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PRESS RELEASE

Texas GLO releases State Action Plan outlining allocations for \$5.024 billion in housing recovery disaster funds

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AUSTIN — Today Texas Land Commissioner George P. Bush announced the release of the State Action Plan detailing the distribution and eligible uses of \$5.024 billion in Community Development Block Grants for Disaster Recovery (CDBG-DR) to assist Texas communities with long-term recovery following Hurricane Harvey. The action plan provides for the distribution of recovery funds based on the U.S. Department of Housing and Urban Development (HUD) guidelines outlined in the [Federal Register](#). Given standard CDBG requirements, each activity must be a CDBG-DR-eligible activity, meet a HUD national objective and address a direct or indirect Hurricane Harvey impact to a county listed in a Presidential Disaster Declaration.

Action Plan available for review at

<http://www.glo.texas.gov/recovery/reports/action-plans/index.html>

The funds for this allocation were appropriated by Congress on Sept. 8, 2017, and HUD posted the guidance to be used by the GLO in drafting the action plan on Feb. 06, 2018. The final draft includes revisions resulting from consultations with HUD, the GLO, Harris County and the city of Houston during a meeting held in Washington, D.C, on March 14, 2018. This meeting resulted in Harris County and the city of Houston receiving direct allocations at the direction of HUD of \$1.115 and \$1.155 billion, respectively, to develop and administer eligible recovery programs with GLO oversight. The GLO has worked continuously with federal, state and local stakeholders to expedite the process of securing recovery funding for affected areas.

"The impact of Hurricane Harvey continues to disrupt the lives of so many Texans," said Commissioner George P. Bush. "As we continue the long-term recovery process, the GLO's Community Development and Revitalization team continues to work with local officials in all 49 affected counties to expedite the release of disaster recovery funds. Through the utilization of innovative recovery programs, we are positioning Texas for a more comprehensive recovery that will truly help rebuild."

HUD included in these guidelines a requirement that 80 percent of the total funds granted be used for the HUD-designated most impacted and distressed areas. These are the counties of Harris, Jefferson, Orange, Galveston, Fort Bend, Brazoria, Montgomery, Liberty, Hardin, Chambers, Aransas, Wharton, San Patricio, San Jacinto, Nueces and Victoria, as well as zip codes 78945, 77423, 77612, 78934, 75956, 77632, 75979, 77414, 77335, 78377 and 77979.

In accordance with the CDBG-DR requirements, and to expedite the recovery process funding, the GLO will directly administer and oversee the following programs:

- Single Family Homeowner Assistance (\$1.048 billion): Provides funding for rehabilitation and reconstruction of owner-occupied single-family homes damaged by Hurricane Harvey.
- Buyouts and Acquisitions (\$275 million): Eligible homeowners may sell their home to a local government at a pre-storm or post-storm fair market value and move out of harm's way by relocating outside of a floodplain to a lower-risk area.
- Homeowner Reimbursement (\$100 million): Allows homeowners to be reimbursed for certain out-of-pocket expenses incurred for repairs to their home including reconstruction, rehabilitation or mitigation up to \$50,000.
- Homelessness Prevention (\$50 million): Provides assistance such as short-term mortgage, utility payment and tenant-based rental assistance to help prevent homelessness in the region following Hurricane Harvey.
- Affordable Rental (\$250 million): Provides funding for rehabilitation, reconstruction and new construction of affordable multi-family housing projects in areas impacted by Hurricane Harvey.
- Local Infrastructure (\$413 million): Repairs, enhances and restores infrastructure for local communities impacted by Hurricane Harvey as part of a comprehensive long-term recovery program.
- Economic Revitalization (\$100 million): Offers interim assistance to small businesses impacted by Hurricane Harvey through deferred forgivable loans and loans in exchange for job creation or retention. Small business within Harris County and the city of Houston will be eligible to apply for this program.
- Local, Regional and State Planning (\$137 million): The GLO will conduct planning studies focused on disaster mitigation in the impacted areas with the purpose of promoting sound long-term recovery.

The GLO has outlined the method of distribution for the disaster recovery funds and will utilize the strong partnership with the Texas Association of Regional Councils and the impacted Councils of Governments to distribute funds for the Buyouts/Acquisitions and Local Infrastructure programs. The remaining programs will be administered directly by the GLO.

The State Action Plan will be published on the GLO's website for public comment. All public comments received prior to 5:00 pm on Thursday, April 26, 2018, will be considered. The GLO will respond to these comments prior to final submission of the document to HUD for authorization and approval. The GLO will also publish Housing Guidelines for communities to use to design, implement and close a CDBG-DR Housing Program to replenish lost housing stock. This document will also be available on the GLO's website for public comment for 14 days.

Background on \$5.024 billion CDBG-DR funding allocation: Three days after Hurricane Harvey made landfall, Commissioner Bush submitted a letter to President Donald J. Trump and key members of his Cabinet describing \$180 billion in damage to the state of Texas and estimating at least \$40 billion in unmet need to the state. On September 8th, signed the Continuing Appropriations Act, 2018, and Supplemental Appropriations for Disaster Relief Requirements Act, 2017, which included \$7.4 billion appropriated to HUD for long-term recovery. HUD then allocated \$5.024 billion of the appropriations to Hurricane Harvey - the single largest allocation of its kind for any event. To date, the GLO estimates more than \$60 billion in unmet need in Texas as a direct result of Hurricane Harvey. The GLO anticipates additional allocations from HUD from the recent Congressional appropriation of nearly \$90 billion in disaster relief funds for all disasters occurring in 2017 and will continue to work with local, state and federal partners to ensure funding is available to continue recovery efforts.

About GLO Community Development and Revitalization (CDR): In addition to short-term housing in partnership with FEMA, the CDR division of the Texas General Land Office administers the Community Development Block Grants for Disaster Recovery (CDBG-DR) on behalf of the state of Texas. More than \$9 billion have been allocated for recovery following Hurricanes Rita, Dolly, and Ike, the 2011 wildfires, the 2015 and 2016 floods and Hurricane Harvey. These grants can be used for a wide variety of activities including housing redevelopment, infrastructure repair and long-term planning. For more information, please visit TexasRebuilds.org.

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