdown of unmet need per county by total cost for rental applicants is represented in the following map.

**Figure 2-18: Total Renter Unmet Need by County**



### 2.5.5.3 Owners in a Floodplain with No Flood Insurance

HUD requirements for this CDBG-DR allocation specify grantees are prohibited from providing CDBG-DR funds for the rehabilitation or reconstruction of a house if (1) the combined households income is greater than 120 percent Area Median Income (AMI) or the national median, (2) the property was located in a floodplain at the time of the disaster, and (3) the property owner did not maintain flood insurance on the damaged property, even when the property owner was not required to obtain and maintain such insurance.

The table below provides a breakdown of owners in a floodplain within the three impacted counties with no flood insurance by income category so that these determinations can begin to be made.

**Table 2-15: Owners in a Floodplain with No Flood Insurance**

<b>Income Category</b>	<b>Count of Owner Occupied Applicants with No Flood Insurance</b>	<b>% of Count</b>
0-30%	484	54%
31-50%	83	9%
51-80%	144	16%
81-120%	25	3%
Over 120%	80	9%
Not Reported	82	9%
<b>Total</b>	<b>898</b>	<b>100%</b>

## 2.6 Infrastructure Impact

Public Assistance (PA) is FEMA’s largest grant program, providing funds to assist qualifying communities responding to and recovering from declared disasters or emergencies. Infrastructure and emergency-related damages associated with the 2018 South Texas Floods did not qualify for FEMA PA assistance. However, if damages did qualify, FEMA PA would provide funding for emergency assistance to save lives, protect property, and assist with funding for permanently restoring community infrastructure affected by a federally declared incident. FEMA processes PA grant funding according to the type of work the applicant undertakes. Eligible work must be required as a result of the declared incident, be located in the eligible area, be the legal responsibility of the applicant, and be undertaken at a reasonable cost. In Texas, the Texas Division of Emergency Management (TDEM) administers FEMA’s PA Program.

Part of the process in determining if a community will receive PA funding is for local officials to conduct local damage assessments. These assessments categorize damages from a natural disaster into several broad categories, as seen in the chart directly below. Local officials go out into the community to inspect buildings, utilities, parks and other infrastructure; they then report the estimated dollar amount that would be required to fix this infrastructure to TDEM.

The chart below displays the estimates from local officials for infrastructure damage as a result of the 2018 South Texas Floods. There was significant infrastructure damage due to the 2018 South Texas Floods. However, the event did not meet the threshold to qualify for the FEMA PA program. This means that local governments have to rely on local or other funding sources, instead of applying for PA funding to repair major infrastructure throughout the impacted areas.





**Table 2-16: Local Official Damage Estimates<sup>46</sup>**

PA Category	Approximate Cost	15% Resiliency Multiplier	Total Unmet Need
<b>A - Debris Removal</b>	\$1,972,923.00	\$295,938.45	\$2,268,861.45
<b>B - Emergency Protective Measures</b>	\$3,463,018.19	\$519,452.73	\$3,982,470.92
<b>C - Roads and Bridges</b>	\$34,931,808.00	\$5,239,771.20	\$40,171,579.20
<b>D - Water Control Facilities</b>	\$7,207,016.00	\$1,081,052.40	\$8,288,068.40
<b>E - Buildings and Equipment</b>	\$1,971,711.00	\$295,756.65	\$2,267,467.65
<b>F - Utilities</b>	\$3,227,641.00	\$484,146.15	\$3,711,787.15
<b>G - Parks, Recreation and Other Items</b>	\$3,842,543.00	\$576,381.45	\$4,418,924.45
<b>Total</b>	<b>\$56,616,660.19</b>	<b>\$8,492,499.03</b>	<b>\$65,109,159.22</b>

The chart below displays the estimates by county from local officials for infrastructure damage as a result of the 2018 South Texas Floods. Cameron County reported the highest amount of infrastructure damage.

**Table 2-17: Local Official Damage Estimates Infrastructure Estimated Loss By County**

County	Approximate Cost	15% Resiliency Multiplier	Total Unmet Need
<b>Cameron</b>	\$ 30,329,066.82	\$4,549,360.02	\$34,878,426.84
<b>Hidalgo</b>	\$ 25,593,593.37	\$3,839,039.01	\$29,432,632.38
<b>Jim Wells</b>	\$ 694,000.00	\$104,100.00	\$798,100.00
<b>Total</b>	<b>\$56,616,660.19</b>	<b>\$8,492,499.03</b>	<b>\$65,109,159.22</b>

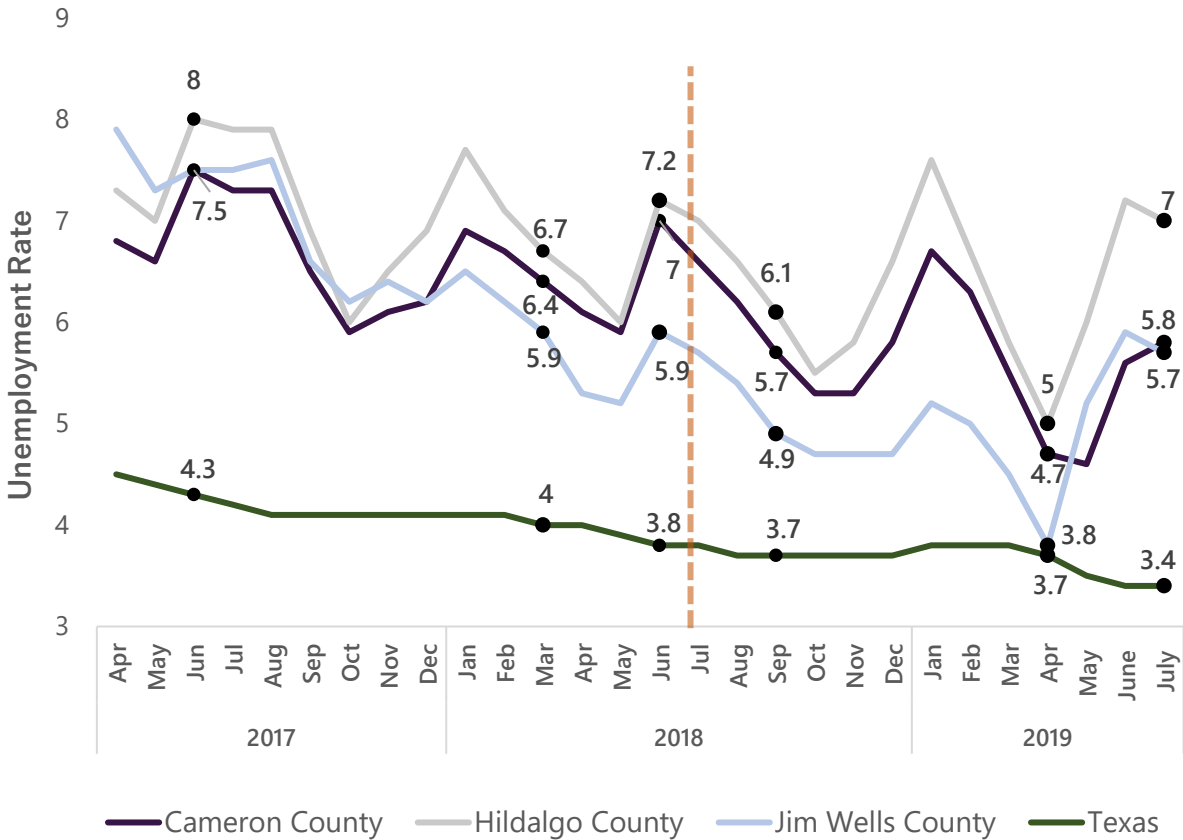
<sup>46</sup> Interim Section Chief Texas Division of Emergency Management, email to GLO Staff, February 27, 2020.

## 2.7 Economic Impacts

### 2.7.1 EMPLOYMENT

The three impacted counties experienced higher unemployment rates before the 2018 South Texas Floods in comparison to the statewide unemployment rate; this trend continued after the 2018 South Texas Floods. In June 2017, the unemployment rate for Cameron and Jim Wells Counties was 7.5 percent, while Hidalgo County had a rate of 8 percent; the state’s unemployment rate at that time was 4.3 percent. In March 2018, all counties saw a drop in their unemployment with Cameron County at 6.4 percent, Hidalgo at 6.7 percent, and Jim Wells at 5.9 percent compared to the statewide rate of 4 percent. As the chart below shows, though, unemployment spiked in June 2018, the month of the storm, before falling again.

**Figure 2-19: Unemployment Rates in Impacted Counties and Texas**





The April 2019 unemployment data shows a statewide average rate at 3.7 percent, with Hidalgo County at 5 percent, Cameron County at 4.7 percent, and Jim Wells County at 3.8 percent.<sup>47</sup>

Similarly, the total labor force numbers for each of the three counties did see a slight decline in the months following the 2018 South Texas Floods, but this was seen in the preceding years before the 2018 South Texas Floods as well. All three counties experienced a slight decrease in the number of individuals in the workforce in the 4 months following the storms, but by December 2018, all three counties saw their labor force numbers return to equal or above pre-disaster numbers.

## 2.7.2 SMALL BUSINESS ADMINISTRATION BUSINESS DISASTER LOANS

The Small Business Administration (SBA) offers Business Physical Disaster Loans (BPDL) and Economic Injury Disaster Loans (EIDL) that cover insured and uninsured business losses. BPDL are available to businesses of all sizes and types after a disaster to replace or repair damaged real estate, inventory, and fixtures. The BPDL amount may be increased by as much as 20 percent of the total amount of physical loss, as verified by SBA, in order to mitigate the impacts of future natural disasters. EIDL are also available to a variety of businesses for up to \$2 million to meet necessary financial obligations (expenses the business would have paid if the disaster had not occurred).<sup>48</sup>

Similar to SBA home loans, impacted businesses have to: (1) know that they can apply for an SBA business loan in order to apply for assistance; (2) demonstrate collateral; and (3) have acceptable credit to receive a loan. Consequently, SBA verified business loss data alone may underestimate the disaster's impact on all businesses in communities. The average BPDL amount for the 2018 South Texas Floods was \$243,980; the average EIDL amount was \$128,841. This data is of March 1, 2020.

<sup>47</sup> "Local Area Unemployment Statistics, 2017-2019. Jim Wells, Cameron, and Hidalgo Counties," U.S. Bureau of Labor Statistics, accessed June 25, 2019, [data.bls.gov/PDQWeb/la](https://data.bls.gov/PDQWeb/la)

<sup>48</sup> "Disaster Loan Assistance," Small Business Administration, accessed March, 12, 2020, [disasterloan.sba.gov/ela/Information/FactSheetBusinesses](https://disasterloan.sba.gov/ela/Information/FactSheetBusinesses)

**Table 2-18: Total Small Business Loans in Impacted Counties**

County	Total Verified Loss	Total Approved (All Loans)
Jim Wells	\$21,270	\$21,300
Hidalgo	\$1,578,910	\$3,099,900
Cameron	\$302,693	\$368,900
<b>TOTAL</b>	<b>\$1,902,873</b>	<b>\$3,490,100</b>

### 2.7.3 AGRICULTURAL IMPACTS

Although the agriculture sector is not a top employer in terms of number of employees, the three impacted counties— particularly Hidalgo County— has an agricultural specialization.<sup>49</sup> While the three impacted counties did not apply for or receive funding from the Texas Department of Agriculture’s Disaster Recovery Program, all three—particularly Jim Wells County—reported significant agriculture-related monetary damages.<sup>50</sup> According to the Texas A&M AgriLife Extension for South Texas, District 12, the 2018 South Texas Floods damaged primary crops including grain sorghum and corn, as well as other crops in the area like peas and watermelon. While producers did rush to harvest previously planted grains before the storm, the excessive amounts of rain resulted in additional yield losses due to the inability to harvest damaged crops. Corn harvests faced similar ramifications. Crop losses were estimated at a 30 percent reduction in yields. Farmers also sustained damages to ponds, fences, roads, and fields.<sup>51</sup>

In Jim Wells County, corn crops saw the greatest impact with no corn harvested—a loss of approximately \$2.1 million. Grain sorghum, cotton, sunflower, and cowpea crops were harvested, but there was a decrease in yields: approximate losses of \$8 million, \$2.9 million, \$53,500, and \$1 million, respectively. In total, Jim Wells County saw \$14,317,728 in agricultural loss and damages.<sup>52</sup>

<sup>49</sup> “Disaster Loan Assistance,” Small Business Administration, accessed March 12, 2020, [disasterloan.sba.gov/ela/Information/FactSheetBusinesses](https://disasterloan.sba.gov/ela/Information/FactSheetBusinesses)

<sup>50</sup> Texas Department of Agriculture Coordinator, email message to GLO staff, July 10, 2019.

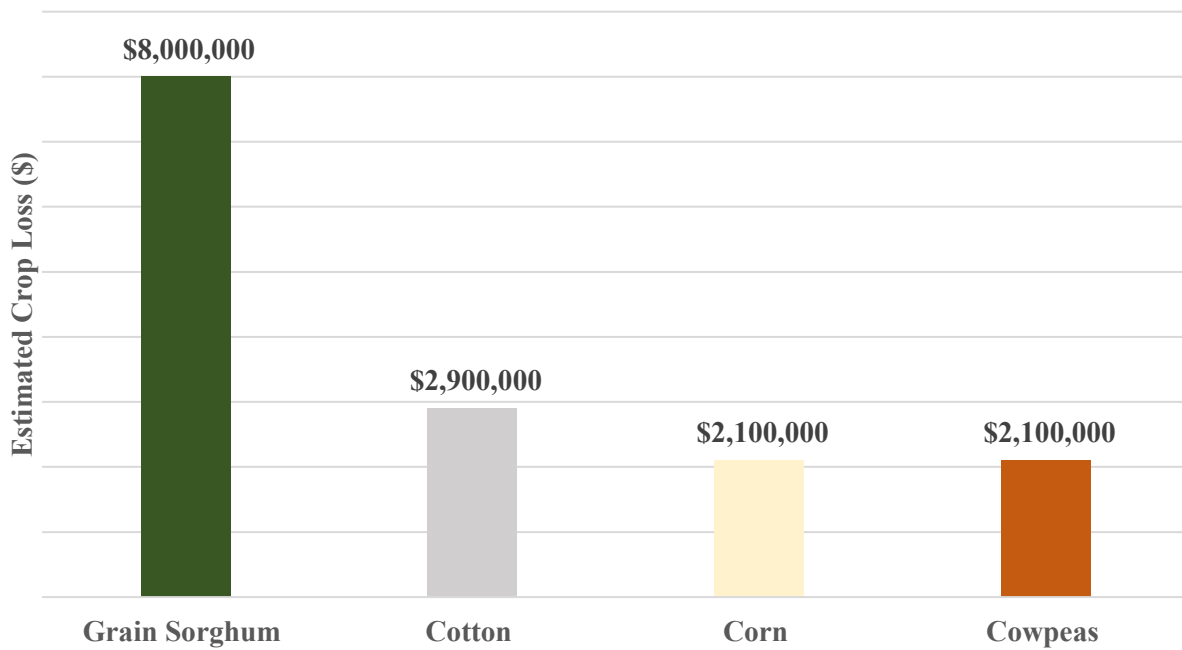
<sup>51</sup> “Texas A&M AgriLife Weather Reports South Texas, June 27, 2018,” accessed June 28, 2019, [today.agrilife.org/2018/06/26/texas-crop-and-weather-report-20/](https://today.agrilife.org/2018/06/26/texas-crop-and-weather-report-20/)

<sup>52</sup> Jim Wells County Texas A&M AgriLife Extension Agent, email message to GLO staff, July 8, 2019.

In Cameron County, crop losses were minimal. There were areas of light flooding, but this flooding was concentrated in the residential areas and not in the rural farmland. Approximately 5 percent of the producers in Cameron County had their crops affected by the 2018 South Texas Floods.<sup>53</sup>

In Hidalgo County, while grain sorghum and corn crops were not severely affected by the 2018 South Texas Floods, cotton crops were impacted. While there were crop monetary losses from the 2018 South Texas Floods, an approximate dollar loss could not be estimated.<sup>54</sup>

**Figure 2-20: Estimated Agricultural Losses by Crop**



<sup>53</sup> Cameron County Texas A&M AgriLife Extension Agent, email message to GLO staff, July 8, 2019.

<sup>54</sup> Hidalgo County A&M Extension Agent, email message to GLO staff, July 8, 2019.

### **3 GENERAL REQUIREMENTS**

#### **3.1 Rehabilitation/Reconstruction of Public Housing, Affordable Housing, and other forms of Assisted Housing**

The GLO will identify and address the rehabilitation, reconstruction, and replacement of the following types of public and assisted housing affected by the 2018 South Texas Floods disaster: (1) public housing (including administrative offices); (2) HUD-assisted housing; (3) affordable housing; (4) McKinney-Vento Homeless Assistance Act-funded shelters and housing for the homeless (including emergency shelters and transitional and permanent housing for the homeless); and (5) private market units receiving project-based assistance, or with tenants that participate in the Section 8 Housing Choice Voucher Program.

All proposed projects will undergo Affirmatively Furthering Fair Housing (AFFH) review by the GLO before approval. Such review will include assessments of: (1) a proposed project's area demography; (2) socioeconomic characteristics; (3) housing configuration and needs; (4) educational, transportation, and health care opportunities; (5) environmental hazards or concerns; and (6) all other factors material to the AFFH determination. Subrecipients should show that proposed projects are likely to lessen area racial, ethnic, and low-income concentrations, and/or promote affordable housing in low-poverty, nonminority areas in response to natural hazard-related impacts.

The GLO will create policies and procedures to assess the cost-effectiveness of each proposed project whose goal is to assist a household under any residential rehabilitation or reconstruction program. These policies and procedures will include criteria that determine whether the rehabilitation or reconstruction of the unit will be cost-effective relative to other means of assisting the property owner such as buyout or acquisition of the property or construction of area-wide protective infrastructure. Additionally, the GLO will offer, as appropriate, other housing alternatives that are more cost effective, such as manufactured housing options.

On a case-by-case basis, the GLO will consider exceptions to these comparison criteria and will describe:

- The process used to analyze the circumstances under which an exception is necessary;
- How reasonable accommodations were made to provide accessibility for an occupant with a disability; and
- How the amount of assistance is necessary and reasonable, per 2 CFR part 200, subpart E—Cost Principles.



## 3.2 Housing for Vulnerable Populations

The GLO will promote housing for vulnerable populations through activities that seek to address: (1) the transitional housing, permanent supportive housing, and permanent housing needs of individuals and families that are either homeless or at risk of homelessness; (2) the prevention of low-income individuals and families with children (especially those with incomes below 30 percent of the area median income) from becoming homeless; and (3) the special needs of persons who are not homeless but require supportive housing (i.e., the elderly, persons with disabilities, persons with alcohol or other drug addictions, persons with HIV/AIDS and their families, and public housing residents, as identified in 24 CFR 91.315(e)).

The GLO and subrecipients administering programs related to direct housing assistance will conduct needs assessments. The GLO shall administer the Homeowner Assistance Program (HAP), Homeowner Reimbursement Program (HRP) and the Affordable Rental Housing Program. The local needs assessment and analysis of HUD/FEMA demographic IA data will calibrate the proportion of funding that should be set aside to benefit each LMI and non-LMI economic group. The needs assessment will also determine the activities to be offered, the demographics to receive concentrated attention, and target areas to be served. The needs assessment should set goals within the income brackets similar to the damaged units within the impacted areas. Deviations from these stated goals must be evaluated by the GLO before the program may move forward.

The GLO and subrecipients administering programs related to direct housing assistance are committed to AFFH through established affirmative marketing policies. The GLO and subrecipients will coordinate with HUD-certified housing counseling organizations.<sup>55</sup> Affirmative marketing efforts will include an affirmative marketing plan based on HUD regulations. The goal is to ensure that outreach and communication efforts reach eligible homeowners from all racial, ethnic, national origin, religious, familial status, the disabled, "special needs" individuals, and gender groups.

## 3.3 Displacement of Persons and/or Entities

To minimize the displacement of persons and/or entities that may be affected by the activities outlined in this Action Plan, the GLO will coordinate with other state agencies, local governments, and local nonprofit organizations to ensure minimal displacement. However, should any proposed projects cause the displacement of people, the GLO will ensure the requirements set forth under the Uniform Relocation Assistance and Real Property Acquisition Policies Act (URA), as waived, are met.

<sup>55</sup> "Housing Counseling Agencies," HUD, accessed April 7, 2020, [www.hud.gov/counseling](http://www.hud.gov/counseling)



The relocation assistance requirements at section 104(d)(2)(A) of the Housing and Community Development Act (HCDA) and 24 CFR 42.350 are waived to the extent that they differ from the requirements of the URA and implementing regulations at 49 CFR part 24, as modified by the notice for activities related to disaster recovery. Without this waiver, disparities exist in relocation assistance associated with activities typically funded by HUD and FEMA (e.g., buyouts and relocation). Both FEMA and CDBG funds are subject to the requirements of the URA; however, CDBG funds are subject to Section 104(d), while FEMA funds are not. The URA provides that a displaced person is eligible to receive a rental assistance payment that covers a period of 42 months. By contrast, Section 104(d) allows a lower-income displaced person to choose between the URA rental assistance payment and a rental assistance payment calculated over a period of 60 months. This waiver of the Section 104(d) requirements assures uniform and equitable treatment by setting the URA and its implementing regulations as the sole standard for relocation assistance under the Federal Register notice.

The GLO will follow its Residential Anti-displacement and Relocation Assistance Plan (RARAP). The RARAP defines “not suitable for rehabilitation” as those units for which the cost of rehabilitation, including clear consideration for resolving issues affecting health and safety, exceeds the cap allowed for the project type. The GLO will take the following steps and require subrecipients and developers to minimize the direct and indirect displacement of persons from their homes: (1) plan construction activities to allow tenants to remain in their units as long as possible, by rehabilitating empty units or buildings first; (2) where feasible, give priority to rehabilitation of housing, as opposed to demolition, to avoid displacement; (3) adopt policies to identify and mitigate displacement resulting from intensive public investment in neighborhoods; (4) adopt tax assessment policies, such as deferred tax payment plans, to reduce impact of increasing property tax assessments on lower income owner-occupants or tenants in revitalizing areas; or (5) target only those properties deemed essential to the need or success of the project.

Guidance on relocation considerations for persons with disabilities may be found in Chapter 3 of HUD’s Relocation Handbook 1378.0<sup>56</sup>

### **3.4 Maximum Assistance**

The maximum amount of assistance available to subrecipients under the GLO’s disaster recovery program will be the maximum allocated will be set in the GLO Use of Funds by each program. For all housing programs, the GLO’s housing guidelines establish housing assistance maximums. A waiver request must be submitted to the GLO if a subrecipient’s housing assistance maximums exceed the GLO amounts. The GLO will evaluate each housing assistance waiver request for cost effectiveness.

<sup>56</sup> “Tenant Assistance, Relocation and Real Property Acquisition Handbook (1378.0),” HUD, accessed October 8, 2020, [https://www.hud.gov/program\\_offices/administration/hudclips/handbooks/cpd/13780](https://www.hud.gov/program_offices/administration/hudclips/handbooks/cpd/13780)





### 3.5 Elevation Standards

The GLO will apply the following elevation standards to new construction, repair of substantial damage, or substantial improvement of structures located in an area delineated as a flood hazard area or equivalent in FEMA's data source identified in 24 CFR 55.2(b)(1). All structures, as defined under 44 CFR 59.1, designed principally for residential use and located in the 100-year (or 1 percent annual chance) floodplain that are selected for new construction, repair of substantial damage, or substantial improvement, as defined under 24 CFR 55.2(b) (10), must be elevated with the lowest floor, including the basement, at least 2 feet above the base flood elevation (as waived). Mixed-use structures with no dwelling units and no residents below the base flood elevation must be elevated or floodproofed in accordance with FEMA floodproofing standards under 44 CFR 60.3(c)(3)(ii) or successor standard of at least 2 feet above the base flood elevation.

Applicable state, local, and tribal codes and standards for floodplain management that exceed these requirements, including elevation, setbacks, and cumulative substantial damage requirements, will be followed.

The GLO has established elevation costs caps at \$60,000 for elevation of single family homes in coastal counties, and \$35,000 for elevation in non-coastal counties. These elevation costs caps were established considering elevation costs associated with past GLO CDBG-DR housing rehabilitation/reconstruction programs. Elevation costs higher than these established caps will require submission of a waiver request to the GLO. Elevation requirements are taken into consideration when determining whether to rehabilitate or reconstruct a home. Generally, a home will be reconstructed when home repair costs are greater than \$65,000; an exception to this may include a home that has been determined eligible for inclusion on the National Register of Historic Places. The GLO may re-evaluate its elevation costs caps during the implementation of its Housing Assistance Program (HAP) based on average costs associated with elevating single family homes and on a case-by-case basis as needed.

Nonresidential structures must be elevated to the standards described in this paragraph or floodproofed, in accordance with FEMA floodproofing standards at 44 CFR 60.3(c)(3)(ii) or successor standard, up to at least 2 feet above the 100-year (or 1 percent annual chance) floodplain. All rehabilitation, reconstruction, and new construction of nonresidential structures that qualify under HUD's definition of critical actions—structures that (1) produce, use or store highly volatile, flammable, explosive, toxic or water-reactive materials, (2) provide essential and irreplaceable records or utility or emergency services that may become lost or inoperative during flood and storm events, and (3) are likely to contain occupants who may not be sufficiently mobile to avoid loss of life or injury during flood or storm events—that are within the 500-year (or 0.2 percent annual chance) floodplain must be elevated or floodproofed (in accordance with the FEMA standards) to the higher of the 500-year floodplain elevation or 3 feet above the 100-year floodplain elevation. A few examples of structures associated with critical action include hospitals, nursing



homes, police stations, fire stations, and principal utility lines. Please see 24 CFR 55.2(b)(3) for the full definition and further examples of structures that fall under the rubric of critical action. If the 500-year floodplain or elevation data is unavailable, and the critical action is in the 100-year floodplain, then the structure must be elevated or floodproofed at least 3 feet above the 100-year floodplain elevation.

The GLO has not established elevation cost caps for multifamily rental developments and infrastructure (public facilities, public improvements, and/or nonresidential structures). To evaluate reasonable elevation costs, as opposed to alternative mitigation strategies, the GLO will rely on licensed engineers responsible for project budget justification, construction code requirements, and CDBG-DR project funding maximums. The GLO will encourage subrecipients to consider the costs and benefits of the project when selecting CDBG-DR eligible projects.

In the case of elevation, single family housing units must meet the accessibility requirements at 24 CFR Part 8, which implements Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794) and the GLO's Visitability Standards. Covered multifamily dwellings, as defined at 24 CFR 100.201 as well as common use facilities in developments with covered dwellings, must meet the design and construction requirements at 24 CFR 100.205, which implement the Fair Housing Act (42 U.S.C. 3601–3619), the design and construction requirements of the Fair Housing Act Design Manual and the ADA 2010 requirements with the HUD exceptions (79 FR 29671, May 23, 2014). Additionally, developments involving new construction (excluding construction of nonresidential buildings) where some units are two-stories and are normally exempt from Fair Housing accessibility requirements, a minimum of 20 percent of each Unit type (e.g., one bedroom, two bedroom, three bedroom) must provide an accessible entry level and all common-use facilities in compliance with the design and construction requirements of the Fair Housing Act Design Manual and include a minimum of one bedroom and one bathroom or powder room at the entry level. A compliance certification will be required after the development is completed from an inspector, architect, or accessibility specialist.

### **3.6 Planning and Coordination**

The GLO's recovery projects will be developed in a manner that considers an integrated approach to address long-term recovery and restoration of housing, infrastructure, and economic revitalization in the most impacted and distressed areas.

The GLO will continue to work with state and local jurisdictions to provide guidance on promoting sound short- and long-term recovery plans in the affected areas by coordinating available resources to help in the restoration and recovery of damaged communities. Disaster recovery presents affected communities with unique opportunities to examine a wide range of issues such as drainage and flood control, housing quality and availability, road and rail networks, environmental issues, and the adequacy of existing infrastructure. The GLO will support long-term plans put in place by



local and regional communities that promote sound, sustainable long-term recovery planning informed by a post-disaster evaluation of hazard risk, especially land-use decisions that reflect responsible flood plain management and take into account possible sea level rise (for example, by using FEMA floodplain maps, frequency and intensity of precipitation events, and designs applying the new Advisory Base Flood Elevations (ABFE) or higher.)

The GLO will coordinate as much as possible with local and regional planning efforts to ensure consistency, to promote community-level and/or regional (e.g., multiple local jurisdictions) post-disaster recovery and mitigation. To leverage those efforts, the GLO will utilize partnerships with Texas universities and/or vendors (including, but not limited to, governmental entities, nonprofit and for-profit firms, entities, and organizations) to further coordinate planning studies and data analyses.

The GLO will obtain formal concurrence with the State Historic Preservation Officer, Fish and Wildlife Service, and the National Marine Fisheries Service, for compliance with section 106 of the National Historic Preservation Act (54 U.S.C. 306108) and section 7 of the Endangered Species Act of 1973 (16 U.S.C. 1536) when designing a reimbursement program.

### **3.7 Infrastructure Activities**

The GLO will encourage subrecipients to integrate mitigation measures such as storm water management systems and storm water infrastructure into rebuilding activities to further realize objectives outlined in regionally or locally established plans and policies that are designed to reduce future risk to the jurisdiction(s). Informed by ongoing and previously conducted regional studies, the GLO's goal is to ensure better coordination of projects between localities to address recovery and mitigation more holistically.

The GLO will encourage subrecipients to consider the costs and benefits of each proposed infrastructure project; additionally, each project must demonstrate how it will contribute to the long-term recovery and restoration of housing.

The GLO will seek to ensure that infrastructure activities avoid disproportionate impact on vulnerable communities and will create, to the extent practicable, opportunities to address economic inequities facing local communities. All project applications will undergo an AFFH review by the GLO before approval. AFFH application reviews will include assessments of a proposed project's (1) area demography; (2) socioeconomic characteristics; (3) housing configuration and needs; (4) educational, transportation, and health care opportunities; (5) environmental hazards or concerns; and (6) all other factors material to the AFFH determination.

The GLO will coordinate with federal, state, local, private, and nonprofit sources to assist subrecipients to align investments with other planned state or local capital improvements and infrastructure development efforts. The GLO will also work with subrecipients to foster the

potential for additional infrastructure funding from multiple sources, including existing state and local capital improvement projects in planning and the potential for private investment.

The GLO will rely on professional engineers procured by subrecipients to employ adaptable and reliable technologies to guard against premature obsolescence of infrastructure. The GLO will encourage subrecipients to consider the costs and benefits of the project when selecting CDBG-DR eligible projects.

Construction of a new building and facilities must be in compliance with the Texas Accessibility Standards (TAS) of the Architectural Barriers Act, Chapter 469, Texas Government Code, and the Texas Department of Licensing and Regulation (TDLR) Architectural Barriers Administrative Rules, 16 Texas Administrative Code, Part 4, Chapter 68. If estimated construction costs exceed Fifty Thousand Dollars (\$50,000.00), Construction Documents must be submitted to the Texas Department of Licensing and Regulation (TDLR) for an accessibility plan review. All Subrecipients must ensure their project activities are in compliance with all provisions of the Americans with Disabilities Act of 1990 (ADA).

### **3.8 Leveraging Funds**

The GLO will encourage subrecipients to leverage CDBG-DR funds with funding provided by other federal, state, local, private, and nonprofit sources to maximize the limited CDBG-DR funds available. The GLO will report on leveraged funds in HUD's Disaster Recovery Grant Reporting System (DRGR).

The GLO also encourages subrecipients to anticipate collaborating with local governments, local long-term recovery groups, local nonprofit organizations, and vulnerable populations advocacy groups.

Funds may be used for matching requirements, share, or contribution for any other federal program when used to carry out an eligible CDBG-DR activity; this includes programs or activities administered by FEMA or USACE. By law (codified in the HCDA as a note to 105(a)), the amount of CDBG-DR funds that may be contributed to a USACE project is \$250,000 or less.

### **3.9 Protection of People and Property**

#### **3.9.1 QUALITY CONSTRUCTION STANDARDS**

The GLO will require site inspections on all projects to ensure quality and compliance with building codes. The GLO will encourage and support subrecipient efforts to update and strengthen local compliance codes to mitigate hazard risks due to sea level rise, high winds, storm surge, and flooding where applicable. In the project application, subrecipients will submit an explanation of



both current and future building and land use codes to mitigate hazard risks. The GLO will provide technical guidance on hazard mitigation code examples.

All rehabilitation (meets the definition of substantial improvement), reconstruction, or new construction must meet an industry-recognized standard that has achieved certification under at least one of the following programs: (1) ENERGY STAR (Certified Homes or Multifamily High-Rise); (2) Enterprise Green Communities; (3) LEED (New Construction, Homes, Midrise, Existing Buildings Operations and Maintenance, or Neighborhood Development); (4) ICC– 700 National Green Building Standard; (5) EPA Indoor Air Plus (ENERGY STAR prerequisite); or (6) any other equivalent comprehensive green building program acceptable to HUD. For rehabilitation of non-substantially damaged residential buildings, the GLO will follow the guidelines to the extent applicable as specified in the HUD CPD Green Building Retrofit Checklist. For infrastructure projects, the GLO will encourage, to the extent practicable, implementation of green building practices.

Single family housing units must meet the accessibility requirements of 24 CDR Part 8, which implements Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794) and the GLO's Visitability Standards.

Multifamily housing developments must meet all accessibility requirements at 24 CFR Part 8, which implements Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794). Multifamily housing developments must meet all accessibility requirements at 24 CFR Part 8, which implements Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794). Covered multifamily dwellings, as defined at 24 CFR 100.201, as well as common use facilities in developments containing multifamily dwellings, must meet the design and construction requirements at 24 CFR 100.205, which implement the Fair Housing Act (42 U.S.C.3601– 4619), and the ADA 2010 Standards with HUD exceptions.

### 3.9.2 HOUSING CONTRACTORS STANDARDS

The GLO will establish standards in the request for qualifications for housing contractors for the Homeowner Assistance Program. The standards will include, but are not limited to, information on the company's (1) organizational structure and capabilities, (2) ability to perform, (3) recent construction projects completed or underway over the past 5 years, (4) performance and payment bond capacity, (5) financial statements for the past 2 years, (6) evidence of insurance coverage, and (7) business registrations, certifications, and licenses.

The GLO will require a warranty period post-construction for housing: all work performed by the contractor will be guaranteed for a period of 1 year.



### **3.10 Appeals Processes**

The GLO responds to complaints and appeals in a timely and professional manner to maintain a quality level of operations. The GLO's appeals processes apply to appeals received from homeowners, contractors, cities, counties, housing authorities, and other entities. The GLO will respond to homeowners by coordinating with the applicable subrecipient and/or housing contractor to resolve issues.

A record of each complaint or appeal that the GLO receives is kept in an information file. When a complaint or appeal is received, the GLO will respond to the complainant or appellant within 15 business days where practicable. For expediency, the GLO will utilize telephone communication as the primary method of contact; email and postmarked letters will be used as necessary to document conversations and transmit documentation.

Information about the complainant's rights and how to file a complaint shall be printed on all program applications, guidelines, the GLO public website, and subrecipient websites in all local languages, as appropriate and reasonable. Procedures for appealing a GLO decision on a complaint shall be provided to complainants in writing as part of the complaint response.

### **3.11 Dam and Levee Requirements**

As stated in HUD's Federal Register notice, 83 FR 5844 (February 9, 2018), CDBG-DR funds are prohibited from being used to enlarge a dam or levee beyond the original footprint of the structure that existed prior to the disaster event. The GLO will ensure that if subrecipients use CDBG-DR funds for levees and dams, the subrecipients will: (1) register and maintain entries regarding such structures with the U.S. Army Corps of Engineers (USACE) National Levee Database or National Inventory of Dams; (2) ensure that the structure is admitted in the USACE PL 84-99 Program (Levee Rehabilitation and Improvement Program); and (3) ensure the structure is accredited under the FEMA NFIP. The GLO will upload into DRGR the exact location of the structure and the area served and protected by the structure. The GLO will also maintain file documentation demonstrating that it has conducted a risk assessment prior to funding the flood control structure, and that the investment includes risk reduction measures.

### **3.12 Program Income**

Any program income earned because of activities funded under this grant will be subject to alternate requirements of 24 CFR 570.489(e), which defines program income. Program income generated under individual contracts with the subrecipients will be returned to the GLO. At the GLO's discretion, program income may be allowed to remain with a community to continue recovery efforts.

### **3.13 Monitoring Standards**

The GLO provides program-wide oversight and monitoring activities for all applicable CDBG and related federal requirements in its administration of the CDBG-DR Program. The GLO will provide technical assistance to subrecipients from the application stage through the completion of the projects to ensure that funds are appropriately used for CDBG-DR activities, as well as meeting one of HUD's national objectives.

The GLO will monitor all contract expenditures for quality assurance and to prevent, detect, and eliminate fraud, waste, and abuse as mandated by Executive Order (EO) RP 36, signed July 12, 2004, by the Governor of Texas. The GLO will particularly emphasize mitigation of fraud, abuse, and mismanagement related to accounting, procurement, and accountability which may also be investigated by the State Auditor's Office (SAO). In addition, the GLO and subrecipients are subject to Uniform Guidance Standards of 2 CFR 200, which encompasses the review of compliance with program requirements and the proper expenditure of funds by an independent Certified Public Accountant (CPA) or by the SAO. Reports from the SAO's office will be sent to the Office of the Governor, the Legislative Committee, and the GLO.

The GLO has an audit staff dedicated to its Community Development and Revitalization (CDR) division that performs independent internal audits of CDBG-DR and CDBG-MIT program activities and can perform such audits on these programs and subrecipients. The GLO also has an auditing staff independent of its CDR division that reports directly to the Commissioner of the Texas General Land Office and the GLO's Chief Clerk. The GLO will utilize a monitoring plan to specifically ensure that the recovery allocation is carried out in accordance with state and federal laws, rules, and regulations, as well as the requirements set forth in the Federal Register notices. The monitoring plan will also include duplication of benefits review to ensure compliance with the Stafford Act.

The GLO has established a three (3) year affordability monitoring period along with recapture policies for the Homeowner Assistance Program (HAP). Details regarding the recapture policies clearly describe the terms of the recapture, the specific circumstances under which these provisions will be used, and how the provisions will be enforced. The three (3) year affordability monitoring period and the recapture policies can be referenced in the GLO's Homeowner Assistance Program (HAP) Policy Manual.

### **3.14 Broadband Infrastructure**

As required by HUD in the Federal Register notice, 83 FR 5844 (February 9, 2018), any new construction or substantial rehabilitation, as defined by 24 CFR 5.100, of a building with more than four rental units will include installation of broadband infrastructure, as defined in 24 CFR 5.100, except where the grantee documents that: (1) the location of the new construction or

substantial rehabilitation makes installation of broadband infrastructure infeasible; (2) the cost of installing broadband infrastructure would result in a fundamental alteration in the nature of its program or activity or in an undue financial burden; or (3) the structure of the housing to be substantially rehabilitated makes installation of broadband infrastructure infeasible.

### **3.15 Disaster Recovery and Response Plan**

Through other CDBG-DR and CDBG-MIT grant funds, the GLO is providing funds at the local and state local level for the development of comprehensive disaster recovery and response plan that addresses long-term recovery and pre- and post-disaster hazard mitigation through the consolidation and enhancement of current plans.

### **3.16 Section 3 Compliance**

For applicable funded programs, the GLO and its subrecipients will ensure compliance with all pertinent Section 3 regulations to the greatest extent possible, including providing training, employment, contracting, and other economic opportunities to low-income and very low-income persons, especially recipients of government assistance for housing and to businesses that provide economic opportunities to low- and very low-income persons. Additional details can be found in Section 3 policy and procedures.

Subrecipients and contractors may demonstrate compliance with the “greatest extent feasible” (CFR 24 §135.30) requirement of Section 3 by meeting HUD’s numerical goals for providing training, employment, and contracting opportunities to Section 3 Residents and Section 3 Business Concerns.

The minimum numerical goals are:

- 30% of total number of new hires as Section 3 Residents;
- 10% of all awarded construction contracts, awards to Section 3 Business Concerns;
- 3% of all awarded non-construction contracts, awards to Section 3 Business Concerns.

For subrecipients that do not engage in training, or hiring, but award contracts to contractors that will engage in training, hiring, and subcontracting, subrecipients must ensure that, to the greatest extent feasible, contractors will make good faith efforts to provide training, employment, and contracting opportunities to Section 3 Residents and Section 3 Business Concerns. The numerical goals established in this Section represent minimum goals and are considered safe harbor numerical targets. Subrecipients are strongly encouraged to adopt numerical goals that exceed the minimum requirements. If a subrecipient fails to meet the Section 3 minimum numerical goals,





they must be prepared to demonstrate that efforts were made to meet the numerical goals. Failure to meet numerical goals requires a documented explanation of efforts be submitted to the GLO. The GLO will then examine the subrecipient's efforts and provide technical assistance as necessary. However, "failure to comply may lead to sanctions, suspension and limited denial of participation pursuant to HUD's regulations in 24 CFR part 24, where appropriate, may be applied to the recipient or the contractor." (24 CFR §135.74)



## **4 STATE ADMINISTERED DISASTER RECOVERY PROGRAM**

### **4.1 Action Plan**

The Federal Register notice 85 FR 4681 (January 27, 2020) refers to 83 FR 5844 (February 9, 2018) and 84 FR 40314 (August 14, 2019) as the applicable notices which identifies that this Action Plan must describe the Method of Distribution (MOD) of funds and the descriptions of specific programs or activities the GLO will carry out directly. The needs assessment in Section 2 of this Action Plan was conducted for the development and prioritization of recovery activities. In addition, the GLO consulted with affected citizens, stakeholders, local governments, and public housing authorities to assess needs.

This Action Plan will outline the following: the eligible affected areas and subrecipients; criteria for eligibility; the methodology used to distribute funds to those subrecipients; activities for which funding may be used; and program requirements, including non-duplication of benefits. The Action Plan will also define how the uses of this allocation address necessary expenses related to disaster relief, long-term recovery and restoration of infrastructure, and housing and economic revitalization.

### **4.2 Connection to Vulnerability Analysis**

GLO's state programs consider social vulnerability factors in the selection of projects. For instance, the Affordable Rental Program (multifamily) has a selection criteria that prioritizes projects that are: (1) located in a high opportunity zone as it applies to AFFH, (2) target extremely low-income (30 percent AMFI) communities, (3) exceeds the number of LMI units eligibility requirement; and (4) serves persons with disabilities beyond minimum requirements.

Additionally, both single family programs—the Homeowner Assistance Program (HAP) and Homeowner Reimbursement Program (HRP)—will:

- Undergo an AFFH review. The review will consist of (1) a proposed project's area demography, (2) socioeconomic characteristics, (3) housing configuration and needs, (4) educational, transportation, and health care opportunities, (5) environmental hazards or concerns, and (6) all other factors material to the AFFH determination. Have applications show that projects are likely to lessen area racial, ethnic, and low-income concentrations, and/or promote affordable housing in low-poverty, nonminority areas in response to natural hazard-related impacts
- Conduct a local needs assessment. The local needs assessment and analysis of HUD/FEMA demographic IA data will recommend the proportions of funding that should be set aside to benefit each LMI and non-LMI economic group. The needs assessment will identify disabled, “special needs” persons, and vulnerable populations, and target areas to be



served. The needs assessment will also include an assessment of the types of public services activities that may be needed to complement the program.

- Adhere to Affirmative Marketing Outreach Plans. Affirmative marketing efforts will include an affirmative marketing plan based on HUD regulations. The goal is to ensure that outreach and communication efforts reach eligible homeowners from all racial, ethnic, national origin, religious, familial status, the disabled, "special needs" persons, gender groups, and vulnerable populations.
- The state's Local, Regional and State Planning Program will ensure that: (1) activities will avoid disproportionate impact on vulnerable populations such as, but not limited to, families and individuals that are homeless or at risk of homelessness, the elderly, persons with disabilities, persons with alcohol or other drug addiction challenges, persons with HIV/AIDS and their families, and public housing residents; and (2) activities that create opportunities to address economic inequities facing local communities.

### **4.3 Connection to Unmet Needs**

As required by HUD in their Federal Register notice that allocated 2018 disaster recovery funds to Texas, 85 FR 4681 (January 27, 2020), (the Notice), at least 80 percent of the funds will address unmet needs within the HUD-identified "most impacted and distressed" area of Hidalgo County.

Up to 20 percent of the allocation may be used to address unmet disaster needs in those other counties that received a 2018 South Texas Floods Presidential disaster declaration (DR-4377). These counties are classified as State MID and are Cameron and Jim Wells Counties.

This Action Plan primarily considers and addresses unmet housing needs with 70 percent of the state program funds, not including planning and administrative funds, addressing unmet needs directly related to housing. Through the assessment of needs, the GLO will continue the following housing programs: the Homeowner Assistance Program (HAP); the Homeowner Reimbursement Program (HRP); and the Affordable Rental Program. The GLO will also administer an Infrastructure Competition to address unmet infrastructure need in support of the long-term recovery of housing. The programs were developed to meet CDBG-DR, federal, and state requirements and regulations, and to implement the long-term recovery of housing as efficiently and expeditiously as possible. It is anticipated that public service type activities may need to be utilized to complement these housing programs. Public service activities may include, but not be limited to, housing counseling, legal counseling, job training, mental health, and general health services which will be made accessible to individuals having wide-ranging disabilities including mobility, sensory, development, emotional, and/or other impairments.



The Affordable Rental Program will address the unmet need for affordable rental units because of the impact of the 2018 South Texas Floods. The program will allow for the rehabilitation, reconstruction, and new construction of multifamily developments, including impacted public housing authorities. The purpose of the rental program is to repair and increase the affordable rental stock for LMI households. The GLO and subrecipients also anticipate collaborating with local governments, local long-term recovery groups, local nonprofit organizations, and vulnerable populations advocacy groups.

Although there are remaining unmet housing needs due to the limitation of funds available, the GLO recognizes that as part of a comprehensive long-term recovery program, the repair and enhancements of local infrastructure and mitigation efforts are crucial components. Infrastructure activities are vital not only for the long-term recovery and restoration of housing but for the long-term recovery, protection, and viability of communities.

The GLO has allocated five (5) percent for planning activities. Because of the nature of the 2018 South Texas Floods disaster and the recurring nature of disasters in the region, the GLO will concentrate on regional approaches in addition to specific local solutions to promote sound long-term recovery.

The GLO has allocated five (5) percent for administrative costs, including contract administration, compliance monitoring, and the provision of technical assistance to applicants and subrecipients. Based on experience, it is expected that some subrecipients will need direct support implementing their programs; therefore, the GLO is allocating funds for housing and infrastructure project delivery. The GLO's provision of direct support to subrecipients will help ensure that the program is implemented as efficiently and expeditiously as possible.

In addition, at least 70 percent of all program funds will benefit LMI persons.

As required, a needs assessment was completed to identify long-term needs and priorities for CDBG-DR funding allocated to Texas because of the 2018 South Texas Floods. The needs assessment considers a comprehensive set of data sources that cover multiple geographies and sectors. The needs assessment includes specific details about unmet needs within the eligible and most impacted and distressed communities, and includes details for housing, infrastructure, and economic revitalization. The needs assessment is expected to be amended as additional information is available or updated.



**Table 4-1: Summary of Total Unmet Need**

<b>Category</b>	<b>Losses/ Gaps</b>	<b>CDBG-DR Investments</b>	<b>Other Known Investments</b>	<b>Remaining Unmet Need</b>
<b>Housing</b>	<b>\$215,875,935</b>	<b>(\$45,734,800)</b>	<b>(\$85,048,883)</b>	<b>\$85,092,252</b>
FEMA Individual Assistance	\$140,759,154		(\$31,000,445)	\$109,758,709
SBA Home Loans	\$32,971,578		(\$11,903,235)	\$21,068,343
National Flood Insurance Program (NFIP)	\$42,145,203		(\$42,145,203)	\$0
State Housing Programs		(\$45,734,800)		(\$45,734,800)
<b>Infrastructure</b>	<b>\$56,361,178</b>	<b>(\$19,886,900)</b>	<b>(\$0)</b>	<b>\$36,474,278</b>
FEMA PDA Local Estimates	\$56,361,178			\$56,361,178
State Infrastructure Competition		(\$19,886,900)		(\$19,886,900)
<b>Economic</b>	<b>\$16,220,601</b>	<b>(\$0)</b>	<b>(\$3,490,100)</b>	<b>\$12,730,501</b>
SBA Business/EIDL Loans	\$1,902,873		(\$3,490,100)	(\$1,587,227)
Estimated Agricultural Losses	\$14,317,728			\$14,317,728
<b>Totals</b>	<b>\$288,457,714</b>	<b>(\$65,621,700)</b>	<b>(\$88,538,983)</b>	<b>\$134,297,031</b>

A resiliency multiplier will be a standard 15 percent for housing, infrastructure, and economic activities to calculate unmet need, as has previously been applied in other Texas CDBG-DR programs. The 15 percent resiliency multiplier is not represented in the above table but is used in Table 1-1: Total Unmet for 2018 South Texas Floods.



## 4.4 Program Budget

**Table 4-2: 2018 South Texas CDBG-DR Budget**

<b>Programs</b>	<b>HUD MID</b>	<b>State MID</b>	<b>Total Allocation</b>	<b>LMI Amount</b>	<b>% of Total Allocation by Program</b>	<b>% of Total Allocation</b>
<b>Homeowner Assistance Program</b>	\$25,360,000	\$6,340,000	\$31,700,000	\$22,190,000	43.48%	62.73%
<b>Homeowner Reimbursement Program</b>	\$2,776,000	\$694,000	\$3,470,000	\$2,429,000	4.76%	
<b>Affordable Rental Program</b>	\$8,088,000	\$2,022,000	\$10,110,000	\$10,110,000	13.87%	
<b>Housing Project Delivery</b>	\$363,840	\$90,960	\$454,800	\$318,360	0.62%	
<b>Infrastructure Competition</b>	\$15,752,000	\$3,938,000	\$19,690,000	\$13,783,000	27.00%	27.27%
<b>Infrastructure Project Delivery</b>	\$157,520	\$39,380	\$196,900	\$137,830	0.27%	
<b>Local, Regional, and State Planning</b>	\$2,916,520	\$729,130	\$3,645,650	N/A	5.00%	5%
<b>Administration</b>	\$2,916,520	\$729,130	\$3,645,650	N/A	5.00%	5%
<b>Total</b>	<b>\$58,330,400</b>	<b>\$14,582,600</b>	<b>\$72,913,000</b>	<b>\$48,968,190</b>	<b>100%</b>	<b>100%</b>



**Table 4-3: 2018 Total LMI Budget**

<b>Programs</b>	<b>LMI Amount</b>	<b>Total Allocation</b>
<b>Homeowner Assistance Program</b>	\$22,190,000	\$31,700,000
<b>Homeowner Reimbursement Program</b>	\$2,429,000	\$3,470,000
<b>Affordable Rental Program</b>	\$10,110,000	\$10,110,000
<b>Housing Project Delivery</b>	\$318,360	\$454,800
<b>Infrastructure Competition</b>	\$13,783,000	\$19,690,000
<b>Infrastructure Project Delivery</b>	\$137,830	\$196,900
<b>Subtotal</b>	<b>\$48,968,190</b>	<b>\$65,621,700</b>
<b>Local, Regional, and State Planning</b>	N/A	\$3,645,650
<b>Administration</b>	N/A	\$3,645,650
<b>Total</b>	<b>\$48,968,190</b>	<b>\$72,913,000</b>

\*70% LMI Requirement = \$45,935,190

## 4.5 GLO Use of Funds

The GLO will implement several state-run programs. These programs include the Homeowner Assistance Program for rehabilitation and reconstruction of primary residences, the Homeowner Reimbursement Program for reimbursement to homeowners for repairs on their primary residences, and the Affordable Rental Program to rehabilitate and reconstruct multifamily developments.

The GLO will also administer an Infrastructure Competition to address unmet infrastructure need in support of the long-term recovery housing.

The programs the GLO has selected to implement are intended to address the rehabilitation, reconstruction, replacement needs, and new construction of housing in the areas affected by the 2018 South Texas Floods.

### 4.5.1 HOMEOWNER ASSISTANCE PROGRAM

The Homeowner Assistance Program (HAP) will rehabilitate and reconstruct owner-occupied single family homes damaged by the 2018 South Texas Floods. The GLO may directly administer the programs in these areas or use the support of outside parties to serve the homeowner assistance needs.

#### 4.5.1.1 *Allocation Amount:* \$31,700,000

- i. At least eighty (80) percent of funds must address unmet need in the HUD MID county.
- ii. Up to twenty (20) percent of funds may address unmet need in the State MID counties.

#### 4.5.1.2 *Reallocation:*

- i. After all eligible applicants have been served, any remaining funds within the State MID impacted counties will be reallocated to the HUD MID county.

#### 4.5.1.3 *Maximum assistance:*

- i. Rehabilitation: Local composite builder bid amount and not greater than \$65,000.
- ii. Reconstruction: Local composite builder bid amount based on procured builders and the builder's house plans based on household size.

#### 4.5.1.4 *Eligible Activities: Housing activities allowed under CDBG-DR; HCDA Section 105(a)(1), 105(a)(3-4), 105(a)(8) 105(a)(11), 105(a)(18), and 105(a)(25), include but are not limited to:*

- i. Single family owner-occupied rehabilitation and/or reconstruction;





- ii. Replacement of manufactured housing units;
- iii. Hazard mitigation;
- iv. Elevation;
- v. Relocation Assistance;
- vi. Demolition only;
- vii. Public service within the 15 percent cap (e.g., housing counseling, legal counseling, job training, mental health, and general health services); and
- viii. Other activities associated with the recovery of single family housing stock impacted.

#### 4.5.1.5 *Ineligible Activities:*

- i. Forced mortgage payoff.
- ii. Incentive payments to households that move to disaster-impacted floodplains.
- iii. Properties that served as second homes at the time of the disaster, or following the disaster, are not eligible for rehabilitation assistance or housing incentives.
- iv. Rehabilitation/reconstruction of homes located in the floodway.
- v. Rehabilitation/reconstruction of a house in which:
  - a. The combined household income is greater than 120 percent AMI or the national median;
  - b. The property was located in a floodplain at the time of the disaster; and
  - c. The property owner did not maintain flood insurance on the damaged property, even when the property owner was not required to obtain and maintain such insurance.
- vi. Section 582 of the National Flood Insurance Reform Act of 1994, as amended, (42 U.S.C. 5154a) states that no federal disaster relief assistance made available in a flood disaster area may be used to make a payment (including any loan assistance payment) to a person for “repair, replacement, or restoration” for damage to any personal, residential, or commercial property if that person at any time has received federal flood disaster assistance that was conditional on the person first having obtained flood insurance under applicable federal law and the person has subsequently failed to obtain and maintain flood insurance as required under applicable federal law on such property. The program may not provide disaster assistance for the repair, replacement, or restoration of a property to a person who has failed to meet this requirement.

#### 4.5.1.6 *Eligibility Criteria for Assistance:*

- i. Home must have been owner-occupied at the time of the disaster.



- ii. Home must have served as primary residence.
- iii. Home must be located in a CDBG-DR eligible county.
- iv. Home must have sustained damage from 2018 South Texas Floods (DR-4377).
- v. Duplication of benefits review.
- vi. Costs for rehabilitation, reconstruction, and new construction are reasonable and consistent with market costs at the time and place of construction.
- vii. All household members over the age of 18 must be current on payments for child support.
- viii. Applicant must furnish evidence that property taxes are current, have an approved payment plan, or qualify for an exemption under current laws.
- ix. Home must be environmentally cleared.
- x. Property owners receiving disaster assistance that triggers the flood insurance purchase requirement have a statutory responsibility to notify any transferee of the requirement to obtain and maintain flood insurance in writing and to maintain such written notification in the documents evidencing the transfer of the property, and the transferring owner may be liable if he or she fails to do so.
- xi. Subrogation Agreement: Assisted homeowners must agree to a limited subrogation of any future awards related to the 2018 South Texas Floods (DR-4377) to ensure duplication of benefits compliance. This is an agreement to repay any duplicative assistance if other disaster assistance for the same purpose later is received.
- xii. Unsecured Forgivable Promissory Note:
  - a. Assisted homeowners are required to maintain principal residency in the assisted property for 3 years. Cash-out refinancing, home equity loans or any loans utilizing the assisted residence as collateral are not allowed for 3 years. A violation of this policy will activate the repayment terms of the Note.
  - b. Taxes are to be paid and in good standing for the properties assisted. Homeowners may be on a payment plan, but it needs to be submitted to the subrecipient or State as applicable.
  - c. Insurance must be maintained at the assisted property. Hazard, flood (if applicable), and windstorm (if applicable) will be monitored for the three-year note period.

#### 4.5.1.7 *National Objectives:*

Low and moderate income (LMI) and urgent need. At least 70 percent of these program funds must be spent on LMI eligible projects.



#### 4.5.1.8 *Housing Guidelines:*

The GLO will develop minimum housing guidelines that provide operational details on the eligibility requirements, housing assistance caps, construction standards, accessibility requirements, visitability standards, reporting requirements, and other program requirements.

#### 4.5.1.9 *Needs Assessment:*

The GLO will conduct a needs assessment. The local needs assessment and analysis of data will recommend the proportions of funding that should be set aside to benefit each LMI and non-LMI economic group. The needs assessment will determine the activities to be offered, the demographics to receive concentrated attention, identify disabled, “special needs,” and vulnerable populations, and target areas to be served. The needs assessment will also include an assessment of the types of public services activities that may be needed to complement the program, such as housing counseling, legal counseling, job training, mental health, and general health services. The needs assessment should set goals within the income brackets similar to the housing damage sustained within the impacted areas. Deviations from goals must be accessed by the GLO before the Program may move forward.

#### 4.5.1.10 *Affirmative Marketing Outreach Plan:*

The GLO is committed to AFFH through established affirmative marketing policies. The GLO will coordinate with HUD-certified housing counseling organizations in this effort. Affirmative marketing efforts will include an affirmative marketing plan, based on HUD regulations. The goal is to ensure that outreach and communication efforts reach eligible homeowners from all racial, ethnic, national origin, religious, familial status, the disabled, "special needs," gender groups, and vulnerable populations.

#### 4.5.1.11 *AFFH review:*

The program will undergo AFFH review. Such review will include assessments of (1) a proposed project’s area demography, (2) socioeconomic characteristics, (3) housing configuration and needs, (4) educational, transportation, and health care opportunities, (5) environmental hazards or concerns, and (6) all other factors material to the AFFH determination. Applications should show that projects are likely to lessen area racial, ethnic, and low-income concentrations, and/or promote affordable housing in low-poverty, nonminority areas in response to natural hazard-related impacts.

#### 4.5.1.12 *Timeline:*

The proposed program start date is immediately after HUD’s approval of this Action Plan. The proposed end date is 4 years from the start date of the program.



## 4.5.2 HOMEOWNER REIMBURSEMENT PROGRAM

The GLO will administer the Homeowner Reimbursement Program (HRP) for eligible expenses and Small Business Administration (SBA) disaster home loans incurred by homeowners for repairs to a primary residence prior to application for these funds. Up to \$50,000 per household may be reimbursed.

### 4.5.2.1 *Allocation Amount:* \$3,470,000

- i. At least eighty (80) percent of funds must address unmet need in the HUD MID county.
- ii. Up to twenty (20) percent of funds may address unmet need in the State MID counties.
- iii. The program will first be available to LMI households for 6 months before being made available to non-LMI households.

### 4.5.2.2 *Reallocation:*

- i. Any remaining funds within the State MID counties will be reallocated to the HUD MID county.
- ii. Any remaining funds will be reallocated to HAP to the HUD MID county.

### 4.5.2.3 *Maximum Award:* \$50,000

### 4.5.2.4 *Eligible Activities, HCDA Section 105(a)(4):*

- i. Expenses incurred by homeowners for repairs to a primary residence prior to application for these funds.
- ii. SBA disaster home loans by homeowners for repairs to a primary residence prior to application for these funds.

### 4.5.2.5 *Ineligible Activities:*

- i. Forced mortgage payoff.
- ii. Incentive payments to households that move to disaster-impacted floodplains.
- iii. Properties that served as second homes at the time of the disaster, or following the disaster, are not eligible for rehabilitation assistance or housing incentives.
- iv. Rehabilitation/reconstruction of a homes located in the floodway.
- v. Rehabilitation/reconstruction of a house in which:
  - a. The combined household income is greater than 120 percent AMI or the national median;



- b. The property was located in a floodplain at the time of the disaster; and
  - c. The property owner did not maintain flood insurance on the damaged property, even when the property owner was not required to obtain and maintain such insurance.
- vi. Section 582 of the National Flood Insurance Reform Act of 1994, as amended, (42 U.S.C. 5154a) states that no federal disaster relief assistance made available in a flood disaster area may be used to make a payment (including any loan assistance payment) to a person for “repair, replacement, or restoration” for damage to any personal, residential, or commercial property if that person at any time has received federal flood disaster assistance that was conditional on the person first having obtained flood insurance under applicable federal law and the person has subsequently failed to obtain and maintain flood insurance as required under applicable federal law on such property. The program may not provide disaster assistance for the repair, replacement, or restoration of a property to a person who has failed to meet this requirement.

#### 4.5.2.6 *Eligibility Criteria for Assistance:*

- i. Home must have been owner-occupied at the time of the disaster.
- ii. Home must have served as primary residence.
- iii. Home must be located in a CDBG-DR eligible county.
- iv. Home must have sustained damage from the 2018 South Texas Floods (DR-4377).
- v. Duplication of benefits review.
- vi. All applicants and co-applicants must be current on payments for child support.
- vii. Applicant must furnish evidence that property taxes are current, have an approved payment plan, or qualify for an exemption under current laws.
- viii. Home must be environmentally cleared.
- ix. Property owners receiving disaster assistance that triggers the flood insurance purchase requirement have a statutory responsibility to notify any transferee of the requirement to obtain and maintain flood insurance in writing and to maintain such written notification in the documents evidencing the transfer of the property, and the transferring owner may be liable if he or she fails to do so.
- x. Subrogation Agreement: Assisted homeowners must agree to a limited subrogation of any future awards related to the 2018 South Texas Floods to ensure duplication of benefits compliance. Assisted homeowners must agree to repay any duplicative assistance if they later receive other disaster assistance for the same purpose.



xi. Unsecured Forgivable Promissory Note:

- a. Assisted homeowners are required to maintain principal residency in the assisted property for one year. Cash-out refinancing, home equity loans or any loans utilizing the assisted residence as collateral are not allowed for one year. A violation of this policy will activate the repayment terms of the Note.
- b. Taxes are to be paid and in good standing for the properties assisted. Homeowners may be on a payment plan, but it needs to be submitted to the GLO.
- c. Insurance must be maintained at the assisted property. Hazard, flood (if applicable), and windstorm (if applicable) will be monitored for the 1-year period.

4.5.2.7 *Eligibility Criteria, SBA Loan Reimbursement:*

- i. All SBA loans must have been used toward a loss suffered as a result of the 2018 South Texas Floods.
- ii. Applicants must continue to make payments on their current SBA loan even if they have applied for CDBG-DR assistance.
- iii. Applicants must comply with any requirements in the loan documents that the applicant use amounts received for reimbursement to repay the loan's outstanding principal and interest.
- iv. Applicants with income exceed 120 percent of AMI must meet one of the following hardship exceptions:
  - a. *Hardship due to housing cost burden.* Households who spend more than 30 percent of their monthly gross income on housing costs are expected to experience hardship in recovery due to having limited financial resources;
  - b. *Hardship due to SBA loan repayment.* Households who spend more than 15 percent of their monthly discretionary income on SBA loan repayment are expected to experience hardship in recovery due to having limited financial resources;
  - c. *Hardship due to healthcare expenses.* Households who spend more than 20 percent of their income on healthcare expenses as a result of a disability or illness have long-term financial commitments to consider when contemplating incurring additional debt. Additional debt would be a burden and limit available resources needed to pay for these costs;
  - d. *Hardship due to cost of caring for dependents.* Homeowners who spend more than 20 percent of their income on dependent or other care related expenses as a result of being responsible for providing care to parents, children, grandchildren, and other dependents; or

- e. *Hardship due to Due to Age or Disability.* Households that include a household member who is over the age of 65 or who is disabled (and surviving spouses) who have received a property tax payment waiver or exemption from the state of Texas because the state has already determined that the payment of property taxes constitutes a hardship.

#### 4.5.2.8 *Ineligible Activities, SBA Loan Reimbursement:*

- i. Reimbursing costs that are not otherwise eligible for CDBG-DR assistance such compensation for personal property or as late fees.
- ii. Portion of interest attributable to activities that are ineligible for reimbursement.
- iii. Reimbursement is not permitted if payment of the cost with CDBG-DR funds will cause a duplication of benefits because an exception does not apply or violate the requirement that CDBG-DR funds shall not be used for activities reimbursable by or for which funds are made available by FEMA or the Army Corps of Engineers.

#### 4.5.2.9 *National Objective:*

Low and moderate income (LMI) and urgent need. At least 70 percent of these program funds must be spent on LMI eligible projects.

#### 4.5.2.10 *AFFH review:*

All proposed projects will undergo AFFH review by the GLO before approval. Such review will include assessments of (1) a proposed project's area demography, (2) socioeconomic characteristics, (3) housing configuration and needs, (4) educational, transportation, and health care opportunities, (5) environmental hazards or concerns, and (6) all other factors material to the AFFH determination. Applications should show that projects are likely to lessen area racial, ethnic, and low-income concentrations, and/or promote affordable housing in low-poverty, nonminority areas in response to natural hazard-related impacts.

#### 4.5.2.11 *Timeline:*

The proposed program start date is immediately after HUD's approval of this Action Plan. The proposed end date is 3 years from the start date of the program.

### 4.5.3 AFFORDABLE RENTAL PROGRAM

The GLO will administer the Affordable Rental Housing Program. The program has been designed to provide funds for rehabilitation, reconstruction, and new construction of public housing and affordable multifamily housing projects in areas impacted by the 2018 South Texas Floods. The GLO allocated program funds to address unmet rental needs for the counties impacted by the 2018 South Texas Floods. The GLO's Notice of Funding Availability (NOFA)/Request for Proposals (RFP) will establish the application process and acceptance period, threshold criteria (including applicable building codes), selection criteria, and the award process.

#### 4.5.3.1 *Allocation for Activity:* \$10,110,000

- i. At least eighty (80) percent of funds must address unmet need in the HUD MID county.
- ii. Up to twenty (20) percent of funds may address unmet need in the State MID counties.

#### 4.5.3.2 *Reallocation:*

- i. Any remaining funds within the State MID counties will be reallocated to the HUD MID County.

#### 4.5.3.3 *Maximum Award:* \$10 million per development.

#### 4.5.3.4 *Eligible Applicants: Acting individually or as participants in a limited partnership (LP) or limited liability corporation (LLC):*

- i. For-profit Developers/Borrowers;
- ii. Public housing authorities;
- iii. Units of local governments; and
- iv. Not-for-profit developers/borrowers.

#### 4.5.3.5 *Eligible Activity, HCDA Section 105(a)(1), 105(a)(4), 105(a)(9), 105(a)(11), and 105(a)(14-15):*

- i. Rehabilitation, reconstruction, and new construction of affordable multifamily housing projects.

#### 4.5.3.6 *Eligibility Criteria:*

- i. Development must meet CDBG-DR eligibility requirements.
- ii. Development must be located in a CDBG-DR eligible county.
- iii. Must demonstrate that the proposed development addresses rental unmet need from the disaster.





- iii. A minimum of 51 percent of the units must be restricted for a minimum affordability period of fifteen (15) years for the rehabilitation or reconstruction of multifamily rental projects with eight or more units, and a minimum affordability period of twenty (20) years for the new construction of multifamily rental units with five or more units for LMI individuals earning 80 percent or less of the AMFI at affordable rents. If a rental project that requires rehabilitation or reconstruction is subject to existing affordability requirements associated with other funding sources, the 15-year affordability period may run concurrently (or overlap) with the affordability requirements associated with such other funding.
- iv. Projects with eight (8) or more units must ensure construction costs are reasonable and consistent with market costs at the time and place of construction.
- v. The affordable rents must comply with High HOME Rents and other existing Land Use Restriction Agreement (LURA) restrictions, if applicable.
- vi. Property Types: Multifamily rental development is eight or more rental units under common ownership.
- vii. The Affordable Rental Program NOFA/RFP will clearly establish the application process and acceptance period, threshold criteria (including applicable building codes), selection criteria and the award process.
- viii. Property owners receiving disaster assistance that triggers the flood insurance purchase requirement have a statutory responsibility to notify any transferee of the requirement to obtain and maintain flood insurance in writing and to maintain such written notification in the documents evidencing the transfer of the property, and the transferring owner may be liable if he or she fails to do so.
- ix. Project construction must be completed within 18 months of the effective date of the contract, unless otherwise extended.

#### 4.5.3.7 *Ineligible:*

- i. Section 582 of the National Flood Insurance Reform Act of 1994, as amended, (42 U.S.C. 5154a) prohibits flood disaster assistance in certain circumstances. In general, it provides that no federal disaster relief assistance made available in a flood disaster area may be used to make a payment to a person for “repair, replacement, or restoration” for damage to any personal, residential, or commercial property if that person at any time has received federal flood disaster assistance that was conditioned on the person first having obtained flood insurance under applicable federal law and the person has subsequently failed to obtain and maintain flood insurance as required under applicable federal law on such property. No disaster assistance may be provided for the repair, replacement, or restoration of a property to a person who has failed to meet this requirement.

#### 4.5.3.8 *Selection Criteria:*

- i. Located in a High Opportunity Zone as it applies to AFFH;
- ii. Targets extremely low-income (30 percent AMFI);
- iii. Exceeds the number of LMI units eligibility requirement;
- iv. Serves persons with disabilities beyond minimum requirements;
- v. Leverages public and private financing;
- vi. Activity type; and
- vii. Cost-effectiveness.

#### 4.5.3.9 *National Objective:* Low and moderate income

#### 4.5.3.10 *AFFH Review:*

All proposed projects will undergo AFFH review by the GLO before approval. Such review will include assessments of (1) a proposed project's area demography, (2) socioeconomic characteristics, (3) housing configuration and needs, (4) educational, transportation, and health care opportunities, (5) environmental hazards or concerns, and (6) all other factors material to the AFFH determination. Applications should show that projects are likely to lessen area racial, ethnic, and low-income concentrations, and/or promote affordable housing in low-poverty, nonminority areas in response to natural hazard-related impacts.

#### 4.5.3.11 *Timeframe:*

The proposed program start date is immediately after HUD's approval of this Action Plan. The proposed end date is 4 years from the start date of the program.

#### 4.5.4 INFRASTRUCTURE COMPETITION

The GLO recognizes that as part of a comprehensive long-term recovery program, the repair and enhancements of local infrastructure and mitigation efforts are crucial components. Infrastructure activities are vital not only for the long-term recovery and restoration of housing but for the long-term recovery and viability of communities. The Infrastructure Competition will provide disaster relief, long-term recovery, and restoration of infrastructure for local communities impacted by the 2018 South Texas Floods (DR-4377). Each applicant may submit a total of two (2) applications, whether applying as the lone applicant or jointly with another jurisdiction(s). Each application must consist of one project. Depending on demand, no applicant will be awarded for their second application until all successful eligible applicants have been awarded funding at least once. Each infrastructure activity must demonstrate how it will contribute to the long-term recovery and restoration of housing.

##### 4.5.4.1 *Allocation Amount:* \$19,690,000

- i. At least eighty (80) percent of funds must address unmet need in the HUD MID county;
- ii. Up to twenty (20) percent of funds may address unmet need in the State MID counties.

##### 4.5.4.2 *Reallocation:*

- i. Any remaining funds within the State MID counties will be reallocated to the HUD MID county.

##### 4.5.4.3 *Award Amount:*

- i. Maximum Award: \$1,000,000
- ii. Minimum Award: \$250,000

##### 4.5.4.4 *Eligible Applicants:* Units of local government (cities and counties).

##### 4.5.4.5 *Eligible Activities:*

Economic revitalization or infrastructure activities must contribute to the long-term recovery and restoration of housing. All activities allowed under CDBG-DR; HCDA Section 105(a)(1-5), 105(a)(7-9), and 105(a)(11), including but not limited to:

- i. Flood control and drainage repair and improvements, including the construction or rehabilitation of storm water management system;
- ii. Restoration of infrastructure (such as water and sewer facilities, streets, provision of generators, removal of debris, bridges, etc.);
- iii. Public facilities;
- iv. Buyouts or Acquisition with or without relocation assistance, down payment assistance, housing incentives, and demolition;



- v. Activities designed to relocate families outside of floodplains;
- vi. Demolition, rehabilitation of publicly or privately owned commercial or industrial buildings, and code enforcement;
- vii. Economic development (such as microenterprise and small business assistance, commercial rehabilitation, and special economic development activities, including prioritizing assistance to businesses that meet the definition of a small business). Any projects funding for-profit entities must be evaluated and selected in accordance with guidelines (established in Appendix A to 24 CFR part 570) developed by HUD and comply with HUD underwriting guidance;
- viii. Public service (such as job training and employment services, healthcare, childcare, and crime prevention within the 15 percent cap); and
- ix. Planning.

#### 4.5.4.6 *Ineligible Activities:*

- i. CDBG-DR funds may not be used to enlarge a dam or levee beyond the original footprint of the structure that existed prior to the disaster event. CDBG-DR funds for levees and dams are required to:
  - a. Register and maintain entries regarding such structures with the USACE National Levee Database or National Inventory of Dams;
  - b. Ensure that the structure is admitted in the USACE PL 84–99 Rehabilitation Program (Rehabilitation Assistance for Non-Federal Flood Control Projects);
  - c. Ensure the structure is accredited under the FEMA NFIP; and
  - d. Maintain file documentation demonstrating a risk assessment prior to funding the flood control structure and documentation that the investment includes risk reduction measures.
- ii. Funds may not be used to assist a privately owned utility for any purpose. A private utility, also referred to as an investor-owned utility, is owned by private investors and is for-profit as opposed to being owned by a public trust or agency (e.g., a coop or municipally owned utility).
- iii. Funds may not be provided to a for-profit entity for an economic development project under section 105(a)(17) of the HCDA unless such project has been evaluated and selected in accordance with guidelines developed by HUD pursuant to section 105(e)(2) of the HCDA for evaluating and selecting economic development projects.
- iv. Buildings and facilities used for the general conduct of government (e.g., city halls, courthouses, and emergency operation centers).



v. No disaster recovery assistance will be considered with respect to any part of a disaster loss that is reimbursable by FEMA, the USACE, insurance, or another source due in part to the restrictions against duplication of benefits outlined in this Action Plan. An activity underway prior to the Presidential disaster declaration will not qualify unless the disaster directly impacted said project.

vi. By law, (codified in the HCD Act as a note to 105(a)), the amount of CDBG-DR funds that may be contributed to a USACE project is \$250,000 or less.

vii. Section 582 of the National Flood Insurance Reform Act of 1994, as amended, (42 U.S.C. 5154a) prohibits flood disaster assistance in certain circumstances. In general, it provides that no Federal disaster relief assistance made available in a flood disaster area may be used to make a payment (including any loan assistance payment) to a person for “repair, replacement, or restoration” for damage to any personal, residential, or commercial property if that person at any time has received Federal flood disaster assistance that was conditioned on the person first having obtained flood insurance under applicable Federal law and the person has subsequently failed to obtain and maintain flood insurance as required under applicable Federal law on such property. No disaster assistance may be provided for the repair, replacement, or restoration of a property to a person who has failed to meet this requirement.

viii. If the property is purchased through the use of eminent domain, the ultimate use of that property may not benefit a particular private party and must be for a public use.

#### 4.5.4.7 *Program Guidelines for Residential Buyout or Acquisition Activities (Only):*

Each subrecipient will develop guidelines in accordance with CDBG-DR requirements and regulations to set maximum assistance amounts, target area locations, Disaster Risk Reduction Area, and additional eligibility requirements. Guidelines must be posted for public comment before use. The GLO must approve all guidelines. Subrecipients are required to develop and follow a RARAP. With respect to the buyout of properties, an “intended, planned, or designated project area,” as referenced at 49 CFR24.101(b)(1)(ii), shall be an area for which a clearly defined end use has been determined at the time that the property is acquired, in which all or substantially all of the properties within the area must be acquired within an established time period as determined by the grantee or acquiring entity for the project to move forward.

To conduct a buyout or an acquisition, the subrecipient must establish criteria in its policies and procedures to designate the area subject to the buyout, pursuant to the following requirements:

In a Disaster Risk Reduction Area:

- i. The hazard must have been caused or exacerbated by the Presidentially declared disaster for which the grantee received its CDBG-DR allocation;

- ii. The hazard must be a predictable environmental threat to the safety and well-being of program beneficiaries, as evidenced by the best available data (e.g., FEMA RL Data) and science;
- iii. The Disaster Risk Reduction Area must be clearly delineated so that HUD and the public may easily determine which properties are located within the designated area. The distinction between buyouts and other types of acquisitions is important, because subrecipient may only redevelop an acquired property if the property is not acquired through a buyout program (i.e., the purpose of acquisition was something other than risk reduction). When properties are not acquired through a buyout program, the purchase price must be consistent with applicable uniform cost principles (and the pre-disaster FMV may not be used); and
- iv. In carrying out acquisition activities, subrecipient must ensure they are in compliance with their long-term redevelopment and FEMA Approved Hazard Mitigation plans.

4.5.4.8 *National Objectives:* LMI, elimination of slum/blight, and urgent need.

4.5.4.9 *All proposed projects must:*

- i. Promote sound, sustainable long-term recovery planning informed by a post-disaster evaluation of hazard risk, especially land-use decisions that reflect responsible floodplain management and take into account future possible extreme weather events and other natural hazards and long-term risks;
- ii. Coordinate with local and regional planning efforts to ensure consistency, and promote community-level and/or regional (e.g., multiple local jurisdictions) post disaster recovery and mitigation planning;
- iii. Integrate mitigation measures into rebuilding activities and achieve objectives outlined in regionally or locally established plans and policies that are designed to reduce future risk to the jurisdiction;
- iv. Consider the costs and benefits of the project;
- v. Ensure that activities will avoid disproportionate impact on vulnerable populations such as, but not limited to, families and individuals that are homeless or at risk of homelessness, the elderly, persons with disabilities, persons with alcohol or other drug addiction, persons with HIV/AIDS and their families, and public housing residents;
- vi. Ensure that activities create opportunities to address economic inequities facing local communities;
- vii. Align investments with other planned state or local capital improvements and infrastructure development efforts, and work to foster the potential for additional

infrastructure funding from multiple sources, including existing state and local capital improvement projects in planning, and potential private investment; and

viii. Employ adaptable and reliable technologies to guard against premature obsolescence of infrastructure.

ix. Nonresidential structures must be elevated to the standards described in this paragraph or floodproofed, in accordance with FEMA floodproofing standards at 44 CFR 60.3(c)(3)(ii) or successor standard, up to at least two feet above the 100-year (or 1 percent annual chance) floodplain. All critical actions, as defined at 24 CFR 55.2(b)(3), within the 500-year (or 0.2 percent annual chance) floodplain must be elevated or floodproofed (in accordance with the FEMA standards) to the higher of the 500-year floodplain elevation or 3 feet above the 100-year floodplain elevation. If the 500-year floodplain or elevation is unavailable, and the critical action is in the 100-year floodplain, then the structure must be elevated or floodproofed at least 3 feet above the 100-year floodplain elevation. Critical actions are defined as an “activity for which even a slight chance of flooding would be too great, because such flooding might result in loss of life, injury to persons or damage to property.” Critical action examples include hospitals, nursing homes, police stations, fire stations and principal utility lines.

x. Cost Verification Controls must be in place to assure that construction costs are reasonable and consistent with market costs at the time and place of construction.

4.5.4.10 *Selection Criteria:*

**Table 4-4: 2018 Infrastructure Competition Scoring Criteria**

<b>Criteria</b>	<b>Maximum Points</b>
1. What is the applicant’s total damage per capita?	25
2. Does the project meet the low to moderate income (LMI) HUD National Objective?	30
3. What is the cost per person benefiting?	20
4. What is the applicant’s county Social Vulnerability Index (SoVI) score?	15
5. Is the applicant leveraging funds from other source(s)?	10
<b>Total</b>	<b>100</b>
Tie-Breaker: Higher Poverty Rate	
*More details on scoring criteria will be available in the application guidelines.	

#### 4.5.4.11 *AFFH Review:*

All proposed projects will undergo AFFH review by the GLO before approval. Such review will include assessments of (1) a proposed project's area demography, (2) socioeconomic characteristics, (3) housing configuration and needs, (4) educational, transportation, and health care opportunities, (5) environmental hazards or concerns, and (6) all other factors material to the AFFH determination. Applications should show that projects are likely to lessen area racial, ethnic, and low-income concentrations, and/or promote affordable housing in low-poverty, nonminority areas in response to natural hazard-related impacts.

#### 4.5.4.12 *Timeline:*

The proposed program start date is 4 to 6 months after HUD's approval of this Action Plan. The proposed end date is 4 years from the start date of the program.





#### 4.5.5 Local, Regional, and State Planning

The GLO is committed to the purposes of planning in the areas that are eligible for CDBG-DR funds, and to the completion of some of the projects identified as a result of the studies. Because of the nature of the current disaster, and the recurring nature of disasters in the region, the GLO may concentrate on regional approaches in addition to specific local solutions to promote sound long-term recovery. To provide an efficient and effective method of selecting and executing planning studies following the 2018 South Texas Floods, the GLO will work with Texas universities, state agencies, federal agencies, regional planning and oversight groups—including councils of governments, river authorities, and drainage districts—and/or vendors (term which shall include, but not limited to, governmental entities, nonprofit and for profit firms, entities, and organizations) to conduct studies with CDBG-DR funds. The HUD-identified most impacted and distressed areas will see the most benefit of these planning activities, as 80 percent of planning funds will be used in studies which directly impact the HUD-identified most impacted and distressed areas.

Studies may include, but are not limited to, flood control, resilient housing solutions, homelessness, or other efforts to mitigate future housing and residential damages while establishing plans for comprehensive recovery efforts as a result of the 2018 South Texas Floods.

Communities may recommend studies to be completed, but all planning funds will be administered by the GLO. The GLO will make all final determinations regarding planning studies and coordinate with universities and/or vendors to identify scopes, the parameters of the planning efforts, and the type of data that they will gather. This will help to ensure that consistency and accuracy in data gathering is achieved.

##### 4.5.5.1 *Allocation Amount: \$3,645,650*

- i. Eighty (80) percent of funds must benefit the HUD-identified most impacted and distressed county; and
- ii. Up to twenty (20) percent of funds may address unmet need in the State MID counties.

##### 4.5.5.2 *Eligible Activities: Eligible planning, urban environmental design, and policy - planning - management - capacity building activities as listed in 24 CFR 570.205, HCDA 105(a) (12).*

##### 4.5.5.3 *Planning activities should:*

- i. Promote sound, sustainable long-term recovery planning informed by a post-disaster evaluation of hazard risk, especially land-use decisions that reflect responsible floodplain management and take into account future possible extreme weather events and other natural hazards and long-term risks;

- ii. Coordinate with local and regional planning efforts to ensure consistency and promote community-level and/or regional (e.g., multiple local jurisdictions) post disaster recovery and mitigation planning;
- iii. Integrate mitigation measures into rebuilding activities and achieve objectives outlined in regionally or locally established plans and policies that are designed to reduce future risk to the jurisdiction;
- iv. Consider the costs and benefits of the project;
- v. Ensure that activities will avoid disproportionate impact on vulnerable populations such as, but not limited to, families and individuals that are homeless or at risk of homelessness, the elderly, persons with disabilities, persons with alcohol or other drug addiction, persons with HIV/AIDS and their families, and public housing residents;
- v. Ensure that activities create opportunities to address economic inequities facing local communities;
- vi. Align investments with other planned state or local capital improvements and infrastructure development efforts, and work to foster the potential for additional infrastructure funding from multiple sources, including existing state and local capital improvement projects in planning, and potential private investment; and
- vii. Employ adaptable and reliable technologies to guard against premature obsolescence of infrastructure.

#### 4.5.5.4 *Timeline:*

The proposed program start date is immediately after HUD's approval of this Action Plan. The proposed end date is 5 years from the start date of the program.



#### 4.5.6 ADMINISTRATIVE FUNDS

State administrative costs including subrecipient administration costs will not exceed five (5) percent (\$3,645,650). Planning and administrative costs combined will not exceed 20 percent. The provisions outlined under 42 U.S.C. 5306(d) and 24 CFR 570.489(a)(1)(I) and (iii) will not apply to the extent that they cap state administration expenditures and require a dollar-for-dollar match of state funds for administrative costs exceeding \$100,000. Pursuant to 24 CFR 58.34(a)(3), except for applicable requirements of 24 CFR 58.6, administrative and management activities are exempt activities under this Action Plan. Once contracted, the GLO will allow the drawdown of pre-agreement costs associated with eligible disaster recovery activities dating back to the date of the disaster for subrecipients and the GLO with appropriate documentation.

The GLO will retain the full 5 percent allocated for administrative costs associated with the CDBG-DR allocation for purposes of oversight, management, and reporting. All subrecipients are allowed to spend up to 12 percent of program amounts for costs directly related to implementation of housing-related activities. For costs directly related to implementation of all other disaster recovery activities all subrecipients are allowed to spend up to 10 percent for awards from \$750,000 to \$1 million. For disaster recovery awards less than \$750,000, refer to guidance found on the GLO's recovery website, <http://recovery.texas.gov/>. Engineering and design activities will be capped at 15 percent of the total construction cost unless special services are necessary; in such cases, the GLO must review and approve the request.

The GLO will use administrative funds across the 2015 Floods, 2016 Floods, Hurricane Harvey CDBG-DR grants, CDBG-MIT grant, and 2019 Disasters, together with this grant, without regard for a particular disaster appropriation from which the funds originated. The amount of grant administration expenditures for each of the aforementioned grants will not exceed 5 percent of the total grant award for each grant (plus 5 percent of program income).

### 4.6 Location

All CDBG-DR funded activities under this Action Plan will occur within the disaster-declared counties of FEMA DR-4377.

### 4.7 Mitigation Measures

The GLO will require subrecipients to incorporate preparedness and mitigation measures into rebuilding activities. This helps to ensure that post-recovery communities are safer and stronger than prior to the disaster. Incorporation of these measures also reduces costs in recovering from future disasters. Mitigation measures that are not incorporated into those rebuilding activities must be a necessary expense related to disaster relief, long-term recovery, and restoration of infrastructure, housing, or economic revitalization responsive to a declared disaster.



## 4.8 National Objectives

It is expected that HUD's low-and moderate-income, elimination of slum/blight, and urgent need national objectives will be utilized in the execution of the 2018 South Texas Floods recovery effort. For urgent need activities, each subrecipient receiving CDBG-DR funds will document how all activities or projects funded under the urgent need national objective respond to a disaster-related impact identified by the subrecipients. The CDBG certification requirements for documentation of urgent need, located at 24 CFR 570.483(d), are waived for the grants under this Notice.

At least 70 percent of the aggregate of CDBG-DR program funds will be used to support activities that benefit LMI person.



## 5 CITIZEN PARTICIPATION – STATE ACTION PLAN

The primary goal of this plan is to provide Texans with definitive opportunities to involve themselves in the recovery process as it pertains to CDBG-DR funds. The GLO is aware of the hardships many are faced with after the 2018 South Texas Floods and strives to provide an ease of access to vulnerable populations struggling to recover.

The GLO's Community Development and Revitalization Division (CDR) citizen participation plan for the 2018 South Texas Floods allocation was developed based on the requirements outlined in the Federal Register notice, 83 FR 5844.

According to the notice, "To permit a more streamlined process, and ensure disaster recovery grants are awarded in a timely manner, provisions of 42 U.S.C. 5304(a)(2) and (3), 42 U.S.C. 12707, 24 CFR 570.486, 24 CFR 1003.604, and 24 CFR 91.115(b) and (c), with respect to citizen participation requirements, are waived and replaced by the requirements below. The streamlined requirements do not mandate public hearings but do require the grantee to provide a reasonable opportunity (at least 14 days) for citizen comment and ongoing citizen access to information about the use of grant funds." However, as required in this latest Notice, the citizen comment period will be at least 30 days.

The most current version of the GLO's Citizen Participation Plan for the 2018 South Texas Floods will be placed on the website at [recovery.texas.gov](http://recovery.texas.gov).

The state of Texas Action Plan for the 2018 South Texas Floods and any following amendments outline the major damages from the 2018 South Texas Floods and unmet needs in the recovery process. The Action Plan outlines the eligible use of CDBG-DR funds, and specific programs that will be allowable by the GLO.

### 5.1 Publication

Before the GLO adopts the Action Plan for this grant or any substantial amendment to this grant, the GLO will publish the proposed plan or amendment on: <http://recovery.texas.gov>. This website is built to meet the Web Content Accessibility Guidelines (WCAG) 2.0 level AA standards for accessibility, of which Section 508 standards incorporate. Further, The Revised 508 Standards incorporate by reference the WCAG 2.0 Level AA Success Criteria and apply the WCAG 2.0 Level AA success criteria and conformance requirements to both web and non-web electronic content.

The GLO's recovery website will cross-reference with additional agency websites. The GLO and/or subrecipients will notify affected citizens through electronic mailings, press releases, statements by public officials, media advertisements, public service announcements, newsletters, contacts with neighborhood organizations, and/or through social media.



The GLO will ensure that all citizens have equal access to information about the programs, including persons with disabilities and limited English proficiency (LEP). The GLO will ensure that program information is available in the appropriate languages for the geographic area served by the jurisdiction. For assistance, in ensuring that this information is available to LEP populations, the GLO and subrecipients will consult the Final Guidance to Federal Financial Assistance Recipients Regarding Title VI, Prohibition Against National Origin Discrimination Affecting Limited English Proficient Persons, published on January 22, 2007, in the Federal Register (72 FR 2732).

The Action Plan in its entirety will be translated into Spanish. This language was selected based on a four-factor analysis of the entire CDBG-DR eligible area and a natural break in the numbers of LEP individuals. Recognizing there may be a need for individuals to have access to the document in additional languages, the GLO will be contracting with a translation service to provide personalized translations of the Action Plan upon request into a total of 19 languages, alongside braille and American Sign Language. Any public places that work directly in programs available to private individuals will carry signage detailing this service in applicable languages. The GLO website will include similar notations.

Subsequent to publication of the Action Plan or substantial amendment(s), the GLO will provide a reasonable opportunity of at least 30 days and have a method(s) for receiving comments. Citizens with disabilities or those who need technical assistance can contact the GLO office for assistance, either via: TDD 512-463-5330 or TX Relay Service 7-1-1. The GLO will take comments via USPS mail, fax, email, or through the GLO's website: Texas General Land Office, Community Development and Revitalization, PO. Box 12873, Austin, TX 78711-2873. Fax: 512-475-5150. Email: [cdr@recovery.texas.gov](mailto:cdr@recovery.texas.gov)

### 5.1.1 CONSIDERATION OF PUBLIC COMMENTS

The GLO will consider all written comments regarding the Action Plan or any substantial amendment. A summary of the comments and the GLO's response to each located in the Appendix section will be submitted to HUD with the Action Plan or substantial amendment.

### 5.1.2 CITIZEN COMPLAINTS

The GLO will provide a timely written response to every citizen complaint. The response will be provided within fifteen (15) working days of the receipt of the complaint, when practicable.

### 5.1.3 SUBSTANTIAL AMENDMENT

As additional information and funding becomes available through the grant administration process, amendments to this Action Plan are expected. Prior to adopting any substantial amendment to this Action Plan, the GLO will publish the proposed plan or amendment on the GLO's recovery website

and will afford citizens, affected local governments, and other interested parties a reasonable opportunity to examine the plan or amendment's contents.

At a minimum, the following modifications will constitute a substantial amendment:

- A change in program benefit or eligibility criteria;
- The allocation or reallocation of more than \$5 million; or
- The addition or deletion of an activity.

#### 5.1.4 NONSUBSTANTIAL AMENDMENT

The GLO will notify HUD when it makes any plan amendment that is not substantial. HUD will be notified at least five (5) business days before the amendment becomes effective. HUD will acknowledge receipt of the notification of nonsubstantial amendments via email within five (5) business days.

#### 5.1.5 COMMUNITY CONSULTATION

The GLO has continued its efforts to elicit feedback from local officials and interested parties through meetings, conference calls and trips to impacted communities. These trips have included workshops with elected officials, including local, state and federal partners.

#### 5.1.6 PUBLIC WEBSITE

The GLO will maintain a public website that provides information accounting for how all grant funds are used and managed/administered, including: links to all action plans; action plan amendments; CDBG-DR program policies and procedures; performance reports; citizen participation requirements; and grant activity/program information, including details of all contracts and ongoing procurement policies. The GLO will make the following items available on the agency's recovery website, [recovery.texas.gov](http://recovery.texas.gov):

- The Action Plan (including all amendments); each Quarterly Performance Report (QPR) as created using the DRGR system;
- Procurement, policies and procedures;
- Executed CDBG-DR contracts; and
- Status of services or goods currently being procured by the GLO (e.g., phase of the procurement, requirements for proposals, etc.).

In addition to the specific items listed above, the GLO will maintain a comprehensive website regarding all disaster recovery activities assisted with these funds.



This includes reporting information on the GLO's recovery website, [recovery.texas.gov](http://recovery.texas.gov), and additional in-depth program information on a separate site dedicated specifically to disaster recovery. The website will be updated in a timely manner to reflect the most up-to-date information about the use of these funds and any changes in policies and procedures, as necessary. At a minimum, updates will be made on a monthly basis.

### 5.1.7 WAIVERS

The Appropriations Act authorizes the Secretary of HUD to waive or specify alternative requirements for any provision of any statute or regulation that the Secretary administers in connection with the obligation by the Secretary, or use by the recipient, of these funds and guarantees, except for requirements related to fair housing, nondiscrimination, labor standards, and the environment (including requirements concerning lead-based paint), upon: (1) A request by the grantee explaining why such a waiver is required to facilitate the use of such funds or guarantees; and (2) a finding by the Secretary that such a waiver would not be inconsistent with the overall purpose of HCDA. Regulatory waiver authority is also provided by 24 CFR 5.110, 91.600, and 570.5.



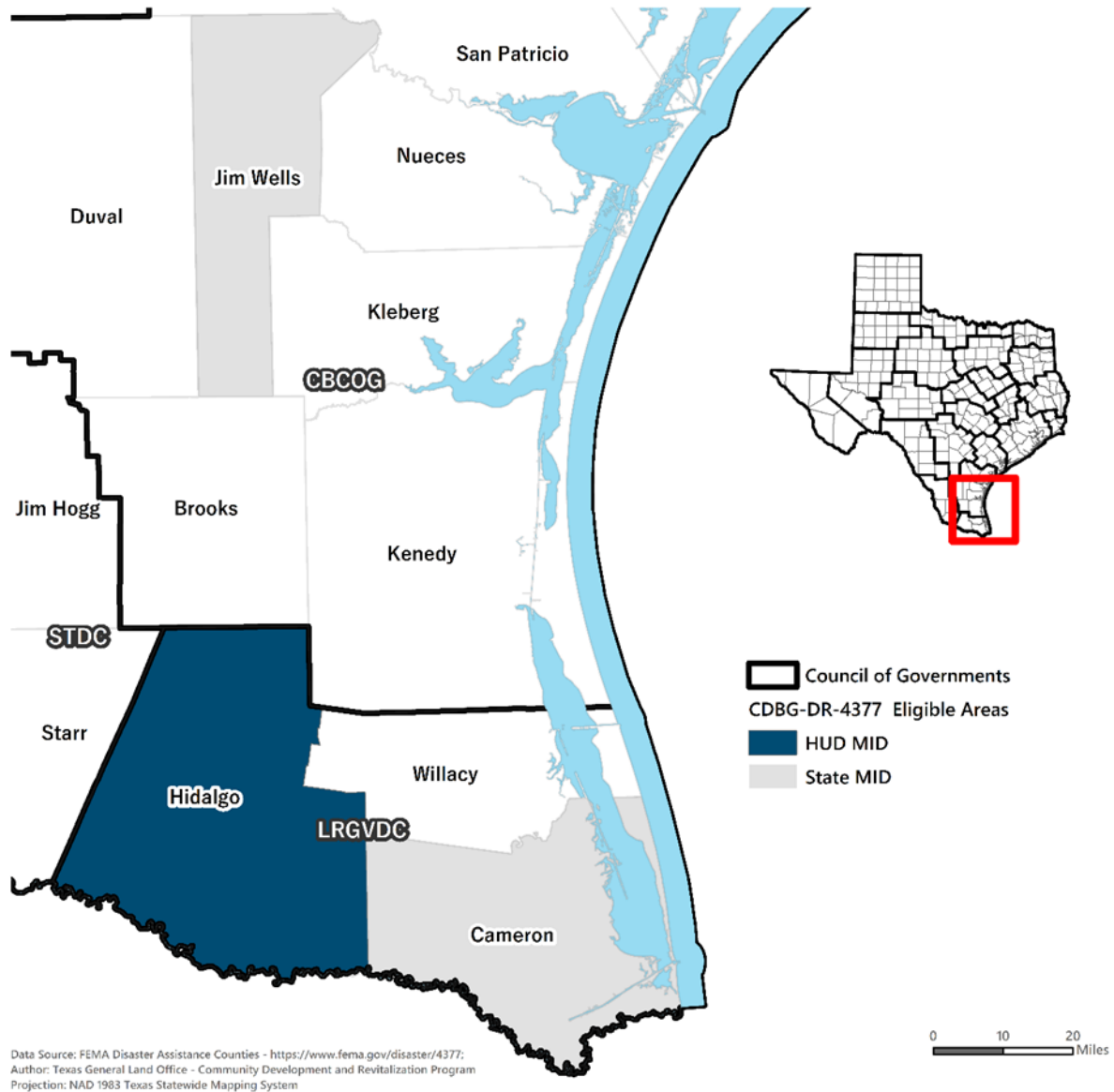
## 6 APPENDIX

### 6.1 Appendix A: CDBG-DR Eligible and Most Impacted Counties

**Table 6-1: CDBG-DR Eligible and Most Impacted Counties**

<b>HUD MID County</b>	<b>State MID Counties</b>
<b>Hidalgo</b>	<b>Cameron</b>
	<b>Jim Wells</b>

**Figure 6-1: CDBG-DR Eligible and Most Impacted Counties**





## 6.2 Appendix B: Certifications – State of Texas

24 CFR 91.225 and 91.325 are waived. Each grantee receiving a direct allocation under this Notice must make the following certifications with its action plan:

a. The grantee certifies that it has in effect and is following a residential anti-displacement and relocation assistance plan in connection with any activity assisted with funding under the CDBG program.

b. The grantee certifies its compliance with restrictions on lobbying required by 24 CFR part 87, together with disclosure forms, if required by part 87.

c. The grantee certifies that the action plan for disaster recovery is authorized under State and local law (as applicable) and that the grantee, and any entity or entities designated by the grantee, and any contractor, subrecipient, or designated public agency carrying out an activity with CDBG-DR funds, possess(es) the legal authority to carry out the program for which it is seeking funding, in accordance with applicable HUD regulations and this Notice. The grantee certifies that activities to be undertaken with funds under this Notice are consistent with its Action Plan.

d. The grantee certifies that it will comply with the acquisition and relocation requirements of the URA, as amended, and implementing regulations at 49 CFR part 24, except where waivers or alternative requirements are provided for in this Notice.

e. The grantee certifies that it will comply with section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u) and implementing regulations at 24 CFR part 135.

f. The grantee certifies that it is following a detailed citizen participation plan that satisfies the requirements of 24 CFR 91.115 or 91.105 (except as provided for by HUD in Federal Register notices providing waivers and alternative requirements for this grant). Also, each local government receiving assistance from a State grantee must follow a detailed citizen participation plan that satisfies the requirements of 24 CFR 570.486 (except as provided for in notices providing waivers and alternative requirements for this grant).

g. State grantee certifies that it has consulted with affected local governments in counties designated in covered major disaster declarations in the non-entitlement, entitlement, and tribal areas of the state in determining the uses of funds, including funding, or activities carried out directly by the state.

h. The grantee certifies that it is complying with each of the following criteria:

1. Funds will be used solely for necessary expenses related to disaster relief, long-term recovery, restoration of infrastructure and housing and economic revitalization in the most



impacted and distressed areas for which the President declared a major disaster in 2018 pursuant to the Robert T. Stafford Disaster Relief and Emergency Assistance Act of 1974 (42 U.S.C. 5121 *et seq.*).

2. With respect to activities expected to be assisted with CDBG-DR funds, the Action Plan has been developed to give the maximum feasible priority to activities that will benefit low- and moderate-income families.

3. The aggregate use of CDBG-DR funds shall principally benefit low- and moderate-income families in a manner that ensures that at least 70 percent (or another percentage permitted by HUD in a waiver published in an applicable Federal Register notice) of the grant amount is expended for activities that benefit such persons.

4. The grantee will not attempt to recover any capital costs of public improvements assisted with CDBG-DR grant funds, by assessing any amount against properties owned and occupied by persons of low and moderate income, including any fee charged or assessment made as a condition of obtaining access to such public improvements, unless:

(a) Disaster recovery grant funds are used to pay the proportion of such fee or assessment that relates to the capital costs of such public improvements that are financed from revenue sources other than under this title; or

(b) For purposes of assessing any amount against properties owned and occupied by persons of moderate income, the grantee certifies to the Secretary that it lacks enough CDBG funds (in any form) to comply with the requirements of clause (a).

i. The grantee certifies that the grant will be conducted and administered in conformity with title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d), the Fair Housing Act (42 U.S.C. 3601–3619), and implementing regulations, and that it will affirmatively further fair housing.

j. The grantee certifies that it has adopted and is enforcing the following policies, and, in addition, must certify that they will require local governments that receive grant funds to certify that they have adopted and are enforcing:

1. A policy prohibiting the use of excessive force by law enforcement agencies in its jurisdiction against any individuals engaged in nonviolent civil rights demonstrations; and

2. A policy of enforcing applicable state and local laws against physically barring entrance to or exit from a facility or location that is the subject of such nonviolent civil rights demonstrations within its jurisdiction.

k. The grantee certifies that it (and any subrecipient or administering entity) currently has or will develop and maintain the capacity to carry out disaster recovery activities in a timely manner and



that the grantee has reviewed the requirements of this Notice. The grantee certifies to the accuracy of its Public Law 115-56 Financial Management and Grant Compliance certification checklist, or other recent certification submission, if approved by HUD, and related supporting documentation referenced at A.1.a. under section VI and its Implementation Plan and Capacity Assessment and related submissions to HUD referenced at A.1.b. under section VI.

l. The grantee certifies that it will not use CDBG-DR funds for any activity in an area identified as flood prone for land use or hazard mitigation planning purposed by the state, local, or tribal government or delineated as a Special Flood Hazard Area (or 100-year floodplain) in FEMA's most current flood advisory maps, unless it also ensures that the action is designed or modified to minimize harm to or within the floodplain, in accordance with Executive Order 11988 and 24 CFR part 55. The relevant data source for this provision is the state, local, and tribal government land use regulations and hazard mitigation plans and the latest issued FEMA data or guidance, which includes advisory data (such as Advisory Base Flood Elevations) or preliminary and final Flood Insurance Rate Maps.

m. The grantee certifies that its activities concerning lead-based paint will comply with the requirements of 24 CFR part 35, subparts A, B, J, K, and R.

n. The grantee certifies that it will comply with environmental requirements at 24 CFR part 58.

o. The grantee certifies that it will comply with applicable laws.

*Warning:* Any person who knowingly makes a false claim or statement to HUD may be subject to civil or criminal penalties under 18 U.S.C. 287, 1001 and 31 U.S.C. 3729.

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### **6.3 Appendix C: Program Execution Timelines – State Action Plan**

While several factors may contribute to the timeline and execution of recovery programs, the following is an estimated timeline for housing and infrastructure programs.



**Figure 6-2: Program Expenditure Timeline**

Program	Allocation	2020			
		Q1	Q2	Q3	Q4
Homeowner Assistance Program	\$ 31,700,000	\$ -	\$ -	\$ -	\$ -
Homeowner Reimbursement Program	\$ 3,470,000	\$ -	\$ -	\$ -	\$ -
Affordable Rental Program	\$ 10,110,000	\$ -	\$ -	\$ -	\$ -
Infrastructure Competition	\$ 19,690,000	\$ -	\$ -	\$ -	\$ -
State Project Delivery	\$ 651,700	\$ -	\$ -	\$ -	\$ -
Local, Regional, and State Planning	\$ 3,645,650	\$ -	\$ -	\$ -	\$ 9,888
Administration	\$ 3,645,650	\$ -	\$ -	\$ -	\$ 10,453
<b>Grand Total</b>	<b>\$ 72,913,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 20,341</b>
Remaining Funds				\$ 72,913,000	\$ 72,892,659

Program	Allocation	2021			
		Q1	Q2	Q3	Q4
Homeowner Assistance Program	\$ 31,700,000	\$ 68,071	\$ 109,774	\$ 106,494	\$ 363,966
Homeowner Reimbursement Program	\$ 3,470,000	\$ -	\$ 210	\$ 24,772	\$ 24,456
Affordable Rental Program	\$ 10,110,000	\$ 78	\$ 8,263	\$ 199,554	\$ 135,988
Infrastructure Competition	\$ 19,690,000	\$ -	\$ -	\$ -	\$ -
State Project Delivery	\$ 651,700	\$ -	\$ -	\$ -	\$ -
Local, Regional, and State Planning	\$ 3,645,650	\$ 5,221	\$ 13,350	\$ 6,873	\$ 1,295
Administration	\$ 3,645,650	\$ 63,257	\$ 84,433	\$ 116,427	\$ 112,261
<b>Grand Total</b>	<b>\$ 72,913,000</b>	<b>\$ 136,627</b>	<b>\$ 216,031</b>	<b>\$ 454,119</b>	<b>\$ 637,966</b>
Remaining Funds		\$ 72,756,032	\$ 72,540,001	\$ 72,085,882	\$ 71,447,916



Program	Allocation	2022			
		Q1	Q2	Q3	Q4
Homeowner Assistance Program	\$ 31,700,000	\$ 728,863	\$ 1,552,863	\$ 2,019,529	\$ 2,263,416
Homeowner Reimbursement Program	\$ 3,470,000	\$ 853,465	\$ 849,329	\$ 971,600	\$ 416,400
Affordable Rental Program	\$ 10,110,000	\$ 233,680	\$ 319,319	\$ 603,192	\$ 689,362
Infrastructure Competition	\$ 19,690,000	\$ -	\$ 2,924	\$ 33,338	\$ 66,676
State Project Delivery	\$ 651,700	\$ -	\$ -	\$ -	\$ -
Local, Regional, and State Planning	\$ 3,645,650	\$ 2,618	\$ 2,447	\$ 8,605	\$ 10,591
Administration	\$ 3,645,650	\$ 132,447	\$ 272,438	\$ 208,853	\$ 158,552
<b>Grand Total</b>	<b>\$ 72,913,000</b>	<b>\$ 1,951,073</b>	<b>\$ 2,999,320</b>	<b>\$ 3,845,117</b>	<b>\$ 3,604,998</b>
Remaining Funds		\$ 69,496,843	\$ 66,497,523	\$ 62,652,407	\$ 59,047,409

Program	Allocation	2023			
		Q1	Q2	Q3	Q4
Homeowner Assistance Program	\$ 31,700,000	\$ 2,755,766	\$ 3,369,431	\$ 3,463,477	\$ 3,563,874
Homeowner Reimbursement Program	\$ 3,470,000	\$ 208,200	\$ 104,100	\$ 10,514	\$ 6,953
Affordable Rental Program	\$ 10,110,000	\$ 861,702	\$ 1,034,043	\$ 1,034,043	\$ 1,034,043
Infrastructure Competition	\$ 19,690,000	\$ 142,877	\$ 1,415,631	\$ 2,024,488	\$ 1,929,237
State Project Delivery	\$ 651,700	\$ -	\$ -	\$ -	\$ -
Local, Regional, and State Planning	\$ 3,645,650	\$ 26,478	\$ 169,091	\$ 244,862	\$ 244,862
Administration	\$ 3,645,650	\$ 158,552	\$ 158,552	\$ 158,552	\$ 158,552
<b>Grand Total</b>	<b>\$ 72,913,000</b>	<b>\$ 4,153,575</b>	<b>\$ 6,250,848</b>	<b>\$ 6,935,936</b>	<b>\$ 6,937,520</b>
Remaining Funds		\$ 54,893,834	\$ 48,642,986	\$ 41,707,050	\$ 34,769,530





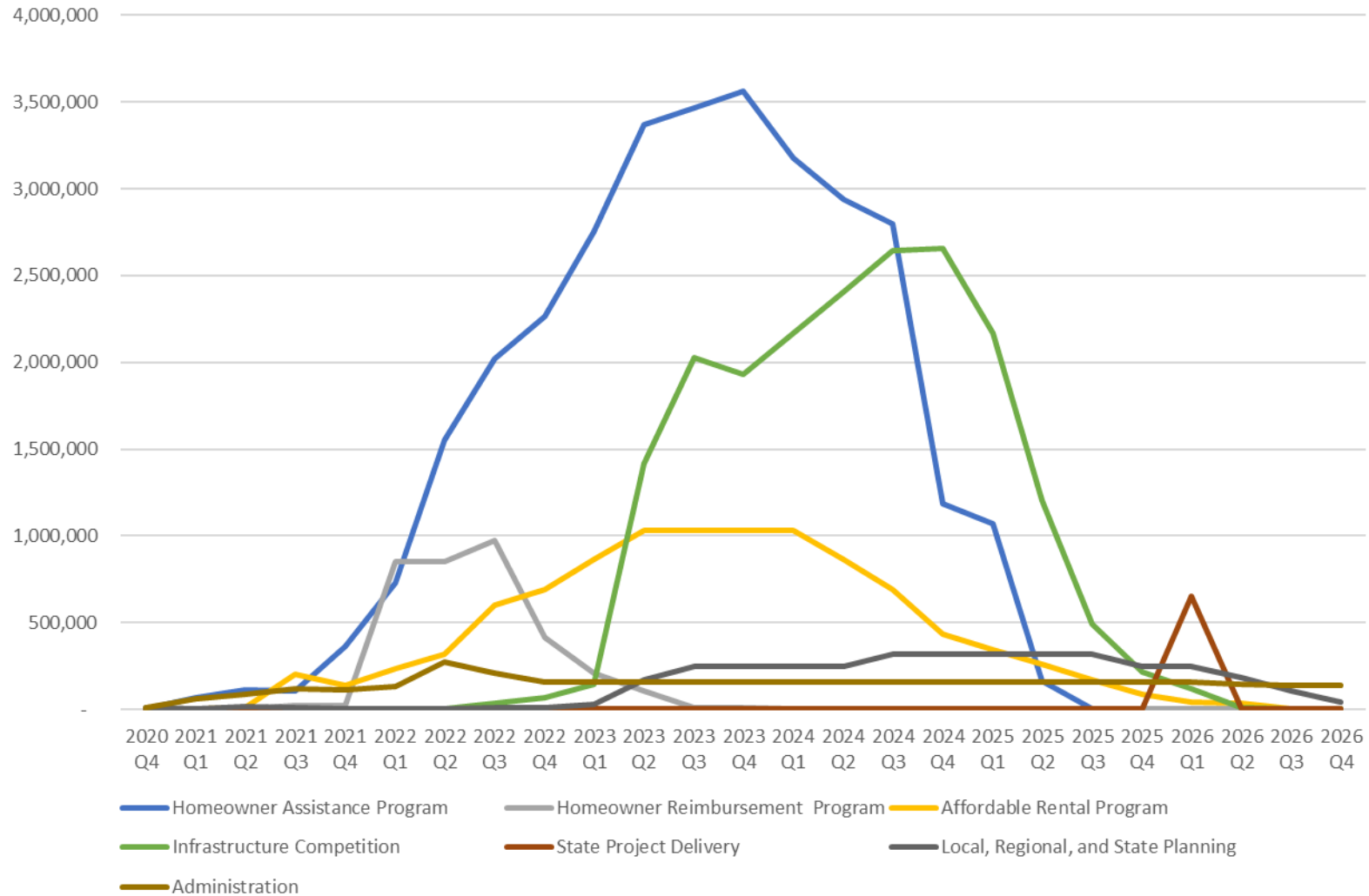
Program	Allocation	2024			
		Q1	Q2	Q3	Q4
Homeowner Assistance Program	\$ 31,700,000	\$ 3,179,274	\$ 2,940,196	\$ 2,797,231	\$ 1,187,958
Homeowner Reimbursement Program	\$ 3,470,000	\$ -	\$ -	\$ -	\$ -
Affordable Rental Program	\$ 10,110,000	\$ 1,034,043	\$ 861,702	\$ 689,362	\$ 430,851
Infrastructure Competition	\$ 19,690,000	\$ 2,167,366	\$ 2,405,495	\$ 2,643,624	\$ 2,654,245
State Project Delivery	\$ 651,700	\$ -	\$ -	\$ -	\$ -
Local, Regional, and State Planning	\$ 3,645,650	\$ 244,862	\$ 244,862	\$ 317,737	\$ 317,737
Administration	\$ 3,645,650	\$ 158,552	\$ 158,552	\$ 158,552	\$ 158,552
<b>Grand Total</b>	<b>\$ 72,913,000</b>	<b>\$ 6,784,096</b>	<b>\$ 6,610,807</b>	<b>\$ 6,606,505</b>	<b>\$ 4,749,343</b>
Remaining Funds		\$ 27,985,434	\$ 21,374,627	\$ 14,768,122	\$ 10,018,778

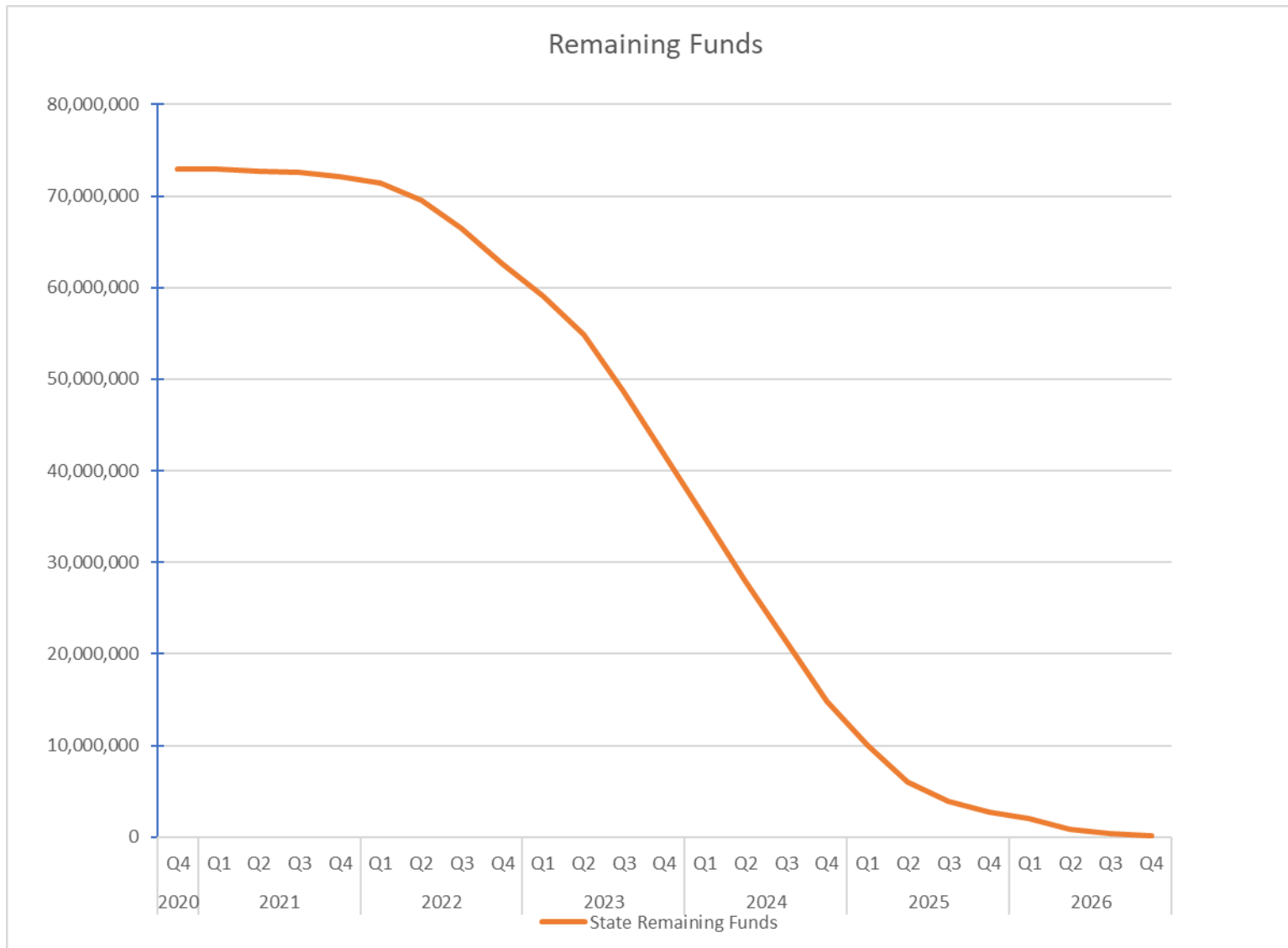
Program	Allocation	2025			
		Q1	Q2	Q3	Q4
Homeowner Assistance Program	\$ 31,700,000	\$ 1,069,162	\$ 160,655	\$ -	\$ -
Homeowner Reimbursement Program	\$ 3,470,000	\$ -	\$ -	\$ -	\$ -
Affordable Rental Program	\$ 10,110,000	\$ 344,681	\$ 258,511	\$ 172,340	\$ 86,170
Infrastructure Competition	\$ 19,690,000	\$ 2,169,551	\$ 1,202,747	\$ 488,360	\$ 214,316
State Project Delivery	\$ 651,700	\$ -	\$ -	\$ -	\$ -
Local, Regional, and State Planning	\$ 3,645,650	\$ 317,737	\$ 317,737	\$ 317,737	\$ 244,862
Administration	\$ 3,645,650	\$ 158,552	\$ 158,552	\$ 158,552	\$ 158,552
<b>Grand Total</b>	<b>\$ 72,913,000</b>	<b>\$ 4,059,684</b>	<b>\$ 2,098,202</b>	<b>\$ 1,136,990</b>	<b>\$ 703,900</b>
Remaining Funds		\$ 5,959,095	\$ 3,860,893	\$ 2,723,903	\$ 2,020,003



Program	Allocation	2026			
		Q1	Q2	Q3	Q4
Homeowner Assistance Program	\$ 31,700,000	\$ -	\$ -	\$ -	\$ -
Homeowner Reimbursement Program	\$ 3,470,000	\$ -	\$ -	\$ -	\$ -
Affordable Rental Program	\$ 10,110,000	\$ 43,085	\$ 35,990	\$ -	\$ -
Infrastructure Competition	\$ 19,690,000	\$ 119,065	\$ 10,060	\$ -	\$ -
State Project Delivery	\$ 651,700	\$ 651,700	\$ -	\$ -	\$ -
Local, Regional, and State Planning	\$ 3,645,650	\$ 244,862	\$ 185,347	\$ 105,912	\$ 40,076
Administration	\$ 3,645,650	\$ 158,552	\$ 146,884	\$ 139,235	\$ 139,235
<b>Grand Total</b>	<b>\$ 72,913,000</b>	<b>\$ 1,217,263</b>	<b>\$ 378,281</b>	<b>\$ 245,148</b>	<b>\$ 179,311</b>
Remaining Funds		\$ 802,739	\$ 424,459	\$ 179,311	\$ (0)

### State Programs Projected Expenditures

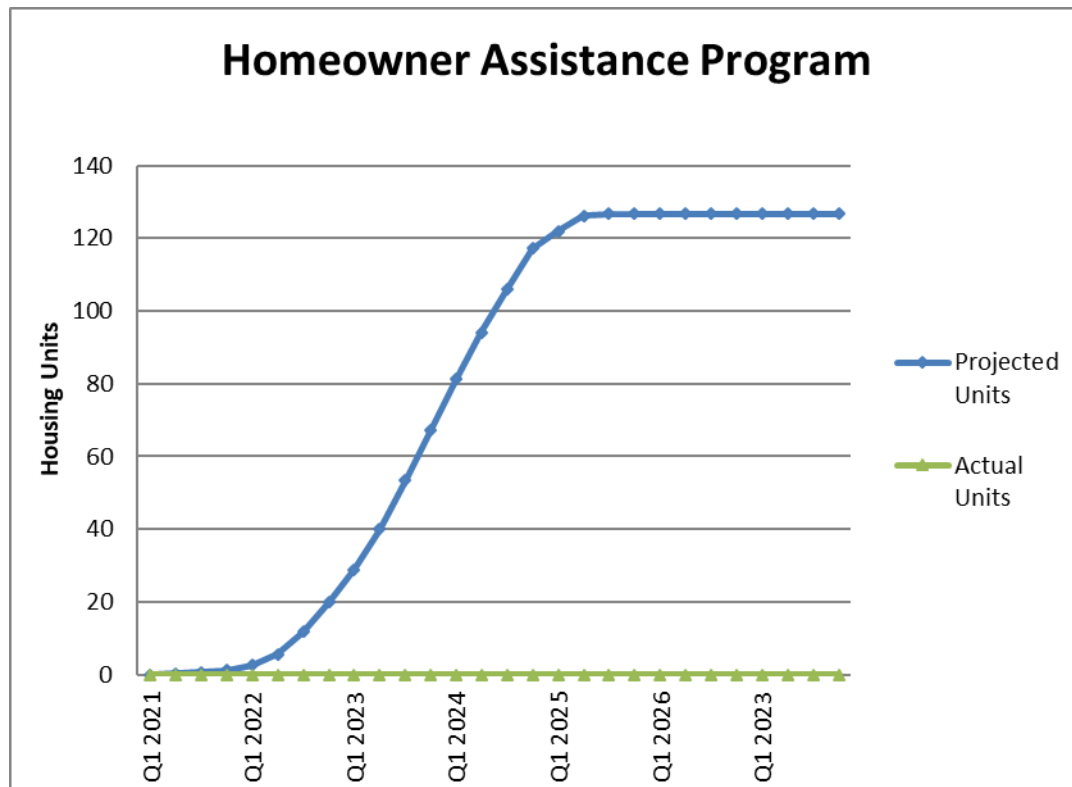






## 6.4 Appendix D: Projected Expenditures and Outcomes – State Action Plan

Figure 6-3: HAP Projected Outcomes



Homeowner Assistance Program	Q1 2021	Q2 2021	Q3 2021	Q4 2021
Projected Units	0	0.3	0.7	1.1
# of Housing Units (Quarterly Projection)	0	0.3	0.4	0.4
Actual Units	0	0	0	0
# of Housing Units (Populated from QPR Reporting)	0			

Homeowner Assistance Program	Q1 2022	Q2 2022	Q3 2022	Q4 2022
Projected Units	2.6	5.5	11.7	19.8
# of Housing Units (Quarterly Projection)	1.5	2.9	6.2	8.1
Actual Units	0	0	0	0
# of Housing Units (Populated from QPR Reporting)				

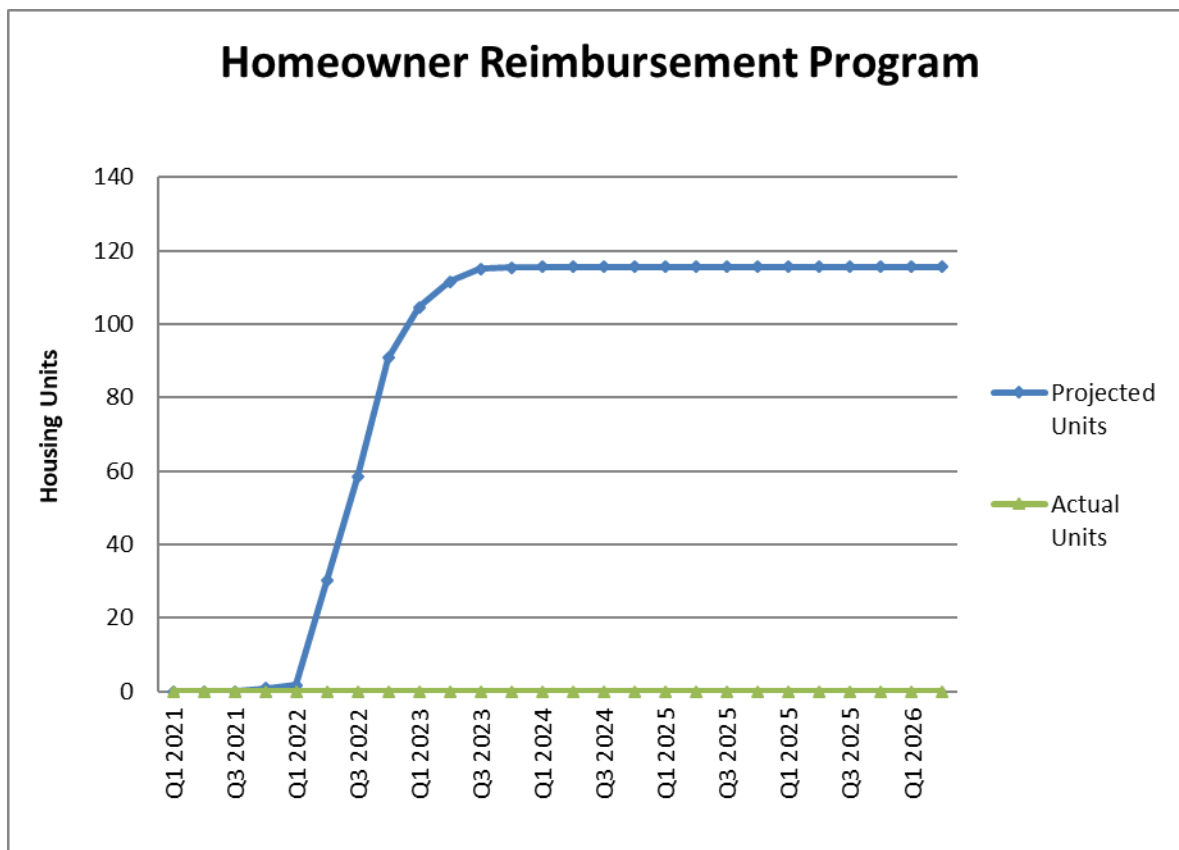
Homeowner Assistance Program	Q1 2023	Q2 2023	Q3 2023	Q4 2023
Projected Units	28.9	39.9	53.4	67.2
# of Housing Units (Quarterly Projection)	9.1	11.0	13.5	13.9
Actual Units	0	0	0	0
# of Housing Units (Populated from QPR Reporting)				



Homeowner Assistance Program	Q1 2024	Q2 2024	Q3 2024	Q4 2024
Projected Units	81.5	94.2	105.9	117.1
# of Housing Units (Quarterly Projection)	14.3	12.7	11.8	11.2
Actual Units	0	0	0	0
# of Housing Units (Populated from QPR Reporting)				

Homeowner Assistance Program	Q1 2025	Q2 2025	Q3 2025	Q4 2025
Projected Units	121.9	126.2	126.8	126.8
# of Housing Units (Quarterly Projection)	4.8	4.3	0.6	0.0
Actual Units	0	0	0	0
# of Housing Units (Populated from QPR Reporting)				

Figure 6-4: HRP Projected Outcomes



Homeowner Reimbursement Program	Q1 2021	Q2 2021	Q3 2021	Q4 2021
Projected Units	0	0	0	1
# of Housing Units (Quarterly Projection)	0			0.83
Actual Units	0	0	0	0
# of Housing Units (Populated from QPR Reporting)	0			

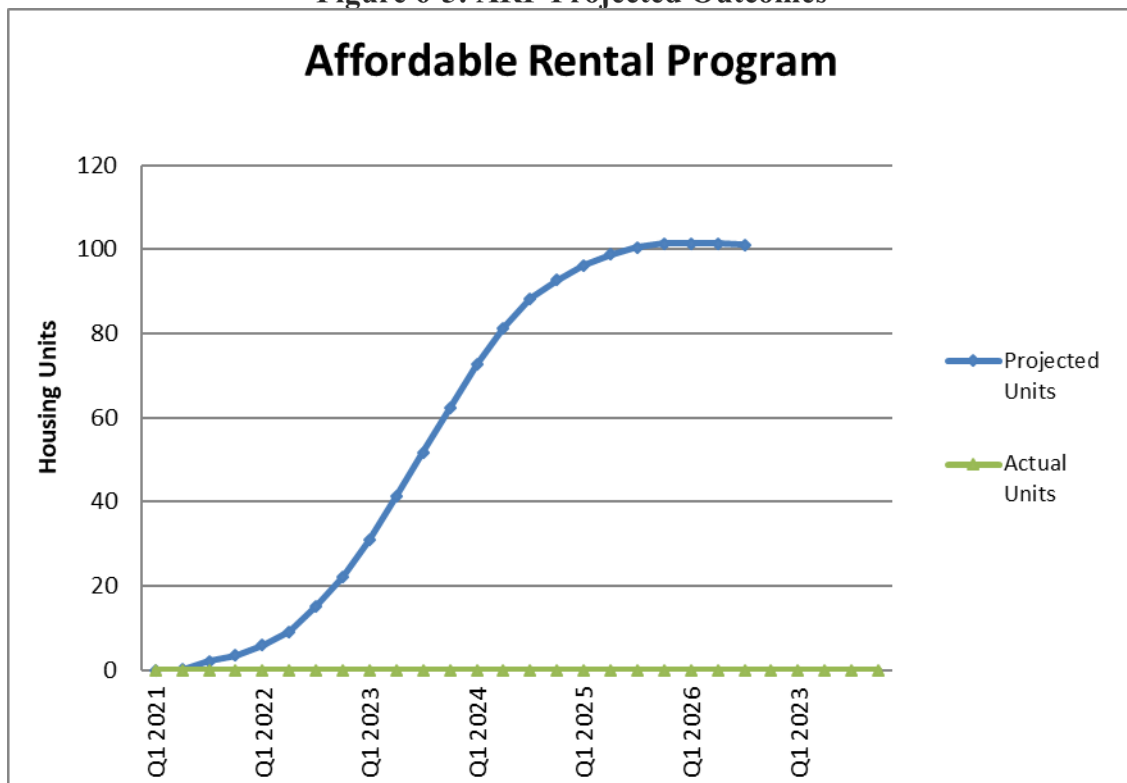


Homeowner Reimbursement Program	Q1 2022	Q2 2022	Q3 2022	Q4 2022
Projected Units	2	30	58	91
# of Housing Units (Quarterly Projection)	0.82	28.45	28.31	32.39
Actual Units	0	0	0	0
# of Housing Units (Populated from QPR Reporting)				

Homeowner Reimbursement Program	Q1 2023	Q2 2023	Q3 2023	Q4 2023
Projected Units	105	112	115	115
# of Housing Units (Quarterly Projection)	13.88	6.94	3.47	0.35
Actual Units	0	0	0	0
# of Housing Units (Populated from QPR Reporting)				

Homeowner Reimbursement Program	Q1 2024	Q2 2024	Q3 2024	Q4 2024
Projected Units	116	116	116	116
# of Housing Units (Quarterly Projection)	0.23			
Actual Units	0	0	0	0
# of Housing Units (Populated from QPR Reporting)				

Figure 6-5: ARP Projected Outcomes



Affordable Rental Program	Q1 2021	Q2 2021	Q3 2021	Q4 2021
Projected Units	0	0.1	2.1	3.5
# of Housing Units (Quarterly Projection)	0	0.1	2.0	1.4
Actual Units	0	0	0	0
# of Housing Units (Populated from QPR Reporting)	0			



<b>Affordable Rental Program</b>	<b>Q1 2022</b>	<b>Q2 2022</b>	<b>Q3 2022</b>	<b>Q4 2022</b>
Projected Units	5.8	9.1	15.2	22.1
# of Housing Units (Quarterly Projection)	2.4	3.2	6.1	7.0
Actual Units	0	0	0	0
# of Housing Units (Populated from QPR Reporting)				

<b>Affordable Rental Program</b>	<b>Q1 2023</b>	<b>Q2 2023</b>	<b>Q3 2023</b>	<b>Q4 2023</b>
Projected Units	30.8	41.3	51.7	62.2
# of Housing Units (Quarterly Projection)	8.7	10.4	10.4	10.4
Actual Units	0	0	0	0
# of Housing Units (Populated from QPR Reporting)				

<b>Affordable Rental Program</b>	<b>Q1 2024</b>	<b>Q2 2024</b>	<b>Q3 2024</b>	<b>Q4 2024</b>
Projected Units	72.6	81.3	88.3	92.6
# of Housing Units (Quarterly Projection)	10.4	8.7	7.0	4.4
Actual Units	0	0	0	0
# of Housing Units (Populated from QPR Reporting)				

<b>Affordable Rental Program</b>	<b>Q1 2025</b>	<b>Q2 2025</b>	<b>Q3 2025</b>	<b>Q4 2025</b>
Projected Units	96.1	98.7	100	101
# of Housing Units (Quarterly Projection)	3.5	2.6	1.7	0.9
Actual Units	0	0	0	0
# of Housing Units (Populated from QPR Reporting)				





## 6.5 Appendix E: Consultations

**Table 6-2: Consultations**

<b>DATE</b>	<b>MEETING</b>	<b>PARTIES REPRESENTED / PURPOSE</b>
1/9/2019	FEMA, TDEM, TCEQ, TWDB, SBA	Provided status of CDBG-DR programs and captured input on recovery mitigation needs.
3/18/2019	Intergovernmental Relations (IGR) Hearing	Senator Eddie Lucio, Jr. (Represents portions of the 2018 Impacted Area).
1/9/2019	FEMA, TDEM, TCEQ, TWDB, FEMA, SBA	Provided status of CDBG-DR programs and capture input on mitigation needs.
3/19/2019	SB 812 Hearing	Senator Eddie Lucio, Jr. (Represents portions of the 2018 Impacted Area).
5/7/2019	Cameron County	Promoted awareness of upcoming mitigation grant (including participation in the GLO-CDR mitigation survey), plus current knowledge of HUD mitigation grant (timeline, allocation amounts per disaster).
5/7/2019	South Texas Development Council	Promoted awareness of upcoming mitigation grant (including participation in the GLO-CDR mitigation survey), plus current knowledge of HUD mitigation grant (timeline, allocation amounts per disaster).
5/21/2019	UT Rio Grande Valley Stormwater Conference (Hidalgo, Cameron, and Willacy Counties)	Discussed possible uses of CDBG-DR and CDBG-MIT funds.
5/23/2019	Texas Water Infrastructure Coordination Committee	Presentation on CDBG-DR and CDBG-MIT funding. Provided emphasis on the need for outreach and communication across the state.
6/4/2019	Rio Grande Valley Officials	Meeting w/Rio Grande Valley Stakeholders.
6/19/2019	UT Center for Space Research, USACE, FEMA, USGS, National Weather Service	Discussion on statewide and regional planning efforts as they relate to disaster recovery and mitigation.
6/19/2019	Texas Citizen Planner Workshop - Cameron County	Promoted awareness of upcoming mitigation grant (including participation in the GLO-CDR mitigation survey), plus GLO-CDR role in administering CDBG-DR grants.
7/8/2019	Hidalgo and Cameron County Officials	Discussed flooding and possible uses of upcoming CDBG-DR and MIT funds.



<b>DATE</b>	<b>MEETING</b>	<b>PARTIES REPRESENTED / PURPOSE</b>
7/11/2019	Interagency Coordination Meeting	Interagency Coordination Meeting - State Flood Plan Guidance.
8/6/2019	Lower Rio Grande Valley Development Council Conference Call	Answered questions regarding the upcoming mitigation and CDBG-DR grant and survey.
9/5/2019	Texas Association of Counties Conference	Texas Association of Counties Conference.
11/13/2019	Lower Rio Grande Valley Development Council Conference Call	CDBG-DR and CDBG-MIT discussion for Hidalgo, Cameron and Willacy Counties.
12/6/2019	Jim Wells County	Notified county about upcoming CDBG-DR funds.
12/17/2019	Monthly Elected Call	Provided status of 2018 CDBG-DR funds.
12/19/2019	Jim Wells County	Discussed particulars of federal register and how it will affect Jim Wells County.
1/29/2020	Jim Wells County	Discussed possible need for buyouts.
1/29/2020	Fred Castro, Chief Counsel, The Office of Representative Vincente Gonzales (Represents a portion of Lower Rio Grande Valley)	Provided information about CDR programs and upcoming CDBG-DR funds.
2/4/2020	Monthly Elected Call	Provided status of 2018 CDBG-DR funds.
2/18/2020	Hidalgo County and HUD Deputy Secretary Brian Montgomery	Three Rio Grande Valley counties organized a two-day presentation and site tours for HUD Deputy Secretary Brian Montgomery.
3/4/2020	Monthly Elected Call	Provided status of 2018 CDBG-DR funds.



## 6.6 Appendix F: Application Status

Applicants of the 2018 South Texas Floods CDBG-DR programs will have an opportunity to receive and participate in appropriate communication regarding the status of their application. Forms of communication will be dependent on the GLO program area which is responsible for the execution of each program, and may include, but are not limited to, the GLO website, application portal(s), telephone accessibility, face-to-face communication, and/or email accessibility. Dependent on circumstances, other forms of communication may be appropriate and utilized.



## 6.7 Appendix G: Public Comment – State of Texas

### State of Texas 2018 South Texas Floods CDBG-DR Action Plan

The State of Texas 2018 South Texas Floods CDBG-DR Action Plan was released on July 29, 2020. The public comment period for the document ran from July 29 to August 27, 2020. The GLO distributed a Statewide press release announcing the availability of the Plan on the GLO website. Additionally, the GLO sent out an email to stakeholders across the three eligible counties targeting local emergency management coordinators, county and local government officials, public housing authorities and other interested parties.

**Table 6-3: Commenters**

Last Name	First Name	Individual, County, City, or Organization
Sesin	Raul E.	Hidalgo County Drainage District No. 1
Fuentes	The Honorable David L.	
Torres	The Honorable Ellie	

The following is a summary of the comments received as well as the response.

**Comment Received:** The Action Plan should allocate \$15 million to the Hidalgo County Drainage District No. 1 from the housing category to build regional flood-control infrastructure.

**Staff Response:** The Texas General Land Office (GLO) remains committed to ensuring CDBG-DR funds are distributed in a manner that is both within the bounds of the prescribed law and works to achieve the most effective and efficient recovery possible. The GLO Office recognizes this comment and will give it adequate consideration.

**Comment Received:** Generally, the Action Plan allocates too much funding to housing; funding should be reallocated to infrastructure.

**Staff Response:** The Federal Register notice (the Notice) associated with this CDBG-DR allocation established the rules and regulations by which these funds are to be allocated. The Notice required the grantee to primarily consider and address its unmet housing recovery needs. The GLO



is committed to ensuring all CDBG-DR funds are implemented in a manner that is consistent with these rules.

**Comment Received:** The Action Plan's Infrastructure Competition rules are not conducive to creating significant flood-control infrastructure. The minimum and maximum award amount should be increased to \$3 million and \$15 million, respectively.

**Staff Response:** The Texas General Land Office recognizes this comment and will give it adequate consideration.