

Amendment 4 to the Texas Action Plan for Disaster Recovery to Use Community Development Block Grant (CDBG) Funding to Assist with the Recovery of Distressed Areas Related to the Consequences of Hurricanes Katrina, Rita, and Wilma in the Gulf of Mexico in 2005 (Action Plan)

Harris County and the City of Houston have prepared this amendment to the Partial Texas Action Plan for Disaster Recovery (Action Plan) approved by the Texas Department of Housing and Community Affairs (TDHCA) Board on February 1, 2007. The Action Plan proposed “that funding in the amount of \$60 million be included in this funding priority for public service, community development, and housing activities in areas (police districts, schools, apartment complexes, neighborhoods) comprised predominantly of low to moderate income households and where it can be clearly demonstrated that the population within the area has seen a dramatic population increase due to an influx of Katrina evacuees.” As required by the Action Plan, this amendment details how the funding priorities will meet HUD’s NOFA’s requirements, the delivery mechanism, the distribution of funds and other HUD requirements.

The City of Houston and Harris County, under this amendment to the Action Plan, are proposing to fund projects that will meet the needs of persons who fled to and continue to reside in the Houston region as a result of Hurricanes Katrina and Rita. Under this amendment, the City of Houston will utilize \$40 million towards multi-family housing rehabilitation and housing safety services, and Harris County will utilize \$20 million to meet a variety of public services needs of the evacuee community including medical and case management services.

In summary, the Houston/Harris County plan will:

- Provide safe, sanitary affordable housing for displaced evacuees including evacuees with special needs;
- Implement a coordinated housing safety program to promote community development and decrease crime in communities where evacuees have resettled;
- Address costs incurred in providing necessary emergency and non-emergency medical services provided to evacuees immediately following the disasters and months thereafter;
- Provide necessary crisis counseling and case management to evacuees who continue to face extreme transition emergencies; and
- Address the public service needs of special populations.

BACKGROUND

In response to Hurricane’s Katrina and Rita, the Houston region received over 200,000 evacuees in September 2005. At first, evacuees were housed within shelters, homes, and hotels within the City of Houston. By December 31, 2005, approximately 160,000 evacuees remained. Those in organized shelters, churches, private homes, and hotels were moved into apartments, which housed by year-end some 37,000 households representing approximately 110,000 people (Attachment A). Other evacuees in the region found other types of shelter independent of the City-managed and FEMA-reimbursed housing program. In addition, the City and Harris County housed approximately 3,000 additional households who had existing Section 8 vouchers or had received or continue to receive federal housing assistance.

Based on postal change of address records, by December 31, 2006, the City of Houston remained a home for over 100,000 evacuees. Substantial portions of entire zip codes within Orleans Parish now were making their new lives in Houston. Since the United States and this region have encouraged able-bodied evacuees to seek work and students to attend school wherever they choose to live, and since little progress has been made on reconstructing the 204,000 housing units destroyed in Louisiana, Houston will be the home for a number of evacuees for the foreseeable future.

The City of Houston, Harris County and various social service agencies working with evacuees understand well the needs and priorities of evacuees who are reconstructing their lives in this community. The most critical needs are for affordable housing and safety.

According to periodic Zogby surveys of evacuees participating in FEMA-subsidized housing programs, tens of thousands of the evacuees still living in the region rented before the hurricanes, continue to rent, and will have difficulty affording housing after the end of FEMA assistance.

Houston and Harris County take some pride in our efforts to encourage evacuees back into the mainstream of our nation’s life, rather than segregating these citizens in particular apartment complexes or makeshift trailer camps. So, the most cost-effective use of CDBG funds is to address the incremental need for affordable rental units and housing safety services caused by a rise in population in the areas where a high concentration of the evacuees have chosen to live.

**USE OF ACTION PLAN FUNDING
ANTICIPATED ACCOMPLISHMENTS**

Accomplishments resulting from this Action Plan will include enhanced safety, public services and sheltering in low- and moderate-income areas where it can be clearly demonstrated that the population has seen a dramatic population increase due to an influx of Katrina evacuees. Houston and Harris County anticipate that low to moderate income (LMI) individuals will be the primary beneficiaries of the program. Under HUD program guidelines, LMI beneficiaries are part of households that earn less than 80 percent of the area median family income.

NATIONAL OBJECTIVE

Under the Action Plan, all eligible activities must meet one of the three national objectives set out in the Housing and Community Development Act (address slum and blight, urgent need, primarily benefit LMI persons). Pursuant to explicit authority in the Department of Defense Appropriations Act, 2006 (Public Law, 109=148, approved December 30, 2005), HUD is granting an overall benefit waiver that allows for up to 50 percent of the grant to assist activities under the urgent need or prevention or elimination of slums and blight national objectives, rather than the 30 percent allowed in the annual CDBG program. The primary objective of Title I of the Housing and Community Development Act and of the funding program of each grantee is the “development of viable urban communities, by providing decent housing and a suitable living environment and expanding economic opportunities, principally for persons of low and moderate income.” The state goes on to set the standard of performance for this primary objective at 70 percent of the aggregate of the funds used for support of activities producing benefit to low and moderate-income persons. Since extensive damage to community development and housing affected those with varying incomes, and income-producing jobs are often lost for a period of time following a disaster, HUD is waiving the 70 percent overall benefit requirement, leaving a 50 percent requirement, to give grantees even greater flexibility to carry out recovery activities within the confines of the CDBG program national objectives. The National Objective that will be met with this spending will be the addressing of slum and blight, meeting an urgent need, as well as benefits accruing to low- to moderate- income persons making less than 80% of Area Median Income. The high priority of rehabilitation and reconstruction of affordable rental units and community development programs to increase the safety in those complexes and their surrounding areas is demonstrated by this plan amendment. All of the City of Houston spending will be allocated to affordable rental housing programs in areas where it can be demonstrated that the population has seen a dramatic population increase due to an influx of Katrina evacuees. Harris County programs will primarily target low- and moderate-income persons who are Katrina or Rita evacuees.

GENERAL USE OF FUNDS AND FUNDING ALLOCATION

The City of Houston and Harris County will use the following funding allocation to prioritize the use of funds based on the highest observed needs.

Activity	Primary National Objective	Additional <i>Federal Register</i>* Objectives	Available Funding for Activity	% Plan Funding
Neighborhoods To Standard Program	Address slum and blight, LMI Benefit	Rehabilitation of the affordable rental housing stock	\$20,000,000	33%
Multi-Family Apartment Community Liaison Program	Address slum and blight, LMI Benefit		\$20,000,000	33%
Evacuee Public Services: Housing Safety Program-Expanded public services to incarcerated evacuees Evacuee Medical Services Katrina Crisis Counseling Program Youth Offender Services	Urgent Need, LMI Benefit		\$20,000,000	33%
Total Plan Amendment Funding			\$60,000,000	

*As established by the “Action Plan additional elements” requirement included in the *Federal Register* notice, the activity addresses one or more of the identified additional elements below described.

“b. The grantee’s overall plan for disaster recovery will also include:

(i) An explanation of how the State will give priority to the rehabilitation and reconstruction of the affordable rental housing stock including public and other HUD-assisting housing, a description of the activities the State plans to undertake with grant funds under this priority, and a description of the unique challenges that individuals with disabilities face in finding accessible and affordable housing/

- (ii) *An explanation of how the State will give priority to infrastructure development and rehabilitation, and description of the infrastructure activities it plans to undertake with grant funds; and*
- (iii) *An explanation of how the method of distribution or use of funds described in accordance with the applicable notices will result in the State meeting the requirement that at least 19.3311 percent of its allocation under this notice shall be used for repair, rehabilitation, and reconstruction (including demolition, site clearance and remediation) of the affordable rental housing stock (including public and other HUD-assisted housing) in the impacted areas.”*

OVERARCHING ACTIVITY ELIGIBILITY REQUIREMENTS

This Action Plan Amendment outlines the City of Houston’s and Harris County’s framework for allocating funding as guided by the requirements published in the *Federal Register* (Vol. 71, No. 209) on October 30, 2006. Unless otherwise stated in the *Federal Register*, statutory and regulatory provisions governing the CDBG program, specifically 24 CDF Part 570 Subpart I, apply to the use of these funds. All activities must be eligible CDBG activities according to 24 CFT Part 570 Subpart I, except as waived by HUD, must meet requirements for disaster recovery funding cited throughout this document, and must meet at least one of the three national objectives.

As noted in the *Federal Register*, under the law “...the funds may not be used for activities reimbursable by or for which funds are made available by the Federal Emergency Management Agency or the Army Corps of Engineers. Further, none of the funds made available under this heading may be used by a State or locality as a matching requirement, share, or contribution for any other Federal program.” This will be a key requirement that will be monitored by TDHCA throughout every stage of the program.

ELIGIBLE ACTIVITIES UNDER THE SPECIFIC FUNDING PRIORITIES

As stated in the *Federal Register*, “the appropriations statute requires funds be used only for disaster relief, long-term recovery, and restoration of infrastructure in the most impacted and distressed areas related to the consequences of hurricanes in the Gulf of Mexico in 2005. The statute directs that each grantee will describe in its Action Plan for Disaster Recovery how the use of the grant funds gives priority to infrastructure development and rehabilitation and the rehabilitation and reconstruction of the affordable rental housing stock including public and other HUD-assisted housing.” The following specific activities have been identified by the City of Houston and Harris County to be carried out to meet the priority needs of evacuees who reside in the Houston/Harris County area.

THE STRATEGY BEHIND HOUSTON’S REQUESTS

Housing

Houston’s use of \$20 million in the CDBG funds for housing will be undertaken in the most cost-effective and market-driven manner. These funds will be plugged into an existing Apartment-to-Standard Program in an area where a large number of evacuees have chosen to live. The rehabilitation of existing multi-family housing stock at approximately \$20,000 per unit can be implemented much more quickly and cost-effectively than the construction of new apartments. By increasing the supply of affordable housing units in an area, we increase the availability of good quality housing at a reasonable price point available to evacuees.

The best way to target housing assistance for an evacuee population will be to concentrate this assistance in the geographical submarket within Houston where the highest concentration of evacuees have chosen to reside and get on with their lives. (See Attachment A) Specifically, Houston will target the funds in and around the Fondren/Southwest area, the geographical area south of IH 59 outside Loop 610, in the southwest part of the City. In that area, public school enrollment increased by 2,840 students between September 2005 and January 2006.

Housing Safety

The \$20 million intended for housing safety efforts in and around multi-family complexes is based on similar principles. Violent crime rose dramatically in multi-family complexes located within four Police Districts that contain the high percentages of evacuees. Murder rose 62%, rape rose 20 %, robbery rose 3%, and aggravated assault rose 20% in multi-family complexes in these districts. These figures do not include crime that spilled over into the neighborhoods near these hot zones. (Attachment B).

Recognizing the unusual and extraordinary nature of Houston’s response to the evacuees, both FEMA and the Department of Justice funded programs to deploy overtime police officers in areas with high concentrations of evacuees. These special overtime programs funded by Department of Justice grants and FEMA have proven to be highly effective means for improving the safety of residents, as crime rates dropped sharply after the implementation

of these programs. The housing safety program must be extended while evacuees remain since housing safety is a direct function of population and density.

Crime analysis by the Houston Police Department has shown that residents of lower-income, multi-family apartment complexes are disproportionately the victims of violent crime. This CDBG program will provide an officer liaison for fifty apartment complexes located primarily in Police Districts in the Fondren/ Southwest, west, and Greenspoint areas where a concentration of evacuees reside and a disproportionately high rate of violent crime has developed. The program is intended to decrease the number of crime incidents in and around multi-family apartment complexes in these districts. Overtime police programs previously funded by Justice and FEMA have allowed deployment of more officers into these hot spots, making numerous arrests, and heading off what would have been an even more shocking rise in the violent crime rate. Houston continues to shelter more than 100,000 persons displaced by Hurricane Katrina. *Safe* housing remains a need for these evacuees.

TIMING

Houston requests prompt action on the disbursement of these funds. For housing safety, prompt approval of this request and disbursement of these funds is necessary to continue overtime programs after July 1, 2007.

As described in the more detailed section of this request dealing with the multi-family program, request for proposals have already been made for apartment improvements in areas with high concentrations of evacuees. The City of Houston requested assistance from TDHCA, in writing, during the first 60 days of the evacuation, September-October 2005. We highlighted that construction timetables require prompt action to allow sufficient rehabilitation and repair of multi-family housing units. Since no assistance was forthcoming, many of the units with heavy evacuee populations have deteriorated significantly since that time. The reimbursement rates based on HUD Section 8 formulas did not provide sufficient incentive for many landlords to invest in the rehabilitation of this housing stock. Rising insurance rates and utility bills which could not be passed along to renters have further jeopardized the potential supply of habitable multi-family housing stock. Construction must begin as soon as possible.

Housing - Neighborhoods to Standard Program - Katrina Target Area

Funding in the amount of \$20,000,000 shall be made available to developers, both for- and not-for-profit, to rehabilitate apartment units in low-moderate income areas of the city. The City's Department of Housing and Community Development (HCD) opened a Request for Proposals (RFP) for the citywide Neighborhoods to Standard Program in February 2007. This RFP invited developers, both for- and not-for-profit, to rehabilitate apartment units in any low-moderate income area of the city. Under the Katrina component, extra credit will be given for units located in the Fondren/Southwest Freeway target area where the population has seen a particularly dramatic increase due to an influx of Katrina evacuees. (Attachment A shows, however, that the population of evacuees has significantly impacted several parts of the city besides the target area.)

The Neighborhoods to Standard program seeks to rehabilitate a substantial number of units in each target area. Assuming an average of \$20,000 invested per unit, this will improve 1,375 units and provide an opportunity for safer, more sanitary shelter including special needs. All approved projects will be subject to all HUD requirements for projects. This includes relevant fair housing, nondiscrimination, labor standards, special needs and environmental requirements.

Eligibility Requirements

The program is limited to developments that satisfy all of the following conditions.

1. Assisted units in areas where population within the area significantly increased due to an influx of Katrina evacuees.
2. A private sector partner with a 20-year useful life of the property following the rehabilitation.
3. A solid track record of accomplishment in real estate development and management.

Requirements for Receiving Assistance

In exchange for accepting funding assistance, each applicant must agree to the following requirements.

1. To assure that the assisted housing is as affordable as possible and is occupied by families with appropriate incomes, a land use restriction agreement must be recorded that establishes appropriate low to moderate rent and income limits for the period of years required by HUD regulations. All assisted units will comply with rent restrictions for 15 years post-rehabilitation.
2. All construction will be in accordance with local municipal code.
3. Maintenance of 100 percent insurance coverage on replacement values of the property for all hazard types will be required.

4. All approved projects are subject to all HUD requirements for projects. This includes relevant fair housing, nondiscrimination, labor standards, and environmental requirements.

Grant Calculation

The amount and terms of the loan or grant shall be based on underwriting criteria established in the NOFA. The assistance amount shall be determined through an intensive review of the application by the City of Houston Department of Housing and Community Development as outlined in the existing Neighborhoods to Standards Request for Proposals (RFP). Among other items, this review will specifically assess each application's stated operating proforma, cost estimates, and area rental market conditions to develop the appropriate amount of and structure for the assistance. Applicants are encouraged to leverage other available resources to preserve affordable housing for low and very low-income residents. Primary consideration will be given to redevelopment plans that go beyond unit improvement to include community services, community facilities, area beautification, or school support (such as a community room for tutoring or computers).

Distribution of Funding

Funds will be distributed via contracts with developers approved by the Houston City Council following analysis and underwriting by HCD. Contracts typically call for a developer to be reimbursed for costs related to rehabilitation or reconstruction activities on a monthly basis, with an appropriate retainage withheld. Funds should be completely distributed within 24 months of the contract start date.

Funds under Neighborhoods to Standard are to be used for hard costs only. Interest, developer's fees, and other such "soft" costs will not be funded with this grant.

Housing Safety - Multi-Family Apartment Community Liaison Program

Funding in the amount of \$20 million will be provided to the Houston Police Department for establishment of a Multi-Family Apartment Community Program. The funds will be utilized to procure equipment and supplies to support the program and to staff the program with officers on overtime.

The Multi-Family Apartment Community Program is designed to address the needs of low to moderate income residents residing in multi-family apartment communities where it can be clearly demonstrated that the population within the area has seen a dramatic increase due to an influx of Katrina evacuees. Health, public safety and overall quality of life issues in these multi-family communities not only affect the residents who reside in the multi-family communities, many of whom are Katrina evacuees, but directly impact the surrounding neighborhoods and educational institutions. Through the program's direct involvement of residents within the designated multi-family communities, the Houston Police Department's goal is to reduce crime as well as fear of crime, and actively involve residents in the process of developing strong bonds to their community.

The objectives of the program are to:

- I. Develop a working team between apartment management, residents and law enforcement officers tasked with developing collaborative crime fighting strategies in multi-family communities.
- II. Create, implement and facilitate long-term strategies to address crime, housing safety, and quality of life issues affecting residents of multi-family residential properties in low to moderate income neighborhoods where it can be clearly demonstrated that the population within the area has seen a dramatic increase due to an influx of Katrina evacuees. Strategies will be tailored to individual complex needs and issues.

In order to achieve these objectives, the Program will be implemented across two distinct phases. In Phase I, liaison teams will be deployed to each of fifty multi-family residence properties that have been identified as housing a large proportion of evacuees from Hurricanes Katrina and Rita and having high levels of crime.

During Phase I of the ACLP housing safety program, officers will engage in community outreach, resident education, law enforcement and development of management strategies to lower crime rates and enhance housing safety and quality of life on the multi-family properties. The program will enlist the residents' active involvement in identifying, prioritizing and addressing housing safety and quality of life issues in their community.

Phase II will require property management and resident volunteers to assume responsibility for the on-property program and to coordinate with the HPD Citywide Apartment Community Liaison coordinator. The coordinator will provide organizational skills, direction, and analysis of crime trends and educational resources. In addition, the

coordinator will schedule regular meetings in the affected multi-family communities to assess community needs and provide feedback to the department.

The Houston Police Department’s Multi-Family Administrative Unit will coordinate the Program.

Eligibility Requirements

Only multi-family apartment complexes in low to moderate income neighborhoods where it can be clearly demonstrated that the population within the area has seen a dramatic increase due to an influx of Katrina evacuees are eligible. Data from the FEMA Housing Assistance Program has been used to identify qualifying apartment complexes. Among the qualifying complexes, properties within Master Police Districts with concentrations of high violent crime will be designated for the ALP program. (See Attachment C)

Distribution of Funding

Funds will be distributed to the Houston Police Department for implementation of the program.

THE STRATEGY BEHIND HARRIS COUNTY’S REQUESTS

Harris County’s use of the CDBG recovery funding will address a myriad of public service needs for evacuees who remain in the area. Following the advent of the 2005 disasters, the area’s public service systems experienced extreme increases in demand for service. Most notably, the United Way reported a 56% increase in inquiries for services in 2005 over requests for services in 2004. Additionally, other programs expended significant resources in the provision of services to a significant number of evacuees while also continuing services to Harris County residents; specifically, MHMRA’s Katrina Crisis Counseling program served more than 39,000 evacuees through December 2006, the Harris County Hospital District opened more than 35,000 inpatient and outpatient cases for evacuees through December 2006, and the Harris County Juvenile Probation Department served more than 470 evacuee youth in its facilities through August 2006.

Published reports on the impact of the Gulf Coast hurricanes of 2005 on the Houston/Harris County area have stated that as many as 380,000 persons sought refuge following these storms in this area. While many stayed temporarily or had resources that allowed them to re-establish permanently in the area, a significant portion of this population continue to remain in the area because they have little or no resources to allow them to move elsewhere or return home. This is demonstrated by Census Bureau data that reported a decrease to Harris County’s median household income from 2005 to 2006 partially attributed to the influx of low-income persons who remain in the area. Furthermore, the home communities of many of these persons have not yet recovered to offer sufficient services and affordable housing to return to. Thus, Houston/Harris County continues to be the home of a low-income, disadvantaged, and displaced population who are in need of services and resources necessary to sustain a fair quality of life as well as address the myriad of issues that linger as a result of the initial disaster. Many of these persons have lost permanent housing and continue to be housed in the temporarily extended Federal Emergency Management Agency (FEMA) housing program

Houston and Harris County did not hesitate to provide services to meet the increased demand by evacuees. With this request, Harris County plans to expand services and continue to meet the increased demand while continuing its level of service for permanent Harris County residents. With this funding, the area’s capacity to serve will increase and more evacuee needs will be met. The County proposes funding four public service programs more fully described below.

Table 1 Funding Summary-Proposed Harris County Projects

Harris County Proposed Projects	National Objective	Estimated Persons Served	Amount Allocated	% Harris
Evacuee Public Services:				
Expanded Services to Hurricane Evacuees (HCSO)	LMC	1,200	\$6,707,000	33%
Evacuee Medical Services (HCHD)	LMC/ Urgent Need	35,515	\$6,285,000	32%
Continuation of Katrina Crisis Counseling Program (MHMRA)	LMC	30,000-40,000	\$3,550,000	18%
Youth Offender Services (HCJPD)	LMC	212 youths	\$225,686	1%
DHAP Transportation Program (HCCEDD)	LMC	1,000	\$3,232,314	17%
Harris County Total			\$20,000,000	

Expanded Services to Hurricane Evacuees

Funding in the amount of \$6,707,000 will be used to provide expanded public services through the Harris County Sheriff's Office to evacuees arrested as a result of the increased security and public safety efforts in the identified target apartment complexes. The County will provide expanded services to such evacuees by contracting for additional bed space for treatment of substance abuse and mental health issues to reduce the recidivism rate of evacuees who are arrested and incarcerated. The County will add beds specifically for substance abuse and mental health treatment of inmates who are evacuees. Additionally, the County will utilize reintegration counselors to re-establish eligibility in Social Security Income (SSI) programs, Medicaid, Mental Health Mental Retardation Authority (MHMRA) programs, housing and other similar programs to ensure continuity of services upon release from jail. Based on 2006 statistics, the Harris County correctional facilities processed an estimated 3,600 evacuees through its system. It is anticipated that approximately 1,200 evacuees will receive services while being processed through the County jail as a result of the proposed Expanded Services to Hurricane Evacuees.

Table 2 Expanded Services to Hurricane Evacuees

	Activity
1)	Residential substance abuse treatment to stabilize inmates in the Harris County Jail.
2)	Inpatient mental health treatment to stabilize inmates in the Harris County Jail or Harris County Psychiatric Center.
3)	Case management to inmates to establish benefits, link with outside programs and provide counseling for up to 270 days.
4)	Substance abuse treatment to individuals after release from the Harris County Jail as needs arise and funds are available
5)	Mental health treatment and medication assistance after release from the Harris County Jail until benefits established
6)	Short-term housing subsidies to program participants until employment is obtained or benefits established
7)	Transportation assistance (i.e. bus passes) to program participants until employment is obtained or benefits established

National Objective

This activity will meet the CDBG National Objective of primarily benefiting low and moderate-income persons.

Eligibility Requirements

Evacuees who receive expanded services through Harris County under the Expanded Services for Hurricane Evacuees must meet the following eligibility criteria:

- Evacuees must provide proof of household income (at least 51 percent of the persons served will have incomes within the applicable income limits);
- Evacuee status must be documented via FEMA eligibility, or other documents proving displacement as a result of the Hurricanes Katrina or Rita;
- Evacuee must be assessed as a substance abuser and/or suffer with mental health issues.

Distribution of Funding

Funding under this program will go towards payment of contract services to provide additional substance abuse treatment, mental health treatment beds and reintegration counselors/case managers.

Evacuee Medical Services-Harris County Hospital District

Funding in the amount \$6,300,000 will be provided to the Harris County Hospital District (HCHD) to recover unreimbursed costs associated with the provision of emergency and non-emergency medical services to evacuees.

When news of Hurricane Katrina's approaching landfall in Louisiana broke in late August 2005, Texas became the main destination for hundreds of thousands of people fleeing the advancing storm. For many of those left behind in New Orleans, their only refuge was within the Louisiana Superdome. Following the storm's passing, Houston and Harris County's planned evacuation of more than 20,000 people during the renowned dome-to-dome transfer captured the nation's imagination and helped achieve a new level of local civic pride. More than 16 months later, more than 100,000 evacuees continue to call Texas home, and the impact of this mass exodus continues to be felt in our community and by the Harris County Hospital District.

The Harris County Hospital District's unprecedented two-week operation of the Astrodome Health Clinic at the Reliant Complex from September 1-15, 2005 was one of its proudest moments and remains a shining example of HCHD's employee and medical staff's can-do attitude. Marshalling the full extent of its resources, HCHD staff and physicians from its medical school partners established a fully operational field hospital within 18 hours, accepting its first patients during the early morning hours of September 1, 2005.

Clinical operations, staff and physical structure grew approximately four times in size during the first 72 hours while patient treatment continued. The clinic space expanded from its initial 20 exam rooms to 90 exam rooms by the fourth day. In all, the Astrodome Health Clinic operated by HCHD accounted for more than 11,000 patient visits, 10,000 prescriptions and 10,000 tetanus shots to Katrina's evacuees. Through December 2006, the Hospital District has provided health care for more than 35,000 evacuee patient visits in its facilities, including 507 admissions to its hospitals.

The cost of providing medical services to the evacuees was a significant expense for the Hospital District to bear. HCHD received only \$3 million in payments, less than 32.3 percent of its estimated costs.

Table 3 Harris County Hospital District-Katrina Patients

Service Type	Cases	Charges	Cost	Total Payments Received	Cost Less Total Payments Received
In-Patient	507	7,652,631	4,356,706	2,117,639	2,239,068
Out-Patient	24,754	6,869,482	3,311,980	660,791	2,651,188
Take Home Drugs	10,254	1,529,735	735,688	115,036	620,652
Total Patient Services	35,515	16,051,847	8,404,374	2,893,466	5,510,909
Astrodome Clinic			883,103	109,487 ¹	773,616
Grand Total	35,515	16,051,847	9,287,477	3,002,952	6,284,525

National Objective

At least twelve percent of costs associated with eligible activities will be documented as meeting the CDBG National Objective of Urgent Need, as these costs were expended on emergency medical services provided to evacuees during the critical hours immediately following the disaster on September 1-15, 2005. The remainder the costs associated with eligible activities will meet the CDBG National Objective of primarily benefiting low and moderate-income persons.

Eligibility Requirements

Since medical services may be necessary for evacuees of varying income levels, the services provided under this program to evacuees after September 15, 2005, will not be restricted to only low-income persons; however, at least 51 percent of all persons served through this program will be of low and moderate income. In general, evacuees who receive expanded medical services through the Harris County Hospital District must meet the following eligibility criteria:

- Evacuees must provide proof of household income (at least 51 percent of the persons served will have incomes within the applicable income limits);
- Evacuee status must be documented via FEMA eligibility, or other documents proving displacement as a result of the Hurricanes Katrina or Rita.

Distribution of Funding

Funding under this program will be used to reimburse the Harris County Hospital District for documented emergency and non-emergency medical costs.

Katrina Crisis Counseling Program

Funding in the amount of \$3,550,000 will be provided to the Mental Health Mental Retardation Authority of Harris County (MHMRA) for the continuation of the Katrina Crisis Counseling Program (KCCP) for a period of 19 months.

In September 2005, upon the arrival of the evacuees to the Harris County area, MHMRA immediately organized and provided leadership and staffing for emergency psychiatric services at the Mega Shelters (Reliant Center/Arena and George R. Brown Convention Center) and Disaster Recovery Centers ("DRC's"), utilizing about 100 MHMRA

¹ Amount reimbursed by FEMA.

employees. In addition to individuals with mental health needs, MHMRA served children, seniors, and individuals with mental retardation who were also particularly impacted. MHMRA coordinated emergency services with City, County, State and Federal officials, medical provider networks, Social Work schools, and other service providers.

This immediate local response grew into what became known as the Katrina Crisis Counseling Program that opened for operation in October 2005 with funding through the Texas Department of State Health Services. The KCCP was organized to provide longer term crisis counseling to Katrina survivors as temporary relocation grew into longer term displacement. KCCP staff assumed crisis counseling service provision at the Disaster Recovery Centers (DRC's) and throughout the community immediately after they were hired and trained. Contract services include: Individual Crisis Counseling, Group Crisis Counseling, Outreach, Screening and Assessment, Grief and Loss Counseling, Stress Management, Education and Information, Referrals to longer term, more formal mental health and/or substance abuse treatment (Narcotics Anonymous and Alcoholics Anonymous), Referrals to other service agencies (FEMA help-line, Voluntary Organizations Active in Disaster, Salvation Army, Red Cross, Interfaith, Unmet Needs), Networking and Collaboration with community leaders and public officials, regarding the disaster.

During 2006, the KCCP delivered more than 35,000 crisis counseling sessions, provided more than 4,400 crisis counseling sessions by phone, and made more than 1,700 mental health referrals.

In December 2006, funds from the Texas Department of State Health Services ended and MHMRA agreed to continue the program through a phase-down plan that would end all services within six months and hopefully setup in-kind collaborations with other services providers for the benefit of evacuees still facing crisis. In lieu of phasing down the program, Harris County proposes to continue the program with CDBG recovery funds to assist between 30,000 to 40,000 individuals and provide the necessary emotional closure to set them on a path of to developing self-sufficiency and integration into the Houston/Harris County community or resettling back to their home communities. We anticipate this program continuing for another 19 months with full closure within 24 months of receipt of grant funds.

National Objective

This activity will meet the CDBG National Objective of primarily benefiting low and moderate-income persons.

Eligibility Requirements

Since crisis counseling may be necessary for evacuees of varying income levels, the services provided under this program will not be restricted to only low-income persons; however, at least 51 percent of all persons served through this program will be of low and moderate income. In general, evacuees who receive services through the Katrina Crisis Counseling Program must meet the following eligibility criteria:

- Evacuees must provide proof of household income (at least 51 percent of the persons served will have incomes within the applicable income limits);
- Evacuee status must be documented via FEMA eligibility, or other documents proving displacement as a result of the Hurricanes Katrina or Rita.

Distribution of Funding

Funding under this program will go towards payment of salaries, supplies, and professional fees and services necessary to continue services to evacuees served under this program.

Youth Offender Services

Approximately \$225,686 of Harris County's funding will be used to provide expanded services to juvenile offenders who are evacuees and have been placed under the supervision of the Harris County Juvenile Probation Department.

The Harris County Juvenile Probation Department (HCJPD) provides protection to the public and provision of services to youth referred for violations of the law. As mandated in the Texas Juvenile Justice Code, the department provides services including treatment, training, rehabilitation and incarceration while emphasizing responsibility and accountability of both parent and child for the child's conduct and offering the most opportunities for those youth who demonstrate the greatest potential for positive change. In part to achieve this mission, HCJPD provides a variety of additional social services not mandated by law to youth offenders under their supervision. Such services include but are not limited to mental health assessments, crisis intervention, individual and family counseling, tutorials, educational workshops and residential treatment including acute psychiatric care services. Through August 2006, HCJPD had admitted to its facilities and provided services to 472 youth who were evacuees to Harris County at a cost of approximately \$1.2 million. In addition to these services, HCJPD contracts for space at the Harris County Psychiatric Center (HCPC) for 16 service beds for youth that have acute psychiatric needs that cannot be addressed in other residential treatment facilities. In 2005, 124 Harris County youth received services at HCPC. With

the advent of the disasters of late 2005, HCJPD had to give up critical bed space for Harris County youth at HCPC for eight youth who evacuated to the Harris County area. In an effort to meet the service needs of these youth while also maintaining the level of service required to serve Harris County youth, CDBG recovery funding will be set-aside to fund expanded HCJPD services to evacuee youth offenders in need of such services during the next 24 months.

Eligibility Requirements

Since youth from households of varying income levels may need the services of the HCJPD, the services provided under this program will not be restricted to only low-income persons; however, at least 51 percent of all persons served through this program will be of low and moderate income. In general, evacuees processed through the HCJPD under this program must meet the following eligibility criteria:

- Evacuees must provide proof of household income (at least 51 percent of the persons served will have incomes within the applicable income limits);
- Evacuee status must be documented via FEMA eligibility, or other documents proving displacement as a result of the Hurricanes Katrina or Rita.

Distribution of Funding

Funding under this program will go towards payment of professional fees and services necessary to provide services to youth evacuees and to pay contract costs to reserve beds at the Harris County Psychiatric Center.

DHAP Transportation Program

Funding in the amount of \$3,232,314 will be utilized by Harris County to provide public services, primarily transportation services, to the evacuee population that is being served through HUD's Disaster Housing Assistance Program (DHAP). The Federal Emergency Management Agency (FEMA) and HUD have partnered to continue housing assistance and to provide case management services to the FEMA-eligible evacuee population for the next 16 months. It is estimated that twenty percent of the 5,000 families registered to date in the Harris County DHAP program are in need of transportation services. Of the requested \$3,232,314, an estimated \$3,037,500 will be utilized to provide County dispatched taxi rides while an estimated \$194,814 will be utilized for staffing, program oversight, equipment and supplies. The process by which clients will access the transportation services is as follows:

1. Case managers will refer clients to Harris County Community & Economic Development Department/Transit Services Division as eligible recipients;
2. The Transit Services Division will perform client intake and determine eligibility by working with case manager to collect necessary household income documentation;
3. Client will contact Harris County Community & Economic Development Department/Transit Services Division to schedule a round trip ride;
4. The dispatcher will dispatch a taxi to the client and transport the client from home to the scheduled appointment;
5. After the appointment (case management, other services, etc.) the client will contact the Transit Services Division and a taxi will be dispatched for the return home if not previously scheduled.

In addition to transportation services, we are anticipating other needed services to be revealed as a part of the DHAP case management component. Transportation services will assist DHAP families in getting to their case management appointments as well as accessing other necessary resources.

The Harris County Community & Economic Development Department's Transit Services Division will operate the taxi program to provide a total of 75,000 trips to an estimated 1,000 clients over the 16 months during which clients will receive DHAP assistance. The services will permit each family approximately four trips per month to access their individual services, whether job training, medical services or case management.

Eligibility Requirements

The services provided under this program will be restricted to only low-income persons participating in the DHAP Program. In general, evacuees who receive services through the DHAP Transportation Program must meet the following eligibility criteria:

- Evacuees must provide proof of household income;
- Evacuee status must be documented via FEMA eligibility, or other documents proving displacement as a result of the Hurricanes Katrina or Rita.

Distribution of Funding

Funding under this program will go towards payment of transportation services necessary to provide services to evacuees participating in the DHAP Program.

City/County Administration Funds

The City and County funds available for administrative activities are outlined in agreements with TDHCA.

Implementation

Harris County and City of Houston will implement the activities of this Action Plan consistent with each jurisdiction's standard grants management policies and procedures used in management of CDBG entitlement funds. Contracts will include all required clauses. Each governmental entity shall implement a monitoring program to ensure that subrecipients of CDBG recovery funds carry out their activities in accordance with the respective regulations and agreements. Specific areas of subrecipient operations that will be reviewed include financial performance, project timeliness, record-keeping procedures and compliance with federal regulations and applicable program guidelines. Subrecipients will be continually assessed to determine organizational ability to carry out approved projects. Where potential problem areas are found, technical assistance and training will be provided.

On- Site Monitoring

Harris County will be responsible for on-site monitoring of its proposed projects and the City of Houston will be responsible for monitoring its projects proposed under this Action Plan. Site visits will be to monitor program progress. The purpose of an on-site monitoring program is to determine if a subrecipient is carrying out its program activities as described in the application for assistance and the written agreement. On-site monitoring is also used to ensure that required records are maintained to demonstrate compliance with applicable regulations. Subrecipients that present the greatest vulnerability to fraud, waste and mismanagement are monitored within the resources available. Risk factors that will be used to determine frequency of monitoring will include:

- Subrecipient experience with CDBG program or other federal grants;
- Subrecipient staffing, to include turnover and key staff experience;
- Previous compliance or performance problems;
- Nature of activity (housing, economic development; relocation, acquisition); and
- Scope of program.

Agencies are notified in writing of any findings resulting from monitoring visits and are given a date by which all findings are to be addressed, as well as corrective actions that must be taken to address the findings. The monitoring letter also addresses concerns and makes recommendations for improvement. Harris County and the City of Houston will use its established procedures and will incorporate any additional requirements on an as-needed basis.

Amendments

Each entity will follow for the requirements for amendments in the TDHCA Action Plan.

Citizen Participation

Citizen participation is critical to any successful planning effort. The City of Houston and Harris County have kept in close contact with citizens regarding the needs of evacuees. The City of Houston Mayor's Office initiated weekly Monday morning meetings at the George R. Brown Convention Center immediately following the disaster. Such meetings have continued on a periodic basis through the current date. This action plan was developed based on input from those meetings.