

MEDIA ADVISORY

GLO announces HUD rules for administration of \$177 million for Texas communities recovering from historic 2016 flooding

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Contact: Brittany Eck
(512) 463-5708
brittany.eck@glo.texas.gov

AUSTIN — AUSTIN - Today Texas General Land Office Commissioner George P. Bush announced that the U.S. Department of Housing and Urban Development (HUD) has issued its guidance for the administration of the additional \$177 million awarded last month to the state of Texas to assist in long-term recovery efforts following severe flooding events that occurred in 2016. These funds awarded to the state are in addition to the \$45.2 million previously announced in October, which brings the total 2016 Texas allocation to \$222.2 million.

"The widespread flooding that impacted 160 Texas counties over the past two years has had a ripple effect beyond the immediate damage," said Commissioner Bush. "The Texas counties impacted by these floods represent 76 percent of the Texas population, or 20.9 million people - a total population greater than that of 48 states. Communities across Texas will benefit greatly from this assistance, as more than 102,000 households experienced some level of damage. I want to thank the members of the Texas Congressional Delegation for fighting to secure the much needed additional funds and their continued commitment to the recovery needs of Texas."

The Continuing Resolution authorizing the new funds was passed by Congress and signed into law on December 10, 2016. The December award total of \$1.8 billion includes allocations to Louisiana (\$1.219 billion), West Virginia (\$87.3 million), North Carolina (\$198.5 million), South Carolina (\$65.3 million) and Florida (\$58.6 million). In October the total allocation was \$500 million divided between Louisiana (\$437.8 million), Texas (\$45.2 million) and West Virginia (\$17 million). In 2015 and 2016 a total of 160 Texas counties were included in Presidential Disaster Declarations, with 110 total counties being part of the 2016 declaration.

The HUD guidance, published in the Federal Register, identifies "most impacted and distressed" areas that must receive at least 80 percent of the total funds provided to the state. Therefore, of the October allocation, \$36.2 million is designated to the most impacted counties of Harris, Montgomery, and Newton. For the December allocation, \$141.65 million must be designated to the counties of Harris, Montgomery, and Newton, as well as Fort Bend and Brazoria, which were added under the newly published rules. The state is allowed to determine areas it considers "most impacted and distressed" for the remaining 20 percent of each allocation. The state will publish Action Plans detailing how the new allocation will be distributed. Action Plans are posted for public comment on TexasRebuilds.org prior to submission to HUD for approval. To read the specific

details of the requirements, please visit the Federal Register at <https://www.gpo.gov/fdsys/pkg/FR-2017-01-18/pdf/2017-01007.pdf>.

When allocations made directly to cities are included, the state received approximately \$364 million from HUD to recover from the disasters of 2015 and 2016. To determine state awards, HUD considers overall impact to housing and infrastructure. The GLO estimates a combined loss of over \$2 billion in unmet long-term recovery needs when considering the impact of the multiple disasters suffered by Texas in both 2015 and 2016. Impacts tied to business interruption, economic losses, unemployment, property tax revenue decreases, agricultural losses, and other measures that are difficult to quantify are not considered when allocations are made. While the current allocation of CDBG-DR funds may not be able to sufficiently address all unmet needs resulting from the disasters, GLO's Community Development and Revitalization (CDR) program remains committed to helping Texans recover in the most effective and efficient means necessary.

The CDR program of the Texas General Land Office administers the Community Development Block Grants for Disaster Recovery (CDBG-DR) on behalf of the state of Texas. Funds totaling more than \$3.9 billion have been allocated for recovery following Hurricanes Rita, Dolly, and Ike, the 2011 wildfires, and the 2015 and 2016 floods.

These grants can be used for a wide variety of activities including housing redevelopment, business assistance, and infrastructure repair. CDR will keep impacted communities informed on developments. Additional information on long-term disaster recovery is available at TexasRebuilds.org.

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