

Tropical Storm Imelda

DR4466 (Sep 17, 2019 - Sep 23, 2019)

Regional Housing Guidelines

Homeowner Assistance and Reimbursement
Programs

Last updated June 1, 2021

Texas General Land Office

Community Development and Revitalization



State of Texas
JUNE 2021



Record of Changes

This section describes changes made to this document.

Number	Date	Description
1	5/2021	Non-substantive changes related to correction of grammatical and technical errors, and to add clarity
2	5/2021	GLO added a definition of Habitability Standards in response to public comment
3	5/2021	GLO clarified the HUD and State MID in accordance with the Action Plan in response to public comment
4	5/2021	GLO added a link to HUD and GLO guidance on Section 3 guidance in response to public comment
5	5/2021	GLO removed a reference to “Developer” in the Conflict of Interest section in response to public comment
5	5/2021	GLO clarified the terms of optional relocation assistance in response to public comment
6	5/2021	GLO clarified terms of the Unsecured Promissory Note in response to public comments

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Introduction

The Texas General Land Office (GLO) and Long-Term Recovery

The Community Development and Revitalization Division within GLO oversees the administration of Community Development Block Grant Disaster Recovery (CDBG-DR) funds allocated to Texas by the U.S. Department of Housing and Urban Development (HUD) following a disaster. These funds support communities working to build back stronger and more resilient.

CDBG-DR funds are a special appropriation from Congress associated with a Presidentially declared disaster. These Regional Housing Guidelines (the Guidelines) address the effects from Tropical Storm Imelda (TS Imelda) in 2019 associated with the following CDBG-DR funds:

Table 1. Applicability

Federal Register (FR)	Date of Publication	Public Law(s)	Located at:
85 FR 4681	01/27/2020	Pub. L. 115-254 Pub. L. 116-20	https://www.govinfo.gov/content/pkg/FR-2020-01-27/pdf/2020-01204.pdf

Recovery projects using CDBG-DR funds must meet one of the following HUD-designated National Objectives to be an eligible housing activity:

- Benefiting Low- and Moderate-Income Persons (LMI)
 - Low- and Moderate-Income Housing (LMH) provides that any assisted activity that involves the rehabilitation of property to provide housing shall be considered to benefit persons of low- and moderate-income only to the extent such housing will, upon completion, be occupied by such persons
- Meeting an Urgent Need (UN) by providing housing assistance to Applicants making in excess of 80 percent of the area median income (AMI)

These Regional Housing Guidelines provide a blueprint for designing, implementing, and closing the Homeowner Assistance and Reimbursement Programs (HARP).

The purpose of these Guidelines is complement and add HARP-specific guidance, as further guided by GLO’s State Housing Guidelines found at www.recovery.texas.gov/harp. Refer to those Guidelines for additional details on Program Design Requirements, Housing Assistance Caps, Affirmative Marketing and Outreach Plan, Reporting Requirements, Site and Development Restrictions, Conflict of Interest and the Complaint and Appeals Process.

The 2018/2019 HARP will be directly administered by GLO (or “the state”) through the support of outside parties (Vendors) to serve homeowner assistance needs. Additionally, the GLO will partner with impacted Councils of Government (COG) and local partners, as they have direct knowledge of the needs in their areas.

Table 1. 2018/2019 Homeowner Assistance and Reimbursement Programs

Programs and Eligible Activities	National Objective	Program Administrator	Tenure "Start date" is date of HUD's approval of Action Plan
Single Family/Homeowner			
Homeowner Assistance Program (HAP): <ul style="list-style-type: none"> • Rehabilitation • Reconstruction • New construction • Repair/Replace MHUs • Hazard Mitigation • Elevation • Relocation assistance • Demolition only 	Low and Moderate Income, and Urgent Need	GLO/AECOM	4 years from start date
Homeowner Reimbursement Program (HRP): <ul style="list-style-type: none"> • Reimbursement for expenses incurred by homeowners for repair to a primary residence prior to application for these funds • Reimbursement for SBA disaster home loans dispersed to homeowners for repairs to a primary residence prior to application for these funds 	Low and Moderate Income, and Urgent Need	GLO/AECOM	4 years from start date

1. PROGRAM OBJECTIVES

The primary focus of the housing recovery program is to provide relief for survivors affected by an event while complying with all CDBG-DR requirements and addressing recognized impediments to fair housing choice as required under the Fair Housing Act. Assistance may be provided to survivors under a variety of housing option activities including rehabilitation, reconstruction, new construction, demolition, elevation, hazard mitigation, reimbursement, and storm hardening of homeowner housing units, as allowable by GLO's approved Action Plan. All housing activities should consider the following objectives:

- Provide high quality, durable, resilient, mold resistant, energy efficient, decent, safe, and sanitary housing that meets Green Building Standards, and mitigates impact from future disasters. Resilient measures may include elevating the first floor of habitable area; breakaway ground floor walls; reinforced roofs; and storm shutters, etc. Rental units will also follow safe, decent, and sanitary requirements in the impacted areas identified in the HUD-approved Action Plan.
- Affirmatively further fair housing through policies and procedures that the GLO will have in place to identify disaster unmet needs through targeted marketing as outlined in regional needs assessments.

- Emphasize housing choices and designs to reduce maintenance and insurance costs, as well as provide the provision of independent living options.

2. DEFINITIONS

Adjusted Gross Income (AGI): AGI is an individual's total gross income minus specific deductions. The GLO Adjusted Gross Income Methodology may be found at: <http://recovery.texas.gov/>.

Affirmative Fair Housing Marketing Plan (AFHMP)(24 CFR 200.625): A document used to help Developers offer equal housing opportunities regardless of race, color, national origin, religion, sex, familial status, or disability (24 CFR Part 200, Subpart M). Implementing Affirmative Fair Housing Marketing Requirements Handbook (8025.1) can be obtained from HUD's website https://www.hud.gov/program_offices/administration/hudclips/handbooks/fheo/80251.

Affirmatively Furthering Fair Housing (AFFH): AFFH is a legal requirement that federal agencies and federal grantees further the purposes of the Fair Housing Act. HUD's AFFH rule provides an effective planning approach to aid program participants in taking meaningful actions to overcome historic patterns of segregation, promote fair housing choice, and foster inclusive communities that are free from discrimination. The HUD AFFH assessment tool and final rule can be found here: https://www.huduser.gov/portal/affht_pt.html.

Affordability Period: The period of time during which a property must comply with CDBG-DR program rules and regulations, including primary residency, income, and rent restrictions as applicable.

Applicant/Homeowner/Survivor: (Used interchangeably) Individuals whose homes or housing units were destroyed, made uninhabitable, needed repairs, or who suffered disaster-related displacement from their primary residences and/or loss of property.

Area Median Income (AMI): Calculated annual limits based on HUD-estimated median family income with adjustments based on family size used for demonstrating LMI Beneficiaries in the programs. May also be referred to Area Median Family Income (AMFI) in other program documents.

Beneficiary: The recipient deriving advantage from CDBG-DR funding.

Builder/Contractor: (Used interchangeably) A person who contracts to construct or repair houses or buildings and/or supervises building operations.

Builder Assignments: A qualified pool of builders developed by the GLO. They must also meet state and federal procurement requirements and possess controls that will ensure quality construction that meets the standards of the CDBG-DR Housing Program.

Case Management: Working with individual survivors and their families to understand the Program's housing options, resulting in clear and transparent determination of eligibility. Case managers must consider all special circumstances of the survivor's needs to decrease their barriers to participate in the Program where possible. Staff should meet at designated locations and supply information in a standard format.

Damage Assessment: An inspection of the housing unit to document damage from the event. The assessment by a certified or licensed inspector (HQS, TREC, or similar license) is required to specifically and clearly document storm-related property damage via photographic evidence and detailed narratives (see the GLO's Damage Assessment Guidelines, found at: <http://recovery.texas.gov/>). Damage assessments must include final cost of repair estimates according to local code, an assessment of the cost-effectiveness of each recommended activity (rehabilitation, reconstruction, or new construction), mold remediation, and assistance needed to bring the home up to code at completion.

Demolition: The clearance and proper disposal of dilapidated buildings and improvements.

Duplication of Benefits: The Robert T. Stafford Disaster Assistance and Emergency Relief Act (Stafford Act) prohibits any person, business concern, or other entity from receiving financial assistance from CDBG-DR funding with respect to any part of a loss resulting from a major disaster as to which he/she has already received financial assistance under any other program or from insurance or any other source.

Elevation Standards: Standards that apply to flooding mitigation, 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).

Environmental Review: All qualified projects must undergo an environmental review process. This process ensures that the activities comply with National Environmental Policy Act (NEPA) and other applicable state and federal laws.

Event: The Presidentially declared 2019 disaster events related to Tropical Storm Imelda.

Family: The term family means all persons living together in the same housing unit, as further defined under 24 CFR 570.3.

Federal Emergency Management Agency (FEMA)-Designated High-Risk Area: Areas designated by FEMA as vulnerable to significant wind and/or storm surge damage and areas located in 100-year flood zones. These areas will be identified during the environmental review process for each participating jurisdiction.

Federal Register (FR): A daily publication of the US federal government that issues proposed and final administrative regulations of federal agencies.

Flood Disaster Protection Act of 1973 and Sec. 582(a) of the National Flood Insurance Reform Act of 1994: Compliance with the legal requirements of Section 582(a) mandates that HUD flood disaster assistance that is made available in Special Flood Hazard Areas (SFHAs) may not be used to make a payment (including any loan assistance payment) to a person for repair, replacement or restoration for flood damage to any personal, residential or commercial property if: (1) the person had previously received federal flood disaster assistance conditioned on obtaining and maintaining flood insurance; and (2) that person failed to obtain and maintain flood insurance as required under applicable federal law on such property.

Flood Hazard Area: Areas designated by FEMA as having risk of flooding.

Flood Insurance: The Flood Disaster Protection Act of 1973 (42 U.S.C. 4012a) requires that projects receiving federal assistance and located in an area identified by FEMA as being within a Special Flood Hazard Area (SFHA) be covered by flood insurance under the National Flood Insurance Program (NFIP). In order to be able to purchase flood insurance, the community must be participating in the NFIP. If the community is not participating in the NFIP, federal assistance cannot be used in those areas.

Floodplain: FEMA designates floodplains as geographic zones subject to varying levels of flood risk. Each zone reflects the severity or type of potential flooding in the area.

- “100-year floodplain” — the geographical area defined by FEMA as having a one percent chance of being inundated by a flooding event in any given year.
- “500-year floodplain” — the geographical area defined by FEMA as having a 0.2 percent chance of being inundated by a flooding event in any given year.

General Land Office (GLO): The Texas General Land Office is the lead state agency for managing the state's Community Development Block Grant - Disaster Recovery grants through the U.S. Department of Housing and Urban Development.

Grant Agreement: A funding agreement detailing eligible program costs and project-specific award agreements between HUD and the GLO, including regulatory provisions, certifications, and requirements.

Green Building Standards: 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) EPA Indoor Air Plus (Energy Star a prerequisite), (3) LEED (New Construction, Homes, Midrise, Existing Buildings Operations and Maintenance, or Neighborhood Development), or (4) ICC–700 National Green Building Standard.

Habitability Standards: A set of construction standards developed by the GLO that are based on Housing Quality Standards detailed under 24 CFR 982.401.

Home/Housing Unit: (used interchangeably) a house, apartment, group of rooms, or single room occupied or intended for occupancy as separate living quarters.

Homeowner Assistance Program: The utilization of CDBG-DR funding to assist with the rehabilitation or reconstruction of home damaged during a disaster event. The home to be assisted must have been owner-occupied at the time of the event.

Homeowner Reimbursement Program: Program designed for eligible applicants who have used non-disaster relief funds for completed reconstruction, rehabilitation, elevation, and/or mitigation on single family homes prior to the start of the program on April 24, 2021. Reimbursement for costs after April 24, 2021 are ineligible. Applicants may qualify to receive reimbursement of SBA loans.

Household: A household is defined as all persons occupying the same housing unit, regardless of their relationship to each other. The occupants could consist of a single family, two or more families living together, or any other group of related or unrelated persons who share living arrangements. For housing activities, the test of meeting the LMI National Objective is based on the LMI of the household.

Housing and Community Development Act of 1974, as amended by the Supplemental Appropriations Act of 1984: Established the program of Community Development Block Grants to finance the acquisition and rehabilitation of real property and which defined the recipients and uses of such grants, with the primary goal of benefitting LMI persons.

Housing and Urban Development Act of 1968, Section 3: Requires program administrators ensure that training, employment, and other economic opportunities generated by HUD financial assistance shall be directed to the greatest extent feasible and consistent with existing federal, state, and local laws and regulations, to low- and very low-income persons. Recipients of Section 3-covered funding ensure compliance and the compliance of their contractors/subcontractors with the Section 3 requirements, as outlined in [24 CFR 135.32](#).

Housing Quality Standards (HQS): The HQS establish certain minimum standards for buildings constructed under HUD housing programs. This includes new single family homes and multifamily housing as outlined in 24 CFR 982.401.

Low and Moderate Housing Income (LMH) National Objective: Any activity that involves the buyout, acquisition, or rehabilitation of property to provide housing or improve permanent residential structures will upon completion benefit and must be occupied by low- and moderate-income households (42 U.S.C. 5305(c)(3)). Income eligibility will be determined using Area Median Income (AMI), adjusted for family size and verified in accordance with GLO's Adjusted Gross Income Methodology. The most current income limits, published annually by HUD, shall be used by the Developer or the state to verify the income eligibility of each household applying for assistance at the time assistance is provided.

Low and Moderate Income National Objective: Activities which benefit persons of income that does not exceed 80 percent of the area median income:

- Very low: Household's annual income is up to 30 percent of AMI, as determined by HUD, adjusted for family size;
- Low: Household's annual income is between 31 percent and 50 percent of AMI, as determined by HUD, adjusted for family size; and
- Moderate: Household's annual income is between 51 percent and 80 percent of AMI, as determined by HUD, adjusted for family size.

Manufactured Housing Unit (MHU): A structure, transportable in one or more sections which in the traveling mode is 8 body-feet or more in width, or 40 body-feet or more in length, or when erected on site, is at least 320 square feet, and which is built on a permanent chassis and is designed to be used as a dwelling with or without a permanent foundation when connected to the required utilities, and includes the plumbing, heating, air-conditioning, and electrical systems contained therein.

Mitigation: Improvements made to reduce the possibility of property damage, personal and commercial hardship, as well as long lasting monetary burdens. For example, creating a flood mitigation program such as an acquisition of at-risk flood-prone property/housing, and elevation of housing in high-risk floodplains are two visible and effective mitigation projects that can be taken to make residents and communities safer in the face of natural disasters.

Modular Housing: A home built in sections in a factory to meet state, local, or regional building codes. Once assembled, the modular unit becomes permanently fixed to one site.

Needs Assessment: A needs assessment is a critical component in the allocation of funding across and within National Objectives for CDBG-DR funds. A given needs assessment 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, the disabled, vulnerable populations, and other 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. 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 approved by the GLO before the Program may move forward. The GLO will work with COGs and other local partners to develop regional local needs assessments. Each needs assessment will be posted for a 15-day public comment period and approved by the GLO before implementation.

New Construction: A replacement home that substantially exceeds the original footprint on the existing lot (if permitted) or the construction of a new home in a new location.

Program: The GLO's plan, process, and procedures to assist communities and distribute CDBG-DR funds to rebuild disaster affected areas and provide a broad range of housing recovery activities as provided in the GLO's approved Action Plan and subsequent amendments.

Program Design: The selection and development of programs and activities based on a needs assessment. The Program Design must include the type of housing activities that will be offered by the state; how the program will be marketed; how Fair Housing Objectives will be achieved, as described in the AFHMP; and how funding will be prioritized as determined through a needs assessment.

Reconstruction: Demolition and rebuilding of a stick-built or modular housing unit on the same lot in substantially the same footprint and manner. This activity also includes replacing an existing substandard manufactured housing unit (MHU) with a new or standard MHU or stick-built/modular housing unit. The number of units on the lot may not increase, and the total square footage of the original, principal residence structure to be reconstructed may not be substantially exceeded; however, the number of rooms in a unit may be increased or decreased based on the Applicant's current household size.

Rehabilitation: Repair or restoration of storm-damaged housing units in the impacted areas to applicable construction codes and standards.

Single Family Home: A single-unit family residence detached or attached to other housing structures.

Subrogation Agreement: An agreement executed by the Beneficiary agreeing to repay any duplicative assistance if the Beneficiary later receives other disaster assistance for the same purpose as disaster recovery funds already received.

Texas Integrated Grant Reporting (TIGR): TIGR is the GLO system of record for all CDBG-DR grant management and reporting.

Uniform Relocation Assistance and Real Property Acquisitions Policies Act of 1970, as amended (Title 49 CFR Part 24) (42 U.S.C. 4601 et seq.) (URA): Applies to all acquisitions of real property or displacements of persons resulting from federal or federally assisted program or projects. URA’s objective is to provide uniform, fair, and equitable treatment of persons whose real property is acquired or who are displaced in connection with federally funded projects. For the purposes of these guidelines, URA mostly applies to residential displacements in involuntary (49 CFR Subpart B) acquisition or multifamily damaged/occupied activities that require the relocation of the tenants. A displaced person is eligible to receive a rental assistance payment that is calculated to cover a period of 42 months, as waived by the FR.

Unsecured Forgivable Promissory Note: If the Applicant qualifies for disaster recovery assistance and has been awarded funding, there are conditions placed on the Applicant receiving the assistance. The conditions are outlined in an Unsecured Forgivable Promissory Note (the Note) between the assisted Beneficiary and the state that requires Applicants to comply with several terms during a set affordability period. Once the homeowner complies with all the terms of the Note and the affordability period ends, the terms are forgiven.

Urgent Need National Objective: An urgent need that exists because conditions pose a serious and immediate threat to the health or welfare of the community; the existing conditions are recent or recently became urgent; and the state cannot finance the activities on its own because other funding sources are not available. The state must document how each program and/or activity funded under this category responds to a disaster-related impact. See 24 CFR 570.208(c).

Vendor: Vendors and private grant administrators procured by the state to provide supplies, equipment, or services necessary to implement the Program and to serve homeowner assistance needs. Upon approval, the Vendor may implement the Program or act on behalf of the GLO.

3. PROGRAM DESIGN

The Homeowner Assistance and Reimbursement Programs (HARP) is designed to provide relief for survivors affected by Tropical Storm Imelda while complying with the requirements within the HUD approved Action Plan. Applicants may be eligible to receive one or both types of assistance offered.

To develop the Program Design for all activities offered through this funding, the state used qualified data (HUD/FEMA/SBA, insurance data, or other available data) to allocate the disaster funding. Section 3.A.2 of the State of Texas Housing Guidelines explains an unmet needs assessment, which was required of the state prior to implementing the program.

A. Program Design Requirements

Two program activities identified in the Action Plan will be available for qualified Applicants through the Homeowner Assistance and Reimbursement Programs (HARP):

- **Homeowner Assistance Program:** Reconstruction or rehabilitation of a single family owner-occupied residence. Program activities may include hazard mitigation, elevation, and/or relocation assistance for eligible homeowners as required.

- **Homeowner Reimbursement Program:** Reimbursement of up to \$50,000 per household for funds expended to rehabilitate or reconstruct a single family owner-occupied residence. Funds eligible for reimbursement include out-of-pocket expenses and/or Small Business Administration (SBA) disaster home loans for qualifying Applicants.

Table 2. 2018/2019 Homeowner Assistance and Reimbursement Programs Allocation

2019 HAP and HRP - Imelda	HUD MID	State MID	Total Allocation
2019 Homeowner Assistance Program	\$51,600,000	\$12,900,000	\$64,500,000
2019 Homeowner Reimbursement Program	\$5,704,000	\$1,400,000	\$7,104,000
	\$57,304,000	\$14,300,000	\$71,604,000

(1) National Objectives

All housing activities must meet one of the following National Objectives required under the authorizing statute of the CDBG-DR Program:

- **LMI** — Benefitting Low and Moderate-Income Housing (LMH) where any assisted activity that involves the rehabilitation of property to provide housing shall be considered to benefit persons of low- and moderate-income only to the extent such housing will, upon completion, be occupied by such persons
- **Urgent Need** — Meet a need having a particular urgency

(2) Unmet Needs Analysis

An Unmet Needs Analysis was used in determining the proportions of funding awarded that must be set aside to benefit each LMI and non-LMI economic group. The use of FEMA claims data (when available) and other Applicant demographic data allows for goals to be established to fairly allocate funds across jurisdictions and neighborhoods to serve survivors in proportion to need. The Needs Assessment determined the activities to be offered, the demographics to receive concentrated attention, and any target areas to be served.

The GLO consulted with COGs and other local partners on the methodology and data analysis and provided applicable raw data needed to develop and assist in development of their Regional Needs Assessments, which are available at: <http://recovery.texas.gov/>.

Applicants applying for disaster assistance must meet certain eligibility standards to qualify for assistance. Eligibility standards are further discussed in the State of Texas Housing Guidelines.

The Needs Assessment will document goals within the income brackets in proportion to the damaged units in the impacted area. Deviations from goals must be approved by the GLO before Vendors can move forward:

- 0% - 30% AMI
- 31% - 50% AMI
- 51% - 80% AMI

(3) Environmental Review

All sites must undergo a complete environmental review prior to any commitment of funds. The environmental review shall document compliance with 24 CFR Part 58 and all related laws and authorities. Properties with adverse environmental conditions will not be permitted to proceed under housing activities unless the adverse conditions are corrected. No work can start on a site until the environmental review is complete.

(4) Proof of Event Damage

For assistance, the applicant must demonstrate that the damage or destruction to the home occurred as a result of the disaster event. Disaster damage can be documented as follows:

- FEMA, Small Business Administration (SBA) or Insurance Award Letters
 - i. If the above-referenced documentation is not available, an inspection report/Damage Assessment (complete with photos of the damage and a written assessment of the damage with each photo taken) conducted by a certified, licensed, or experienced inspector (HQS, TREC license, or similar experience) must be supplied by the state that certifies the damage occurred as a result of the event (refer to the GLO's Damage Assessment Guidelines found at : <http://recovery.texas.gov/>); or
 - ii. If FEMA, SBA, or Insurance Award Letters are not available and an inspection report is inconclusive as to the cause of the damage, Beneficiaries may provide alternative evidence, such as neighborhood-level media reports or documentation of damage by disaster response/relief organizations. GLO approval is required for this form of proof.

If an Applicant was denied assistance by FEMA, assistance through the CDBG-DR Program may still be available. Applicants are not solely ineligible based on a denial by FEMA.

A Damage Assessment must be performed by a certified, licensed or experienced inspector (HQS, TREC license or similar experience) to specifically and clearly document event related damage via photographic evidence and detailed narratives if the survivor did not receive FEMA or SBA funds for the repair or replacement of a home. The Damage Assessment may also include a final cost of repair estimate. Damage to homes will be repaired according to local code and GLO's Habitability Standards.

(5) Size of Unit

HUD guidelines provide minimum size of unit based on anticipated household size and occupancy policies that allow for two persons per bedroom as reasonable. The State of Texas Guidelines will be followed in determining household size. Household composition determinations should be made early in the eligibility process as this may affect the Applicant's decision to proceed with recovery assistance.

(6) Timeliness of Application Status

The State and their designated Vendors will ensure timely communication of application status to Applicants who have applied for disaster recovery assistance. Timeliness means multiple methods of communication, such as websites, toll-free numbers, or other means that provide Applicants with timely information to determine the status of their application at all phases. Methods for communication include the GLO website/system of record, telephone, Applicant Coordinators, email, and letters. The state must ensure the accessibility and privacy of individualized information for all Applicants, frequency of Applicant status updates, and personnel or unit responsible for Applicant's information on the status of recovery applications.

Applicants will work with Applicant Coordinators to complete an application either directly in TIGR or utilizing a paper application (paper applications must be entered into TIGR within 3 business days of receipt); any supporting documentation the Applicants bring will be reviewed within 5 days; requests for additional information must be made within 7 days. Paper files will be scanned and uploaded to TIGR. Originals will be returned or destroyed.

Applicant Coordinators must request any missing supporting documentation within ten (10) calendar days of receipt of application. Applicants must be given (a minimum) of 14 calendar days to respond, during which time three attempts must be made to contact the Applicant. If an Applicant responds with the requested supporting documentation, Applicant eligibility will be determined within 30 calendar days.

Assignment of Applicant Coordinators: Applications may be accepted online, via mail, over the phone, or in-person at an intake session/one-on-one meeting with a Applicant Coordinator (available for mobility and sight impaired Applicants):

1. Applicants at physical intakes will be assigned to an Applicant Coordinator to review all documents received at the intake.
2. Applicants who wish to make their application over the phone MUST schedule an appointment time with an Applicant Coordinator. While general program questions may be answered over the phone without an appointment, any Applicant interested in pursuing an application (or with questions specific to their personal documentation) MUST make an appointment for a phone call with an Applicant Intake Coordinator.
3. Applicants who submit their application via mail will be assigned an Applicant Coordinator within 3 days of receipt of application.
4. Applicants who submit their application online will be assigned an Applicant Coordinator within 3 days of receipt of application.

GLO will ensure the accessibility and privacy of individualized information for all Applicants, frequency of Applicant status updates, and personnel or unit responsible for Applicant's information on the status of recovery applications.

(7) Affirmatively Furthering Fair Housing Review

All projects must undergo an AFFH review by the GLO prior to any commitment of funds. Such review will include assessment of a proposed project's area demography, socioeconomic

characteristics, housing configuration and need, educational, transportation, health care opportunities, environmental hazards or concerns, and all other factors material to the determination.

The Homeowner Assistance Program and the Homeowner Reimbursement Program will concentrate on those populations identified in the Affirmative Fair Housing Marketing Plan which establishes outreach, marketing and admissions policies for underrepresented or underserved populations in the disaster affected counties.

(8) Cost Effectiveness Verification

The state must establish policies and procedures to assess the cost-effectiveness of each proposed residential rehabilitation or reconstruction project (particularly elevation of existing structures) compared to other mitigation measures to determine the cost-effectiveness of residential rehabilitation and reconstruction relative to other means of assisting the property owner.

B. Housing Assistance Caps

Unit Costs must be necessary, reasonable, allowable, and allocable. Refer to 2 CFR Part 200 Subpart E. The Housing Assistance Caps can be found in the State Housing Guidelines at www.recovery.texas.gov for the following eligible expenses:

- Reimbursement
- Reconstruction (local composite bid)
- Rehabilitation
- Relocation
- Elevation
- Water Well
- Septic System
- Accessibility
- Abatement
- Project soft costs

C. Affirmative Fair Housing Marketing Plan

The Affirmative Fair Housing Marketing Plan (AFHMP) outlines the marketing and outreach activities and strategies that will be implemented in the impacted TS Imelda region. This includes enhanced and targeted outreach activities to support fair housing for vulnerable, hard-to-reach populations. This marketing and outreach plan encompasses the intent of the Affirmatively Furthering Fair Housing (AFFH) regulations and policies to ensure the inclusive dissemination of information, collection of data and precise reporting procedures necessary for a sustainable housing outreach recovery program.

A program of this size and scale requires traditional and non-traditional marketing and outreach activities. However, non-traditional methods will be critical to successfully reaching the vulnerable populations. Utilizing housing subject matter experts and outreach coordinators from the local areas, general outreach and marketing activities will be deployed in the affected region. In addition, the

Outreach Team (“Team”) will deploy targeted marketing and outreach to reach specific groups in locations identified in the Regional Needs Assessment.

The AFHMP includes the creation of a collaborative partnership with community members and other key stakeholders. This will enable the Team to work more effectively, and efficiently, with Volunteer Organizations Active in Disasters (VOADs), Long Term Recovery Groups (LTRGs), Emergency Management Coordinators (EMCs) and other groups to align and work together to meet the needs of the community. Affirmative marketing efforts for the disaster funding will include:

- Development of an Affirmative Fair Housing Marketing Plan
- Assurance that all outreach and communication efforts reach all eligible Applicants regardless of status
- Outreach efforts will be focused on reaching LMI areas and those communities with minority concentrations that were affected by the disaster
- Outreach will include measures to make the Program accessible to persons who are considered members of protected class under the Fair Housing Act by holding informational meetings in buildings that are compliant with the Americans with Disabilities Act (ADA), providing sign language assistance when requested, and providing special assistance for those who are visually impaired when requested
- Applications and forms will be offered in English and other languages prevailing in the region
- Outreach activities will be reviewed monthly to determine if outreach has been successful and that applications being received accurately reflect the socioeconomic diversity of the region
- Notification and coordination with HUD-certified housing counselors
- The state will coordinate with HUD-certified housing counseling organizations to ensure that information and services are made available to both renters and homeowners; information on HUD Approved Housing Counseling Agencies is available here:

<https://apps.hud.gov/offices/hsg/sfh/hcc/hcs.cfm?weblistaction=summary>

The Program will work in partnership with regional and statewide nonprofits and governmental organizations to mount an intensive grassroots campaign to reach eligible residents. Many community-based entities are already working with the citizens affected by Tropical Storm Imelda and know precisely who they are and how to reach them.

Program representatives will collaborate with identified organizations and local government officials by attending and speaking at public events, hearings and workshops as well as discussions via phone, email, and video conference. Community partners with an established track record will be engaged in manners appropriate to their populations and resources (i.e. list serve, databases, community relationships) to engage the target audiences.

A Community Partner Tool Kit will be provided to the leaders of the community and faith-based organizations and as well as other key stakeholders. Program updates, changes, upcoming events, etc., will be relayed via email and provide swift real-time information and updates to identified stakeholders. The Program staff will continue to meet with local elected officials, government employees, and COGs throughout the life of the program to help inform and educate constituents

about the Program and its potential to assist with rebuilding and recovery efforts.

D. Reporting Requirements

Compliance will be maintained in accordance with the reporting requirements under the GLO's Housing Guidelines. This includes providing all information and reports as required under the GLO's contract with Vendors, demographic data and other information acquired from the Applicants, and project documentation from awarded Applicants.

E. Procurement Requirements

The state and its Vendors will retain adequate documentation to show that the procurement process was carried out in an open, fair, uniform, and thorough manner to ensure that federal (2 CFR 200.318–200.327) and state procurement requirements were met.

Composite pricing will be utilized for new construction and reconstruction. This pricing was developed utilizing the RFP process and average costing and shall be verified as reasonable and customary by utilizing an industry standard independent pricing product. Pricing for rehabilitation shall be developed via an independent damage assessment and work write-up. This becomes the scope of work and will be priced in conjunction with a line-item price list that will be produced out of the original RFP with appropriate reasonable and customary verification.

F. Site and Development Restrictions

Housing that is reconstructed, rehabilitated, or newly constructed with CDBG-DR funds must meet all applicable local codes, rehabilitation standards, ordinances, Green Building Standards, and zoning ordinances, including those found in these Guidelines at the time of project completion. A complete list of these Standards is available in GLO's State Housing Guidelines.

G. Displacement of Persons and/or Entities

HARP is a voluntary program and therefore beneficiaries do not meet the definition of displaced persons under the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 ("URA" or "Uniform Relocation Act").

H. Conflict of Interest

The conflict of interest regulations contained in the contract between Vendors and the GLO prohibit local elected officials, Developer employees, contractors, and consultants who exercise functions with respect to CDBG-DR activities or who are in a position to participate in a decision-making process or gain inside information with regard to such activities, from receiving any benefit from the activity either for themselves or for those with whom they have family or business ties, during their tenure or for one year thereafter.

For purposes of this section, "family" is defined to include parents (including mother-in-law and father-in-law), grandparents, siblings (including sister-in-law and brother-in-law), and children of an

official covered under the CDBG-DR conflict of interest regulations at 24 CFR 570.489(h).

The GLO may consider granting an exception to the conflict of interest provision should it be determined by the GLO that the Developer or Vendor as applicable has adequately and publicly addressed all of the concerns generated by the conflict of interest and that an exception would serve to further the purposes of Title I of the Housing and Community Development Act of 1974 and the effective and efficient administration of the program.

I. Complaint/Appeal Process

(1) General Policy

GLO is responsible for responding to complaints and appeals in a timely and professional manner. The State will keep a record of each complaint or appeal that it receives to include all communications and their resolutions.

When a complaint or appeal is received, a representative will respond to the complainant or appellant within three (3) business days where practicable. For expediency, the State shall utilize telephone communication as the primary method of contact; however, email and postmarked letters will be used as necessary.

The Complaint/Appeals process will be made available to all Applicants.

(2) Responsibilities

The State shall identify customer service specialists within their program that will be tasked with handling all homeowner inquiries.

Customer service specialists are responsible for (1) determining if complaints and appeals relate to the business or authority of the State, (2) ensuring that responses to all complaints and appeals are within the appropriate time frame (a formal response must be provided within 15 working days of the receipt of the submitted complaint or appeal), and (3) ushering all complaints and appeals through to a resolution where possible.

Since Vendors are often the first line of communication for program beneficiaries, they shall have an internal procedure for handling incoming complaints and appeals, including an escalation process to ensure that complaints and appeals are handled at the earliest stage in the process.

(3) Documentation

Documentation for each complaint or appeal must be maintained. Each file must include the following:

- Contact information for the complainant;
- Initial complaint;
- Address and GLO assigned project number (if applicable);
- Any communications to and from complainant or appellant;
- Results of the investigation, together with any notes, letters, or other investigative

- documentation;
- The date the complaint or appeal was closed; and
- Any other action taken.

J. Audit Requirements

Vendors receiving funds which exceed the thresholds set in 2 CFR 200.501, Audit Requirements, shall have a single or program-specific audit conducted in accordance with the applicable federal requirements if applicable.

Vendors and contractors employed by GLO will be required to comply with the executed contract.

K. Changes, Waivers, and/or Conflicts

GLO has the right to change, modify, waive, or revoke all or any part of these Regional Housing Guidelines.

Waivers to the requirements in these Guidelines must be documented and must demonstrate why they are not practicable for the policy being waived.

If these Guidelines conflict with local, state, or federal law, the more stringent requirement will prevail, provided that the requirement does not violate local, state, or federal law.

4. HOMEOWNER ASSISTANCE AND REIMBURSEMENT PROGRAMS

Eligible activities under the Homeowner Assistance and Reimbursement Programs (HARP) include: rehabilitation, reconstruction, and or new construction; reimbursement; repair or replacement of MHUs; hazard mitigation; elevation; relocation assistance; demolition; and other activities associated with the recovery of impacted single family housing stock. The use of the term “state” in this section also refers to Vendors.

Table 3. Eligible Counties and Most Impacted Counties

Most Impacted and Distressed Area	Funding Allocation (based on Statewide numbers)	Affected Counties
2019 HUD-identified Most Impacted and Distressed Areas (HUD MID)	\$57,304,000	<ul style="list-style-type: none"> • Jefferson • Orange • Chambers • Montgomery • Liberty • Harris
2019 Most Impacted and Distressed Areas (State MID)	\$14,300,000	<ul style="list-style-type: none"> • San Jacinto

A. Survivor Case Management

Applicants are likely to need support throughout the process. Applicants may have suffered significant losses and emotional hardships. Undertaking the process to claim insurance is often burdensome and confusing. The simple mechanics of applying to the CDBG-DR Program may be complicated by the loss of documents or temporary residence outside the area. Vendors should work to cultivate partnerships with local and community liaisons such as banks, counseling agencies, legal services, title companies, etc.

State Applicant Coordinators hired by Vendors will work to assist survivors from inception to close-out of their recovery needs associated with the Program for which they participate. It is recommended that there be a single point of contact for each survivor to ensure that survivors have the immediate contact information and needs to be successful in their long-term recovery efforts. As applications are being accepted and reviewed for determinations of eligibility to participate in the Program, each survivor should be counseled and made aware of their application status. Consult with the GLO to determine the best feasible option.

Designated staff will be responsible for monitoring incoming phone lines. The Vendor will utilize a cloud-based VoIP (voice over internet protocol) system to queue, answer, and route calls.

Call Center hours will fluctuate throughout the Program. However, in an effort to address the anticipated high call volumes and to facilitate calls from Applicants unable to call within “normal business hours,” the Call Center will extend its hours to evenings and weekends during high volume periods as needed throughout the Program.

A voicemail system will be utilized to capture calls received outside of regular business hours. Every effort will be made to respond to the voicemails within one business day.

For hearing impaired Applicants, Telecommunications Relay Services will be used to permit persons with a hearing or speech disability to use the telephone system via a text telephone (TTY) or other device to call persons with or without such disabilities. Dial 711 to be automatically connected to a TRS operator. By dialing 711, both voice and TRS users can initiate a call from any telephone, anywhere in the United States, without having to remember and dial a seven or ten-digit access number.

Vendor will use 711 to communicate with persons with a hearing or speech disability. Information on using 711 will be provided to potential Applicants in the region.

The Call Center staff will be provided with Call Scripts, HARP Summary Sheets and FAQ (frequently asked questions) to address any general program questions. More specific Applicant questions will be routed to the Applicant’s assigned Applicant Coordinator.

The Applicant Coordinator Deputy PM (Project Manager) in conjunction with the Applicant Coordinator Manager will be responsible for making Applicant assignments. The caseload will fluctuate as Applicants move through the process. The Applicant Coordinator Manager will be responsible for monitoring caseloads to create an effective application process.

B. Application Intake and Counseling

There will be no pre-screening of Applicants without a written application being taken. Anyone who makes an inquiry about HARP will be provided with a GLO application package to complete (or be directed to the online application). All such inquiries will be reported in a format to be provided by the GLO. Applications will be submitted electronically through the TIGR system.

All documentation submitted by the Applicant must include a signed statement verifying that the information provided is true, complete and accurate. Any false, fictitious, or fraudulent information, or the omission of any material, may subject the Applicant to criminal, civil or administrative penalties. Program documents must capture the following statement:

“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.”

Applicant Coordinators and/or counselors or interpreters must be able to communicate with the Applicant in their primary language and should be assigned to the clients as appropriate. Additionally, they must 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 section 504 and the Americans with Disabilities Act). Counselors will be trained to be well-versed in all housing recovery activity requirements.

In addition to Applicants submitting their application directly into TIGR, application intakes will be held in all affected counties. Applications may also be submitted at the local HARP office located at:

- 505 Orleans Street, Beaumont, TX 77701; or
- during a “pop-up” application intake, location and dates to be determined.

C. Applicant Eligibility Requirements

The following threshold requirements must be met for an Applicant to be eligible for assistance. Eligibility does not guarantee assistance since it is expected that there will be more eligible Applicants than can be served with available funds. All Applicants will be asked to provide a valid ID, such as a driver’s license, state/government-issued ID, or passport.

(1) Income and Unmet Needs Requirements

(a) Income Determination

The income limits to be utilized for HARP are area-specific (by county) income limits established yearly by HUD. Income eligibility will be determined and verified in accordance with the GLO’s Adjusted Gross Income Methodology or in accordance with another method that is approved by GLO. The most current or applicable income limits, published annually by HUD, shall be used by the state to verify the income eligibility of each household applying for assistance at the time assistance is provided. The state must always use the most recent income limits and will be monitored to ensure compliance with the income guidance as provided throughout these Guidelines.

Table 4. 2020 Income Limits

Chambers, Harris, Liberty, & Montgomery Counties								
AMFI	Number of Household Members							
	1	2	3	4	5	6	7	8
30 %	\$16,600.00	\$18,950.00	\$21,720.00	\$26,200.00	\$30,680.00	\$35,160.00	\$39,640.00	\$44,120.00
50 %	\$27,600.00	\$31,550.00	\$35,500.00	\$39,400.00	\$42,600.00	\$45,750.00	\$48,900.00	\$52,050.00
80 %	\$44,150.00	\$50,450.00	\$56,750.00	\$63,050.00	\$68,100.00	\$73,150.00	\$78,200.00	\$83,250.00
Jefferson & Orange Counties								
AMFI	Number of Household Members							
	1	2	3	4	5	6	7	8
30 %	\$15,650.00	\$17,900.00	\$21,720.00	\$26,200.00	\$30,680.00	\$35,160.00	\$39,640.00	\$44,120.00
50 %	\$26,100.00	\$29,800.00	\$33,550.00	\$37,250.00	\$40,250.00	\$43,200.00	\$46,200.00	\$49,150.00
80 %	\$41,700.00	\$47,700.00	\$53,650.00	\$59,600.00	\$64,350.00	\$69,150.00	\$73,900.00	\$78,650.00
San Jacinto County								
AMFI	Number of Household Members							
	1	2	3	4	5	6	7	8
30 %	\$15,650.00	\$17,900.00	\$21,720.00	\$26,200.00	\$30,680.00	\$34,600.00	\$37,000.00	\$39,350.00
50 %	\$26,100.00	\$29,800.00	\$33,550.00	\$37,250.00	\$40,250.00	\$43,200.00	\$46,200.00	\$49,150.00
80 %	\$41,700.00	\$47,700.00	\$53,650.00	\$59,600.00	\$64,350.00	\$69,150.00	\$73,900.00	\$78,650.00

(b) National Objective

- i. Beneficiaries of HARP must meet the LMH National Objective of supporting housing activities for impacted persons of low- and moderate-income that, upon completion of the housing activity, will be occupied by such persons.
- ii. Assistance to non-LMI Applicants may be provided under Urgent Need.

(c) Unmet Meets

Only Applicants with an unmet need related to the flooding events will be eligible. Documentation evidencing impact from the event will be required as part of the unmet needs determination.

(d) Not Eligible

- CDBG-DR assistance for rehabilitation/reconstruction of a damaged home is prohibited when (1) the combined household income is greater than 120 percent AMI or national median at the time of the disaster, (2) the property was in a floodplain at the time of the disaster, and (3) the property owner did not have flood insurance on the damaged property even when the property owner was not required to obtain and maintain such insurance.
- CDBG-DR assistance for rehabilitation/reconstruction of a damaged home is also prohibited when an Applicant (1) received prior disaster assistance, (2) was in a floodplain, and (3) was required to maintain flood insurance on the damaged property as a condition of assistance but failed to maintain the flood insurance policy.
- Applicant homes that reside in a floodway are not eligible for this program.

(2) Proof of Ownership

The Applicant must be an individual who owns the property to be repaired, rebuilt, or replaced due to damage from the event. Ownership must be documented as specified in the State Housing Guidelines available at www.recovery.texas.gov/harp.

(3) Principal Residency

The unit that is rehabilitated, reconstructed, or replaced must have been the Applicant's principal residence during the time of the event. Principal residency can be demonstrated through property tax homestead exemptions. If a homestead exemption was not in place at the time of the disaster, an Affidavit of Principal Residency may be utilized as an alternative method of verification of principal residency. The affidavit must be supported by documentation such as asset verification (income tax returns, credit check, etc.) or utility bills for the month of and the month preceding the disaster event provided it is specific to the property address and name of the Applicant, which were active as of the date of the event. Vacation homes and rental properties are not eligible for assistance under HARP. The *Affidavit of Principal Residency Form* may be found on the GLO's website: <http://recovery.texas.gov/>.

(4) Property Taxes

Applicant must furnish evidence that property taxes are either current, have an approved payment plan, or qualify for an exemption under current laws. Specific documentation requirements can be found in the State Housing Guidelines at www.recovery.texas.gov/harp.

(5) Duplication of Benefits (DOB) Review

Each application will be reviewed to determine if previous funding awarded to the Applicant was appropriately used on the home and if any funds were received for the same purpose. The Applicant must have an unmet need to move forward in the program. The state must determine the Applicant's unmet needs first and then calculate the Applicant's DOB. Applicants must provide insurance, FEMA, SBA, and any other type of funding documentation for funds that were received. Additionally, the state will verify that the submitted data is accurate and current at the time of the award. Applicants will also be asked to provide receipts and proof of repairs.

The total DOB (difference between assistance already received minus expenditures) will equal the remaining gap. The *GLO's DOB Calculation Form* will be used to determine the total DOB amount and may be found on the GLO's website: <http://recovery.texas.gov/>.

Under the Homeowner Reimbursement Program, reimbursement can be approved for SBA loan funds.

(6) Child Support

All adult household members must be current on payments for child support. If the household member is not current on child support, that individual will be required to enter into a payment plan that can be obtained from the Office of Attorney General (OAG). A copy of the payment plan signed by all applicable parties along with documentation demonstrating that they are current on their payment plan must be supplied.

(7) Damage Assessment

Each Applicant's home must be assessed to verify that it was damaged by the event. A damage assessment report along with pictures will be required for each Applicant. Please refer to the GLO's Damage Assessment Guidelines located at: <http://recovery.texas.gov/>.

(8) Environmental Review

An environmental review must be performed on the property prior to federal funds being committed by the state (24 CFR Parts 50, 58, 574, 582, 583, and 970). No commitment or disbursement of funds will occur prior to the completion of this review. The environmental review shall document compliance with 24 CFR Part 58 and all related laws, authorities, and executive orders. HARP cannot be used to assist homes that have been determined to be in a floodway.

(9) Flood Insurance Verification/Requirements

Flood Disaster Protection Act of 1973 as amended and Sec. 582(a) of the National Flood Insurance Reform Act of 1994 - compliance with the legal requirements of Section 582(a) mandates that HUD flood disaster assistance that is made available in Special Flood Hazard Areas (SFHAs) may not be used to make a payment (including any loan assistance payment) to a person for repair, replacement, or restoration for flood damage to any personal, residential or commercial property if: (1) the person had previously received federal flood disaster assistance conditioned on obtaining and maintaining flood insurance; and (2) that person failed to obtain and maintain flood insurance as required under applicable federal law on such property.

D. Property Eligibility Requirements

Only single family owner-occupied units within the disaster affected area will be eligible for HARP. Manufactured Housing Units (MHUs or mobile homes) are eligible for reimbursement or rehabilitation at the discretion of the state; however, the MHU must be no more than 5 years old at the time of assistance, and no more than \$10,000 in hard and soft construction costs can be used to rehabilitate an MHU. The MHU must pass a Habitability Standards inspection prior to reimbursement or upon completion of rehabilitation assistance. MHU rehabilitation costs that exceed \$10,000 will require reconstruction. Reconstruction of MHUs will consist of replacing the MHU with a stick-built home that will meet the current needs of the family or individual.

E. Eligible Homeowner Assistance Program Improvements

(1) Types of Improvements

- Improvements needed to meet GLO's Habitability Standards which are based on HUD Section 8 existing Housing Quality Standards, as well as Cost-Effective Energy Measures are eligible improvements.
- Improvements must be physically attached to the house and be permanent in nature (e.g., sheds or garages located separately from the house are ineligible). Eligibility of attached structures such as carports or utility rooms is based upon available funds and agreement by the GLO in cases where safety or the structural integrity of the house is involved.
- Improvements will include, as necessary, lead-based paint abatement, asbestos abatement, accessibility for families with disabilities, energy efficiency, and ventilation items such as ceiling fans, window screens, screen doors, and window blinds.
- Ranges, refrigerators, and other necessary appliances are eligible items; however, they will only be considered eligible when they are not present, or the repair would not be cost effective. They will be approved on a case-by-case basis.
- Documentation to support non-traditional housing costs, because they are required by local codes or homeowner associations (e.g., garages, fencing, masonry, etc.), must be submitted to the GLO for approval. Non-traditional housing costs in excess of \$100,000 will not be approved.
- Required permits, if any, will be obtained by the contractor or builder at his/her expense and will be included as part of the base composite price.

- Assistance will not be used for luxury items, including but not limited to, garage door openers, security systems, swimming pools, fences, and television satellite dishes.
- Garages, fences, and brick or masonry are not generally eligible unless required by jurisdictional code set forth by the city, county, and/or a homeowners' association.

(2) Supplemental Improvements

- All debris, abandoned vehicles, and buildings that pose a safety and/or health threat, as determined by the local jurisdiction or person qualified to make such a determination, must be removed from the property prior to the start of construction. The Applicant will remove derelict personal property.
- All electrical components must be inspected, including service meter, wiring, and fixtures, even if no electrical work is being specified. Unsafe components must be replaced. All exposed wiring, switches, and light bulbs in living areas must be encased.
- All homes must be equipped with a smoke detector installed in conformance with the one- and two-family dwelling code.
- Rehabilitated homes inhabited by a member with a disability or elderly persons must be analyzed as to the special physical needs of such persons. Improvements, such as widened doorways, ramps, level entry and doorways, and grab bars in bath areas, must be installed, if appropriate.

F. Inspection Requirements

Each project will require an inspection(s). The required inspections are dependent on the activity type (e.g., reimbursement, reconstruction, rehabilitation, etc.), which are outlined below. Further details regarding the inspections are included under the specific activity types in the State Housing Guidelines.

Table 5. Inspection Requirements

HARP Inspection Requirements					
Application Type	50%	Final Inspection	Demolition Confirmation	TREC /HS	Monitoring Inspections
Reconstruction	Yes	Yes	Yes	Yes **	%*
Rehabilitation	No	Yes	No	Yes **	%*
Reimbursement	No	No	No	Yes**	%*
*Monitoring inspections are performed by GLO or Vendor representatives. **TREC or Habitability Standards inspections are performed by GLO or Vendor representatives.					

G. Project Closeout/Affordability Requirements

Approved projects will require an Unsecured Forgivable Promissory Note. To ensure compliance with

the requirements of the executed Note, the state will perform an annual check to confirm all Note commitments are in place through its term.

H. Additional Requirements

A single application can be submitted for reimbursement (HRP) and repair (HAP) assistance. An application must be submitted along with required documents for consideration. HARP applications are processed on a first-come, first-served basis and all homeowners were encouraged to apply as soon as application intake began. Households applying for HRP that do not meet the low-and moderate-income (LMI) threshold will be processed after the first six months from application opening, but may receive HAP prior to then, based on their application date. HARP is only available for a main home (primary residence).

Table 6. Eligible Counties and Most Impacted Counties

Regional Classification	% of Total Funding
HUD Most Impacted and Distressed Counties (HUD MID) 2019 DR-4466: Chambers, Harris, Jefferson, Liberty, Montgomery, Orange	80%
State Most Impacted and Distressed Counties (State MID) 2019 DR-4466: San Jacinto SMID	20%

(1) Homeowner Assistance Program (HAP)

(a) Overview

Benefit for LMI Applicants is the principal National Objective approved for HARP. The use of Urgent Need is eligible and will be evaluated during application review. Under the LMI National Objective, only those funds used for households with up to 80 percent of the area median income may qualify as meeting the low- and moderate-income person benefit National Objective.

GLO is prohibited from providing assistance to homeowners who reside in a floodplain, earned more than 120 percent AMI on the date of the event, and who did not maintain flood insurance at the time of the event, even if it was not a requirement.

Eligible activities are as follows: rehabilitation, reconstruction, and associated elevation and demolition charges. New construction activities may be considered on a case-by-case basis as necessary to move households out of areas not deemed suitable for residential habitation by the local jurisdiction. The primary focus of HAP is to provide relief for those people impacted, with consideration given to affirmatively further fair housing, as called for within the Fair Housing Act, in accordance with the approved AFHMP.

(b) Building Specifications Requirements for Reconstruction/New Construction

For new and reconstructed homes, construction specifications (for 2, 3, 4, 5, and 6-bedroom homes with total square footage ranges) will be developed by the state. Each home must be constructed in accordance with local codes and should include resilience and mitigation requirements. The state may engage an architect to allow for local architectural variations; however, basic square footage (within ranges - see Size of Units below), room requirements, building materials, and general specifications must remain standardized for any home newly constructed or reconstructed with CDBG-DR funding. Elevation options will be developed by the state. House plans become property of the state to use for possible future federal funding.

(c) Visitability Checklist

Visitability Checklists are required for single family homes for the first floor only, even if multiple floors exist:

- i. At least one 36-inch entrance door (preferably the main entrance) is on an accessible route served by a ramp or no-step entrance.
- ii. Each interior door is at least a standard 32-inch door, unless the door provides access only to a closet of less than 15 square feet.
- iii. Each hallway has a width of at least 36 inches and is level with ramped or beveled changes at each door threshold.
- iv. Each bathroom wall is reinforced for potential installation of grab bars.
- v. Each electrical panel, light switch, or thermostat is not higher than 48 inches above the floor.
- vi. Each electrical plug or other receptacle is at least 15 inches above the floor.
- vii. If the applicable building codes do not prescribe another location for the breaker boxes, each breaker box is located not higher than 48 inches above the floor inside the building.

(d) Size of Units

Guidance for the preferred amount of people per bedroom is discussed in the Program Design section of these Guidelines. The GLO-determined total square footage ranges are as follows:

- i. 2 bedroom/1-2 bath home: 1,000–1,330 SF
- ii. 3 bedroom/1-2 bath home: 1,331–1,425 SF
- iii. 4 bedroom/2 bath home: 1,426–1,500 SF
- iv. GLO may also approve additional bedrooms to accommodate the needs of large families

(e) Rehabilitation Caps

Rehabilitation of existing homes damaged by the event is capped at \$65,000, with exceptions noted in the State Housing Guidelines. Expenses will include costs to repair damage in addition to costs necessary to bring the home up to CDBG-DR standards. The state may recommend reconstruction and not rehabilitation if the estimated cost of repairs (ECR) is within 20% of the cap to account for unforeseen issues or if elevation is required to meet HUD standards. Estimated rehabilitation costs exceeding this cap may be recommended for reconstruction. An ECR using Xactimate or similar will determine if the unit is to be rehabilitated or reconstructed.

(f) Construction Standards

Housing that is constructed or rehabilitated with CDBG-DR funds must meet all applicable local codes, rehabilitation standards, ordinances, and zoning ordinances at the time of project completion. All local permitting and city/county inspections must be completed. International Residential Code 2012 or higher (IRC) (with windstorm provisions) and International Building Code (IBC) must also be met where they apply. All rehabilitation projects must comply with Habitability Standards and all applicable local codes and ordinances.

(g) Construction Agreement

The construction agreement will be between the builder and the assisted homeowner.

(h) Warranties and Retainage

All work performed by the contractor will be guaranteed for a period of 1 year. Such warranty will be stipulated in the construction contract between the contractor and the homeowner. For a period of 1 year, the assisted homeowner may require the contractor to correct defects or problems arising from his/her work under this contract. Should the contractor fail to do so, the assisted homeowner may take any necessary legal recourse as prescribed in the rehabilitation or new construction contract. A reasonable amount of time will be given to correct the problem; however, in no case will such time exceed 2 weeks to respond. Warranty notices must be issued in advance of expiration (e.g., 6 months and 1 month prior to expiration date of the warranty).

- i. In addition to the 1-year warranty referenced above, the contractor shall provide a third-party extended warranty that shall cover, at a minimum, the structural integrity and the foundation for a period of 10 years. The state must inform the Applicants at closing what the home warranty terms are and when they expire. HUD recommends that the state include a warranty notice on a periodic basis, e.g., 6 months from expiration.

(i) Temporary Relocation

Temporary relocation assistance may be made available to homeowners if the inability to relocate during construction is a barrier to participation in the program. Due to limited fund availability, relocation assistance requests will be approved only where the homeowner has no

other sources of funds or economical methods of relocation available, such as staying with a friend or relative. The State Housing Guidelines cover the terms of this optional assistance.

(j) Program requirements

All Applicants receiving assistance through the homeowner assistance program must sign an *Unsecured Forgivable Promissory Note* (the Note) (GLO Form 13.09). The Note will expire three years after the execution of the agreement. The homeowner will be required to maintain ownership of the property during the Note's duration. If the property is sold, the balance left on the Note will be returned to the GLO. The project must comply with all applicable federal and state requirements, including the maintenance of insurance as applicable.

(2) Homeowner Reimbursement Program

(a) Overview

Applicants who have completed some or all of their reconstruction, rehabilitation, elevation, and/or mitigation needs on a single family home prior to the start date of this program will be eligible for a grant of up to \$50,000. The Applicant, as part of their application, must provide adequate documentation of eligible reimbursable expenses conducted on the home, which may include repairs funded with SBA loan proceeds. Once the application is received, the GLO will conduct the appropriate environmental review and Inspection Report of Previous Repairs (IRPR) on the home to ensure that activities up to \$50,000 were eligible expenses within the program. The GLO will not reimburse Applicants for work initiated after the start of the program. Applicant homes that reside in a floodway are not eligible for this program. The GLO will make all determinations for eligibility prior to distributing any funds.

An application must be submitted along with required documents for consideration. Reimbursement assistance will be approved on a first-come, first-served basis; however households that do not meet the low-and moderate-income (LMI) National Objective will be processed after the first six months from application opening, but may receive construction assistance prior to then, based on their application date.

(b) Program Requirements

All Applicants under 120 percent of AMI will be eligible to apply for this program; however, Applicants within a floodplain or above 120 percent of AMI will only be eligible for reimbursement if they had flood insurance at the time of the disaster.

The State Housing Guidelines include the specific eligibility criteria for reimbursement activities, and requirements to be reimbursed for SBA loans.

(c) HRP Duplication of Benefits

CDBG-DR funds shall not be used for activities reimbursable by, or for which funds are made available by, any duplicative assistance received for the identified activity (i.e. NFIP, FEMA or other disaster recovery resource.) Reimbursement is not permitted when payment of the cost

with CDBG–DR funds results in a DOB.

(d) Prioritization of Funds

The GLO will prioritize the LMI Applicants for the first six months from program launch. If the program is not oversubscribed at that time, the GLO may begin processing non-LMI applications.

All applications will be processed based on the application submission date. If an application is incomplete or inconclusive, the GLO will contact the Applicant, allowing at least 14 days for a response. In the instance that a complete response is not received within the allotted 14 days, the application may be withdrawn, and the initial submission date will no longer be effective.

(e) Eligible Activities

For the purposes of this program, all costs associated with reconstruction, rehabilitation, elevation, and/or mitigation must be adequately documented, and the GLO will not reimburse Applicants for work completed after the start date of the program.

All eligible work must be considered necessary and reasonable by the GLO. If applicable, adherence to Habitability Standards will be required at the discretion of the GLO. Only work performed within the existing footprint of the damaged structure, sidewalk, driveway, or other developed areas will be eligible for reimbursement. Additional requirements and details are found in the State Housing Guidelines.

(f) Program requirements

All Applicants receiving assistance through the reimbursement program must sign an *Unsecured Forgivable Promissory Note* (the Note) (GLO Form 13.09). The Note will expire 1 year after the execution of the agreement. The homeowner will be required to maintain ownership of the property during the Note’s duration. If the property is sold, the balance left on the Note will be returned to the GLO. The project must comply with all applicable federal and state requirements, including the maintenance of insurance as applicable.

5. ANNUAL MONITORING PROCEDURES

Completed projects require annual monitoring. Monitoring will be conducted by the GLO throughout the affordability period. The results and reviews of monitoring activities ensure that the project has achieved the National Objective and obligations associated with receiving HARP assistance.

6. CHANGES, WAIVERS, AND/OR CONFLICTS

The state’s Vendors may not change, modify, waive, or revoke all or any part of these Guidelines without the written approval of the GLO.

7. APPENDIX

A. Appendix A: Public Comment – State of Texas Guidelines

The Texas General Land Office (“GLO”) posted the draft State Housing Guidelines for 2018 South Texas Floods & 2019 Disasters (the “Guidelines”) for Public Comment at <http://recovery.texas.gov/public-notices/index.html> on April 12, 2021, commencing a 15-day public comment period. The Guidelines apply to housing activities affected by these events across eleven counties in Texas including Cameron, Hidalgo, Jim Wells, and Willacy counties in South Texas and the Lower Rio Grande Valley related to flooding in 2018 and 2019 as well as Chambers, Harris, Jefferson, Liberty, Montgomery, Orange, and San Jacinto counties affected by Tropical Storm Imelda in 2019. The official public comment period ended at 5:00 p.m. on April 29, 2021. The GLO distributed a statewide press release announcing the availability of the Housing Guidelines.

GLO received comments from the following individuals and organizations:

Commentor Name		Individual, County, City or Organization
Last	First	
Briones	Francisco	Resources Mobility Associates, Inc.
Laurel	Ana	Texas RioGrande Legal Aid
Orduña	Julia	Texas Low Income Housing Information Service
Cass	Ann	Proyecto Azteca and RGV Housing Working Group

Although the official end of the public comment period was April 29, 2021, the GLO considered all comments received on the Guidelines through the effective date of, June 1, 2021. Revisions were made based on public comment received as well as technical and grammatical corrections that were non-substantive.

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

Comment Received: The guidelines should be updated to identify and include housing authorities as eligible applicants and recipients of GLO funds. Additionally, they should include timelines and application procedures, including scoring and announcements of awards.

Staff Response: The Guidelines identify for-profit, public housing authorities, units of local governments, and not-for-profit developers/borrowers as eligible applicants for the Affordable Rental Program on page 57 of the draft Guidelines. The Guidelines also indicate that a Request for Applications (“RFA”) will be released and will include timelines and procedures for scoring and the announcement of awards. The RFA was released May 1, 2021 and posted at <https://recovery.texas.gov/local-government/programs/2018-2019-disasters/index.html>.

The Homeowner Assistance Program and Homeowner Reimbursement Program will be directly administered by the state in accordance with the 2018 South Texas Floods and 2019 Disasters Action Plans.

Comment Received: The rapid rollout of the State of Texas Homeowner Assistance and Reimbursement Program (HARP) is unacceptable as there was little to no advanced notice to organizations in the lower Rio Grande Valley (RGV) and that we are still in the midst of a global pandemic.

Staff Response: The GLO understands the concern regarding the timelines and public engagement. The submission to HUD and approval of the 2018 South Texas Floods and 2019 Disasters Action Plans was delayed due to COVID-19 in addition to following all timelines required under the law. The eligibility criteria for HARP was set forth in the Action Plan approved by HUD. The Guidelines expand on the eligibility criteria in the Action Plan. Applications will not be approved until guidelines are finalized. The GLO is committed to ensuring all CDBG-DR funds are implemented in a manner that is consistent with HUD rules.

Regarding the global pandemic, the health and wellbeing of everyone is of the utmost importance to the GLO as we navigate the COVID-19 situation. The GLO understands that creative solutions are needed to make sure we stay on track with helping our fellow Texans with their recovery efforts in as safe a manner as possible. As such, we are and will continue to market HARP in a safe and effective manner.

Comment Received: The federal regulations applicable to the 2018 and 19 Community Development Block Grant-Disaster Recovery (“CDBG-DR”) programs, which the State Housing Guidelines cite, authorize a 30-day commenting period.

Staff Response: The language in the Federal Register Notice is clear that the 30-day comment period applies only to Action Plans and substantial amendments. Furthermore, there are no references in 24 CFR Part 570 to the treatment of housing guidelines in any regard, including public comment.

Comment Received: It is unclear whether the GLO has conducted a regional needs assessment or affirmative marketing and outreach plan, both of which guide its prioritization of HARP funds.

Staff Response: The Needs Assessment is developed using available data to target specific demographic groups and geographic locations for enhanced marketing and outreach in addition to general marketing and outreach across the eligible counties. The Needs Assessment does not establish prioritization of funds. Prioritization was established in the Action Plan. The GLO will make available for public comment the Needs Assessment, in accordance with applicable law, on or about June 1, 2021 and will also post the final Affirmative Marketing Outreach Plan (“AMOP”) on its website.

Comment Received: GLO did not give sufficient advance notice of the HARP application release date. This is concerning since the program is a first-come, first served Program.

Staff Response: The Action Plans approved by HUD on October 16, 2020 established prioritization of HARP activities. Unfortunately, the funds were not available to the state of Texas via the Grant Agreement until much later than anticipated. The GLO has been working to make sure these funds are made available as quickly as possible and in a manner that is consistent with HUD rules.

Comment Received: Many survivors in the lower Rio Grande Valley have limited English proficiency (LEP), yet the application portal, the State Housing Guidelines, and the application website are all in English.

Staff Response: The GLO will ensure 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 and limited English proficiency (LEP) pursuant to 24 CFR §8.6 and all other fair housing and civil rights requirements. Translated web content and vital documents are available on the GLO’s website, including a [Spanish version of the HARP application](https://recovery.texas.gov/individuals/programs/2018-2019-harp/index.html), at <https://recovery.texas.gov/individuals/programs/2018-2019-harp/index.html>. Written contact, in the form of email, letters, etc., and related responses are routed to either internal resources or external translation service provider(s) for translation, as needed. Phone calls from persons of limited English proficiency may be transferred to internal staff or vendor(s) with the required language fluency. The GLO contracts with vendors for telephone, document, and web content translation services and provision of in-person translations outside of the GLO staff’s capabilities on an as-needed basis.

Comment Received: The Texas General Land Office’s (“GLO”) administration and the administration of disaster recovery programs by GLO’s subrecipients of the multi-billion dollar federally-funded CDBG-DR programs have been characterized by unnecessarily lengthy delays, inefficiencies, inadequate public accountability and a lack of fairness and racial equity in providing assistance to disaster survivors. Government agencies and their contractors have been slow to get housing assistance to Texans who need help to recover from damages to homes and neighborhoods resulting from natural disasters. The timeline proposed in these housing guidelines for the delivery of housing assistance is far too slow and the information reporting on program performance provided is inadequate.

Staff Response: The GLO submitted the Action Plan to HUD in a timely manner, but HUD’s release of funds allowing administration of the programs was delayed for reasons beyond the control of the GLO. The GLO began the necessary steps to release the funds as soon as practical in a manner that is consistent with HUD rules. The GLO will directly administer housing activities related to the 2018 South Texas floods and 2019 disaster events. GLO has a proven track record of providing expeditious assistance under this model in a manner that is consistent with HUD rules and regulations. The GLO will continue to report on metrics captured on its website in order to provide an accurate depiction of program performance.

Comment Received: Applicants must wait for long periods of time to be approved and for assistance to be complete. The Housing Guidelines should be amended to provide that applicants are assigned a permanent caseworker, and the caseworker should be fluent in the primary language of the applicant, have access to all necessary information and records, and provide contact information to the applicant.

Staff Response: The Housing Guidelines affirm that the GLO will ensure timely communication of application status and acknowledges that applicants are likely to need support throughout the process. All applications will be maintained electronically which will allow applicants to have access to and monitor the status of their application at each step of the process. The GLO will ensure that program information is available in the appropriate languages and will take the steps necessary to ensure effective communications.

Comment Received: Relying on the local Council of Government (“COG”) to evaluate unmet housing need will not produce an accurate assessment. The GLO should evaluate unmet housing needs that remain today, with a particular focus on unmet housing needs of renters.

Staff Response: An Unmet Needs assessment was completed during development of the Action Plan as required under the law. The GLO will make available for public comment the Needs Assessment, in accordance with applicable law, on or about June 1, 2021 for a 15-day public comment process.

Comment Received: The process proposed in the Housing Guidelines for the Needs Assessment denies adequate public participation in the distribution of funds.

Staff Response: The Guidelines indicate that the HARP Needs Assessment and Outreach Plan will be posted at www.recovery.texas.gov and will advise how the state is offering housing activities to meet the types of housing needs experienced by the affected population and their demographics in order to maximize housing recovery efforts. The GLO will make available for public comment the Needs Assessment, in accordance with applicable law, on or about June 1, 2021 for a 15-day public comment process.

Comment Received: The methodology for determining unmet need at beneficiary income group targeting used by GLO in Housing Guidelines is flawed.

Staff Response: An Unmet Needs assessment was completed during development of the Action Plan. The GLO will make available for public comment the Needs Assessment, in accordance with applicable law, on or about June 1, 2021 for a 15-day public comment process. The GLO has worked to ensure that the methodologies utilized or to be utilized in the formation of these documents are the best practicable given available data.

Comment Received: The rent levels established under the GLO's Action Plan do not equitably serve renters of extremely low- and very low-income, who are the survivors in the income categories impacted by natural disasters still having unmet housing need.

Staff Response: GLO's rent restrictions comply with HUD requirements for the affordability of rents established for assisted housing units. These rents align with HOME rent limits. The GLO released a Request for Applications ("RFA") for the Affordable Rental Program on May 1, 2021 that incentivizes applicants to exceed the federally required low-to-moderate income thresholds.

Comment Received: The bedroom size determination issue set out on page 18 of the Housing Guidelines should be modified. The guidelines provide that the number of bedrooms allowed in a reconstructed home will be "based on anticipated household size and occupancy policies." This rule allows for the reduction of bedrooms previously in existence. This reduction in the number of bedrooms of a house according to the number of occupants diminishes the value of the home and inversely affects families that hold this property for generations. Additional considerations should be made to accommodate the social and economic circumstances of the applicant.

Staff Response: The Guidelines were drafted in conformance with long-stand HUD rules and regulations. HUD requires all activities to satisfy an unmet need of the application, costs to be reasonable and necessary, and bedroom distribution to be in line with current guidance. The GLO follows the HUD guidelines that provide a minimum size of unit based on anticipated household size and occupancy policies that allow for two persons per bedroom as reasonable. The GLO considers the needs of the family when offering program assistance to the extent allowed under federal regulations. This needs consideration accounts for variables that include familial size and familial age and gender

diversity. The Housing Guidelines as written follow HUD's Fair Housing Act Policy Statement, as well as HUD CDBG-DR requirements.

Comment Received: The Housing Guidelines provide on page 20, the state must establish policies and procedures to assess the cost-effectiveness of each proposed residential rehabilitation or reconstruction project (particularly elevation of existing structures) compared to other mitigation measures to determine cost effectiveness of residential rehabilitation and reconstruction relative to other means of assisting the property owner. Those policies and procedures should be detailed in the Housing Guidelines and the public afforded an opportunity to provide comment and receive a reasoned response from the GLO.

Staff Response: GLO has developed Standard Operating Procedures that serve as an operational guide to ensure the program complies with HUD and 2 CFR Part 200. These policies and procedures are not, under federal law, a part of any public participation process. All policies and procedures do, however, remain subject to audit review by HUD.

Comment Received: The Housing Guidelines provide that the rehabilitation cap may be up to \$150,000 for applicants whose damaged homes meet certain conditions. The guidelines do not make clear whether each of these conditions triggers an increase in the rehabilitation cap or if all the conditions must be met to lift the rehabilitation cap. This should be clarified.

Staff Response: All the conditions must be met cumulatively for the increase in the cap to apply to the type of assistance provided. The GLO agrees that this should be clarified and shall update the Guidelines accordingly.

Comment Received: The rental affordability period is too short and results in undue enrichment of the developer/recipients while depriving the disaster survivors of long-term access to the rental units. GLO's proposed rental affordability period disadvantages low- and moderate-income individuals.

Staff Response: GLO's affordability period complies with HUD requirements for the affordability of rehabilitated and reconstructed rental housing units. These terms are accurately reflected as 15-years for rehabilitated or reconstructed projects and 20-years for new construction projects.

Comment Received: The rental affordability guidelines do not discuss financial subsidy layering and how that should be evaluated in the award of CDBG-DR rental housing funds.

Staff Response: GLO detailed the requirements of financial subsidy layering within the RFA, released on May 1, 2021.

Comment Received: The Affirmative Marketing Plan evaluation process in the Housing Guidelines is inadequate to ensure compliance with HUD statutes and regulations and to guarantee fair access of classes of persons protected by the Fair Housing Act to the rental housing made available. The Housing Guidelines should include links to HUD instructions and guidance on preparing Affirmative Marketing Plans and clearly state the GLO will be responsible for the evaluation. The standards for evaluation should be detailed in the Housing Guidelines, and include determining the completeness of the plan and a regular assessment of the effectiveness of

the plan to be carried out through an assessment of the actual results of the plan through a comparison of the pre-plan and current demographic comparison of applicants and residents. The Housing Guidelines should state that the affirmative marketing plans will be made available on the GLO website for public review and comment.

Staff Response: The Affirmative Fair Housing Marketing Plan section of the GLO’s Housing Guidelines states that “Evaluation of outreach activities and applications received will be necessary to determine if outreach is successful and applications that are being received accurately reflect the socioeconomic and other forms of demographic diversity. Evaluation should be an ongoing process.” In marketing its disaster recovery programs, the GLO remains committed to reaching eligible applicants from all groups, including persons protected by the Fair Housing Act.

Comment Received: The Housing Guidelines (page 24) fail to set forth a plan to properly report or monitor and ensure accountability in the expenditure of funds used to fund rental housing. The Housing Guidelines fails to: a. specify the form, process and timelines for reporting requirements; b. provide for the collection and analysis of the protected class status under civil rights and Fair Housing laws of applicants, those denied and those receiving assistance; and c. provide for the collection of data to assess equity in the terms and amount of assistance provided based on the protected class of applicants and recipients.

Staff Response: The GLO is committed to ensuring funds are monitored in a manner that ensures accountability in accordance with HUD requirements. The GLO has posted documentation that details these elements on the GLO website found at www.recovery.texas.gov.

Comment Received: The Housing Guidelines should include a Section 3 Plan or a link to the plan and describe the process allowing for citizen comment on that plan.

Staff Response: The GLO has added a link to HUD guidance as well as GLO’s Section 3 guidance available on GLO’s website. These guidance documents can be found at <https://www.hud.gov/section3> and <https://recovery.texas.gov/local-government/resources/section-3/index.html>, respectively.

Comment Received: GLO while acknowledging on page 26 of the Housing Guidelines its duty to report program performance data publicly, has failed to adequately do so. The plan should commit the GLO to provide more complete reporting of data.

Staff Response: The GLO is committed to reporting program performance in accordance with HUD requirements. The GLO posts performance reports on the GLO website found at www.recovery.texas.gov.

Comment Received: The Housing Guidelines on page 29 should state that all housing programs will comply with Texas statutory visitability standards for access by persons with disabilities set out in Texas Government Code Sec. 2306.514.

Staff Response: The GLO notes that while 10 TAC §2306 is specific to the Texas Department of Housing & Community Affairs, the Guidelines indicate that single family housing units will comply with the visitability standards found in 10 TAC §2306.514. Additionally, housing developments must meet all accessibility requirements found at 24 CFR Part 8, which implements Section 504 of the

Rehabilitation Act of 1973 (29 U.S.C. §794).

Comment Received: Provisions in the Housing Guidelines Section G, “Displacement of Persons and/or Entities” found on pages 29-30 should provide for the moving expenses of low-income households to be paid by the program instead of the beneficiary having to pay for moving expenses and/or temporary housing and be reimbursed. Low-income disaster survivors may not be able to bear the up front cost of moving expenses and temporary housing.

Staff Response: GLO will ensure that displaced people, regardless of income, will receive the benefits they are eligible to receive under the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970.

Comment Received: Texas Housers objects to the reduction in relocation assistance GLO proposes to adopt in the Housing Guidelines set out on pages 29-30 in which 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. The supply of affordable and available rental housing for extremely low- and very low-income renters is severely constrained in Texas. The Housing Guidelines should retain the statutory provision permitting a lower income displaced person to choose a longer-term rental assistance payment.

Staff Response: The GLO is following the language posted in the notice 83 FR 5858 (February 9, 2018). This waiver assures uniform and equitable treatment of all program participants by setting the URA and its implementing regulations as the sole standard for relocation assistance.

Comment Received: The housing provisions in the Housing Guidelines are inadequate and must be strengthened. Individuals being assisted in home reconstruction programs should be offered the opportunity to relocate and should receive Fair Housing counseling and assistance like that provided by the GLO under the May 2010 Fair Housing conciliation agreement between Texas Housers and the State of Texas in the Hurricane Ike CDBG-DR program.

Staff Response: Housing activities for 2018 South Texas Floods and 2019 disaster events were determined during the Action Plan phase of program administration. Current housing activities have undergone the full public participation process and been approved by HUD.

Comment Received: The Housing Guidelines in “A. Survivor Case Management” on page 33 should be modified to instruct vendors to, if requested, act as the agent of the applicant to secure tax documents, deed documents and other public records necessary for a complete application for the program. This affirmative effort to support the applicant will speed up the completion of the application where we have seen the most lag in GLO programs. The proposed provision in the Housing Guidelines that vendors, “work to cultivate partnerships with local and community liaisons such as banks, counseling agencies, legal services, title companies, etc.” is insufficient to accomplish these purposes. Applicants with the most need tend to be the ones with the most barriers in completing the application and will ultimately be left out of the program without proper assistance.

Staff Response: The GLO, through its vendors, removes barriers to housing choice by assisting applicants throughout the application process and providing additional resources as necessary to assist the applicant with their application.

Comment Received: The Housing Guidelines in section “(5) Property Taxes” should be modified. The provision requiring property taxes be current or a payment plan be in place fails to take into account the severe economic problems that low-income households have encountered as a result of the COVID-19 pandemic. Unprecedented numbers of both homeowners and renters are severely behind in rent and mortgage payments and a large number of homeowners are behind in their property taxes. State and locally administered programs to provide assistance to these households have been plagued with delays in getting the assistance to the people who need it. This has further exacerbated the financial problems of low-income people in Texas. The GLO should modify the language in the Housing Guidelines which reads, “Support documentation verifying the tax deferral or tax exemption must be provided by the applicant. Any applicant that enters into a payment plan must supply a signed copy of the payment plan from the applicable taxing entity along with documentation that they are current on their payment plan.” The Hidalgo County Tax Collector has a very restrictive policy regarding establishment of delinquent tax payment plans that keeps many homeowners from getting on a payment plan. The Harris County Tax Collector limits households to one single payment a month. The GLO should permit applicants who are currently unable to pay their taxes because of the economic impact of the pandemic, including job loss related to COVID-19, to be eligible for CDBG-DR assistance provided the applicant can demonstrate they have sought public assistance to pay their taxes.

Staff Response: GLO considers extenuating circumstances as part of the application evaluation and appeals process. All of the factors cited in this comment would be adequately considered when evaluating an application and any correlating appeals.

Comment Received: GLO should re-evaluate the method it utilizes to determine duplication of benefits set out on page 37 of the Housing Guidelines. A clear, easily understandable process for making this determination is badly needed. Neither the Housing Guidelines nor the GLO website offers survivors this clear explanation. In our frequent interactions with survivors, we find this to be one of the most misunderstood and wrongly determined aspects of the program. We have frequently seen inspectors inaccurately determine whether emergency repairs made by FEMA should constitute the previous provision of assistance for purposes of calculating duplication of benefits. We have observed instances in which repairs were improperly done or that failed, being categorized incorrectly as a previous benefit and their value deducted from the basis for new repairs. At the very least, the Housing Guidelines should propose for an independent appeals process when an improper determination of duplication of benefits is alleged by a homeowner. With regard to the provision in the Housing Guidelines, “The GLO has developed policies and procedures to prevent duplication of benefits when determining an applicant’s unmet need,” we have observed on numerous occasions examples where the GLO has undertaken extensive efforts to address appeals by vendors, other governmental jurisdictions and multi-family developers who have appealed GLO interpretations and findings. The GLO should devote a similar level of attention to appeals from individual hurricane survivor program applicants.

Staff Response: GLO adheres to [HUD DOB Guidance](#) when determining duplicative assistance. The GLO has posted resources on its website to guide applicants in determining how other assistance they

have received may impact their final assistance determination. This guidance can be found at <https://recovery.texas.gov/local-government/resources/housing/index.html>. Applicants have a right to appeal all GLO determinations and a link to the appeals process has been added to the Guidelines.

Comment Received: Revisions to the Housing Guidelines on page 39 regarding manufactured housing units should make clear that manufactured housing units that are not titled as real estate are eligible for assistance.

Staff Response: The Housing Guidelines make it clear that the applicant must have a Statement of Ownership from the Texas Department of Housing & Community Affairs (“TDHCA”), Manufactured Housing Division and will be required to provide evidence that they own the land where the MHU resides.

Comment Received: Rent-to-own and contract-for-deed agreements are still common in the Texas-Mexico border region and in some other parts of the state. The Housing Guidelines should make explicit that such purchase arrangements will not cause a property to be ineligible for housing rehabilitation or reconstruction and should further financial support to enhance the security of such titles to the land that GLO will make available to program applicants.

Staff Response: The GLO notes that while 10 TAC § 2306 is specific to the Texas Department of Housing & Community Affairs, it has adopted in its Guidelines the provisions of §2306.188 which establish homeownership in a disaster area. The GLO, through its vendors, encourages applicants to file contract-for-deeds in county property records to secure their ownership interest. The GLO shall also assist and make referrals to legal aid organizations as appropriate to accomplish these necessary tasks.

Comment Received: “E. Eligible Improvements” of the Housing Guidelines are unfairly discriminatory toward the lowest income homeowners and have a disparate racial and national origin impact. Comment Received: “E. Eligible Improvements” of the Regional Housing Guidelines are unfairly discriminatory toward the lowest income homeowners and have a disparate racial and national origin impact. Through these provisions the GLO agrees to fund certain amenities (garages, carports, fencing, masonry construction when a political jurisdiction or homeowners association requires it but otherwise will not provide these improvements. Lower-income households, who are disproportionately African-American and Hispanic in these natural disasters, far less frequently reside in political jurisdictions or within homeowner association boundaries that impose these type of requirements associated with higher value residential areas. Not mentioned in the Regional Housing Guidelines, but almost certainly a situation which occurs, is a minimum square footage requirement imposed by local zoning, building code or homeowners association rules. GLO is financially accommodating the reconstruction of a house with a larger square footage than required under the GLO bedroom size restrictions and the square footage restrictions set out on page 33 is discriminatory. This provision, as adopted by GLO has a disparate impact on people based on race and national origin. The GLO should establish a policy allowing for the funding of the reconstruction of all of these amenities where they were present prior to the disaster and not tie the benefit to residency in a political jurisdiction or homeowners association boundaries that imposes such a requirement.

Staff Response: The Guidelines were drafted in conformance with long-stand HUD rules and regulations. HUD requires all activities to satisfy an unmet need of the application, costs to be

reasonable and necessary, and bedroom distribution to be in line with current guidance. The GLO follows the HUD guidelines that provide a minimum size of unit based on anticipated household size and occupancy policies that allow for two persons per bedroom as reasonable. The GLO considers the needs of the family when offering program assistance to the extent allowed under federal regulations. This needs consideration accounts for variables that include familial size and familial age and gender diversity. The Housing Guidelines as written follow HUD's Fair Housing Act Policy Statement, as well as HUD CDBG-DR requirements.

Comment Received: Relocation assistance provisions in these Housing Guidelines have changed from previous versions. The proposed Housing Guidelines state, "Relocation assistance may be offered at the discretion of the state. The cap will be set at \$6,000 for temporary relocation services for up to 120 days, after which point these expenses will become the obligation of the builder performing the work." The guidelines should state the basis for the GLO decision whether or not to grant relocation assistance. The guidelines should further clarify that relocation that is determined to be the financial responsibility of the builder should be provided to the applicant by the GLO which would be responsible in turn for recovering any costs from the builder. It is an unreasonable burden to a disaster survivor to saddle them with the responsibility for seeking payments from the GLO's contracted builder.

Staff Response: GLO incorporated additional language into the Guidelines that clarifies when relocation assistance will be approved, and the terms of this optional assistance. The builder contracts include requirements surrounding their financial responsibility. Homeowners that are approved for relocation assistance are not responsible for paying for any expenses covered under GLO's optional relocation guidelines.

Comment Received: The "progress inspection" provisions found on page 47 of the Housing Guidelines specifies that progress inspections (50 percent) performed by the state serve three primary purposes: (1) to evaluate the contractor's progress; (2) to confirm that local building codes or standards have been satisfactorily met; and (3) to confirm that all requirements of the contract have been met to the satisfaction of all parties. The Housing Guidelines should clarify that "all parties" includes the homeowner.

Staff Response: The term "all parties" includes one and all involved in the project or activity without limitation or exclusion. Homeowners are required to sign Builder Requests for Payment indicating the contractor has successfully completed work and that they authorize payment for services rendered.

Comment Received: "(d) Prioritization of Funds" found on page 53 of the Housing Guidelines should be amended to provide that 100 percent of funds should be used to assist low- and moderate-income households. At this very late hour in the recovery, most all non-low and moderate-income persons have recovered from the disaster. At this time the overwhelming majority of the persons with an unmet housing need and who have not been able to recover are low-income people. The GLO should recognize this fact in the amendment and modify this provision to require that 100% of the remaining funds are used to benefit low- and moderate-income households. GLO should include a provision in these Housing Guidelines providing that if, after a suitable period of time, it is determined that all of the LMI need has been satisfied by the program, the GLO will then seek to amend the Housing Guidelines to expand program eligibility to serve higher income individuals.

Staff Response: Prioritization of funds was established in the Action Plan process and cannot be further limited by the Guidelines. The Action Plan has been through all required public comment and review processes and was ultimately approved by HUD.

Comment Received: The Affirmatively Furthering Fair Housing (AFFH) review by the GLO set out on page 56 of the Housing Guidelines needs more specificity regarding the instructions to applicants for evaluating compliance with the obligation to Affirmatively Further Fair Housing. HUD has substantial guidance on its website which HUD provides to local jurisdictions to use in making these assessments that should be referenced in the Housing Guidelines. The evaluation factors used by the GLO in its AFFH analysis should be stated. The documentation furnished by applicants indicating compliance with AFFH obligations as well as the GLO's analysis and determination that a project complies or fails to comply with this obligation should be part of the public record, available for public comment, and made available on the GLO website.

Staff Response: The GLO will conduct an Affirmatively Furthering Fair Housing ("AFFH") Review of each development in accordance with HUD regulations. A link to GLO's AFFH page has been added to the Guidelines. The public may submit a request to access the reviews through <https://s3.glo.texas.gov/glo/the-glo/public-information/requests/index.html>.

Comment Received: Page 58 of the Housing Guidelines provides that, "The applicant, developer owner, principal or development/borrower must provide a complete listing with addresses of multifamily properties currently owned or managed. The Housing Guidelines makes no provision for how this information will be considered in evaluating the application for assistance however. The Housing Guidelines should make clear how this information will be used to evaluate the application. Further, the Housing Guidelines should provide that the applicant, developer owner, principal or development/borrower, in addition to disclosing ownership and management interests should also disclose any adverse monitoring findings from city, state and local government as well as code violations, Fair Housing findings issued by HUD and any failing HUD REAC scores. The guidelines should further state how Information will be considered and scored by the department in evaluating the quality of management, upkeep and compliance performance of the applicant for funding.

Staff Response: The GLO posted the RFA on May 1, 2021 which includes additional information on application review and selection requirements. The commentor should refer to the RFA for additional information on required information.

Comment Received: The eligibility criteria for multifamily housing set out on page 58 of the Housing Guidelines is insufficient. The threshold criteria in the Housing Guidelines provide that if a development exceeds the absolute minimum that is required under federal law, even by an insubstantial degree, then the applicant meets GLO's standard for funding. The criteria proposed in the Housing Guidelines is essentially meaningless in terms of targeting the benefit of these federal funds to LMI persons with unmet housing needs.

Staff Response: The RFA that includes application thresholds and targeting was posted on May 1, 2021. The Housing Guidelines have been updated to include the criteria established in the RFA.

Comment Received: Waivers of Section 414 of the Stafford Act relocation benefit protections on

page 61 of the Housing Guidelines should not be made. LMI households in federally-funded programs who are displaced from their homes face dire economic consequences. The affordable housing supply is inadequate to house them in disaster-impacted areas. They face the real possibility of homelessness with a one year cutoff of relocation assistance. As noted in Comment #6 above, about three-quarters of households earning 30 percent or less of the area median family income already are severely rent burdened — paying more than one-half of their income for rent. The waiver of Section 414 is made available to the GLO by the federal government as an option to apply in specific circumstances. The on the ground situation in the disaster area is clearly not the appropriate circumstance for this waiver. At the least, the GLO should stair-step the application of a waiver by granting full term benefits to households at 30 percent AMFI and below, a slightly shortened time for households with incomes of 31 to 50 percent LMI and stepping benefits down to one year for non-LMI household.

Staff Response: Section 414 of the Stafford Act (including its implementing regulation at 49 CFR §24.403(d)(1)), is waived to the extent that it would apply to real property acquisition, rehabilitation or demolition of real property for a CDBG– DR funded project commencing more than one year after the Presidentially declared disaster undertaken by the grantees, or subrecipients, provided that the project was not planned, approved, or otherwise underway prior to the disaster. HUD has determined that good cause exists for a waiver and that such waiver is not inconsistent with the overall purposes of title I of the HCD Act.

This waiver does not apply with respect to persons that meet the occupancy requirements to receive a replacement housing payment under the Uniform Relocation Act (“URA”) nor does it apply to persons displaced or relocated temporarily by other HUD-funded programs or projects. Such persons’ eligibility for relocation assistance and payments under the URA is not impacted by this waiver.

Comment Received: Fair Housing provisions in the Housing Guidelines are inadequate to comply with federal law and the State’s Title VIII Fair Housing certification. The Housing Guidelines should provide that the GLO will proactively review activities by the GLO and its subrecipients related to both the location of housing and the provision of equitable infrastructure and provide for both public hearings and a complaint process that actually investigates Fair Housing compliance. Texas Housers has made many specific complaints of Fair Housing violations in testimony and in comments yet GLO has never once investigated any of these complaints despite committing to do so in the various Action Plans.

Staff Response: All programs and proposed projects undergo an Affirmatively Furthering Fair Housing (“AFFH”) review by the GLO. 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. The GLO remains committed to ensuring all Fair Housing complaints are investigated by the proper agency and within the bounds of established law.

Comment Received: Implementation of the tenant-based rental assistance (TBRA) housing program subsidy set out on page 62 of the Housing Guidelines should include the use of Fair Housing search assistance contractors to assist TBRA beneficiaries to identify suitable housing options outside of economically and racially concentrated areas of poverty where Section 8 HCV housing is mostly concentrated. The State of Texas is one of only two states in the United States

that actually prohibits local ordinances from barring discrimination by landlords against housing choice voucher holders. This is a major impediment to Fair Housing that is unacknowledged and unaddressed by the State of Texas and ignored in the Housing Guidelines. The result is in extreme concentration of the available HCV housing stock in areas of concentrated poverty, flood hazard, environmental risk and racial segregation. In order to begin to address this substantial impediment to fair housing choice, the GLO must affirmatively assist TBRA recipients to identify housing options in high opportunity areas of their choice.

Staff Response: All owners are required to meet the requirements of the Uniform Relocation Act which includes compliance with 24 CFR §24.204 and 24 CFR §24.301. The GLO will monitor each owner that receives an allocation of funding to ensure compliance with all rules and regulations.

Comment Received: The Housing Guidelines fail to set out a plan to properly monitor and ensure accountability in the expenditure of these funds. Reporting requirements are inadequate to monitor basic program performance or civil rights compliance. Attached to this letter are monitoring protocols that should be adopted in the Housing Guidelines to permit assessment and monitoring. Additionally, Texas Housers supports the recommendations of the Harvey Forgotten Survivors Caucus that GLO establish and support a citizens' monitoring advisory committee to the GLO that includes Hurricane survivors to assist the agency in monitoring, oversight and understanding program operations and issues from the perspective of low- and moderate-income beneficiaries.

Staff Response: The GLO is committed to the effective and efficient use of CDBG-DR. The GLO remains open to considering analytical feedback from community groups like the one referenced in the comment to improve the administration of disaster recovery programs.

Comment Received: As pointed out earlier, rents set at the High HOME standard are completely unaffordable to most renter households with an unmet housing need in the disaster-impacted area. Data provided by HUD to state and local governments to plan their use of CDBG highlights where need is greatest in the Houston area: 56 percent of extremely low- (0-30 percent AMI) and 19 percent of very low-(30-50 percent AMI) income families pay more than half of their income for rent, while only 3 percent of families from 50-80 percent AMI, 0 percent of families from 80-100 percent, and 0 percent of families above 100 percent of AMI pay more than half of their income for rent. Figures for Hidalgo County are similar: 59 percent of extremely low- (0-30 percent AMI) and 24 percent of very low-(30-50 percent AMI) income families pay more than half of their income for rent, while only 3% of families from 50-80 percent AMI, 1 percent of families from 80-100 percent and 0 percent of families above 100 percent of AMI pay more than half of their income for rent. Thus, the up-to-\$25 million per development subsidy in CDBG-DR funds is essentially buying nothing, in terms of affordability, for households with an unmet housing need. This is simply an unconscionable waste of federal resources. Based on our analysis of unmet housing needs of renter households, outlined in the citations Incorporated above in these comments, the majority of the unmet rental housing need is for rental housing with rents affordable at 0 percent to 30 percent of median family income. There is a secondary and lesser level of need existing for rental housing affordable to households earning between 31 percent and 50 percent of area median family income (see the earlier cited "GAP" analysis published by the National Low Income Housing Coalition and HUD planning data). The eligibility criteria and rent levels for rental housing units funded under this program should be accordingly adjusted down.

Additionally, the 15- and 20-year affordability periods proposed in guidelines are unnecessarily short and should be extended to 30 year use restrictions for rehabilitation properties and 45 year use restrictions for new construction properties. Affordability terms such as these are commonly being negotiated in other Texas cities and represent an appropriate level of public benefit for the amount of subsidies being provided by this program.

Staff Response: The GLO's rent levels and affordability period are in line with HUD requirements (and federal requirements) for affordability of rehabilitation, reconstruction, and new construction rental housing units. The RFA that includes these application thresholds and targeting was posted on May 1, 2021.

B. Appendix B: Public Comment – State of Texas Regional Guidelines (HAP and HARP)

The Texas General Land Office (“GLO”) posted the draft Regional Housing Guidelines for 2018 South Texas Floods & 2019 Disasters for Public Comment at <http://recovery.texas.gov/public-notices/index.html> on April 14, 2021, commencing a 15-day public comment period. The Regional Guidelines apply to single family housing activities in the two main regions affected by these events

- **Region 1** – South Texas and the Lower Rio Grande Valley (\$66,196,000): Cameron, Jim Wells, Hidalgo, Willacy
- **Region 2** – Tropical Storm Imelda (\$71,604,000): Chambers, Harris, Liberty, Jefferson, Montgomery, Orange, San Jacinto

The official public comment period ended at 5:00 p.m. on May 1, 2021. The GLO distributed a statewide press release announcing the availability of the Housing Guidelines.

GLO received comments from the following individuals and organizations related to the Regional Guidelines:

Commentor Name		Individual, County, City or Organization
Last	First	
Laurel	Ana	Texas Rio Grande Legal Aid
Orduña	Julia	Texas Low Income Housing Information Service
Cass	Ann	Proyecto Azteca and RGV Housing Working Group

Although the official end of the public comment period was April 29, 2021, the GLO considered all comments received on the Guidelines through the effective date of, June 1, 2021. Revisions were made based on public comment received as well as technical and grammatical corrections that were non-substantive.

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

Comment Received: The rapid rollout of the State of Texas Homeowner Assistance and Reimbursement Program (HARP) is unacceptable as there was little to no advanced notice to organizations in the lower Rio Grande Valley (RGV) and that we are still in the midst of a global pandemic.

Staff Response: The GLO understands the concern regarding the timelines and public engagement. The submission to HUD and approval of the 2018 South Texas Floods and 2019 Disasters Action Plans was delayed due to COVID-19 in addition to following all timelines required under the law. The eligibility criteria for HARP was set forth in the Action Plan approved by HUD. The Guidelines expand on the eligibility criteria in the Action Plan. Applications will not be approved until guidelines are finalized. The GLO is committed to ensuring all CDBG-DR funds are implemented in a manner that is consistent with HUD rules.

Regarding the global pandemic, the health and wellbeing of everyone is of the utmost importance to the GLO as we navigate the COVID-19 situation. The GLO understands that creative solutions are needed

to make sure we stay on track with helping our fellow Texans with their recovery efforts in as safe a manner as possible. As such, we are and will continue to market HARP in a safe and effective manner.

Comment Received: The federal regulations applicable to the 2018 and 2019 Community Development Block Grant-Disaster Recovery (CDBG-DR) programs authorize an extended 30-day commenting period.

Staff Response: The language in the Federal Register Notice is clear that the 30-day comment period applies only to Action Plans and substantial amendments. Furthermore, there are no references in 24 CFR Part 570 to the treatment of housing guidelines in any regard, including public comment. The GLO's public comment period for the Housing Guidelines is sufficient under the law.

Comment Received: HARP considers applications on a first-come, first-served basis but has failed to conduct any meaningful outreach to community organizations in the lower Rio Grande Valley.

Staff Response: The GLO understands the concerns regarding the timelines and public engagement. The submission to HUD and approval of the 2018 South Texas Floods and 2019 Disasters Action Plans was delayed due to COVID-19. This means that Texans impacted by these events were already delayed long overdue assistance. The eligibility criteria for HARP was set forth in the Action Plan approved by HUD. The Housing Guidelines have expanded on the eligibility criteria in the Action Plan. Applications will not be approved until guidelines are finalized. The GLO is committed to ensuring all CDBG-DR funds are implemented in a manner that is consistent with HUD rules.

Comment Received: It is unclear how the Regional Housing Guidelines interact with the existing network of Housing Guidelines and related documents, particularly related to eligible activities, construction standards, and version control. The Regional Housing Guidelines state their purpose is to “compliment and add HARP specific guidance, as further guided by the GLO’s State Housing Guidelines.” This does not clarify which guidelines would govern where the two diverge. For example, the State Housing Guidelines state that Manufactured Housing Units (MHUs) are “eligible for rehabilitation at the discretion of the state.” However, in the Regional Housing Guidelines, MHUs are “eligible for reimbursement OR rehabilitation (emphasis added) at the discretion of the state.” Another example is in the sections regarding construction standards. The State Housing Guidelines state rehabilitation projects “must comply with Housing Quality Standards,” a term defined in its glossary, yet the Regional Housing Guidelines state those same projects must comply with “Habitability Standards,” a term not defined in the glossary of either set of Guidelines. In this circumstance, local governments, advocates, and potentially eligible individuals could be held to different standards. Where the State and Regional Housing Guidelines conflict, the guidelines do not indicate which is provision controls.

Staff Response: The Regional Housing Guidelines contain additional, operational detail on administration of HARP, while the State of Texas Housing Guidelines cover all housing activities under the 2018 and 2019 appropriations. The Regional Guidelines detail eligibility of HAP or HRP activities for residents of manufactured housing units. GLO has included a definition of ‘Habitability Standards’ in the State Housing Guidelines as well as the Regional Housing Guidelines. It should be noted that the Regional Housing Guidelines included the following disclaimer on the last page: ‘In the event of conflict between these Regional Guidelines and the State of Texas Guidelines, the State of Texas Guidelines will prevail.’

Comment Received: The HARP application opened before clarifying the HUD Most Impacted and Distressed (“MID”) counties for the 2019 CDBG-DR appropriation. According to the 2019 State Action Plan, “HUD has identified Cameron County and the 78570 ZIP Code of Hidalgo County as the HUD MID areas for the 2019 Lower Rio Grande Valley Floods...;” however, “[p]er an allowance in the Federal Register notice, the GLO has expanded to all of Hidalgo County- not just the 78570 ZIP Code- as a HUD MID county.” According to the State Housing Guidelines, both Cameron and Hidalgo Counties are 2019 HUD MIDs. According to the Regional Housing Guidelines, only Cameron County and Hidalgo zip code 78570 are eligible HUD MID counties for the 2019 Lower Rio Grande Valley Floods. This inconsistent information makes it impossible for local communities to prepare for and promote the program effectively.

Staff Response: The GLO has clarified HUD MID and State MID counties under the 2019 Disasters appropriations in the State and Regional Housing Guidelines to include all of Hidalgo County as allowed under the Action Plans. This clarification had no impact on applications received to date.

Comment Received: Relocation expenses are only available on a reimbursement basis and only where applicants have no one else to stay with, despite there being an ongoing pandemic. Both the State and Regional Housing Guidelines state that temporary relocation assistance is only available to homeowner repair applicants (HAP) on a reimbursement basis and “only where the homeowner has no other sources of funds or economical methods of relocation available, such as staying with a friend or relative.”

Staff Response: The GLO is offering temporary relocation assistance as a means to remove a barrier to program entry. When approved, a GLO vendor works with the applicant to identify a suitable rental unit. The vendor will pay the temporary relocation assistance to the provider directly; there is no out-of-pocket expense to the applicant. As it relates to the pandemic, GLO accepts pictures, taken by phone, of required documents with applicant signatures to limit contact, and accepts an applicant’s statement that they do not have any alternative temporary housing available. It should be noted that GLO received a waiver to apply the State Median Income limits when determining eligibility, thereby expanding the LMI population that can be served by temporary relocation assistance under HARP.

Comment Received: The application portal, the State Housing Guidelines, and the application website are all in English, despite many survivors in the lower Rio Grande Valley having limited English proficiency (LEP).

Staff Comment: The GLO will ensure 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 and limited English proficiency (LEP) pursuant to 24 CFR §8.6 and all other fair housing and civil rights requirements.

Translated web content and vital documents are available on the GLO’s website, including a [Spanish version of the HARP application](https://recovery.texas.gov/individuals/programs/2018-2019-harp/index.html), at <https://recovery.texas.gov/individuals/programs/2018-2019-harp/index.html>. Written contact, in the form of email, letters, etc., and related responses are routed to either internal resources or external translation service provider(s) for translation, as needed. Phone calls from persons of limited English proficiency may be transferred to internal staff or vendor(s) with the required language fluency. The GLO contracts with vendors for telephone, document, and web content translation services and provision of in-person translations outside of the GLO staff’s capabilities on an

as-needed basis.

Comment Received: The Texas General Land Office's (GLO) administration and the administration of disaster recovery programs by GLO's subrecipients of the multi-billion dollar federally-funded CDBG-DR programs have been characterized by unnecessarily lengthy delays, inefficiencies, inadequate public accountability and a lack of fairness and racial equity in providing assistance to disaster survivors. Government agencies and their contractors have been slow to get housing assistance to Texans who need help to recover from damages to homes and neighborhoods resulting from natural disasters. The timeline proposed in these housing guidelines for the delivery of housing assistance is far too slow and the information reporting on program performance provided is inadequate.

Staff Response: The GLO submitted the Action Plan to HUD in a timely manner, but HUD's release of funds allowing administration of the programs was delayed for reasons beyond the control of the GLO. The GLO began the necessary steps to release the funds as soon as practical in a manner that is consistent with HUD rules. The GLO will directly administer housing activities related to the 2018 South Texas floods and 2019 disaster events. GLO has a proven track record of providing expeditious assistance under this model in a manner that is consistent with HUD rules and regulations. The GLO will continue to report on metrics captured on its website in order to provide an accurate depiction of program performance.

Comment Received: Applicants must wait for long periods of time to be approved and for assistance to be complete. The Housing Guidelines should be amended to provide that applicants are assigned a permanent caseworker, and the caseworker should be fluent in the primary language of the applicant, have access to all necessary information and records, and provide contact information to the applicant.

Staff Response: The Housing Guidelines affirm that the GLO will ensure timely communication of application status and acknowledges that applicants are likely to need support throughout the process. All applications will be maintained electronically which will allow applicants to have access to and monitor the status of their application at each step of the process. The GLO will ensure that program information is available in the appropriate languages and will take the steps necessary to ensure effective communications.

Comment Received: The GLO does not appropriately disclose the intended use of the Total Allocation Budget. The GLO should provide a budget breakdown for State Project Delivery, Administration costs, and other program expenditures that will change the funding allocated for direct program.

Staff Response: The Action Plan sets forth the total allocation budget for HARP. The Guidelines cannot further limit or modify the budgets set forth in the Action Plan.

Comment Received: The methodology for determining unmet need at beneficiary income group targeting used by GLO in Regional Housing Guidelines is flawed for the reasons set forth in detail in our past comments to GLO and in analysis and reports of GLO's methodology reported on ([Texas Housers](#)) website.

Staff Response: The GLO will post a regional Needs Assessment on www.recovery.texas.gov for a 15-day public comment process on or about June 1, 2021. The GLO has worked to ensure that the methodologies utilized or to be utilized in the formation of these documents are the best practicable given available data.

Comment Received: The bedroom size determination issue set out in the Regional Housing Guidelines should be modified. The guidelines provide that the number of bedrooms allowed in a reconstructed home will be “based on anticipated household size and occupancy policies.” This rule allows for the reduction of bedrooms previously in existence. This reduction in the number of bedrooms of a house according to the number of occupants diminishes the value of the home and inversely affects families that hold this property for generations. Additional considerations should be made to accommodate the social and economic circumstances of the applicant.

Staff Response: The Guidelines were drafted in conformance with long-stand HUD rules and regulations. HUD requires all activities to satisfy an unmet need of the application, costs to be reasonable and necessary, and bedroom distribution to be in line with current guidance. The GLO follows the HUD guidelines that provide a minimum size of unit based on anticipated household size and occupancy policies that allow for two persons per bedroom as reasonable. The GLO considers the needs of the family when offering program assistance to the extent allowed under federal regulations. This needs consideration accounts for variables that include familial size and familial age and gender diversity. The Housing Guidelines as written follow HUD’s Fair Housing Act Policy Statement, as well as HUD CDBG-DR requirements.

Comment Received: The Regional Housing Guidelines outline the process by which Applicant Coordinators will work with applicant files to create a timely flow of document collection. Texas Housers hopes that the GLO will hold their staff or Vendor accountable to these benchmarks for document submission. Much of the delays of previous program run by the GLO or misinformation shared with applicants by Applicant Coordinators has to do with the timeliness of updating the file in the TIGR system. When work is completed and not updated, other administrators of the pipeline cannot continue their work and applicants are misinformed as to where they are in the process. We also suggest that originals be held for the length of the program or that Applicant Coordinators always have scanning equipment at hand, that they scan documents at the moment of receiving them and return the documents to the applicant immediately. Texas Housers also hopes that the GLO understands and recognizes the barriers and limitations possessed by applicants of the programs set forth in the Regional Housing Guidelines. Also considering that technology with automatically block unknown email senders or phone numbers, Texas Housers suggests Applicant Coordinators make more than 3 attempts to make contact with the applicant and such attempts must vary in method as well as timeframe.

Staff Response: GLO holds vendors accountable for timely completion of benchmarks and assesses penalties in accordance with their contracts with the GLO. Applicants have the ability to review their application status at any time. The GLO and its vendors are required to keep records in accordance with federal record retention requirements. The GLO accepts pictures, taken by phone, of documents with applicant signatures when the documents are submitted from the email account listed on their application to assist with application completion. Vendors are required to make at least three contact attempts at necessary contact times and methods of attempted contact vary.

Comment Received: The Regional Housing Guidelines B. Housing Assistance Cap do not include the actual caps of assistance. Texas Housers asks that the GLO provide as much detailed information in these Guidelines to inform the program administrators and public alike

Staff Response: The State Housing Guidelines include the specific caps for all HARP activities and also apply to the Regional Housing Guidelines.

Comment Received: The Regional Housing Guidelines (page 20) fail to set forth a plan to properly report or monitor and ensure accountability in the expenditure of funds used to fund rental housing.

Staff Response: The Regional Housing Guidelines only apply to HARP. The Affordable Rental Program falls under the State Housing Guidelines and all questions regarding reporting and monitoring of funding expenditures should be addressed within that document.

Comment Received: The Housing Guidelines should include a Section 3 Plan or a link to the plan and describe the process allowing for citizen comment on that plan.

Staff Response: The GLO has added a link to HUD guidance as well as GLO's Section 3 guidance available on GLO's website. These guidance documents can be found at <https://www.hud.gov/section3> and <https://recovery.texas.gov/local-government/resources/section-3/index.html>, respectively.

Comment Received: GLO while acknowledging in the Regional Housing Guidelines, its duty to report program performance data publicly, has failed to adequately do so. The plan should commit the GLO to provide more complete reporting of data.

Staff Response: The GLO is committed to reporting program performance in accordance with HUD requirements. The GLO posts performance reports on the GLO website found at www.recovery.texas.gov.

Comment Received: The Housing Guidelines on page 29 should state that all housing programs will comply with Texas statutory visitability standards for access by persons with disabilities set out in Texas Government Code Sec. 2306.514.

Staff Response: The GLO notes that while 10 TAC §2306 is specific to the Texas Department of Housing & Community Affairs, the Guidelines indicate that single family housing units will comply with the visitability standards found in 10 TAC §2306.514. Additionally, housing developments must meet all accessibility requirements found at 24 CFR Part 8, which implements Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. §794).

Comment Received: Provisions in the Regional Housing Guidelines Section G, "Displacement of Persons and/or Entities" fails to reflect the information set forth in the Housing Guidelines by stating that "HARP is a voluntary program and therefore beneficiaries do not meet the definition of displaced persons" and should provide for the moving expenses and temporary housing of low-income households to be paid by the program instead of the beneficiary having to pay for moving expenses and/or temporary housing and be reimbursed. Low-income disaster survivors may not be able to bear the upfront cost of moving expenses and temporary housing.

Staff Response: Temporary relocation assistance may be made available to homeowners if the inability to relocate during construction is a barrier to participation in the program. Due to limited fund availability, relocation assistance requests will be approved only where the homeowner has no other sources of funds or economical methods of relocation available, such as staying with a friend or relative. The State Housing Guidelines cover the terms of this optional assistance.

Comment Received: Texas Housers is concerned with the additional specifications included in the Regional Housing Guidelines under “H. Conflict of Interest”.

Staff Response: The GLO has removed the reference to ‘Developer’ in this section, as these guidelines do not govern the Affordable Rental Program.

Comment Received: Fair Housing provisions in the Regional Housing Guidelines are inadequate and must be strengthened. Individuals being assisted in home reconstruction programs should be offered the opportunity to relocate and should receive Fair Housing counseling and assistance like that provided by the GLO under the May 2010 Fair Housing conciliation agreement between Texas Housers and the State of Texas in the Hurricane Ike CDBG-DR program. Texas Housers specifically refers here to the Homeowner Opportunity Program (HOP) through which individuals considering relocation or rebuilding on an existing site were offered Fair Housing counseling and the services of a real estate professional to assist them to identify homes in less flood prone and higher opportunity neighborhoods that might better meet their needs. The GLO provided this program through the Hurricane Dolly CDBG-DR program. Through that program the GLO has stated that 20 percent of homeowners elected to relocate to lower flood hazard, higher opportunity areas. Inexplicably, the GLO has refused, despite Texas Housers’ repeated requests, to implement this program for the survivors it assists through subsequent federally-funded disaster recovery programs, including Hurricane Harvey. These Housing Guidelines present an opportunity for GLO to Affirmatively Further Fair Housing by re-instituting this important program.

Staff Response: Housing activities for the 2018 South Texas Floods and 2019 Disasters were determined during the Action Plan phase. The Action Plan did not include the Homeowner Opportunity Program (“HOP”). A new program cannot be added through the Housing Guidelines. The Housing Guidelines do, however, allow for new construction activities as necessary to move households out of areas not deemed suitable for residential habitation by the local jurisdiction.

Comment Received: The Regional Housing Guidelines in “A. Survivor Case Management” should be modified to instruct vendors to, if requested, act as the agent of the applicant to secure tax documents, deed documents and other public records necessary for a complete application for the program. This affirmative effort to support the applicant will speed up the completion of the application where we have seen the most lag in GLO programs. The proposed provision in the Regional Housing Guidelines that vendors, “work to cultivate partnerships with local and community liaisons such as banks, counseling agencies, legal services, title companies, etc.” is insufficient to accomplish these purposes. Applicants with the most need tend to be the ones with the most barriers in completing the application and will ultimately be left out of the program without proper assistance. This information was much more extensive in the Regional Housing Guidelines for Tropical Storm Imelda. Texas Housers hopes that the same diligence and specificity will be used in the South Texas and Valley programs.

Staff Response: The GLO, through its vendors, removes barriers to housing choice by assisting applicants throughout the application process and providing additional resources as necessary to assist the applicant with their application. The GLO will ensure that a consistent level of customer service is provided to all HARP applicants.

Comment Received: We appreciate the GLO’s commitment to “Applicant Coordinators and/or counselors or interpreters must be able to communicate with the applicant in their primary language and should be assigned to the clients as appropriate.” Texas Housers would like to remind the GLO of the importance of language access and the reduction of program barriers, specifically in the southern Texas border region where there is a much higher percentage of non-English speakers.

Staff Response: The GLO will ensure 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. Translated web content and vital documents are available on the GLO’s website, including a [Spanish version of the HARP application](#). Written contact, in the form of email, letters, etc., and related responses are routed to either internal resources or external translation service provider(s) for translation, as needed. Phone calls from persons of limited English proficiency may be transferred to internal staff or vendor(s) with the required language fluency. The GLO contracts with vendors for telephone, document, and web content translation services and provision of in-person translations outside of the GLO staff’s capabilities on an as-needed basis.

Comment Received: The Regional Housing Guidelines in section “(5) Property Taxes” should be modified. The provision requiring property taxes be current or a payment plan be in place fails to take into account the severe economic problems that low-income households have encountered as a result of the COVID-19 pandemic. Unprecedented numbers of both homeowners and renters are severely behind in rent and mortgage payments and a large number of homeowners are behind in their property taxes. State and locally administered programs to provide assistance to these households have been plagued with delays in getting the assistance to the people who need it. This has further exacerbated the financial problems of low-income people in Texas. The GLO should modify the language in the Regional Housing Guidelines which reads, “Support documentation verifying the tax deferral or tax exemption must be provided by the applicant. Any applicant that enters into a payment plan must supply a signed copy of the payment plan from the applicable taxing entity along with documentation that they are current on their payment plan.” The Hidalgo County Tax Collector has a very restrictive policy regarding establishment of delinquent tax payment plans that keeps many homeowners from getting on a payment plan. The Harris County Tax Collector limits households to one single payment a month. The GLO should permit applicants who are currently unable to pay their taxes because of the economic impact of the pandemic, including job loss related to COVID-19, to be eligible for CDBG-DR assistance provided the applicant can demonstrate they have sought public assistance to pay their taxes.

Staff Response: GLO considers extenuating circumstances as part of the application evaluation and appeals process. All of the factors cited in this comment would be adequately considered when evaluating an application and any correlating appeals.

Comment Received: In addition to the comment above, the Regional Housing Guidelines mentions that “Under state of Texas Property Tax Code, a homeowner may only claim one homestead

exemption on one property. GLO may request additional documentation or information if the GLO identifies that the applicant owns more than one property.” Texas Housers believes that it is not the GLO’s administrative duty to be checking on the properties owned by applicants. This does not affect the unmet need or the validity of their primary residence. Creating extra administrative work not only utilizes necessary funding for administrative fees that could be utilized for direct program services, but it is outside of the scope of work of this program. Excessive documentation and program barriers are one of the main reasons that the GLO has had inadequate program performance and significant lags in the execution of past recovery programs.

Staff Response: The Federal Register Notice and the Action Plan make it clear that properties that served as second homes at the time of the disaster, or following the disaster, are not eligible for assistance. The GLO, therefore, must confirm that the assisted home was the primary residence of the applicant at the time of the disaster event. Any request for documentation necessary to confirm primary residency is necessary and required under applicable federal law.

Comment Received: GLO should re-evaluate the method it utilizes to determine duplication of benefits in the Regional Housing Guidelines. A clear, easily understandable process for making this determination is badly needed. Neither the Regional Housing Guidelines nor the GLO website offers survivors this clear explanation. In our frequent interactions with survivors, we find this to be one of the most misunderstood and wrongly determined aspects of the program. We have frequently seen inspectors inaccurately determine whether emergency repairs made by FEMA should constitute the previous provision of assistance for purposes of calculating duplication of benefits. We have observed instances in which repairs were improperly done or that failed, being categorized incorrectly as a previous benefit and their value deducted from the basis for new repairs. At the very least, the Regional Housing Guidelines should propose for an independent appeals process when an improper determination of duplication of benefits is alleged by a homeowner. With regard to the provision in the Regional Housing Guidelines, “The GLO has developed policies and procedures to prevent duplication of benefits when determining an applicant’s unmet need,” we have observed on numerous occasions examples where the GLO has undertaken extensive efforts to address appeals by vendors, other governmental jurisdictions and multi-family developers who have appealed GLO interpretations and findings. The GLO should devote a similar level of attention to appeals from individual hurricane survivor program applicants.

Staff Response: GLO adheres to [HUD DOB Guidance](#) when determining duplicative assistance. The GLO has posted resources on its website to guide applicants in determining how other assistance they have received may impact their final assistance determination. This guidance can be found at <https://recovery.texas.gov/local-government/resources/housing/index.html>. Applicants have a right to appeal all GLO determinations and a link to the appeals process has been added to the Guidelines.

Comment Received: Revisions to the Regional Housing Guidelines regarding manufactured housing units should make clear that manufactured housing units that are not titled as real estate are eligible for assistance.

Staff Response: The Housing Guidelines make it clear that the applicant must have a Statement of Ownership from the Texas Department of Housing & Community Affairs (“TDHCA”), Manufactured

Housing Division and will be required to provide evidence that they own the land where the MHU resides.

Comment Received: Rent-to-own and contract-for-deed agreements are still common in the Texas-Mexico border region and in some other parts of the state. The Regional Housing Guidelines should make explicit that such purchase arrangements will not cause a property to be ineligible for housing rehabilitation or reconstruction and should further financial support to enhance the security of such titles to the land that GLO will make available to program applicants.

Staff Response: The GLO notes that while 10 TAC § 2306 is specific to the Texas Department of Housing & Community Affairs, it has adopted in its Guidelines the provisions of §2306.188 which establish homeownership in a disaster area. The GLO, through its vendors, encourages applicants to file contract-for-deeds in county property records to secure their ownership interest. The GLO shall also assist and make referrals to legal aid organizations as appropriate to accomplish these necessary tasks.

Comment Received: “E. Eligible Improvements” of the Regional Housing Guidelines are unfairly discriminatory toward the lowest income homeowners and have a disparate racial and national origin impact. Through these provisions the GLO agrees to fund certain amenities (garages, carports, fencing, masonry construction when a political jurisdiction or homeowners association requires it but otherwise will not provide these improvements. Lower-income households, who are disproportionately African-American and Hispanic in these natural disasters, far less frequently reside in political jurisdictions or within homeowner association boundaries that impose these type of requirements associated with higher value residential areas. Not mentioned in the Regional Housing Guidelines, but almost certainly a situation which occurs, is a minimum square footage requirement imposed by local zoning, building code or homeowners association rules. GLO is financially accommodating the reconstruction of a house with a larger square footage than required under the GLO bedroom size restrictions discussed above in Comment #4 and the square footage restrictions set out on page 33 is discriminatory. This provision, as adopted by GLO has a disparate impact on people based on race and national origin. The GLO should establish a policy allowing for the funding of the reconstruction of all of these amenities where they were present prior to the disaster and not tie the benefit to residency in a political jurisdiction or homeowners association boundaries that imposes such a requirement.

Staff Response: The Guidelines were drafted in conformance with long-stand HUD rules and regulations. HUD requires all activities to satisfy an unmet need of the application, costs to be reasonable and necessary, and bedroom distribution to be in line with current guidance. The GLO follows the HUD guidelines that provide a minimum size of unit based on anticipated household size and occupancy policies that allow for two persons per bedroom as reasonable. The GLO considers the needs of the family when offering program assistance to the extent allowed under federal regulations. This needs consideration accounts for variables that include familial size and familial age and gender diversity. The Housing Guidelines as written follow HUD’s Fair Housing Act Policy Statement, as well as HUD CDBG-DR requirements.

Comment Received: The proposed GLO Housing Guidelines state in (1.) Program Objectives state that: “All housing activities should ... provide high quality, durable, resilient, mold resistant, energy efficient, decent, safe and sanitary housing that meet Green Building Standards.” However, the Regional Housing Guidelines state that: “ranges, refrigerators, and other necessary

appliances are eligible items; however, they will only be considered eligible when they are not present, or the repair would not be cost effective. They will be approved on a case-by-case basis.” These Regional Housing Guidelines contradict the program objectives set by the State and the requirements as outlined by HUD. It is imperative that the GLO modify the language to reflect that these items will be considered eligible where an industry-recognized standard appliance is not present in order to achieved certification under at least one of the following programs: (1) ENERGY STAR (Certified Homes or Multifamily High-Rise), (2) EPA Indoor Air Plus (Energy Star a prerequisite), (3) LEED (New Construction, Homes, Midrise, Existing Buildings Operations and Maintenance, or Neighborhood Development), or (4) ICC–700 National Green Building Standard.

Staff Response: The GLO does not agree that these sections are in conflict. Additionally, the State Housing Guidelines govern single family activities subject to the Regional Housing Guidelines and the Regional Housing Guidelines state that in the event of conflict, the State of Texas Housing Guidelines will prevail.

Comment Received: Relocation assistance provisions in these Regional Housing Guidelines have changed from previous versions. The proposed Housing Guidelines state, “Relocation assistance may be offered at the discretion of the state. The cap will be set at \$6,000 for temporary relocation services for up to 120 days, after which point these expenses will become the obligation of the builder performing the work.” The guidelines should state the basis for the GLO decision whether or not to grant relocation assistance. The guidelines should further clarify that relocation that is determined to be the financial responsibility of the builder should be provided to the applicant by the GLO which would be responsible in turn for recovering any costs from the builder. It is an unreasonable burden to a disaster survivor to saddle them with the responsibility for seeking payments from the GLO’s contracted builder.

Staff Response: The GLO has incorporated additional language into the State Housing Guidelines to clarify terms of assistance.

Comment Received: The Regional Housing Guidelines state under (2) Homeowner Reimbursement Program that “The GLO will not reimburse applicants for work initiated after the start of the program” which was specified in the Housing Guidelines as April 24, 2021. Texas Housers believes that it is not only creating a barrier to address the unmet need, but it is launching a program while the Action Plan and its Housing Guidelines are in public comment. Due to the first-come, first-serve nature of this program, the GLO should not set such limited scope. Texas Housers suggests that the GLO allow applicants to submit for reimbursement any work that has been completed before the date of applicant’s completed submission.

Staff Response: The Federal Register Notice limits reimbursement assistance to one (1) year following the disaster event. The GLO has submitted a waiver request to HUD to allow for additional time following the event and has not received an approval. The GLO will not approve any applicants for assistance until the State of Texas and Regional Guidelines are finalized and published. Additionally, the GLO cannot approve any expenditures greater than one year following the disaster event unless final HUD approval is issued.

Comment Received: “(d) Prioritization of Funds” found on page 35 of the Regional Housing Guidelines should be amended to provide that 100 percent of funds should be used to assist low- and moderate-income households. At this very late hour in the recovery, most all non-low and moderate-income persons have recovered from the disaster. At this time the overwhelming majority of the persons with an unmet housing need and who have not been able to recover are low-income people. The GLO should recognize this fact in the amendment and modify this provision to require that 100% of the remaining funds are used to benefit low- and moderate-income households. GLO should include a provision in these Housing Guidelines providing that if, after a suitable period of time, it is determined that all of the LMI need has been satisfied by the program, the GLO will then seek to amend the Regional Housing Guidelines to expand program eligibility to serve higher income individuals.

Staff Response: Prioritization of funds was established in the Action Plan process and cannot be further limited by the Guidelines. The Action Plan has been through all required public comment and review processes and was ultimately approved by HUD.

Comment Received: The Regional Housing Guidelines fail to set out a plan to properly monitor and ensure accountability in the expenditure of these funds. Reporting requirements are inadequate to monitor basic program performance or civil rights compliance. Attached to this letter are monitoring protocols that should be adopted in the Regional Housing Guidelines to permit assessment and monitoring. Additionally, Texas Housers supports the recommendations of the Harvey Forgotten Survivors Caucus that GLO establish and support a citizens’ monitoring advisory committee to the GLO that includes Hurricane survivors to assist the agency in monitoring, oversight and understanding program operations and issues from the perspective of low- and moderate-income beneficiaries.

Staff Response: The GLO is committed to the effective and efficient use of CDBG-DR. The GLO remains open to considering analytical feedback from community groups like the one referenced in the comment to improve the administration of disaster recovery programs.

Comment Received: The Regional Housing Guidelines are unclear about the length of time which applicants would be required to maintain an Unsecured Forgivable Promissory Note for the reconstruction or rehabilitation programs of these Regional Housing Guidelines. Page 31 of these Regional Housing Guidelines states the requirement of the Note, while page 36 specifies that an applicant receiving assistance from the reimbursement program is required to sign a Note that “will expire one year after the execution of the agreement.” The public should be allowed to comment on all the plans set forth by the GLO. Ambiguity in these details hinders full citizen participation. Texas Housers requests the GLO provide specific length of time which affect applicants including but not limited to the length of an Unsecured Forgivable Promissory Note for each of the programs outlined in these Regional Housing Guidelines.

Staff Response: The GLO has incorporated additional language into the Regional Housing Guidelines to clarify terms of the Unsecured Forgivable Promissory Notes.

Any references contained in these Regional Housing Guidelines may be updated or changed without notice, to reflect the most up-to-date information available.

The GLO State of Texas Housing Guidelines and Regional Housing Guidelines provide guidance on how to design, implement, and close a CDBG-DR Housing Program, and should not be construed as exhaustive instructions. In the event of conflict between these Regional Guidelines and the State of Texas Guidelines, the State of Texas Guidelines will prevail.

For questions regarding these guidelines, contact: Jennifer Molinari, Director of Housing at: Jennifer.Molinari.glo@recovery.texas.gov.