

State of Texas Action Plan for CDBG Disaster Recovery Grantees under the Department of Defense Appropriations Act, 2006

Modification # 2

Disaster Recovery Initiative

U.S. Department of Housing and Urban Development (HUD)

Docket No. FR-5051-N-01]

[Federal Register: February 13, 2006 (Volume 71, Number 29)]

May 9, 2006

Rick Perry, Governor



TDHCA Modification #2 to State of Texas Action Plan for Department of Defense Appropriations Act 2006 Regarding Additional Housing Delivery Activities

National Objective: Benefit to Low and Moderate income persons.

Activity Amount: \$538,989

Relevant Action Plan and Modification History:

On May 22, 2006, the U.S. Department of Housing and Urban Development (HUD) approved the State of Texas Action Plan for CDBG Disaster Recovery Grantees under the Department of Defense Appropriations Act, 2006 (Action Plan). The Action Plan governs the use of \$74,523,000 in Community Development Block Grant (CDBG) funding for housing, infrastructure, public service, public facility, and business needs in the 29-county area directly impacted by Hurricane Rita. On September 4, 2008, TDHCA staff requested Governing Board approval to access \$538,989 currently available under the housing category to extend case management services to applicants for. A substantial Action Plan amendment was not required because the modification does not add or delete an allowable activity; change allowable beneficiaries; or change funding allocations.

Modification # 2 Summary

The Texas Department of Housing and Community Affairs (TDHCA) is considering alterations to its current methodologies which would result in an amendment to its existing contract with the South East Texas Regional Planning Commission (SETRPC) under Round 1. The goal of the amendment would be to expand housing related services provided by SETRPC throughout the 22 county Rita impacted area to make certain that the people in the community fully understand the award process. Currently, \$538,989 in project funds remain under Round 1 that can be used for additional housing related activities. TDHCA believes that the best use of these funds at this point is to utilize these funds to provide continuity of case management activities for applicants that were not served under Round 1 (Public Law 109-148) to help them fully utilize the available funds under Round 2 (Public Law 109-234).

To achieve this goal, the Action Plan is amended under the Eligible Applicants section so that the first paragraph on page 15 is modified to read as follows:

For unmet housing needs, the Applicants representing the affected regions will apply on behalf of their respective regions. Individual contracts will be prepared between TDHCA and each Applicant who will be the region's Subgrantee for unmet housing need activities. Each Subgrantee will administer an amount, based on need, within the 22-county Rita affected area, and will be required to work with the affected counties to ensure that their most severe unmet housing needs are addressed and that all state and federal requirements of the CDBG Program are met. Because the COGs that represent the affected regions are already working aggressively to address the housing needs by leveraging funding, TDHCA believes that better consistency and controls can occur if these entities account for the funding that is being utilized within the region, and thus TDHCA will have better controls to prevent duplication of benefits.

Summary of Public Comments for Proposed Use of Available Funds

TDHCA requested Governing Board authority to access the unobligated funds to provide continuity of case management activities on September 4, 2008. No public comment on the Agenda Item was made, and no comments were received by mail or email. This modification was open for public comment from September 9, 2008 through September 11, 2008 and has been posted on TDHCA's website since that date.