

**U.S. Department of Housing and Urban Development
Texas General Land Office, Community Development & Revitalization
Golden Crescent Regional Planning Commission**

Hurricane Harvey – Community Development Block Grant, Disaster Recovery Funding

PUBLIC HEARING #2 - FACT SHEET

On February 9, 2018, the U.S. Department of Housing and Urban Development (HUD) allocated \$5,024,215,000 in Community Development Block Grant disaster recovery (CDBG-DR) funds to the State of Texas for necessary expenses for activities authorized under Title I of the Housing and Community Development of 1974 related to disaster relief, long-term recovery, restoration of infrastructure and housing, and economic revitalization in the “most impacted and distressed” areas affected by Hurricane Harvey.

On April 10, 2018, the Texas General Land Office (GLO) allocated funding to the Golden Crescent Regional Planning Commission region, encompassing Calhoun, DeWitt, Goliad, Gonzales, Jackson, Lavaca, and Victoria counties, for the following three programs:

I. Homeowner Assistance Program

Funding Available:

\$55,938,689

Program Administration:

The GLO will administer this state-run program with the assistance of state-approved builders and contractors.

Eligible Activities:

This program will provide funding for rehabilitation and reconstruction of owner-occupied, single-family homes damaged by Hurricane Harvey.

II. Local Buyout and Acquisition Program (LBAP)

Funding Available:

\$18,430,647

Program Administration:

Local units of government and entities with eminent domain authority will administer this program. GCRPC will develop a method of distribution to allocate funds to eligible entities per GLO and HUD requirements.

Eligible Activities:

Funds may be utilized to -

- buyout or acquire eligible homes at a pre-storm or post-storm fair market value to move homeowner’s out of harm’s way to a lower-risk area;
- Relocation Assistance with buyout or acquisition activities;
- Down-payment Assistance with buyout or acquisition activities;
- Demolition;
- Activities designed to relocated families outside of floodplains;
- Public Service within a 15% cap (e.g. housing counseling, legal counseling, job training, mental health, and general health services);
- Match for FEMA Hazard Mitigation Grant Programs (HMGP).

Ineligible Activities:

- Incentive payments to households that move to disaster-impacted floodplains.

III. Local Infrastructure Program (LIP)

Funding Available:

\$36,044,589

Program Administration:

Local units of government (cities and counties) will administer this program. GCRPC will develop a method of distribution to allocate funds to all cities and counties per GLO and HUD requirements.

Eligible Activities:

Projects seeking to repair, enhance, and restore infrastructure for communities impacted by Hurricane Harvey as part of a comprehensive long-term recovery program. All activities allowed under CDBG-DR, including but not limited to:

- Flood control and drainage repair and improvements, including the construction or rehabilitation of storm water management systems;
- Restoration of infrastructure (such as water and sewer facilities, streets, provision of generators, removal of debris, bridges, etc.);
- Demolition, rehabilitation of publicly or privately-owned commercial or industrial buildings, and code enforcement;
- Economic development (such as microenterprise and small business assistance, commercial rehabilitation, and special economic development activities, including prioritizing assistance to businesses that meet the definition of a small business);
- Public service (such as job training and employment services, healthcare, child care, and crime prevention within the 15 percent cap).

Ineligible Activities:

- CDBG-DR funds may not be used to enlarge a dam or levee beyond the original footprint of the structure that existed prior to the disaster event. CDBG-DR funds for levees and dams are required to:
 - Register and maintain entries regarding such structures with the U.S. Army Corps of Engineers National Levee Database or National Inventory of Dams;
 - Ensure that the structure is admitted in the U.S. Army Corps of Engineers PL 84-99 Rehabilitation Program (Rehabilitation Assistance for Non-Federal Flood Control Projects);
 - Ensure the structure is accredited under the FEMA National Flood Insurance Program;
 - Maintain file documentation demonstrating a risk assessment prior to funding the flood control structure and documentation that the investment includes risk reduction measures.
- Funds may not be used to assist a privately-owned utility for any purpose;
- Buildings and facilities used for the general conduct of government (e.g., city halls, courthouses, and emergency operation centers);
- No disaster recovery assistance will be considered with respect to any part of a disaster loss that is reimbursable by the Federal Emergency Management Agency (FEMA), the Army Corps of Engineers (USACE), insurance, or another source due in part to the restrictions against duplication of benefits outlined in the Action Plan. An activity underway prior to the

Presidential Disaster Declaration will not qualify unless the disaster directly impacted said project.

- By law, (codified in the HUD Act as a note to 105(a)), the amount of CDBG-DR funds that may be contributed to a USACE project is \$250,000 or less.

Draft Method(s) of Distribution:

Draft Methods of Distribution and allocations to eligible entities have been developed by GCRPC for both the Local Buyout and Acquisition Program and the Local Infrastructure Program. The initial Draft Methods of Distribution were developed in adherence to requirements and guidelines set forth by HUD and the GLO. Allocations to eligible entities in the GCRPC region were made using the same formulas and factors utilized by the GLO to allocate funds to the nine regions affected by Hurricane Harvey. This ensures consistency and minimizes any increase in existing margins of error. The formulas utilize U.S. Census Bureau population data, unmet need calculations, FEMA Individual Assistance data, FEMA Public Assistance data, social vulnerability data, a resiliency factor, and impact calculations to distribute available funding to eligible entities.

Public Comment(s) and Response(s):

I. Public Comment(s) Received from June 6th through June 18th, 2018:

No public comments were received.

II. Oral Public Comment(s) Received and Responses Given During Public Hearing#1:

- BRUCE SPITZENGEL, *President, GrantWorks*

1. Why are where entities with eminent domain authority included in the draft allocation for the Local Buyout and Acquisition Program (LBAP) Method of Distribution (MOD)?

Entities with eminent domain authority were included in the draft allocation for the LBAP MOD in order to adhere to Texas General Land Office (GLO) Guidelines provided to Councils of Government/Regional Planning Commissions for regional MOD development.

2. What is the plan for redistribution of de-obligated Community Development Block Grant, Disaster Recovery (CDBG-DR) funds?

Rejected CDBG-DR allocations or any de-obligated CDBG-DR funds will revert to the GLO. Any redistribution of funds will occur at the sole discretion of the GLO.

3. CDBG-DR funds should remain within regions for redistribution at the discretion of each county under which an allocation is made through the approved Methods of Distribution.

[No oral response provided. Comment recorded.]

- JOHN KAMINSKI, *Assistant City Manager, City of Victoria*

1. When can public comments be submitted?

At any time throughout the public comment period. The public comment period began on June 3, 2018, and will end at close of business on July 9, 2018

2. Is there a required format for public comments?

No. Public comments can be provided in any oral or written formats in order to encourage public participation. Public comment forms are provided at public hearings to assist Golden Crescent Regional Planning Commission staff in the task of recording and organizing any comments made.

III. Public Comment(s) Received from June 19th through July 9th, 2018:



June 27, 2018

Michael Ada
Director of Economic Development
Golden Crescent Regional Planning Commission
1908 N. Laurent Street
Victoria, TX 77901

Re: Public Comments on Proposed GCRPC Method of Distribution (MOD) – Hurricane Harvey CDBG-DR LBAP and LIP Funding

Dear Mr. Ada,

The City of Victoria appreciates and supports the revisions that have been made to the proposed Method of Distribution (MOD) in response to public comments received at the first Public Hearing on June 18, 2018. These changes, reflected in the revised version of your document titled "1.06192018_GCRPC_HH_CDBG-DR_MOD_Narrative_DRAFT.pdf", primarily address and clarify which entities are eligible to receive funds for the Local Buyout/Acquisition (LBAP) and Local Infrastructure (LIP) programs, and modify the distribution of funds among eligible entities.

The City of Victoria has one additional comment on the revised version of the proposed MOD. Our comment is in regards to the proposed reallocation method for LBAP and LIP funds. The revised MOD states "Reallocation of LBAP funds from de-obligated funds and/or cost savings from completed projects will be at the discretion of the GLO within the region." The same language is repeated in the reallocation paragraph for LIP funds. It is respectfully requested that the GLO consider first reallocating such funds at the County level before returning them to the region-wide 80% pool.

Within Victoria County, the City and County of Victoria are the only two entities to receive LBAP and LIP funding through the revised MOD. It is our belief that if either of these two entities fails to utilize their full allocation of funds, the other entity within the County should have an opportunity to apply for such de-obligated funds before they are rolled back into the region-wide 80% allocation.

Thank you for the opportunity to submit public comments and thank you for your ongoing efforts to assist local entities within the Golden Crescent Region with the implementation of post-Harvey disaster recovery programs.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "John K. Kaminski".

John K. Kaminski
Assistant City Manager

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7/3/2018 – Rick McBrayer, Emergency Management Coordinator, Victoria Office of Emergency Management

1. Is there an explanation for why Bloomington Independent School District, the water control districts, or the Port of Victoria are not included in the Method of Distribution?

Entities with eminent domain authority within the region were compiled using the Texas Comptroller's Online Eminent Domain Database (COEDD). <https://coedd.comptroller.texas.gov/>.

Bloomington ISD, local water control districts, and The Port of Victoria are either 1) Non-compliant with Texas Government Code, Chapter 2206, Subchapter D, or 2) they do not have eminent domain authority.

The Comptroller's database only provides info on *compliant* entities.

Example: Quail Creek MUD is listed as having an Eminent Domain function with TCEQ; However, they are not included in the Comptroller's database.

Ultimately, if a special district with eminent domain authority wishes to participate in buyouts and acquisitions they may. However, in regards to the method of distribution, GCRPC cannot meet HUD and GLO parameters for baseline allocation amounts if every entity with eminent domain authority wants a direct allocation. To remedy this issue, those entities can still collaborate with the cities/counties who will receive an allocation through the Method of Distribution.