Expected Resources

AP-15 Expected Resources – 91.320(c)(1,2)

Introduction

CPD funding is governed by this Consolidated Plan, but the State also works to collaborate, coordinate, and layer non-CPD funding sources in order to reach more Texans and more efficiently use available funds. Programs listed in the anticipated resources narrative sections below could be used to leverage CPD funds. These include:

- 4% HTC Program;
- 9% HTC Program;
- Homeless and Housing Services Program ("HHSP");
- Housing Trust Fund Program;
- Mortgage Credit Certificate ("MCC") Program;
- First time homebuyer loan programs, including the My First Texas Home Program;
- Neighborhood Stabilization Program - Program Income ("NSP PI");
- Section 8 Housing Choice Voucher ("HCV") Program;
- Section 811 Project Rental Assistance ("PRA") Program; and
- Tax Credit Assistance Program ("TCAP") Loan Repayments.

For the programs above, the expected future funding amounts, to the extent known, are in the planning documents governing those programs. These documents can be found online at http://www.tdhca.state.tx.us/. The anticipated resources below are focused on CPD Programs.

TDHCA participates in numerous committees, workgroups, and councils which help TDHCA stay apprised of other potential resources to address affordable housing needs. Relationships with other federal and state agencies and local governments are extremely valuable, helping Texas agencies to coordinate housing and services and serve all Texans efficiently and effectively. TDHCA's involvement in these committees promotes identifying opportunities to proactively pursue federal funding opportunities. TDHCA actively seeks engagement and input from community advocates, funding recipients, potential applicants for funding, and others to obtain input regarding the development of effective policies, programs and rules. Changes to funding plans are made periodically based on feedback received through these avenues.

TDHCA is the lead agency for the following workgroups:

C-RAC: C-RAC is a committee of colonia residents appointed by the TDHCA Governing Board. It advises TDHCA regarding the needs of colonia residents and the types of programs and activities which should be undertaken by the Colonia SHCs. The Colonia SHCs funds are provided to seven specific pre-determined counties which, in turn, procure organizations to operate their SHCs.

Disability Advisory Workgroup ("DAW"): The DAW augments TDHCA's formal public comment process, affording staff the opportunity to interact more informally and in greater detail with various stakeholders and to get feedback on designing more successful programs, with a specific focus on gaining insight on issues impacting persons with disabilities.

Housing and Health Services Coordination Council ("HHSCC"): HHSCC is established by Texas Government Code §2306.1091. Its duties include promoting coordination of efforts to offer Service-Enriched Housing and focusing on other cross-agency efforts.

Texas Interagency Council for the Homeless ("TICH"): The TICH was statutorily created in 1989 to coordinate the State's homeless resources and services. The TICH consists of representatives from eleven state agencies. TDHCA, as the primary source for state homelessness funding, provides administrative and planning support to the TICH.

Weatherization Assistance Program Planning Advisory Committee ("WAP PAC"): The WAP PAC is comprised of a broad representation of organizations and agencies and provides balance and background related to the weatherization and energy conservation programs at TDHCA.

The descriptions of the collaborations for DSHS and TDA are in the Discussion question of this section below.

Anticipated Resources

Program	Source	Uses of Funds	Expected Amount Available Year 1	Expected	Narrative Description

OMB Control No: 2506-0117 (exp. 07/31/2015)

	of Funds		Annual Allocation: $	Program Income: $	Prior Year Resources: $	Total: $	Amount Available Reminder of ConPlan $	
CDBG	public - federal	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services	52,353,975	2,500,000	13,000,000	67,853,975	215,250,000	TDA's CDBG Program funds community and economic development, excluding the colonia set-aside. Communities may also coordinate CDBG funding with U.S. Department of Agriculture's ("USDA") Rural Development funds or Texas Water Development Board's ("TWDB") State Revolving Fund.

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Reminder of ConPlan $	Narrative Description
			Annual Allocation: $	Program Income: $	Prior Year Resources: $	Total: $		
CDBG Colonias Set-aside	public - federal	Acquisition Admin and Planning Homebuyer assistance Homeowner rehab Public Improvements Public Services	5,983,312	0	0	5,983,312	30,598,325	The Colonia Set-Aside is used both by TDA and TDHCA for goals described in the Strategic Plan Section 45. The Colonia Economically Distressed Areas Program ("CEDAP") Legislative Set - Aside leverages funding from the TWDB's Economically Distressed Areas Program. TDHCA's Office of Colonia Initiatives ("OCI") administers a portion of the CDBG Colonia Set-Aside through its Colonia SHCs. Also, the Housing Trust Fund, which is funded through Texas General Revenue, administers the Texas Bootstrap Loan Program, which is also available to SHCs. Finally, the Housing Trust Fund also provides the Contract for Deed Conversion Program Assistance Grants are two types of grants that support eligible nonprofits and units of local government in assisting eligible colonia households with incomes 60% or less of the AMI to convert their contracts for deeds to warranty deeds.

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Reminder of ConPlan $	Narrative Description
			Annual Allocation: $	Program Income: $	Prior Year Resources: $	Total: $		
HOME	public - federal	Acquisition Homebuyer assistance Homeowner rehab Multifamily rental new construction Multifamily rental rehab New construction for ownership TBRA						TDHCA's HOME Program goals are described in the Strategic Plan Section 45 for multifamily and single family activities. Single family HOME homebuyer activity may be coordinated with TDHCA's My First Texas Home Program, which can supplement down payment assistance, and the MCC Program, which provides a yearly tax credit of up to $2,000 annually that reduced the homebuyers' federal income tax liability. HOME Multifamily Development Funds can be layered with 4% HTCs and 9% HTCs. In addition, TDHCA's Section 811 PRA, a project-based supportive housing program for persons with disabilities, and TDHCA's Section 8 HCV may be used within HOME developments. Starting in 2015, TDHCA's TCAP loan repayments and NSP PI may be used to supplement or support multifamily and single-family HOME activities starting in 2015. In addition, TDHCA also develops rules that govern all multifamily programs, including the HOME Multifamily Development Program,

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Reminder of ConPlan $	Narrative Description
			Annual Allocation: $	Program Income: $	Prior Year Resources: $	Total: $		
HOPWA	public - federal	Permanent housing in facilities Permanent housing placement Short term or transitional housing facilities STRMU Supportive services TBRA	2,947,262	0	0	2,947,262	11,789,048	DSHS' HOPWA state formula funds the following activities: TBRA; STRMU; PHP; and Supportive Services. Project Sponsors leverage available funds from Ryan White and State Services grants to assist clients with housing needs, medical and non-medical case management, emergency utility assistance, mental health, transportation, and nutritional services to address the needs of eligible clients.

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Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Reminder of ConPlan $	Narrative Description
			Annual Allocation: $	Program Income: $	Prior Year Resources: $	Total: $		
ESG	public - federal	Conversion and rehab for transitional housing Financial Assistance Overnight shelter Rapid re-housing (rental assistance) Rental Assistance Services Transitional housing	8,891,395	0	0	8,891,395	41,195,380	TDHCA's ESG funds are awarded via contract to Subrecipient agencies that provide emergency shelter, homelessness prevention, rapid rehousing, and Homeless Management Information Systems ("HMIS") activities. HHSP is Texas state general revenue funding for the eight largest cities to provide flexibility to undertake activities that complement ESG activities. Note that not all ESG direct recipients in Texas are HHSP grantees.

Table 1 - Expected Resources – Priority Table

Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied

HOME Program Leverages and Provides Match

HOME multifamily development is most often used to leverage with the HTC Program, which was created by the Tax Reform Act of 1986 and authorizes 9% low-income housing tax credits in the amount of $2.30 per capita for each state, and 4% low-income housing tax credits in amounts linked to the usage of the state's cap for issuance of tax exempt bond to finance affordable housing development. In Texas, this equates to approximately $61,400,000 in 9% tax credits available to be awarded by TDHCA annually. These credits may be claimed each year for ten years and this represents potential tax credit value on the magnitude of $610,000,000. The tax credits are syndicated to limited partner investors to yield cash for use in eligible development activities. Currently typical syndication rates range between 92% and 95%. TDHCA must develop a Qualified Allocation Plan ("QAP") for the selection of eligible developments to provide housing for the low-income tenants. HOME provides increased leverage, allowing the property owners to utilize fewer tax credits and less private debt and local funding, therefore providing more efficient use of resources.

Matching requirements for the HOME Multifamily Development Program will be met through the Rules that establish the awardee's minimum amount of match as 5% of the award amount. Match comes in the form of donated labor and materials, donated professional services from an architect or engineer, grants from cities or nonprofits, and waived fees by municipalities. Also, TDHCA is planning to increase match requirements for single family activities to more effectively use limited funding.

ESG Program Leverages and Provides Match

In 2011, the Texas Legislature statutorily created the HHSP statute and funded it with General Revenue. Through HHSP, the State allocates funds into the eight largest cities in Texas to support services to homeless individuals and families. These funds are sometimes used as match for either State or local ESG funding.

To meet the ESG match requirement, TDHCA includes match as part of the application process used with its Subrecipients. Subrecipient agencies are required to match 100% of their ESG award. A Subrecipient that is unable to match the award is eligible to apply to TDHCA for a match waiver of up to $100,000. However, these requests have been quite rare. In coming ESG program years, TDHCA will actively determine which organization(s) will benefit from the match waiver.

HOPWA Leverages and Provides Match

Texas HOPWA does not have program income but leverages funds whenever possible. Project Sponsors leverage available funds from Ryan White and State Services grants, private funding sources, foundations, and local assistance to help clients. AAs do not receive administrative funds from DSHS, so those costs are leveraged from other funding sources.

CDBG Leverages and Provides Match

Nearly 80% of Texas CDBG grants include local matching fund commitments. Matching funds are required for certain grants, while other grants award points to encourage local match; a sliding scale allows smaller communities to contribute less match funding than larger communities.

Match funds may be provided by the applicant, or by a water or sewer utility benefiting from the project. Economic development projects benefiting private business require 1-for-1 match commitment, with the business most often providing this substantial match.

Recent updates to the Colonia SHC Program rules have capped program assistance at $50,000 per household for reconstruction and new construction, and $40,000 per household for rehabilitation. These limits encourage administrators to leverage their funds with other resources as well as assist more households than in prior years.

If appropriate, describe publically owned land or property located within the jurisdiction that may be used to address the needs identified in the plan

The Texas General Land Office manages state owned lands and mineral rights totaling approximately 13 million acres. Much of this is leased for the benefit of the Permanent School Fund, an endowment fund established in 1876 for the benefit of Texas public school education. There is currently no plan to use state owned land for affordable housing or community development goals; however, local jurisdictions occasionally donate land or property in support of activities designed to address the needs identified in the plan as part of their contribution to locally administered programs.

Discussion

Continuing with the discussion of collaboration begun in the Introduction of this section, DSHS is the lead for several HIV-related councils and workgroups which provide opportunities for collaboration and resource sharing across agencies, providers, and other pertinent stakeholders to assist PLWH in Texas. Some of the initiatives are Inter-Agency Council on HIV & Hepatitis, the Texas Black Women's Initiative, the Test Texas Coalition, and the Texas HIV Syndicate. The Texas HIV Syndicate is an integrated HIV prevention and care planning body made up of roughly 100 organizational leaders representing the full continuum of HIV engagement. The Texas HIV Syndicate uses the Texas HIV Plan as a framework to develop strategies that enhance and expand on prevention and care activities across the State. Texas HIV Syndicate members develop policy recommendations, best practice models, coordination strategies, and promote innovation in HIV prevention and treatment. DSHS also holds a biennial HIV/Sexually Transmitted Disease ("STD") conference, attended by all DSHS contractors and subrecipients in addition to community leaders, health and HIV professionals, and many other essential stakeholders. Many of the DSHS contractors are also HOPWA providers. This year, the conference is August 19-21, 2014 in Austin, and invitations for two waived registrations have been extended to HUD. The goal of the Texas HIV/STD Conference is to enhance the responsiveness of people and systems supporting the spectrum of HIV/STD prevention and treatment services in Texas, including: Awareness; Targeted Prevention; Diagnosis; Linkage to Care; Maintenance in Care; and Suppression of Disease.

DSHS' Epidemiology and Surveillance Branch is responsible for reporting HIV/AIDS, STD, and tuberculosis ("TB") surveillance and epidemiologic data for the State of Texas, which includes data submission to the Centers for Disease Control and Prevention ("CDC"). This data is subsequently used by HUD to determine HOPWA formula allocations. This data is also leveraged to provide support to planning, development, implementation, and evaluation of HIV/AIDS, STD, and TB prevention and services programs, including HOPWA.

Finally, TDA participates in the following workgroups:

Texas Water Infrastructure Coordination Committee ("TWICC"): TWICC is a voluntary organization of federal and state funding agencies and technical assistance providers that address water and wastewater needs throughout the State. TDA participates in TWICC to coordinate efforts to leverage funds.

Secretary of State’s Colonia Workgroup: The Colonia Workgroup consists of federal and state funding agencies and the Texas Secretary of State’s colonia ombudsmen. The group addresses current and future infrastructure improvements in colonias, focusing on coordination of resources and information. TDHCA is also a member of this workgroup.

Drought Preparedness Council: The Council was authorized and established by the 76th Texas Legislature in 1999, and is responsible for assessment and public reporting of drought monitoring and water supply conditions, along with other duties.

These workgroups, committees, and councils help to strengthen communication between state agencies as well as provide opportunities to layer or combine funding sources.

With the block grants and the layering resources listed above, there are also CDBG Disaster Recovery ("DR") funds for Hurricanes Rita, Dolly, and Ike, and Wildfires. Hurricane Rita Disaster Recovery for housing and non-housing recovery is in 29 counties. Ike Disaster Recovery for housing and non-housing recovery is in 62 counties. Wildfire Recovery non-housing recovery is in 65 counties. More details can be found at http://www.glo.texas.gov/GLO/disaster-recovery/actionplans

OMB Control No: 2506-0117 (exp. 07/31/2015)

Annual Goals and Objectives

AP-20 Annual Goals and Objectives – 91.320(c)(3)&(e)

Goals Summary Information

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Homeless Goals	2015	2016	Homeless	State of Texas	Rehabilitation of housing Homeless Outreach Emergency shelter and transitional housing Rapid Re-housing Homelessness Prevention	ESG: $8,891,395	Tenant-based rental assistance / Rapid Rehousing: 4570 Households Assisted Homeless Person Overnight Shelter: 10711 Persons Assisted Homelessness Prevention: 6248 Persons Assisted
2	Construction of single family housing	2015	2019	Affordable Housing Non-Homeless Special Needs	State of Texas		HOME: $0	
3	Rehabilitation of single family housing	2015	2019	Affordable Housing Non-Homeless Special Needs	State of Texas	Rehabilitation of housing	HOME: $4,906,669	Homeowner Housing Rehabilitated: 58 Household Housing Unit

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Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
4	Homebuyer assistance with possible rehabilitation	2015	2019	Affordable Housing Non-Homeless Special Needs	State of Texas	Rehabilitation of housing Acquisition of existing units	HOME: $3,269,009	Direct Financial Assistance to Homebuyers: 54 Households Assisted
5	Tenant-Based Rental Assistance with HOME funding	2015	2019	Affordable Housing Non-Homeless Special Needs	State of Texas	Rental Assistance	HOME: $3,997,254	Tenant-based rental assistance / Rapid Rehousing: 363 Households Assisted
6	Households in new/rehabilitated multifamily units	2015	2019	Affordable Housing Non-Homeless Special Needs	State of Texas	Production of new units Rehabilitation of housing	HOME: $7,236,344	Rental units constructed: 66 Household Housing Unit Rental units rehabilitated: 30 Household Housing Unit
7	HOPWA Tenant-Based Rental Assistance	2015	2019	Affordable Housing Non-Homeless Special Needs	State of Texas	Supportive Services for Persons with HIV/AIDS	HOPWA: $1,753,952	Tenant-based rental assistance / Rapid Rehousing: 445 Households Assisted
8	HOPWA Short-Term Rent, Mortgage, & Utilities Asst	2015	2019	Affordable Housing Non-Homeless Special Needs	State of Texas	Supportive Services for Persons with HIV/AIDS	HOPWA: $453,593	Homelessness Prevention: 470 Persons Assisted
9	HOPWA Permanent Housing Placement Assistance	2015	2019	Affordable Housing Non-Homeless Special Needs	State of Texas	Supportive Services for Persons with HIV/AIDS	HOPWA: $8,505	Public service activities other than Low/Moderate Income Housing Benefit: 13 Persons Assisted

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
10	HOPWA-Funded Supportive Services	2015	2019	Affordable Housing Non-Homeless Special Needs	State of Texas	Supportive Services for Persons with HIV/AIDS	HOPWA: $463,593	Public service activities other than Low/Moderate Income Housing Benefit: 910 Persons Assisted
11	CDBG Other Construction	2015	2019	Non-Housing Community Development	State of Texas	Public facilities Public Improvements and Infrastructure Public services	CDBG: $38,789,808	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 227843 Persons Assisted
13	CDBG Economic Development	2015	2019	Non-Housing Community Development Economic Development	State of Texas	Public facilities Public Improvements and Infrastructure Public services Economic development	CDBG: $8,681,714	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 14122 Persons Assisted
14	CDBG Planning / Capacity Building	2015	2019	Non-Housing Community Development	State of Texas	Public facilities Public Improvements and Infrastructure Public services	CDBG: $540,640	Other: 37412 Other
15	CDBG Disaster Relief / Urgent Need	2015	2019	Non-Housing Community Development	State of Texas	Public facilities Public Improvements and Infrastructure	CDBG: $2,446,820	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 132248 Persons Assisted

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
16	CDBG Colonia Funds	2015	2019	Affordable Housing Non-Housing Community Development	State of Texas	Production of new units Rehabilitation of housing Acquisition of existing units Public facilities Public Improvements and Infrastructure Public services	CDBG Colonias Set-aside: $7,479,140	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 3348 Persons Assisted Other: 14491 Other

Table 2 – Goals Summary

Goal Descriptions

1	**Goal Name**	Homeless Goals
	Goal Description	Goals for the 2015 ESG program are to provide 10,711 homeless persons with emergency shelter, 4,570 households with emergency housing assistance through rapid re-housing, and 6,248 persons will be provided with housing assistance, including homelessness prevention assistance. This translates into funding of approximately 43% for rapid-rehousing; 36% for homelessness prevention; and 21% for emergency shelters and transitional housing, homeless outreach, and rehabilitation of housing. The funding targets and numbers served may fluctuate depending on the final HUD allocation. The amounts targeted for each ESG activity will be dependent on the final HUD allocation and the percentages (as limited by federal rules) will depend on local CoC or subrecipient decisions.

2	**Goal Name**	Construction of single family housing
	Goal Description	TDHCA does not have a 2015 HOME Program goal for single family development activities performed by qualified by a Community Housing Development Organization ("CHDO") for the construction of new single family housing. The original 2015 goal of providing assistance to a minimum of 7 eligible households was reduced based on HUD's final allocation amounts. PY 2015 CHDO set aside funding will be targeted for multifamily development activities as reflected under the Households in new/rehabilitated multifamily units strategic plan goal. The revised targets do not represent a substantial change to the plan as originally proposed. Single family development activities will remain an eligible activity that may be funded in the event future CHDO funding becomes available.
3	**Goal Name**	Rehabilitation of single family housing
	Goal Description	The 2015 goal for HOME Program rehabilitation and reconstruction activities is to provide assistance to a minimum of 58 households through a statewide network of units of general local governments, and non-profit organizations. These entities qualify applicants to receive assistance for the repairs necessary to make their homes decent, safe, sanitary, and accessible.
4	**Goal Name**	Homebuyer assistance with possible rehabilitation
	Goal Description	The 2015 goals for HOME Program acquisition activities is to provide assistance to a minimum of 54 households with downpayment and closing costs assistance, contract for deed conversion assistance to promote the conversion of contract for deed arrangements to traditional mortgages, as well as downpayment with possible rehabilitation assistance for households with a member with a disability.
5	**Goal Name**	Tenant-Based Rental Assistance with HOME funding
	Goal Description	The 2015 goal for HOME Program TBRA activity is to provide rental assistance to approximately 363 households through a statewide network of units of general local governments, public housing agencies, Local Mental Health Authorities ("LMHAs"), and other non-profit organizations. These entities qualify applicants to receive assistance and may extend assistance if the household continues to meet eligibility requirements.

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6	**Goal Name**	Households in new/rehabilitated multifamily units
	Goal Description	The 2015 goal for HOME Multifamily Program is creating/rehabilitating over 96 multifamily rental units. TDHCA's HOME Multifamily Development Programs awards HOME funds as low-interest loans to CHDOs, for-profit, and nonprofit developers. These loans leverage other public and private financing including housing tax credits, United States Department of Agriculture ("USDA") operating subsidies and loans, and conventional and Federal Housing Administration-insured loans. The end result is safe, decent, and affordable multifamily rental housing.
7	**Goal Name**	HOPWA Tenant-Based Rental Assistance
	Goal Description	HOPWA TBRA provides tenant-based rental assistance to eligible individuals until they are able to secure other affordable and stable housing. The annual goal includes 445 households assisted. The estimated funding and number of individuals served may fluctuate depending on HUD’s final allocation amounts and based on the target percentages identified in Action Plan Section 25.
8	**Goal Name**	HOPWA Short-Term Rent, Mortgage, & Utilities Asst
	Goal Description	STRMU provides short-term rent, mortgage, and utility payments to eligible individuals for a maximum of 21 weeks of assistance in a 52-week period. The annual goal is to assist 470 persons. The estimated funding and number of individuals served may fluctuate depending on HUD’s final allocation amounts and based on the target percentages identified in Action Plan Section 25.
9	**Goal Name**	HOPWA Permanent Housing Placement Assistance
	Goal Description	PHP provides assistance for housing placement costs which may include application fees, related credit checks, and reasonable security deposits necessary to move persons into permanent housing. The annual goal is to assist 13 persons. The estimated funding and number of persons served may fluctuate depending on HUD’s final allocation amounts and based on the target percentages identified in Action Plan Section 25.
10	**Goal Name**	HOPWA-Funded Supportive Services
	Goal Description	The Supportive Services program provides case management, basic telephone service and assistance to purchase smoke detectors to eligible individuals. The annual goal is to assist 910 persons. The estimated funding and number of persons served may fluctuate depending on HUD’s final allocation amounts and based on the target percentages identified in Action Plan Section 25.

11	**Goal Name**	CDBG Other Construction
	Goal Description	The Texas CDBG encourages the use of funds not only to improve existing locations but to provide facilities in other areas to accommodate residential opportunities that will benefit low and moderate income persons. Applicants are encouraged to provide for infrastructure and housing activities that will improve opportunities for low and moderate income persons. When considering projects and designing projects, applicants must continue to consider affirmatively furthering fair housing, which includes providing basic infrastructure, such as water, sewer, and roads that benefit residential housing and other housing activities. Funding allocated includes annual allocation in addition to previously deobligated funds. The annual goal includes 227,843 persons assisted. The estimated funding and number of persons served may fluctuate depending on HUD’s final allocation amounts and based on the target percentages identified in Action Plan Section 25.
13	**Goal Name**	CDBG Economic Development
	Goal Description	This economic development funding is used for projects that will create or retain permanent employment opportunities, primarily for low to moderate income persons and for county economic and management development activities. Funding allocated includes annual allocation in addition to previously deobligated funds. The annual goal is to assist 14,122 persons. The estimated funding and number of persons served may fluctuate depending on HUD’s final allocation amounts and based on the target percentages identified in Action Plan Section 25.
14	**Goal Name**	CDBG Planning / Capacity Building
	Goal Description	This fund is available to assist eligible cities and counties in conducting planning activities that assess local needs, develop strategies to address local needs, build or improve local capacity, or that include other needed planning elements (including telecommunications and broadband needs). Funding allocated includes annual allocation in addition to previously deobligated funds. The annual goal is 37,539 persons benefiting from community planning projects (this may show as "other" in the chart above"). The estimated funding and number of persons served may fluctuate depending on HUD’s final allocation amounts and based on the target percentages identified in Action Plan Section 25.

15	**Goal Name**	CDBG Disaster Relief / Urgent Need
	Goal Description	Disaster Relief ("DR") assistance is available through this fund as needed for eligible activities in relief of disaster situations where either the governor has proclaimed a state disaster declaration, drought disaster declaration, or the president has issued a federal disaster declaration. CDBG may prioritize throughout the program year the use of DR assistance funds based on the type of assistance or activity under consideration and may allocate funding throughout the program year based on assistance categories. Funding allocated includes annual allocation in addition to previously deobligated funds. The annual goal is to assist 132,248 persons. The estimated funding and number of persons served may fluctuate depending on HUD's final allocation amounts and based on the target percentages indentified in Action Plan Section 25.
16	**Goal Name**	CDBG Colonia Funds
	Goal Description	This fund is available to eligible county applicants for projects in severely distressed unincorporated areas which meet the definition of a "colonia" under this fund. Funding allocated includes annual allocation in addition to previously deobligated funds. The annual goal is to assist 3,348 benefiting from public facility or infrastructure activities (other than low/moderate income housing benefit) and 14,491 "other", which equates to the number of colonia residents receiving direct assistance. The estimated funding and number of persons served may fluctuate depending on HUD's final allocation amounts and based on the target percentages identified in Action Plan Section 25.

AP-25 Allocation Priorities – 91.320(d)

Introduction:

The CPD Programs meet the priority needs as found in Strategic Plan 25, as well as serving special needs populations. There are 13 Priority Needs listed in Strategic Plan 25. The Priority Needs in Strategic Plan 25 are correlated with Goals in Action Plan 20 to show which activities will serve which priority needs. The goals from Action Plan 20 are listed below with allocation percentages below each goal. Percentages in the chart below are estimated and may change depending on funding received from HUD, legislative priorities, and funding requests from administrators or subrecipients.

Also regarding the chart below, for the other programs listed in the anticipated resources (Action Plan Section 15) that could be used to leverage funds, including 4% HTC, 9% HTC, HHSP, Housing Trust Fund, MCC, and My First Texas Home Program, NSP PI, Section 8 HCV programs, Section 811 PRA, and TCAP Loan Repayments, goals are tailored to each program in the planning documents governing those programs. These documents can be found online at http://www.tdhca.state.tx.us. The CPD Programs are described in this section.

In addition to meeting the priority needs, the CPD Program works to serve special needs populations as described in this section. HOME and ESG's special needs populations are discussed in the introduction, and HOPWA and CDBG are included in the discussion below.

HOME Serves Special Needs

Programs designed to target assistance to special needs populations may include the elderly, frail elderly, persons with disabilities, persons with alcohol or other drug addiction, persons living with HIV/AIDS (PLWHA), persons with Violence Against Woman Act ("VAWA") protections (e.g., domestic violence, dating violence, sexual assault, or stalking), colonia residents, farmworkers, homeless populations, veterans, wounded warriors (as defined by the Caring for Wounded Warriors Act of 2008), and public housing residents. Preferences may also include programs designed to assist veterans, households with a member who is pregnant, households with a member entering an institution of higher learning provided the household does not consist of an individual that is not eligible to receive Section 8 assistance on the basis of their student status, disaster victims, refugees or families of refugees, persons transitioning out of incarceration, and persons transitioning out of foster homes and nursing facilities.

For Administrators who have programs that are designed to limit assistance to certain populations, TDHCA will only approve program designs that limit assistance to households that include a member within the following populations: PLWHA, mental illness, alcohol or other drug addiction, or households that would qualify under the TDHCA's Project Access program as defined in 10 TAC §5.801. Otherwise, Administrators may only give preference to populations described in the special needs section.

TDHCA may also consider permitting rental housing owners to give a preference or limitation as indicated in this section and may allow a preference or limitation that is not described in this section, provided that another federal or state funding source for the rental housing requires a limitation or preference.

ESG Serves Special Needs

ESG does not have funding allocation priorities for special needs populations. However, in recent years the ESG Notice of Funding Availability ("NOFA") application scoring process provided up to 4% of the points eligible to be awarded for applicants proposing to serve persons with higher barriers (e.g., persons with serious mental illness, or persons recently released from an institution, or persons with substance-use disorder). The State ESG program typically funds a number of programs serving victims of domestic violence because those applications have scored well.

Funding Allocation Priorities

	Homeless Goals (%)	Construction of single family housing (%)	Rehabilitation of single family housing (%)	Homebuyer assistance with possible rehabilitation (%)	Tenant-Based Rental Assistance with HOME funding (%)	Households in new/rehabilitated multifamily units (%)	HOPWA Tenant-Based Rental Assistance (%)	HOPWA Short-Term Rent, Mortgage, & Utilities Asst (%)	HOPWA Permanent Housing Placement Assistance (%)	HOPWA-Funded Supportive Services (%)	CDBG Other Construction (%)
CDBG	0	0	0	0	0	0	0	0	0	0	66
CDBG Colonias Set-aside	0	0	0	0	0	0	0	0	0	0	0
HOME	0	0	25	17	21	37	0	0	0	0	0

HOPWA	0	0	0	0	0	0	65	17	1	17	0
ESG	100	0	0	0	0	0	0	0	0	0	0

Table 3 – Funding Allocation Priorities

Reason for Allocation Priorities

HOME Allocation Priorities

TDHCA prioritizes HOME funding for multifamily, single-family, and Set-Aside activities. Multifamily activities were historically allocated a higher percent of funds to address the priority needs of Rental Assistance and Production of New Units, promote tax credit leveraging, and because they account for a large portion of HOME's program income. However, TDHCA now has access to TCAP Loan Repayments, so the priorities will continue to have funds directed toward them, while reducing the allocation of HOME funds directed towards single family activities.

Although the 2015 HOME allocation to TDHCA was reduced from 2014 funding levels, funding for single family activities actually increased overall as TDHCA begins to access TCAP loan repayments for multifamily activities. Funding for single family activities will be awarded based on TDHCA's Regional Allocation Formula, with residual funding available through the Reservation System, allowing local administrators to prioritize single family activities on a household-by-household basis for:

- Homebuyer Assistance, (including contract-for-deed conversions) which addresses Acquisition of Existing Units and Rehabilitation of Existing Units priority needs;
- Homeowner Rehabilitation Assistance, which addresses Rehabilitation of Existing Units priority need; and
- TBRA, which addresses Rental Assistance priority need.

These priorities are a result of the consolidated planning process and public input.

ESG Allocation Priorities

ESG does not have allocation priorities for priority needs. ESG funds can be utilized for all eligible purposes within limitations set by ESG regulations and guided by local Continuum of Care ("CoC") direction, including:

- Homeless outreach;
- Emergency shelter and transitional housing;
- Rapid Re-housing; and
- Homelessness prevention.

HOPWA Allocation Priorities

HOPWA provides the following activities in line with priority needs:

- TBRA, which addresses Rental Assistance priority needs;
- STRMU, which addresses Homelessness Prevention priority needs;
- Supportive Services Program, which addresses Supportive Services for PLWHA priority needs; and
- PHP, which addresses Homelessness Prevention priority needs

HOPWA STRMU and Supportive Services expenditures are usually similar, therefore DSHS initially allocated 17% for each activity, but will reallocate as needed.

CDBG Allocation Priorities

The CDBG Program offers the following activities, which relate to the corresponding priority needs. The majority of CDBG funds are used to meet basic human needs. These projects, in addition to being among the most critical needs in the state, are prioritized locally by regional review committees and local communities. Colonia funding allocation is reflected in "Colonias Set-Aside" column.

- The majority of funds are awarded to address basic human needs, including improvements to water and sewer systems and roads for low and moderate income ("LMI") communities.
- Economic development activities are funded to create and retain jobs primarily for LMI persons.
- Public facilities such as community centers and public safety facilities are less common activities, but are very valuable to LMI communities.

- Colonias SHC activities provide public services and housing funds for colonia residents living along the Texas-Mexico border.

How will the proposed distribution of funds will address the priority needs and specific objectives described in the Consolidated Plan?

The special needs populations for HOME and ESG are described in the Introduction. HOPWA and CDBG discuss special needs populations below.

HOPWA Serves Special Needs

Texas HOPWA serves PLWHA and their family members, all of whom are at or below 80% of the AMI, and most of whom fall into the extremely-low-income category. As previously noted, allocations generally mirror the Ryan White Program allocation formula, which takes into account population of PLWHA, HIV incidence, number of PLWHA accessing Ryan White services, percent of PLWHA eligible for Medicaid and other considerations. The allocations are then adjusted based on unmet need, prior performance and expenditures, geographic-specific data provided by Project Sponsors, and any other relevant factors. After allocations to each HIV Service Delivery Area (HSDA) are determined, it is then up to the Project Sponsor to allocate between activities of TBRA, STRMU, PHP, Supportive Services, and administrative expenses (not to exceed 7% of their allocation) and submit those to their Administrative Agents (AAs) and the Department of State Health Services (DSHS) for approval. Project Sponsors base allocations on many factors, including but not limited to, number of clients projected to continue into the next year, area unmet need, rental costs, prior number of clients served, average expenditures per client, and changes in HIV population living in poverty, etc. Funds are also reallocated during the year within HSDAs under each AA as needed when needs change.

CDBG Serves Special Needs

CDBG provides over 90% of available funds for projects that primarily benefit low-to moderate-income persons through basic infrastructure, housing, job creation and other activities as identified at the local level. Among those projects, CDBG sets aside 12.5% of funds to specifically benefit colonia residents through planning activities, infrastructure and housing construction, self-help center services, construction activities, and public services. Funding for community development projects in colonias and other LMI communities is a critical element in the well-being of these communities.

In 1996, in an effort to place more emphasis on addressing the needs of colonias, the OCI at TDCHA was created and charged with the responsibility of coordinating all TDHCA's and legislative initiatives involving border and colonia issues and managing a portion of TDHCA's existing programs targeted at colonias. The fundamental goal of the OCI is to improve the living conditions and lives of border and colonia residents and to educate the public regarding the services that the Department has to offer. As part of its plan to improve the living conditions in colonias, the OCI offers Border Field Offices. The three OCI Border Field Offices are located in Pharr, Laredo, and El Paso to provide technical assistance to border counties, Colonia SHCs, and Bootstrap Program participants.

AP-30 Methods of Distribution – 91.320(d)&(k)

Introduction:

Given that Texas is the second largest state in the nation by total area, the method of distribution of its funds has to take into account a very large area. To reach many areas of the State, the CPD Programs fund subrecipients to administer the funding. The selection processes for these entities are described below.

Distribution Methods

Table 4 - Distribution Methods by State Program

1	**State Program Name:**	Colonias Set-Aside: Colonia Economically Distressed Areas Program Legislative Set-Aside
	Funding Sources:	CDBG CDBG Colonias Set-aside
	Describe the state program addressed by the Method of Distribution.	Colonia Economically Distressed Areas Program ("CEDAP") Legislative Set-Aside fund provides funding to eligible cities and counties to assist colonia residents that cannot afford the cost of service lines, service connections, and plumbing improvements associated with being connected to a TWDB Economically Distressed Area Program or similar water or sewer system improvement project.

	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	The TDA will evaluate the following factors prior to awarding CEDAP funds: • The proposed use of the CDBG funds including the eligibility of the proposed activities and the effective use of the funds to provide water or sewer connections/yard lines to water/sewer systems funded through Economically Distressed Area Program or similar program; • The ability of the applicant to utilize the grant funds in a timely manner; • The availability of funds to the applicant for project financing from other sources; • The applicant's past performance on previously awarded CDBG contracts; • Cost per beneficiary; and • Proximity of project site to entitlement cities or metropolitan statistical areas ("MSAs").
	If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)	Guidelines, applications and additional program documentation can be found on TDA's website at www.texasagriculture.gov.

	Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)	
	Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)	

OMB Control No: 2506-0117 (exp. 07/31/2015)

	Describe how resources will be allocated among funding categories.	The allocation is distributed on an as-needed basis.
	Describe threshold factors and grant size limits.	Maximum $500,000/Minimum $75,000
	What are the outcome measures expected as a result of the method of distribution?	Activities Benefiting LMI Persons
2	**State Program Name:**	Colonias Set-Aside: Colonia Planning and Construction Funds

	Funding Sources:	CDBG CDBG Colonias Set-aside
	Describe the state program addressed by the Method of Distribution.	The Colonia Planning Fund ("CPF") funds planning activities that either targets a specific colonia(s) (Colonia Area Planning) or that provides a countywide comprehensive plan (Colonia Comprehensive Planning). In order to qualify for the Colonia Area Planning activities, the county applicant must have completed a Colonia Comprehensive Plan that prioritizes problems and colonias for future action. The targeted colonia must be included in the Colonia Comprehensive Plan. The goal of the Colonia Fund Construction ("CFC") fund is to develop viable communities by providing decent housing, viable public infrastructure, and a suitable living environment, principally for persons residing within a community or area that meets the definition of a colonia. An eligible county applicant may submit an application for the following eligible construction activities: Assessments for Public Improvements - The payment of assessments (including any charge made as a condition of obtaining access) levied against properties owned and occupied by persons of low and moderate income to recover the capital cost for a public improvement. Other Improvements - Other activities eligible under 42 USC Section 5305 designed to meet the needs of colonia residents.

OMB Control No: 2506-0117 (exp. 07/31/2015)

	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	Colonia Fund: Construction. The selection criteria for the Colonia Fund: Construction will focus upon the following factors: community distress; percentage of people living in poverty; per capita income; percentage of housing units without complete plumbing; unemployment rate; benefit to LMI persons; project priorities; project design; matching funds; and past performance. Colonia Fund: Planning (Area). The selection criteria for the Colonia Fund: Planning will focus upon the following factors: community distress; percentage of people living in poverty; per capita income; percentage of housing units without complete plumbing; unemployment rate; project design; the severity of need within the colonia area(s) and how clearly the proposed planning effort will remove barriers to the provision of public facilities to the colonia area(s) and result in the development of an implementable strategy to resolve the identified needs; the planning activities proposed in the application; whether each proposed planning activity will be conducted on a colonia-wide basis; the extent to which any previous planning efforts for colonia area(s) have been accomplished; the CDBG cost per LMI beneficiary; the availability of funds to the applicant for project financing from other sources; the applicant's past performance on previously awarded CDBG contracts; benefit to LMI persons; and matching funds. Colonia Fund: Planning (Comprehensive). The selection criteria for the Colonia Fund: Planning will focus upon the following factors: community distress; percentage of people living in poverty; per capita income; percentage of housing units without complete plumbing; unemployment rate; project design; the severity of need for the comprehensive colonia planning effort and how effectively the proposed comprehensive planning effort will result in a useful assessment of colonia populations, locations, infrastructure conditions, housing conditions, and the development of short-term and long term strategies to resolve the identified needs; the extent to which any previous planning efforts for colonia area(s) have been accomplished; whether the applicant has provided any local matching funds for the planning or preliminary engineering activities; the applicant's past performance on previously awarded CDBG contracts; and award history (an applicant that has previously received a CDBG comprehensive planning award would receive lower priority for funding).

	If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)	Guidelines, applications and additional program documentation can be found on TDA's website at www.texasagriculture.gov.
	Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)	
	Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)	

	Describe how resources will be allocated among funding categories.	The State CDBG allocation 6.75% (approximately) is allocated to the Colonia Fund. Of the yearly CDBG allocation to the Colonia Construction and Planning Fund, 97.5% (approximately) of those funds are to award grants through the CFC and 2.5% (approximately) are to award grants through the CFP. Subsequent to awarding funds, any portion of the CFC allocation that is unable to be awarded (i.e., fund an application in the minimum amount of $75,000, etc.) may be used to fund additional eligible CFP applications, and conversely, any portion of the CFP allocation that is unable to be awarded may be used to fund additional eligible CFC applications.
	Describe threshold factors and grant size limits.	CFP Maximum $100,000/Minimum $0 CFC Maximum $500,000/Minimum $75,000
	What are the outcome measures expected as a result of the method of distribution?	Activities Benefiting LMI Persons
3	**State Program Name:**	Colonias Set-Aside: Colonia SHC Legislative Set-Aside

	Funding Sources:	CDBG CDBG Colonias Set-aside
	Describe the state program addressed by the Method of Distribution.	Administered by TDHCA and funded through CDBG, the Colonia SHC Program serves colonias along the Texas-Mexico border. Colonia SHCs provide concentrated on-site technical assistance to low- and very low-income individuals and families in a variety of ways including housing, community development activities, infrastructure improvements, outreach and education. Key services include: housing rehabilitation; new construction; surveying and platting; construction skills training; tool library access for self-help construction; housing finance; credit and debt counseling; grant writing; infrastructure construction and access; contract-for-deed conversions; and capital access for mortgages.
	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	Approximately 42,000 residents live in the targeted colonias served by the colonia SHC Program. The SHCs process applications from income eligible households on a first come, first served basis. Eligible households must reside in one of the targeted colonias, which have been preselected by each recipient and county and confirmed by C-RAC. Households must earn less than 80% of AMI.

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	If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)	Colonia SHCs are limited statutorily and serve seven targeted colonias within their associated participating county. The SHCs and TDHCA's Border Field Offices both conduct outreach activities throughout the contract period to inform colonia residents of program benefits and eligibility criteria and to provide application assistance.
	Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)	
	Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)	

	Describe how resources will be allocated among funding categories.	Of the State CDBG allocation, 2.5% (approximately) is allocated to this fund. Counties that are statutorily designated to participate in the Colonia SHC Program propose which target colonias should receive concentrated attention and through what scope of program activities and funding. Each SHC designs a proposal unique to the needs of a specific community and based on a needs assessment. After a C-RAC, composed of residents from previously participating colonias, reviews and approves the proposals from the counties, the proposals are then reviewed and approved by the TDHCA's Board of Directors for implementation. Resources are allocated based on analysis and input from each community.
	Describe threshold factors and grant size limits.	Maximum $1,000,000/Minimum $500,000 For the colonia SHC, program rules limit the assistance to up to $1,000,000 per colonia SHC per contract period. Each program activity, such as new construction, rehabilitation, and small repairs for housing, for example, are limited to specific dollar amounts.
	What are the outcome measures expected as a result of the method of distribution?	For the Colonia SHC Program, outcomes include: colonia residents assisted, housing units assisted or created, instances of technical assistance provided, and instances of information delivered. In general, this is Activities Benefiting LMI Persons.
4	**State Program Name:**	Colonias Set-Aside: Colonias to Cities Initiative Program

	Funding Sources:	CDBG CDBG Colonias Set-aside
	Describe the state program addressed by the Method of Distribution.	The Colonia to Cities Initiative provides funding for basic infrastructure considered necessary for a colonia area to be annexed by an adjoining city. Priority is given to colonias that have received prior CDBG funding. Both the county and city must submit a multi-jurisdictional pre-application for the project that includes a resolution from each jurisdiction. The city's resolution must include a firm commitment to annex the colonia upon completion of the project. Failure to annex the colonia may result in a requirement to repay the CDBG funding to TDA. The maximum amount provided would be $500,000. (The Colonia Construction component scoring would be used to prioritize funding if needed. CDBG may establish other criteria in the application guidelines.)
	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	

	If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)	Eligible applicants will be notified if funds become available.
	Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)	
	Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)	

	Describe how resources will be allocated among funding categories.	If there are an insufficient number of projects ready for CEDAP funding, the CEDAP funds may be transferred to the Colonias to Cities Initiative.
	Describe threshold factors and grant size limits.	Minimum $0/Maximum $500,000
	What are the outcome measures expected as a result of the method of distribution?	Activities Benefiting LMI Persons
5	**State Program Name:**	Community Development Fund

	Funding Sources:	CDBG
	Describe the state program addressed by the Method of Distribution.	The Community Development ("CD") Fund is available on a biennial basis through a competition in each of the State's 24 planning regions. The goal of the CD Fund is to develop viable communities by providing decent housing, viable public infrastructure, and a suitable living environment, principally for persons of low to moderate income. Applicants are encouraged to provide for infrastructure and housing activities that will improve opportunities for LMI persons. When considering and designing projects, applicants must continue to consider project activities that will affirmatively further fair housing, which includes project activities that provide basic infrastructure (such as water, sewer, and roads) that will benefit residential housing and other housing activities.

	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	CD applicants are scored using a shared system with 90% of the scoring criteria established by Regional Review Committees ("RRC") and 10% established by the state's scoring criteria. There is a Regional Review Committee in each of the 24 State planning regions. Each RRC will be comprised of 12 members appointed at the pleasure of the Texas Commissioner of Agriculture. A quorum of seven members is required for all public hearings. Each RRC is responsible for determining local project priorities and objective scoring criteria for its region for the CD Fund in accordance with the requirements in this Action Plan. Additionally, the RRC shall establish the numerical value of the points assigned to each scoring factor and determine the total combined points for all RRC scoring criteria. The Regional Review Committees are responsible for convening public hearings to discuss and select the objective scoring criteria that will be used to score and rank applications at the regional level. The public must be given an opportunity to comment on the priorities and the scoring criteria considered. The final selection of the scoring criteria is the responsibility of each RRC and must be consistent with the requirements in this Action Plan. The RRC may not adopt scoring factors that directly negate or offset the State's scoring factors. Each RRC shall develop a RRC Guidebook, in the format provided by TDA, to notify eligible applicants of the objective scoring criteria and other RRC procedures for the region. The Guidebook must be submitted to TDA and approved at least ninety days prior to the application deadline. The state scoring will be based on the following: 1. Past selection - 4% of Maximum Possible RRC Score for each region. 2. Past Performance- 4% of Maximum Possible RRC Score for each region. 3. All project activities within the application would provide basic infrastructure or housing activities - 2% of Maximum Possible RRC Score for each region. (Basic infrastructure - the basic physical shared facilities serving a community's population consisting of water, sewage, roads and flood drainage. Housing activities - as defined in 24 Code of Federal Regulations ("CFR") Part 570.)

	If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)	Guidelines, applications and additional program documentation can be found on TDA's website at www.texasagriculture.gov.
	Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)	
	Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)	

	Describe how resources will be allocated among funding categories.	61.71% (approximately) of the State CDBG allocation is allocated to this fund.
	Describe threshold factors and grant size limits.	Minimum $75,000/Maximum $800,000, regions may establish additional grant amount limits.
	What are the outcome measures expected as a result of the method of distribution?	Activities Benefiting LMI Persons
6	**State Program Name:**	Community Enhancement Fund

OMB Control No: 2506-0117 (exp. 07/31/2015)

	Funding Sources:	CDBG
	Describe the state program addressed by the Method of Distribution.	The Community Enhancement Fund provides a source of funds (when available) not available through other CDBG programs to stimulate a community's economic development efforts and improve self-sufficiency. The project must have the potential to benefit all citizens within a jurisdiction. The community project must provide a benefit that will enhance the overall quality of life in the rural community.
	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	The selection criteria for the Community Enhancement Fund will focus on the following factors: a. LMI percentage of the applicant; b. Partnerships; c. Multi-Purpose Facility or Public Safety Equipment; d. Sustainability; and e. Match.
	If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)	Guidelines, applications and additional program documentation can be found on TDA's website at www.texasagriculture.gov.

	Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)	
	Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)	

	Describe how resources will be allocated among funding categories.	The amount for this funding category may be adjusted during the 2015 PY as needed.
	Describe threshold factors and grant size limits.	Minimum $50,000/Maximum $350,000
	What are the outcome measures expected as a result of the method of distribution?	Activities Benefiting LMI Persons
7	**State Program Name:**	Disaster Relief Funds

	Funding Sources:	CDBG
	Describe the state program addressed by the Method of Distribution.	DR Fund assistance is available as needed for eligible activities in relief of disaster situations where either a state or federal disaster declaration has been issued. Priority for the use of these funds is for repair and restoration activities that meet basic human needs (such as water and sewer facilities, housing, and roads), with the only exception of new facilities to improve water supply under a Disaster Declaration for Drought. An applicant may not receive funding to construct public facilities that did not exist prior to the occurrence of the disaster, except in response to a Governor's drought disaster declaration covering the area that would benefit from the project activities, subject to the conditions set forth in Title 4, Part 1, Chapter 30, Subchapter A of the Texas Administrative Code.

	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	To qualify for the DR Fund: a. The situation addressed by the applicant must be both unanticipated and beyond the control of the local government. b. The problem being addressed must be of recent origin. For DR Fund assistance, this means that the application for assistance must be submitted no later than 12 months from the date of the state or federal disaster declaration. c. Funds will not be provided under Federal Emergency Management Agency's ("FEMA's") Hazard Mitigation Grant Program for buyout projects unless TDA receives satisfactory evidence that the property to be purchased was not constructed or purchased by the current owner after the property site location was officially mapped and included in a designated flood plain area. d. Each applicant must demonstrate that adequate local funds are not available, i.e., the entity has less than six months of unencumbered general operations funds available in its balance as evidenced by the last available audit required by state statute, or funds from other state or federal sources are not available to completely address the problem. e. TDA may consider whether funds under an existing CDBG contract are available to be reallocated to address the situation. f. The distribution of these funds will be coordinated with other state agencies.
	If only summary criteria were described, how can potential applicants access application manuals or other **state publications describing the application criteria? (CDBG only)**	Guidelines, applications and additional program documentation can be found on TDA's website at www.texasagriculture.gov.

OMB Control No: 2506-0117 (exp. 07/31/2015)

	Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)	
	Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)	

OMB Control No: 2506-0117 (exp. 07/31/2015)

	Describe how resources will be allocated among funding categories.	4.10% (approximately) of the State CDBG allocation is allocated to the DR Fund.
	Describe threshold factors and grant size limits.	Maximum $350,000/Minimum $50,000
	What are the outcome measures expected as a result of the method of distribution?	Meet other community development needs of particular urgency which represent an immediate threat to the health and safety of residents of the community.
8	**State Program Name:**	General HOME Funds for Single-Family Activities

	Funding Sources:	HOME
	Describe the state program addressed by the Method of Distribution.	TDHCA awards single-family activity funds as grants and loans through a network of local administrators for Homeowner Rehabilitation, Homebuyer Assistance, and TBRA. Assistance length and term depends on the type of activity. The funds are initially made available on a regional basis, then later remaining funds are made available statewide on a first-come, first-served Reservation System, a contract-based system or some combination of these two methods. The method will be described in NOFAs and is informed by needs analysis, oversubscription for the activities, and public input.
	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	Applicants must comply with requirements stated in NOFAs, the Single-Family Programs Umbrella Rule, and State HOME Program Rules in effect at the time they receive their award.
	If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)	

	Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)	
	Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)	

	Describe how resources will be allocated among funding categories.	TDHCA announces the annual allocation of HOME Single-Family funds through a NOFA and specifies that the funds will initially be made available using a Regional Allocation Formula ("RAF") which divides funds among 26 sub-regions as required by state statute. The allocation method is developed based on a formula which considers need and funding availability and is typically for a period of 3 months. Following the release of the annual allocation through the RAF, TDHCA periodically adds HOME program income and deobligated funds to the funds available via the Reservation System and either allocates a specific amount of funds per activity based on funding priorities or may allow HOME administrator's requests for funding through the system determine how the funds are finally allocated among fund categories. Beginning in PY 2015, TDHCA may specify the maximum amount of funds that will be released for each activity type and may allocate funds via a first come, first served Reservation System or alternate method based on public comment.
	Describe threshold factors and grant size limits.	Applicants must comply with requirements stated in the HOME NOFA and State HOME Program Rules in effect the year they receive their award. These sources provide threshold limits and grant size limits per activity type.
	What are the outcome measures expected as a result of the method of distribution?	Assistance to LMI households.

9		
	State Program Name:	HOME Multifamily Development
	Funding Sources:	HOME
	Describe the state program addressed by the Method of Distribution.	The HOME Multifamily Development Program awards loans to for-profit and nonprofit multifamily developers to construct and rehabilitate affordable rental housing. These loans typically carry a 0% to 5% interest rate and have terms ranging from 15 years to 40 years. The vast majority of the loans are made in conjunction with awards of 4% or 9% HTCs.
	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	TDHCA's Uniform Multifamily Rules set forth a minimum set of requirements that document a project owner's readiness to proceed with the development as evidenced by site control, notification of local officials, the availability of permanent financing, appropriate zoning for the site, and a market and environmental study. Additionally, the development must be near certain community assets such as a bank, pharmacy, or medical office and have certain unit amenities and common amenities. HOME Multifamily Development Program funds are typically awarded on a first-come, first-served basis, as long as the criteria above are met. For HOME Multifamily Development applications layered with 9% HTCs, the highest scoring applications in the 9% cycle that also request HOME funds take priority over lower scoring HOME Multifamily Development applications that may have been received earlier.
	If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)	

	Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)	
	Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)	

	Describe how resources will be allocated among funding categories.	Typically, of the HOME Multifamily Funds, 85% is available for general activities and 15% for CHDO. However, the HOME Multifamily Development Program may make funds available annually under the General, Persons With Disabilities, and CHDO Set-Asides.
	Describe threshold factors and grant size limits.	TDHCA's Uniform Multifamily Rules set forth a minimum set of requirements that document a project owner's readiness to proceed with the development as evidenced by site control, notification of local officials, the availability of permanent financing, experience of the developer, appropriate zoning for the site, and a market and environmental study. Additionally, the development must be near certain community assets such as a bank, pharmacy, or medical office and have certain unit amenities and common amenities. Awards of HOME Multifamily Development Program funds range from approximately $300,000 to $3 million per application in the form of a loan.
	What are the outcome measures expected as a result of the method of distribution?	Assistance to LMI households.
10	**State Program Name:**	Planning/Capacity Building Fund

	Funding Sources:	CDBG
	Describe the state program addressed by the Method of Distribution.	The Planning/Capacity Building ("PCB") Fund is available to assist eligible cities and counties in conducting planning activities that assess local needs, develop strategies to address local needs, build or improve local capacity, or that include other needed planning elements (including telecommunications and broadband needs).
	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	The selection criteria for the PCB Fund will focus upon the following factors: a. Community Distress; a. Percentage of persons living in poverty; b. Per capita income; c. Unemployment rate; b. Benefit to LMI Persons; c. Project Design; d. Program Priority; e. Base Match; f. Area-wide Proposals; and g. Planning Strategy and Products.
	If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)	Guidelines, applications and additional program documentation can be found on TDA's website at www.texasagriculture.gov.

	Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)	
	Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)	

	Describe how resources will be allocated among funding categories.	1.0% (approximately) of the State CDBG allocation is allocated to this fund.
	Describe threshold factors and grant size limits.	Minimum $0/Maximum $55,000
	What are the outcome measures expected as a result of the method of distribution?	Activities Benefiting LMI Persons
11	**State Program Name:**	State Mandated Contract for Deed Conversion Set-Aside

	Funding Sources:	HOME
	Describe the state program addressed by the Method of Distribution.	The 81st Legislature passed Appropriations Rider 6 to TDHCA's appropriation pattern, which requires TDHCA to spend no less than $4 million for the biennium on contract for deed conversions for families that reside in a colonia and earn 60% or less of the applicable AMI. Furthermore, TDHCA is targeted to convert no less than 200 contracts for deed into traditional notes and deeds of trust by August 31, 2015. The intent of this program is to help colonia residents become property owners by converting their contracts for deed into traditional mortgages. Households served under this initiative must not earn more than 60% of the Area Median Family Income ("AMFI") and the home converted must be their primary residence.
	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	Administrators must meet HOME Program threshold requirements to access funding. Funding is made available to contract for deed administrators on a first-come, first-served basis, in addition to threshold requirements outlined in the State HOME Program Rule, through the Reservation System.

	If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)	
	Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)	
	Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)	

	Describe how resources will be allocated among funding categories.	TDHCA sets aside $2,000,000 for contract for deed conversion activities annually and releases the funds through the reservation system as a method of distribution.
	Describe threshold factors and grant size limits.	Applicants must meet the thresholds provided in the NOFA and State HOME Program Rules in effect the year in which they receive their award. Administrators are not awarded a grant following a successful application. Rather funds are awarded on a household by household basis.
	What are the outcome measures expected as a result of the method of distribution?	Assistance to households with incomes at or below 60% AMFI.
12	**State Program Name:**	TCF Main Street Program

	Funding Sources:	CDBG
	Describe the state program addressed by the Method of Distribution.	The TCF Main Street Program provides eligible Texas Main Street communities with grants to expand or enhance public infrastructure in historic main street areas.
	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	The selection criteria for the TCF Main Street Program will focus upon the following factors: a. Applicant Need criteria, including poverty rate, median income, unemployment rate, and community need; b. Project criteria, including leverage, economic development consideration, sidewalks projects and Americans with Disabilities Act ("ADA") compliance, broad-based public support, emphasis on benefit to LMI persons, and grant application training; and c. Main Street program criteria, including National Main Street program recognition, Main Street program participation, historic preservation ethic impact.
	If only summary criteria were described, how can potential applicants access application manuals or other **state publications describing the application criteria? (CDBG only)**	Guidelines, applications and additional program documentation can be found on TDA's website at www.texasagriculture.gov.

	Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)	
	Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)	

	Describe how resources will be allocated among funding categories.	6% of the total TCF allocation up to a maximum amount of $600,000.
	Describe threshold factors and grant size limits.	Maximum $150,000/Minimum $50,000
	What are the outcome measures expected as a result of the method of distribution?	Eliminate or prevent slum and blight conditions.
13	**State Program Name:**	TCF Real Estate and Infrastructure Development Programs

	Funding Sources:	CDBG
	Describe the state program addressed by the Method of Distribution.	The TCF Real Estate and Infrastructure Development Programs provides grants and/or loans for Real Estate and Infrastructure Development to create or retain permanent jobs in primarily rural communities and counties.
	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	The selection criteria for the TCF Real Estate and Infrastructure Development will focus upon the following factors: a. Job creation criteria: i. Cost-per-job, ii. Job impact, iii. Wage impact, and iv. Primary jobs created/retained; b. Unemployment rate; and c. Return on Investment. Once applications are evaluated and determined to be in the funding range the projects will be reviewed upon the following additional factors: a. History of the applicant community in the program; b. Strength of the business or marketing plan; c. Evaluation of the business and the business' principal owners credit; d. Evaluation of community and business need; and e. Justification of minimum necessary improvements to serve the project.

	If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)	Guidelines, applications and additional program documentation can be found on TDA's website at www.texasagriculture.gov.
	Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)	
	Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)	

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	Describe how resources will be allocated among funding categories.	14.51% (approximately) of the State CDBG allocation is allocated to the Real Estate and Infrastructure Development Programs minus the lessor of 18% or $1,800,000 of the total TCF allocation.
	Describe threshold factors and grant size limits.	Maximum $1,500,000/Minimum $150,000
	What are the outcome measures expected as a result of the method of distribution?	Activities Benefiting LMI Persons
14	**State Program Name:**	Texas Capital Fund Downtown Revitalization Program

	Funding Sources:	CDBG
	Describe the state program addressed by the Method of Distribution.	The Texas Capital Fund ("TCF") Downtown Revitalization Program awards grant funds for public infrastructure to foster and stimulate economic development in rural downtown areas.
	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	The selection criteria for the TCF Downtown Revitalization Program will focus upon the following factors: a. Applicant Need criteria, including poverty rate, median income, unemployment rate, and community need; b. Project criteria, including leverage, economic development consideration, sidewalks projects, and ADA compliance, broad-based public support, emphasis on benefit to LMI persons, and grant application training; and c. Past Performance.
	If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)	Guidelines, applications and additional program documentation can be found on TDA's website at www.texasagriculture.gov.

	Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)	
	Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)	

	Describe how resources will be allocated among funding categories.	12% of the total TCF allocation up to a maximum of amount $1,200,000.
	Describe threshold factors and grant size limits.	Maximum $150,000/Minimum $50,000
	What are the outcome measures expected as a result of the method of distribution?	Eliminate or prevent slum and blight conditions.
15	**State Program Name:**	Texas ESG Program

	Funding Sources:	ESG
	Describe the state program addressed by the Method of Distribution.	The ESG Program is currently a competitive grant that awards funds to private nonprofit organizations, cities, and counties in the State of Texas to provide the services necessary to help persons that are at-risk of homelessness or homeless quickly regain stability in permanent housing. During the next several years, TDHCA is working toward a plan that will provide funds directly to Texas CoCs, giving them more local control of the use of funds in their service areas.
	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	In the competitive process, applications are selected based on: • Proposed Budget, Outcomes, and Match (30%); • Organizational Capacity & Project Design (30%); • Past Performance in Homeless Program Delivery (25%); • CoC Participation and Coordination (15%); • Financial Information (negative scores only); • Past Performance of Subrecipients in ESG Expenditure and Reporting (negative scores only); and • Other Deductions: (audit findings, etc; negative scores only). When released via CoCs, the allocation amounts will be established by formula, and the CoCs will in turn use distribution models locally that will be approved by TDHCA.
	If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)	

	Describe the process for awarding funds to state recipients and how the state will make its allocation available **to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)**	For the competitive process, Texas releases a NOFA each spring in anticipation of receiving ESG funding. Applications are accepted for generally a 30-day period. Applications are scored and ranked within their CoC regions. CoC regions are funded according to the combination of the region's proportionate share of the state's total homeless population, based on the most recent Point-in-Time count submitted to HUD by the CoCs, and the region's proportionate share of people living in poverty, based on the most recent 5-year American Community Survey poverty data published by the Census Bureau. For the purposes of distributing funds, the percentage of statewide homeless population is weighted at 75% while the percentage of statewide population in poverty is weighted at 25%. This formula will be used when funding CoCs directly. Eligible applicant organizations are Units of General Purpose Local Government, including cities, counties and metropolitan cities, and urban counties that receive ESG funds directly from HUD. Governmental organizations such as Councils of Governments ("COGs"), LMHAs, and Public Housing Authorities ("PHAs") are not eligible and cannot apply directly for ESG funds; however COGs, LMHAs, and PHAs may serve as a partner in a collaborative Application but may not be the lead entity. These same criteria will apply to those entities with awards coming directly from the CoCs as well. Eligible applicant organizations include private nonprofit organizations that are secular or religious organizations described in section 501(c) of the Internal Revenue Code of 1986, are exempt from taxation under subtitle A of the Code, have an acceptable accounting system and a voluntary board, and practice non-discrimination in the provision of assistance. Faith-based organizations receiving ESG funds, like all organizations receiving HUD funds, must serve all eligible beneficiaries without regard to religion.

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	Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)	
	Describe how resources will be allocated among funding categories.	ESG funds may be used for six program components: street outreach, emergency shelter, homelessness prevention, rapid re-housing assistance, and HMIS, as well as administrative activities. Per 24 CFR §576.100(b), the total amount of an Applicant's budget for street outreach and emergency shelter cannot exceed 60% of their total requested amount. Within a collaborative Application, the 60% limit applies to the entire Application and not to each partner within the collaborative Application. This requirement will also apply in the direct CoC funding method.

	Describe threshold factors and grant size limits.	Pre-screening requirements that may limit grant size or make an application ineligible for funding: • Submitting any of the application threshold documents (all of the documents that are part of the scoring criteria or rating factors) after the application deadline; • Failing to submit the application documents through the electronic submission process specified in the NOFA; • For entities that received prior-year ESG funds, having final expenditure rates below 50% of the award allocation; and/or • An applicant or collaborative partner being legally ineligible to be awarded in ESG funding for reasons including to but not limited to debarment or not being an eligible lead entity. Threshold documents include • Proposed budget, outcomes, and match; • Organizational capacity and project design; • Past performance on Homeless Program Delivery; • Certificate of CoC participation and coordination; and • Financial information (audit). Within each CoC region, applicants may request no less than $125,000 unless the initial amount available in the region is less than $125,000. In those cases, applicants may request an amount no less than the available allocation for that region. Single applicants may request a maximum of $150,000. For a collaborative application, the maximum request amount is $150,000 times the number of partners in the application, with a maximum request of $600,000. The minimum request for a collaborative application is $125,000, unless the initial amount available in the region is less than $125,000. In those cases the collaborative applicant may request an amount no less than the available allocation for that region. In a collaborative application, each partner is not limited to budgeting $150,000 each; the total grant amount may be budgeted among all partners as agreed upon. These numbers may be adjusted depending on the final allocation from HUD. If funds are being provided directly to CoCs, they will establish these factors and limits with TDHCA approval. They will not necessarily reflect these factors, but will reflect a local decision-making process.

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	What are the outcome measures expected as a result of the method of distribution?	The expected outcome is that funds will be awarded to organizations that have the administrative and performance capacity to provide the services needed in their communities. The expected outcome of TDHCA's plan to fund the CoCs directly is that the same will be accomplished, but with CoC wide planning rather than with only state planning.
16	**State Program Name:**	Texas HOPWA Program
	Funding Sources:	HOPWA
	Describe the state program addressed by the Method of Distribution.	DSHS selects seven AAs across the state through a combination of competitive Requests for Proposal ("RFP") and intergovernmental agency contracts. The AAs act as an administrative arm for DSHS by administering the HOPWA program locally. The AAs do not receive any HOPWA administrative funds from DSHS; all AA administrative costs are leveraged from other funding sources. The AAs, in turn, select HOPWA Project Sponsors to cover all 26 HSDAs through local competitive processes.

	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	Information on grant appliations, available funding opportunities, application criteria, etc. can be found on the DSHS website: http://www.dshs.state.tx.us/fic/default.shtm. Contracting information and resources (i.e., General Provisions, contract requirements, etc.) are located on the DSHS website: http://www.dshs.state.tx.us/contracts/default.shtm. Contracting services for DSHS and other Health agencies are consolidated under the Health and Human Services Commission's Procurement and Contracting Services (PCS) Division. This division handles the solicitation, contract development, contract execution, and office of record for DSHS's contracting needs. Evaluation Criteria as noted in the most recent RFP process for AAs for Ryan White/State Services and HOPWA programs were: Respondent Background = 30%; Assessment Narrative = 15%; Performance Measures = 10%; Work Plan = 35%; and Budget = 10%.
	If only summary criteria were described, how can potential applicants access application manuals or other **state publications describing the application criteria? (CDBG only)**	

	Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)	
	Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)	The AAs select HOPWA Project Sponsors to cover all 26 HSDAs through local competitive processes. Community-based organizations, minority organizations, minority providers, grassroots and faith-based organizations are encouraged to apply. Historically, many of the agencies that have provided services to TDHCA's client population are grassroots, community-based, and minority organizations.

	Describe how resources will be allocated among funding categories.	Texas HOPWA funding allocations are geographically distributed across the state to the 26 HSDAs based on factors such as population of PLWHA and unmet need. Texas HOPWA serves PLWHA and their family members, all of whom are at or below 80% of AMI, and most fall into the extremely low-income category. Allocations generally mirror the Ryan White Program allocation formula, which takes into account population of PLWHA, HIV incidence, number of PLWHA accessing Ryan White services, percent of PLWHA eligible for Medicaid, and other considerations. The allocations are then adjusted based on unmet need, prior performance and expenditures, geographic-specific data provided by Project Sponsors, and any other relevant factors. After allocations to each HSDA are determined, it is then up to the Project Sponsor to allocate between activities of TBRA, STRMU, PHP, Supportive Services, and administrative expenses (not to exceed 7% of their allocation) and submit those to their AA and DSHS for approval. Project Sponsors base allocations on many factors, including but not limited to, number of clients projected to continue into the next year, area unmet need, rental costs, prior number of clients served, average expenditures per client, and changes in HIV population living in poverty, etc. Funds are also reallocated during the year within HSDAs under each AA as needed when needs change.
	Describe threshold factors and grant size limits.	Texas HOPWA serves PLWHA and their family members, all of whom are at or below 80% of AMI. The majority of HOPWA clients are classified as extremely low income, which is between 0% and 30% of AMI.

	What are the outcome measures expected as a result of the method of distribution?	Outcome measures are number of unduplicated income-eligible clients and families living with HIV (households) assisted with each HOPWA service category (TBRA, STRMU, PHP if applicable, and Supportive Services).
17	**State Program Name:**	Texas Small Towns Environment Program Fund
	Funding Sources:	CDBG
	Describe the state program addressed by the Method of Distribution.	The Texas Small Towns Environment Program ("STEP") Fund provides funds to cities and counties that recognize the need and potential to solve water and sewer problems through self-help techniques via local volunteers. By utilizing the resources of the community (human, material, and financial), the necessary construction, engineering, and administration costs can be reduced significantly from the cost for the installation of the same improvements through conventional construction methods. The self-help response to water and sewer needs may not be appropriate in every community. In most cases, the decision by a community to utilize self-help to obtain needed water and sewer facilities is based on the realization of the community that it cannot afford even a basic water or sewer system based on the initial construction costs and the operations/maintenance costs (including debt service costs) for water or sewer facilities installed through conventional financing and construction methods.

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	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	The following are the selection criteria to be used by CDBG staff for the scoring of assessments and applications under the Texas STEP Fund: a. Project Impact b. STEP Characteristics, Merits of the Project, and Local Effort c. Past Participation and Performance d. Percentage of Savings off of the retail price e. Benefit to Low/Moderate-Income Persons
	If only summary criteria were described, how can potential applicants access application manuals or other **state publications describing the application criteria? (CDBG only)**	Guidelines, applications and additional program documentation can be found on TDA's website at www.texasagriculture.gov.

	Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)	
	Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)	

	Describe how resources will be allocated among funding categories.	3.01% (approximately) of the State CDBG allocation is allocated to this fund.
	Describe threshold factors and grant size limits.	Maximum $350,000/Minimum $0
	What are the outcome measures expected as a result of the method of distribution?	Activities Benefiting LMI Persons
18	**State Program Name:**	Urgent Need Fund

OMB Control No: 2506-0117 (exp. 07/31/2015)

	Funding Sources:	CDBG
	Describe the state program addressed by the Method of Distribution.	Urgent Need ("UN") Fund assistance is available for activities that will restore water and/or sewer infrastructure whose sudden failure has resulted in death, illness, injury, or poses an imminent threat to life or health within the affected applicant's jurisdiction. The infrastructure failure must not be the result of a lack of maintenance and must be unforeseeable. An application for UN Fund assistance will not be accepted until discussions between the potential applicant and representatives of TDA, TWDB, and the Texas Commission on Environmental Quality ("TCEQ") have taken place. Through these discussions, a determination shall be made whether the situation meets eligibility requirements and if a potential applicant should be invited to submit an application for the UN Fund. Construction on an UN Fund project must begin within ninety (90) days from the start date of the CDBG contract. TDA may de-obligate the funds under an UN Fund contract if the grantee fails to meet this requirement.

	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	To qualify for the UN Fund: 1. The situation addressed by the applicant must not be related to a proclaimed state or federal disaster declaration. 2. The situation addressed by the applicant must be both unanticipated and beyond the control of the local government (e.g., not for facilities or equipment beyond their normal, useful life span). 3. The problem being addressed must be of recent origin. For UN assistance, this means that the situation first occurred or was first discovered no more than 30 days prior to the date that the potential applicant provides a written request to the TDA for UN assistance. UN funds cannot fund projects to address a situation that has been known for more than 30 days or should have been known would occur based on the applicant's existing system facilities. 4. Each applicant for these funds must demonstrate that local funds or funds from other state or federal sources are not available to completely address the problem. 5. The applicant must provide documentation from an engineer or other qualified professional that the infrastructure failure cannot have resulted from a lack of maintenance or been caused by operator error. 6. UN funds cannot be used to restore infrastructure that has been cited previously for failure to meet minimum state standards. 7. The infrastructure requested by the applicant cannot include back-up or redundant systems. 8. The UN Fund will not finance temporary solutions to the problem or circumstance. 9. TDA may consider whether funds under an existing CDBG contract are available to be reallocated to address the situation, if eligible. 10. The distribution of these funds will be coordinated with other state agencies. Each applicant for UN Funds must provide matching funds. If the applicant's most recent Census population is equal to or fewer than 1,500 persons, the applicant must provide matching funds equal to 10 percent of the CDBG funds requested. If the applicant's most recent Census population is over 1,500 persons, the applicant must provide matching funds equal to 20 percent of the CDBG funds requested. For county applications where the beneficiaries of the water or sewer improvements are located in unincorporated areas, the population category for matching funds is based on the number of project beneficiaries.

	If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)	Guidelines, applications and additional program documentation can be found on TDA's website at www.texasagriculture.gov.
	Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)	
	Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)	

	Describe how resources will be allocated among funding categories.	Deobligated funds up to $1,000,000 are made available for the UN Fund on the first day of a program year. Based on demand for assistance under each UN and DR portion of this fund, UN funds may be allocated for DR projects.
	Describe threshold factors and grant size limits.	Maximum $250,000/Minimum $25,000
	What are the outcome measures expected as a result of the method of distribution?	Meet other community development needs of particular urgency which represent an immediate threat to the health and safety of residents of the community.

ADDITIONAL DETAIL ON METHOD OF DISTRIBUTION 2015 ACTION PLAN - COMMUNITY DEVELOPMENT FUND

Funds for projects under the CD Fund are allocated among the 24 State planning regions based on the following:

The original CD formula is used to allocate 40% of the annual State CDBG allocation.

• Original CD formula (40%) factors:
a. Non-Entitlement Population 30%
b. Number of Persons in Poverty 25%
c. Percentage of Poverty Persons 25%
d. Number of Unemployed Persons 10%
e. Percentage of Unemployed Persons 10%

• To the extent possible, the information used to calculate the regional allocations through these factors will be based on the eligible non-entitlement applicants within each region. The population and poverty information used is from the current available decennial census data. The unemployment information used is the current available annual average information. TDA does not provide priorities for allocation of funds geographically to areas of minority concentration as described in Section 91.320(f).

The HUD formula is used to allocate 21.71% of the annual State CDBG allocation.

• The formula is the same methodology that HUD uses to allocate CDBG funds among the States for use in non-entitlement areas. The HUD factors, percentages, and methodology are specified in 42 USC. §5306(d). TDA will use available data to calculate the allocations to each region.

• Using the HUD methodology, the allocation for each region shall be the greater of an amount that bears the same ratio to the allocation for all 24 regions available as either:

(A) the average of the ratios between:
o the population of the non-entitlement areas in that region and the population of the nonentitlement areas of all 24 regions (counted one time - 25% weight);
o the extent of poverty in the non-entitlement areas in that region and the extent of poverty in the non-entitlement areas of all 24 regions (counted two times - 50% weight); and
o the extent of housing overcrowding in the non-entitlement areas in that region and the extent of housing overcrowding in the non-entitlement areas of all 24 regions (counted one time - 25% weight);

OR

(B) the average of the ratios between:
o the age of housing in the non-entitlement areas in that region and the age of housing in the nonentitlement areas in all 24 regions (counted two and one half times - 50% weight);
o the extent of poverty in the non-entitlement areas in that region and the extent of poverty in the non-entitlement areas of all 24 regions (counted one and one half times - 30% weight); and
o the population of the non-entitlement areas in that region and the population of the nonentitlement areas of all 24 regions (counted one time - 20% weight).

ADDITIONAL DETAIL ON METHOD OF DISTRIBUTION 2015 ACTION PLAN - DEOBLIGATED FUNDS

Deobligated Funds

On the first day of the program year, any unallocated deobligated funds and other available program income (not derived from TCF real estate projects) will be allocated as follows:

1. 20% shall be allocated to the DR Fund;
2. 80% shall be allocated to those fund categories that do not have allocations prescribed by federal or state law.

The allocation shall be based on the pro-rata share of the percentages specified in Section AP-30 of this Action Plan. Allocations to the CD Fund will be distributed to each of the 24 Planning Regions based upon the methodology used in calculating the annual regional allocation. Allocations to regions that either (a) have no eligible applications, or (b) cannot fully fund the next highest ranking applications will be made available to the CD Fund (to other regions with eligible applications) or to the DR Fund.

ADDITIONAL DETAIL ON METHOD OF DISTRIBUTION 2015 ACTION PLAN - UNOBLIGATED FUNDS

Unobligated Funds
For an award that is withdrawn from an applicant, the TDA follows different procedures for the use of those recaptured funds depending on the fund category in which the award is withdrawn.

1. The CD Fund – funds from the withdrawal of an award shall be offered to the next highest ranked applicant from that region that was not recommended to receive an award due to depletion of the region's allocation. A marginal amount may be offered to the next highest ranked applicant as long as the amount of funds still available exceeds the minimum CD Fund grant amount. Any funds remaining from a regional allocation that are not accepted by an applicant, that are not offered to an applicant, or remain due to lack of additional, unfunded applications, may be allocated among regions with eligible, unfunded applications. If unallocated to another region, they are then subject to the procedures used to allocate Deobligated Funds.

2. The PCB Fund – funds from the withdrawal of a PCB award are offered to the next highest ranked applicant that was not recommended to receive an award due to depletion of the fund's annual allocation. A marginal amount may be offered to the next highest ranked applicant as long as the amount of funds still available exceeds the minimum grant amount. Any funds remaining from the allocation that are not accepted by an applicant from the statewide competition or that are not offered to an applicant from the statewide competition may be used for other CDBG fund categories and, if unallocated to another fund, are then subject to the procedures used to allocate Deobligated Funds.

3. The Colonia Funds – funds from the withdrawal of any Colonia Fund award remain available to potential Colonia Fund applicants during that program year. If unallocated within the Colonia Fund, funds then may be used for other CDBG fund categories to fund eligible projects or activities that assist colonia residents. Remaining unallocated funds are then subject to the procedures used to allocate Deobligated Funds.

4. DR/UN Funds - funds from the withdrawal of a DR/UN award remain available to potential DR/UN Fund applicants during that program year. If unallocated within the DR/UN Fund, the funds are subject to the procedures used to allocate Deobligated Funds.

5. The STEP Fund - funds from the withdrawal of a STEP award will be made available in the next round of STEP competition following the withdrawal date in the same program year. If the withdrawn award was made in the last of the two competitions in a program year, the funds would go to the next highest scoring applicant in the same STEP competition. If there are no unfunded STEP applicants, then the funds would be available for other CDBG fund categories. Any unallocated STEP funds are subject to the procedures used to allocate Deobligated Funds.

6. The TCF – funds from the withdrawal of a Main Street or Downtown Revitalization award shall be offered to the next highest ranked application that was not recommended to receive an award due to depletion the program's allocation. Funds from the withdrawal of a Real Estate and Infrastructure award shall be made available in the next monthly round of competition. Any unallocated TCF funds are then subject to the procedures used to allocate Deobligated Funds.

ADDITIONAL DETAIL ON METHOD OF DISTRIBUTION 2015 ACTION PLAN - PROGRAM INCOME

Program Income

Program income is defined as gross income received by a state, a unit of general local government, or a subrecipient of a unit of general local government that was generated from the use of CDBG funds. When program income is generated by an activity that is only partially funded with CDBG funds, the income shall be prorated to reflect the percentage of CDBG funds used. Any remaining program income must be returned to the State.

The State may use up to the maximum allowable percentage of the amount recaptured and reportable to HUD each year for administrative expenses under the CDBG Program. This amount will be matched by the State on a dollar-for-dollar basis.

TCF and Revolving Loan Fund ("RLF") Program Income

Funds retained in any existing local RLF must be committed within three years of the original CDBG contract programmatic close date. At least one eligible loan/award from the local RLF must be made every three years. Every award from the RLF must be used to fund the same type of activity from which such income was derived. A local RLF may retain a cash balance not greater than 33% of its total cash and outstanding loan balance. All activities funded with RLF funds must comply with CDBG regulations and rules and guidelines. If a local government does not comply with the RLF requirements, all program income retained in the local RLF and any future program income received from the proceeds of the RLF must be returned to the State.

To the extent there are eligible applications, program income derived from the TCF real estate projects will be used to fund awards under the TCF. Other available program income shall be allocated based on the methodology used to allocate Deobligated Funds.

Discussion:

The distribution process for 4% HTC Program, 9% HTC Program, HHSP, Housing Trust Fund Program, MMC Program, My First Texas Home Program, NSP PI Program, Section 8 HCV Program, Section 811 PRA Program, and TCAP Loan Repayments can be found in the documents that govern these programs, all available at http://www.tdhca.state.tx.us/. The CDBG Colonia Set-Aside Methods of Distribution will be included in Action Plan Section 48, which is specifically about colonias.

Along with selecting appropriate entities to administer funding, the State must ensure that the funding is appropriately spent. For example, in addition to an outcome measure of the number of clients/households supported with HOPWA housing subsidies assistance, AAs routinely monitor Project Sponsors for compliance and performance. DSHS monitors the AAs and annually compiles AAs' and Project Sponsors program progress reports and reviews cumulative data for number of households assisted compared to goals, expenditures, and stability outcomes of households served. More information on CPD Programs monitoring efforts are described in Strategic Plan Section 80, Monitoring.

AP-35 Projects – (Optional)

Introduction:

At the time of submission of the State of Texas 2015-2019 Consolidated Plan, project information will not have been entered in the Annual Action Plan-35 Projects table. Per Consolidated Plan Guidance Released on February 2014, project-level detail for states is not required because the State does not initiate specific projects or activities.

#	Project Name

Table 5 – Project Information

Describe the reasons for allocation priorities and any obstacles to addressing underserved needs

Because no projects have been entered in this section, this section is not applicable. Allocation priorities are discussed in Action Plan Section 25, which also includes meeting special needs. Actions to meeting underserved needs are found in Action Plan Section 85.

CDBG-DR allocation priorities can be found in the CDBG-DR Action Plan at: http://www.glo.texas.gov/GLO/disaster-recovery/index.html

AP-38 Project Summary

Project Summary Information

AP-40 Section 108 Loan Guarantee – 91.320(k)(1)(ii)

Will the state help non-entitlement units of general local government to apply for Section 108 loan funds?

No

Available Grant Amounts

Not applicable.

Acceptance process of applications

Not applicable.

AP-45 Community Revitalization Strategies – 91.320(k)(1)(ii)

Will the state allow units of general local government to carry out community revitalization strategies?

Yes

State's Process and Criteria for approving local government revitalization strategies

TDA's CDBG program operates four programs that stimulate job creation/retention activities that primarily benefit LMI persons, prevent/eliminate slum and blight conditions, and support community planning efforts.

The **TCF Real Estate and Infrastructure Development Programs** provides grants and/or loans for Real Estate and Infrastructure Development to create or retain permanent jobs in primarily rural communities and counties.

The **Downtown Revitalization Program** is intended to stimulate economic growth through the funding of public infrastructure improvements to aid in the elimination of slum and blight conditions in the historic downtown areas of rural communities. The program is only available to "non-entitlement" city governments. Non-entitlement cities do not receive direct funding from HUD and typically include cities with a population of less than 50,000. Awarded cities receive funds to make public infrastructure improvements in the designated historic, downtown business district. Projects must meet the national objective of aiding in the elimination of slum and/or blighted conditions identified by city resolution. The improvements must directly support the revitalization of the city's designated downtown area.

The **Main Street Development Program** is intended to stimulate economic growth through the funding of public infrastructure improvements to aid in the elimination of slum and blight conditions in the historic downtown areas of rural communities identified by the Texas Historical Commission as a Main Street Community. The program is only available to "non-entitlement" city governments that are also designated as an official Texas Main Street City by the Texas Historical Commission. Non-entitlement cities do not receive direct funding from HUD and typically include cities with a population of less than 50,000. Awarded cities receive funds to make public infrastructure improvements in the designated Main Street business district. Projects must meet the national objective of aiding in the elimination of slum and/or blighted conditions identified by city resolution. The improvements must directly support the revitalization of the city's designated main street area.

The **Planning and Capacity Building Fund** is a competitive grant program for local public facility and housing planning activities. Localities apply for financial assistance to prepare a "comprehensive plan" or any of its components. Typical activities regard topics such as: Base Mapping, Land Use, Housing, Population, Economic Development and/or Tourism, Central Business District, Street Conditions, Thoroughfares, Parks and Recreation, Water Distribution and Supply, Wastewater Collection and

Treatment, Drainage (streets & flood hazard areas), Gas or Electric Systems (if owned by the locality), Community Facilities, Capital Improvements Program, Zoning Ordinance, Subdivision Regulation. Section 105(a) of the Housing and Community Development Act of 1974, as amended, outlines all the generally eligible activities.

AP-48 Method of Distribution for Colonias Set-aside – 91.320(d)&(k)

Introduction:

Distribution Methods

Table 6 - Distribution Methods by State Program for Colonias Set-aside

1	**State Program Name:**	Colonias Set-Aside: Colonia Economically Distressed Areas Program Legislative Set-Aside
	Funding Sources:	CDBG CDBG Colonias Set-aside
	Describe the state program addressed by the Method of Distribution.	Colonia Economically Distressed Areas Program ("CEDAP") Legislative Set-Aside fund provides funding to eligible cities and counties to assist colonia residents that cannot afford the cost of service lines, service connections, and plumbing improvements associated with being connected to a TWDB Economically Distressed Area Program or similar water or sewer system improvement project.
	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	The TDA will evaluate the following factors prior to awarding CEDAP funds: • The proposed use of the CDBG funds including the eligibility of the proposed activities and the effective use of the funds to provide water or sewer connections/yard lines to water/sewer systems funded through Economically Distressed Area Program or similar program; • The ability of the applicant to utilize the grant funds in a timely manner; • The availability of funds to the applicant for project financing from other sources; • The applicant's past performance on previously awarded CDBG contracts; • Cost per beneficiary; and • Proximity of project site to entitlement cities or metropolitan statistical areas (“MSAs”).

	If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)	Guidelines, applications and additional program documentation can be found on TDA's website at www.texasagriculture.gov.
	Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)	
	Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)	

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	Describe how resources will be allocated among funding categories.	The allocation is distributed on an as-needed basis.
	Describe threshold factors and grant size limits.	Maximum $500,000/Minimum $75,000
	What are the outcome measures expected as a result of the method of distribution?	Activities Benefiting LMI Persons
2	**State Program Name:**	Colonias Set-Aside: Colonia Planning and Construction Funds

	Funding Sources:	CDBG CDBG Colonias Set-aside
	Describe the state program addressed by the Method of Distribution.	The Colonia Planning Fund ("CPF") funds planning activities that either targets a specific colonia(s) (Colonia Area Planning) or that provides a countywide comprehensive plan (Colonia Comprehensive Planning). In order to qualify for the Colonia Area Planning activities, the county applicant must have completed a Colonia Comprehensive Plan that prioritizes problems and colonias for future action. The targeted colonia must be included in the Colonia Comprehensive Plan. The goal of the Colonia Fund Construction ("CFC") fund is to develop viable communities by providing decent housing, viable public infrastructure, and a suitable living environment, principally for persons residing within a community or area that meets the definition of a colonia. An eligible county applicant may submit an application for the following eligible construction activities: Assessments for Public Improvements - The payment of assessments (including any charge made as a condition of obtaining access) levied against properties owned and occupied by persons of low and moderate income to recover the capital cost for a public improvement. Other Improvements - Other activities eligible under 42 USC Section 5305 designed to meet the needs of colonia residents.

	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	Colonia Fund: Construction. The selection criteria for the Colonia Fund: Construction will focus upon the following factors: community distress; percentage of people living in poverty; per capita income; percentage of housing units without complete plumbing; unemployment rate; benefit to LMI persons; project priorities; project design; matching funds; and past performance. Colonia Fund: Planning (Area). The selection criteria for the Colonia Fund: Planning will focus upon the following factors: community distress; percentage of people living in poverty; per capita income; percentage of housing units without complete plumbing; unemployment rate; project design; the severity of need within the colonia area(s) and how clearly the proposed planning effort will remove barriers to the provision of public facilities to the colonia area(s) and result in the development of an implementable strategy to resolve the identified needs; the planning activities proposed in the application; whether each proposed planning activity will be conducted on a colonia-wide basis; the extent to which any previous planning efforts for colonia area(s) have been accomplished; the CDBG cost per LMI beneficiary; the availability of funds to the applicant for project financing from other sources; the applicant's past performance on previously awarded CDBG contracts; benefit to LMI persons; and matching funds. Colonia Fund: Planning (Comprehensive). The selection criteria for the Colonia Fund: Planning will focus upon the following factors: community distress; percentage of people living in poverty; per capita income; percentage of housing units without complete plumbing; unemployment rate; project design; the severity of need for the comprehensive colonia planning effort and how effectively the proposed comprehensive planning effort will result in a useful assessment of colonia populations, locations, infrastructure conditions, housing conditions, and the development of short-term and long term strategies to resolve the identified needs; the extent to which any previous planning efforts for colonia area(s) have been accomplished; whether the applicant has provided any local matching funds for the planning or preliminary engineering activities; the applicant's past performance on previously awarded CDBG contracts; and award history (an applicant that has previously received a CDBG comprehensive planning award would receive lower priority for funding).

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	If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)	Guidelines, applications and additional program documentation can be found on TDA's website at www.texasagriculture.gov.
	Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)	
	Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)	

	Describe how resources will be allocated among funding categories.	The State CDBG allocation 6.75% (approximately) is allocated to the Colonia Fund. Of the yearly CDBG allocation to the Colonia Construction and Planning Fund, 97.5% (approximately) of those funds are to award grants through the CFC and 2.5% (approximately) are to award grants through the CFP. Subsequent to awarding funds, any portion of the CFC allocation that is unable to be awarded (i.e., fund an application in the minimum amount of $75,000, etc.) may be used to fund additional eligible CFP applications, and conversely, any portion of the CFP allocation that is unable to be awarded may be used to fund additional eligible CFC applications.
	Describe threshold factors and grant size limits.	CFP Maximum $100,000/Minimum $0 CFC Maximum $500,000/Minimum $75,000
	What are the outcome measures expected as a result of the method of distribution?	Activities Benefiting LMI Persons
3	**State Program Name:**	Colonias Set-Aside: Colonia SHC Legislative Set-Aside

	Funding Sources:	CDBG CDBG Colonias Set-aside
	Describe the state program addressed by the Method of Distribution.	Administered by TDHCA and funded through CDBG, the Colonia SHC Program serves colonias along the Texas-Mexico border. Colonia SHCs provide concentrated on-site technical assistance to low- and very low-income individuals and families in a variety of ways including housing, community development activities, infrastructure improvements, outreach and education. Key services include: housing rehabilitation; new construction; surveying and platting; construction skills training; tool library access for self-help construction; housing finance; credit and debt counseling; grant writing; infrastructure construction and access; contract-for-deed conversions; and capital access for mortgages.
	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	Approximately 42,000 residents live in the targeted colonias served by the colonia SHC Program. The SHCs process applications from income eligible households on a first come, first served basis. Eligible households must reside in one of the targeted colonias, which have been preselected by each recipient and county and confirmed by C-RAC. Households must earn less than 80% of AMI.

	If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)	Colonia SHCs are limited statutorily and serve seven targeted colonias within their associated participating county. The SHCs and TDHCA's Border Field Offices both conduct outreach activities throughout the contract period to inform colonia residents of program benefits and eligibility criteria and to provide application assistance.
	Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)	
	Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)	

	Describe how resources will be allocated among funding categories.	Of the State CDBG allocation, 2.5% (approximately) is allocated to this fund. Counties that are statutorily designated to participate in the Colonia SHC Program propose which target colonias should receive concentrated attention and through what scope of program activities and funding. Each SHC designs a proposal unique to the needs of a specific community and based on a needs assessment. After a C-RAC, composed of residents from previously participating colonias, reviews and approves the proposals from the counties, the proposals are then reviewed and approved by the TDHCA's Board of Directors for implementation. Resources are allocated based on analysis and input from each community.
	Describe threshold factors and grant size limits.	Maximum $1,000,000/Minimum $500,000 For the colonia SHC, program rules limit the assistance to up to $1,000,000 per colonia SHC per contract period. Each program activity, such as new construction, rehabilitation, and small repairs for housing, for example, are limited to specific dollar amounts.
	What are the outcome measures expected as a result of the method of distribution?	For the Colonia SHC Program, outcomes include: colonia residents assisted, housing units assisted or created, instances of technical assistance provided, and instances of information delivered. In general, this is Activities Benefiting LMI Persons.
4	**State Program Name:**	Colonias Set-Aside: Colonias to Cities Initiative Program

	Funding Sources:	CDBG CDBG Colonias Set-aside
	Describe the state program addressed by the Method of Distribution.	The Colonia to Cities Initiative provides funding for basic infrastructure considered necessary for a colonia area to be annexed by an adjoining city. Priority is given to colonias that have received prior CDBG funding. Both the county and city must submit a multi-jurisdictional pre-application for the project that includes a resolution from each jurisdiction. The city's resolution must include a firm commitment to annex the colonia upon completion of the project. Failure to annex the colonia may result in a requirement to repay the CDBG funding to TDA. The maximum amount provided would be $500,000. (The Colonia Construction component scoring would be used to prioritize funding if needed. CDBG may establish other criteria in the application guidelines.)
	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	

	If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)	Eligible applicants will be notified if funds become available.
	Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)	
	Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)	

	Describe how resources will be allocated among funding categories.	If there are an insufficient number of projects ready for CEDAP funding, the CEDAP funds may be transferred to the Colonias to Cities Initiative.
	Describe threshold factors and grant size limits.	Minimum $0/Maximum $500,000
	What are the outcome measures expected as a result of the method of distribution?	Activities Benefiting LMI Persons
5	**State Program Name:**	Community Development Fund

	Funding Sources:	CDBG
	Describe the state program addressed by the Method of Distribution.	The Community Development ("CD") Fund is available on a biennial basis through a competition in each of the State's 24 planning regions. The goal of the CD Fund is to develop viable communities by providing decent housing, viable public infrastructure, and a suitable living environment, principally for persons of low to moderate income. Applicants are encouraged to provide for infrastructure and housing activities that will improve opportunities for LMI persons. When considering and designing projects, applicants must continue to consider project activities that will affirmatively further fair housing, which includes project activities that provide basic infrastructure (such as water, sewer, and roads) that will benefit residential housing and other housing activities.

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	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	CD applicants are scored using a shared system with 90% of the scoring criteria established by Regional Review Committees ("RRC") and 10% established by the state's scoring criteria. There is a Regional Review Committee in each of the 24 State planning regions. Each RRC will be comprised of 12 members appointed at the pleasure of the Texas Commissioner of Agriculture. A quorum of seven members is required for all public hearings. Each RRC is responsible for determining local project priorities and objective scoring criteria for its region for the CD Fund in accordance with the requirements in this Action Plan. Additionally, the RRC shall establish the numerical value of the points assigned to each scoring factor and determine the total combined points for all RRC scoring criteria. The Regional Review Committees are responsible for convening public hearings to discuss and select the objective scoring criteria that will be used to score and rank applications at the regional level. The public must be given an opportunity to comment on the priorities and the scoring criteria considered. The final selection of the scoring criteria is the responsibility of each RRC and must be consistent with the requirements in this Action Plan. The RRC may not adopt scoring factors that directly negate or offset the State's scoring factors. Each RRC shall develop a RRC Guidebook, in the format provided by TDA, to notify eligible applicants of the objective scoring criteria and other RRC procedures for the region. The Guidebook must be submitted to TDA and approved at least ninety days prior to the application deadline. The state scoring will be based on the following: 1. Past selection - 4% of Maximum Possible RRC Score for each region. 2. Past Performance- 4% of Maximum Possible RRC Score for each region. 3. All project activities within the application would provide basic infrastructure or housing activities - 2% of Maximum Possible RRC Score for each region. (Basic infrastructure - the basic physical shared facilities serving a community's population consisting of water, sewage, roads and flood drainage. Housing activities - as defined in 24 Code of Federal Regulations ("CFR") Part 570.)

	If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)	Guidelines, applications and additional program documentation can be found on TDA's website at www.texasagriculture.gov.
	Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)	
	Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)	

	Describe how resources will be allocated among funding categories.	61.71% (approximately) of the State CDBG allocation is allocated to this fund.
	Describe threshold factors and grant size limits.	Minimum $75,000/Maximum $800,000, regions may establish additional grant amount limits.
	What are the outcome measures expected as a result of the method of distribution?	Activities Benefiting LMI Persons
6	**State Program Name:**	Community Enhancement Fund

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	Funding Sources:	CDBG
	Describe the state program addressed by the Method of Distribution.	The Community Enhancement Fund provides a source of funds (when available) not available through other CDBG programs to stimulate a community's economic development efforts and improve self-sufficiency. The project must have the potential to benefit all citizens within a jurisdiction. The community project must provide a benefit that will enhance the overall quality of life in the rural community.
	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	The selection criteria for the Community Enhancement Fund will focus on the following factors: a. LMI percentage of the applicant; b. Partnerships; c. Multi-Purpose Facility or Public Safety Equipment; d. Sustainability; and e. Match.
	If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)	Guidelines, applications and additional program documentation can be found on TDA's website at www.texasagriculture.gov.

	Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)	
	Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)	

	Describe how resources will be allocated among funding categories.	The amount for this funding category may be adjusted during the 2015 PY as needed.
	Describe threshold factors and grant size limits.	Minimum $50,000/Maximum $350,000
	What are the outcome measures expected as a result of the method of distribution?	Activities Benefiting LMI Persons
7	**State Program Name:**	Disaster Relief Funds

	Funding Sources:	CDBG
	Describe the state program addressed by the Method of Distribution.	DR Fund assistance is available as needed for eligible activities in relief of disaster situations where either a state or federal disaster declaration has been issued. Priority for the use of these funds is for repair and restoration activities that meet basic human needs (such as water and sewer facilities, housing, and roads), with the only exception of new facilities to improve water supply under a Disaster Declaration for Drought. An applicant may not receive funding to construct public facilities that did not exist prior to the occurrence of the disaster, except in response to a Governor's drought disaster declaration covering the area that would benefit from the project activities, subject to the conditions set forth in Title 4, Part 1, Chapter 30, Subchapter A of the Texas Administrative Code.

	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	To qualify for the DR Fund: a. The situation addressed by the applicant must be both unanticipated and beyond the control of the local government. b. The problem being addressed must be of recent origin. For DR Fund assistance, this means that the application for assistance must be submitted no later than 12 months from the date of the state or federal disaster declaration. c. Funds will not be provided under Federal Emergency Management Agency's ("FEMA's") Hazard Mitigation Grant Program for buyout projects unless TDA receives satisfactory evidence that the property to be purchased was not constructed or purchased by the current owner after the property site location was officially mapped and included in a designated flood plain area. d. Each applicant must demonstrate that adequate local funds are not available, i.e., the entity has less than six months of unencumbered general operations funds available in its balance as evidenced by the last available audit required by state statute, or funds from other state or federal sources are not available to completely address the problem. e. TDA may consider whether funds under an existing CDBG contract are available to be reallocated to address the situation. f. The distribution of these funds will be coordinated with other state agencies.
	If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)	Guidelines, applications and additional program documentation can be found on TDA's website at www.texasagriculture.gov.

	Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)	
	Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)	

	Describe how resources will be allocated among funding categories.	4.10% (approximately) of the State CDBG allocation is allocated to the DR Fund.
	Describe threshold factors and grant size limits.	Maximum $350,000/Minimum $50,000
	What are the outcome measures expected as a result of the method of distribution?	Meet other community development needs of particular urgency which represent an immediate threat to the health and safety of residents of the community.
8	**State Program Name:**	General HOME Funds for Single-Family Activities

	Funding Sources:	HOME
	Describe the state program addressed by the Method of Distribution.	TDHCA awards single-family activity funds as grants and loans through a network of local administrators for Homeowner Rehabilitation, Homebuyer Assistance, and TBRA. Assistance length and term depends on the type of activity. The funds are initially made available on a regional basis, then later remaining funds are made available statewide on a first-come, first-served Reservation System, a contract-based system or some combination of these two methods. The method will be described in NOFAs and is informed by needs analysis, oversubscription for the activities, and public input.
	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	Applicants must comply with requirements stated in NOFAs, the Single-Family Programs Umbrella Rule, and State HOME Program Rules in effect at the time they receive their award.
	If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)	

	Describe the process for awarding funds to state recipients and how the state will make its allocation available **to units of general local government, and non-profit organizations, including community and faith-based** **organizations. (ESG only)**	
	Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other **community-based organizations). (HOPWA only)**	

	Describe how resources will be allocated among funding categories.	TDHCA announces the annual allocation of HOME Single-Family funds through a NOFA and specifies that the funds will initially be made available using a Regional Allocation Formula ("RAF") which divides funds among 26 sub-regions as required by state statute. The allocation method is developed based on a formula which considers need and funding availability and is typically for a period of 3 months. Following the release of the annual allocation through the RAF, TDHCA periodically adds HOME program income and deobligated funds to the funds available via the Reservation System and either allocates a specific amount of funds per activity based on funding priorities or may allow HOME administrator's requests for funding through the system determine how the funds are finally allocated among fund categories. Beginning in PY 2015, TDHCA may specify the maximum amount of funds that will be released for each activity type and may allocate funds via a first come, first served Reservation System or alternate method based on public comment.
	Describe threshold factors and grant size limits.	Applicants must comply with requirements stated in the HOME NOFA and State HOME Program Rules in effect the year they receive their award. These sources provide threshold limits and grant size limits per activity type.
	What are the outcome measures expected as a result of the method of distribution?	Assistance to LMI households.

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	State Program Name:	HOME Multifamily Development
	Funding Sources:	HOME
	Describe the state program addressed by the Method of Distribution.	The HOME Multifamily Development Program awards loans to for-profit and nonprofit multifamily developers to construct and rehabilitate affordable rental housing. These loans typically carry a 0% to 5% interest rate and have terms ranging from 15 years to 40 years. The vast majority of the loans are made in conjunction with awards of 4% or 9% HTCs.
	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	TDHCA's Uniform Multifamily Rules set forth a minimum set of requirements that document a project owner's readiness to proceed with the development as evidenced by site control, notification of local officials, the availability of permanent financing, appropriate zoning for the site, and a market and environmental study. Additionally, the development must be near certain community assets such as a bank, pharmacy, or medical office and have certain unit amenities and common amenities. HOME Multifamily Development Program funds are typically awarded on a first-come, first-served basis, as long as the criteria above are met. For HOME Multifamily Development applications layered with 9% HTCs, the highest scoring applications in the 9% cycle that also request HOME funds take priority over lower scoring HOME Multifamily Development applications that may have been received earlier.
	If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)	

	Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)	
	Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)	

	Describe how resources will be allocated among funding categories.	Typically, of the HOME Multifamily Funds, 85% is available for general activities and 15% for CHDO. However, the HOME Multifamily Development Program may make funds available annually under the General, Persons With Disabilities, and CHDO Set-Asides.
	Describe threshold factors and grant size limits.	TDHCA's Uniform Multifamily Rules set forth a minimum set of requirements that document a project owner's readiness to proceed with the development as evidenced by site control, notification of local officials, the availability of permanent financing, experience of the developer, appropriate zoning for the site, and a market and environmental study. Additionally, the development must be near certain community assets such as a bank, pharmacy, or medical office and have certain unit amenities and common amenities. Awards of HOME Multifamily Development Program funds range from approximately $300,000 to $3 million per application in the form of a loan.
	What are the outcome measures expected as a result of the method of distribution?	Assistance to LMI households.
10	**State Program Name:**	Planning/Capacity Building Fund

	Funding Sources:	CDBG
	Describe the state program addressed by the Method of Distribution.	The Planning/Capacity Building ("PCB") Fund is available to assist eligible cities and counties in conducting planning activities that assess local needs, develop strategies to address local needs, build or improve local capacity, or that include other needed planning elements (including telecommunications and broadband needs).
	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	The selection criteria for the PCB Fund will focus upon the following factors: a. Community Distress; a. Percentage of persons living in poverty; b. Per capita income; c. Unemployment rate; b. Benefit to LMI Persons; c. Project Design; d. Program Priority; e. Base Match; f. Area-wide Proposals; and g. Planning Strategy and Products.
	If only summary criteria were described, how can potential applicants access application manuals or other **state publications describing the application criteria? (CDBG only)**	Guidelines, applications and additional program documentation can be found on TDA's website at www.texasagriculture.gov.

	Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)	
	Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)	

	Describe how resources will be allocated among funding categories.	1.0% (approximately) of the State CDBG allocation is allocated to this fund.
	Describe threshold factors and grant size limits.	Minimum $0/Maximum $55,000
	What are the outcome measures expected as a result of the method of distribution?	Activities Benefiting LMI Persons
11	**State Program Name:**	State Mandated Contract for Deed Conversion Set-Aside

	Funding Sources:	HOME
	Describe the state program addressed by the Method of Distribution.	The 81st Legislature passed Appropriations Rider 6 to TDHCA's appropriation pattern, which requires TDHCA to spend no less than $4 million for the biennium on contract for deed conversions for families that reside in a colonia and earn 60% or less of the applicable AMI. Furthermore, TDHCA is targeted to convert no less than 200 contracts for deed into traditional notes and deeds of trust by August 31, 2015. The intent of this program is to help colonia residents become property owners by converting their contracts for deed into traditional mortgages. Households served under this initiative must not earn more than 60% of the Area Median Family Income ("AMFI") and the home converted must be their primary residence.
	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	Administrators must meet HOME Program threshold requirements to access funding. Funding is made available to contract for deed administrators on a first-come, first-served basis, in addition to threshold requirements outlined in the State HOME Program Rule, through the Reservation System.
	If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)	

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	Describe the process for awarding funds to state recipients and how the state will make its allocation available **to units of general local government, and non-profit organizations, including community and faith-based** **organizations. (ESG only)**	
	Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other **community-based organizations). (HOPWA only)**	

	Describe how resources will be allocated among funding categories.	TDHCA sets aside $2,000,000 for contract for deed conversion activities annually and releases the funds through the reservation system as a method of distribution.
	Describe threshold factors and grant size limits.	Applicants must meet the thresholds provided in the NOFA and State HOME Program Rules in effect the year in which they receive their award. Administrators are not awarded a grant following a successful application. Rather funds are awarded on a household by household basis.
	What are the outcome measures expected as a result of the method of distribution?	Assistance to households with incomes at or below 60% AMFI.
12	**State Program Name:**	TCF Main Street Program

OMB Control No: 2506-0117 (exp. 07/31/2015)

	Funding Sources:	CDBG
	Describe the state program addressed by the Method of Distribution.	The TCF Main Street Program provides eligible Texas Main Street communities with grants to expand or enhance public infrastructure in historic main street areas.
	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	The selection criteria for the TCF Main Street Program will focus upon the following factors: a. Applicant Need criteria, including poverty rate, median income, unemployment rate, and community need; b. Project criteria, including leverage, economic development consideration, sidewalks projects and Americans with Disabilities Act ("ADA") compliance, broad-based public support, emphasis on benefit to LMI persons, and grant application training; and c. Main Street program criteria, including National Main Street program recognition, Main Street program participation, historic preservation ethic impact.
	If only summary criteria were described, how can potential applicants access application manuals or other **state publications describing the application criteria? (CDBG only)**	Guidelines, applications and additional program documentation can be found on TDA's website at www.texasagriculture.gov.

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	Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)	
	Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)	

	Describe how resources will be allocated among funding categories.	6% of the total TCF allocation up to a maximum amount of $600,000.
	Describe threshold factors and grant size limits.	Maximum $150,000/Minimum $50,000
	What are the outcome measures expected as a result of the method of distribution?	Eliminate or prevent slum and blight conditions.
13	**State Program Name:**	TCF Real Estate and Infrastructure Development Programs

	Funding Sources:	CDBG
	Describe the state program addressed by the Method of Distribution.	The TCF Real Estate and Infrastructure Development Programs provides grants and/or loans for Real Estate and Infrastructure Development to create or retain permanent jobs in primarily rural communities and counties.
	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	The selection criteria for the TCF Real Estate and Infrastructure Development will focus upon the following factors: a. Job creation criteria: i. Cost-per-job, ii. Job impact, iii. Wage impact, and iv. Primary jobs created/retained; b. Unemployment rate; and c. Return on Investment. Once applications are evaluated and determined to be in the funding range the projects will be reviewed upon the following additional factors: a. History of the applicant community in the program; b. Strength of the business or marketing plan; c. Evaluation of the business and the business' principal owners credit; d. Evaluation of community and business need; and e. Justification of minimum necessary improvements to serve the project.

	If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)	Guidelines, applications and additional program documentation can be found on TDA's website at www.texasagriculture.gov.
	Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)	
	Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)	

OMB Control No: 2506-0117 (exp. 07/31/2015)

	Describe how resources will be allocated among funding categories.	14.51% (approximately) of the State CDBG allocation is allocated to the Real Estate and Infrastructure Development Programs minus the lessor of 18% or $1,800,000 of the total TCF allocation.
	Describe threshold factors and grant size limits.	Maximum $1,500,000/Minimum $150,000
	What are the outcome measures expected as a result of the method of distribution?	Activities Benefiting LMI Persons
14	**State Program Name:**	Texas Capital Fund Downtown Revitalization Program

	Funding Sources:	CDBG
	Describe the state program addressed by the Method of Distribution.	The Texas Capital Fund ("TCF") Downtown Revitalization Program awards grant funds for public infrastructure to foster and stimulate economic development in rural downtown areas.
	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	The selection criteria for the TCF Downtown Revitalization Program will focus upon the following factors: a. Applicant Need criteria, including poverty rate, median income, unemployment rate, and community need; b. Project criteria, including leverage, economic development consideration, sidewalks projects, and ADA compliance, broad-based public support, emphasis on benefit to LMI persons, and grant application training; and c. Past Performance.
	If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)	Guidelines, applications and additional program documentation can be found on TDA's website at www.texasagriculture.gov.

	Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)	
	Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)	

	Describe how resources will be allocated among funding categories.	12% of the total TCF allocation up to a maximum of amount $1,200,000.
	Describe threshold factors and grant size limits.	Maximum $150,000/Minimum $50,000
	What are the outcome measures expected as a result of the method of distribution?	Eliminate or prevent slum and blight conditions.
15	**State Program Name:**	Texas ESG Program

	Funding Sources:	ESG
	Describe the state program addressed by the Method of Distribution.	The ESG Program is currently a competitive grant that awards funds to private nonprofit organizations, cities, and counties in the State of Texas to provide the services necessary to help persons that are at-risk of homelessness or homeless quickly regain stability in permanent housing. During the next several years, TDHCA is working toward a plan that will provide funds directly to Texas CoCs, giving them more local control of the use of funds in their service areas.
	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	In the competitive process, applications are selected based on: • Proposed Budget, Outcomes, and Match (30%); • Organizational Capacity & Project Design (30%); • Past Performance in Homeless Program Delivery (25%); • CoC Participation and Coordination (15%); • Financial Information (negative scores only); • Past Performance of Subrecipients in ESG Expenditure and Reporting (negative scores only); and • Other Deductions: (audit findings, etc; negative scores only). When released via CoCs, the allocation amounts will be established by formula, and the CoCs will in turn use distribution models locally that will be approved by TDHCA.
	If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)	

	Describe the process for awarding funds to state recipients and how the state will make its allocation available **to units of general local government, and non-profit organizations, including community and faith-based** **organizations. (ESG only)**	For the competitive process, Texas releases a NOFA each spring in anticipation of receiving ESG funding. Applications are accepted for generally a 30-day period. Applications are scored and ranked within their CoC regions. CoC regions are funded according to the combination of the region's proportionate share of the state's total homeless population, based on the most recent Point-in-Time count submitted to HUD by the CoCs, and the region's proportionate share of people living in poverty, based on the most recent 5-year American Community Survey poverty data published by the Census Bureau. For the purposes of distributing funds, the percentage of statewide homeless population is weighted at 75% while the percentage of statewide population in poverty is weighted at 25%. This formula will be used when funding CoCs directly. Eligible applicant organizations are Units of General Purpose Local Government, including cities, counties and metropolitan cities, and urban counties that receive ESG funds directly from HUD. Governmental organizations such as Councils of Governments ("COGs"), LMHAs, and Public Housing Authorities ("PHAs") are not eligible and cannot apply directly for ESG funds; however COGs, LMHAs, and PHAs may serve as a partner in a collaborative Application but may not be the lead entity. These same criteria will apply to those entities with awards coming directly from the CoCs as well. Eligible applicant organizations include private nonprofit organizations that are secular or religious organizations described in section 501(c) of the Internal Revenue Code of 1986, are exempt from taxation under subtitle A of the Code, have an acceptable accounting system and a voluntary board, and practice non-discrimination in the provision of assistance. Faith-based organizations receiving ESG funds, like all organizations receiving HUD funds, must serve all eligible beneficiaries without regard to religion.

	Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)	
	Describe how resources will be allocated among funding categories.	ESG funds may be used for six program components: street outreach, emergency shelter, homelessness prevention, rapid re-housing assistance, and HMIS, as well as administrative activities. Per 24 CFR §576.100(b), the total amount of an Applicant's budget for street outreach and emergency shelter cannot exceed 60% of their total requested amount. Within a collaborative Application, the 60% limit applies to the entire Application and not to each partner within the collaborative Application. This requirement will also apply in the direct CoC funding method.

	Describe threshold factors and grant size limits.	Pre-screening requirements that may limit grant size or make an application ineligible for funding: • Submitting any of the application threshold documents (all of the documents that are part of the scoring criteria or rating factors) after the application deadline; • Failing to submit the application documents through the electronic submission process specified in the NOFA; • For entities that received prior-year ESG funds, having final expenditure rates below 50% of the award allocation; and/or • An applicant or collaborative partner being legally ineligible to be awarded in ESG funding for reasons including to but not limited to debarment or not being an eligible lead entity. Threshold documents include • Proposed budget, outcomes, and match; • Organizational capacity and project design; • Past performance on Homeless Program Delivery; • Certificate of CoC participation and coordination; and • Financial information (audit). Within each CoC region, applicants may request no less than $125,000 unless the initial amount available in the region is less than $125,000. In those cases, applicants may request an amount no less than the available allocation for that region. Single applicants may request a maximum of $150,000. For a collaborative application, the maximum request amount is $150,000 times the number of partners in the application, with a maximum request of $600,000. The minimum request for a collaborative application is $125,000, unless the initial amount available in the region is less than $125,000. In those cases the collaborative applicant may request an amount no less than the available allocation for that region. In a collaborative application, each partner is not limited to budgeting $150,000 each; the total grant amount may be budgeted among all partners as agreed upon. These numbers may be adjusted depending on the final allocation from HUD. If funds are being provided directly to CoCs, they will establish these factors and limits with TDHCA approval. They will not necessarily reflect these factors, but will reflect a local decision-making process.

	What are the outcome measures expected as a result of the method of distribution?	The expected outcome is that funds will be awarded to organizations that have the administrative and performance capacity to provide the services needed in their communities. The expected outcome of TDHCA's plan to fund the CoCs directly is that the same will be accomplished, but with CoC wide planning rather than with only state planning.
16	**State Program Name:**	Texas HOPWA Program
	Funding Sources:	HOPWA
	Describe the state program addressed by the Method of Distribution.	DSHS selects seven AAs across the state through a combination of competitive Requests for Proposal ("RFP") and intergovernmental agency contracts. The AAs act as an administrative arm for DSHS by administering the HOPWA program locally. The AAs do not receive any HOPWA administrative funds from DSHS; all AA administrative costs are leveraged from other funding sources. The AAs, in turn, select HOPWA Project Sponsors to cover all 26 HSDAs through local competitive processes.

	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	Information on grant appliations, available funding opportunities, application criteria, etc. can be found on the DSHS website: http://www.dshs.state.tx.us/fic/default.shtm. Contracting information and resources (i.e., General Provisions, contract requirements, etc.) are located on the DSHS website: http://www.dshs.state.tx.us/contracts/default.shtm. Contracting services for DSHS and other Health agencies are consolidated under the Health and Human Services Commission's Procurement and Contracting Services (PCS) Division. This division handles the solicitation, contract development, contract execution, and office of record for DSHS's contracting needs. Evaluation Criteria as noted in the most recent RFP process for AAs for Ryan White/State Services and HOPWA programs were: Respondent Background = 30%; Assessment Narrative = 15%; Performance Measures = 10%; Work Plan = 35%; and Budget = 10%.
	If only summary criteria were described, how can potential applicants access application manuals or other **state publications describing the application criteria? (CDBG only)**	

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	Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)	
	Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)	The AAs select HOPWA Project Sponsors to cover all 26 HSDAs through local competitive processes. Community-based organizations, minority organizations, minority providers, grassroots and faith-based organizations are encouraged to apply. Historically, many of the agencies that have provided services to TDHCA's client population are grassroots, community-based, and minority organizations.

	Describe how resources will be allocated among funding categories.	Texas HOPWA funding allocations are geographically distributed across the state to the 26 HSDAs based on factors such as population of PLWHA and unmet need. Texas HOPWA serves PLWHA and their family members, all of whom are at or below 80% of AMI, and most fall into the extremely low-income category. Allocations generally mirror the Ryan White Program allocation formula, which takes into account population of PLWHA, HIV incidence, number of PLWHA accessing Ryan White services, percent of PLWHA eligible for Medicaid, and other considerations. The allocations are then adjusted based on unmet need, prior performance and expenditures, geographic-specific data provided by Project Sponsors, and any other relevant factors. After allocations to each HSDA are determined, it is then up to the Project Sponsor to allocate between activities of TBRA, STRMU, PHP, Supportive Services, and administrative expenses (not to exceed 7% of their allocation) and submit those to their AA and DSHS for approval. Project Sponsors base allocations on many factors, including but not limited to, number of clients projected to continue into the next year, area unmet need, rental costs, prior number of clients served, average expenditures per client, and changes in HIV population living in poverty, etc. Funds are also reallocated during the year within HSDAs under each AA as needed when needs change.
	Describe threshold factors and grant size limits.	Texas HOPWA serves PLWHA and their family members, all of whom are at or below 80% of AMI. The majority of HOPWA clients are classified as extremely low income, which is between 0% and 30% of AMI.

	What are the outcome measures expected as a result of the method of distribution?	Outcome measures are number of unduplicated income-eligible clients and families living with HIV (households) assisted with each HOPWA service category (TBRA, STRMU, PHP if applicable, and Supportive Services).
17	**State Program Name:**	Texas Small Towns Environment Program Fund
	Funding Sources:	CDBG
	Describe the state program addressed by the Method of Distribution.	The Texas Small Towns Environment Program ("STEP") Fund provides funds to cities and counties that recognize the need and potential to solve water and sewer problems through self-help techniques via local volunteers. By utilizing the resources of the community (human, material, and financial), the necessary construction, engineering, and administration costs can be reduced significantly from the cost for the installation of the same improvements through conventional construction methods. The self-help response to water and sewer needs may not be appropriate in every community. In most cases, the decision by a community to utilize self-help to obtain needed water and sewer facilities is based on the realization of the community that it cannot afford even a basic water or sewer system based on the initial construction costs and the operations/maintenance costs (including debt service costs) for water or sewer facilities installed through conventional financing and construction methods.

	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	The following are the selection criteria to be used by CDBG staff for the scoring of assessments and applications under the Texas STEP Fund: a. Project Impact b. STEP Characteristics, Merits of the Project, and Local Effort c. Past Participation and Performance d. Percentage of Savings off of the retail price e. Benefit to Low/Moderate-Income Persons
	If only summary criteria were described, how can potential applicants access application manuals or other **state publications describing the application criteria? (CDBG only)**	Guidelines, applications and additional program documentation can be found on TDA's website at www.texasagriculture.gov.

	Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)	
	Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)	

	Describe how resources will be allocated among funding categories.	3.01% (approximately) of the State CDBG allocation is allocated to this fund.
	Describe threshold factors and grant size limits.	Maximum $350,000/Minimum $0
	What are the outcome measures expected as a result of the method of distribution?	Activities Benefiting LMI Persons
18	**State Program Name:**	Urgent Need Fund

OMB Control No: 2506-0117 (exp. 07/31/2015)

	Funding Sources:	CDBG
	Describe the state program addressed by the Method of Distribution.	Urgent Need ("UN") Fund assistance is available for activities that will restore water and/or sewer infrastructure whose sudden failure has resulted in death, illness, injury, or poses an imminent threat to life or health within the affected applicant's jurisdiction. The infrastructure failure must not be the result of a lack of maintenance and must be unforeseeable. An application for UN Fund assistance will not be accepted until discussions between the potential applicant and representatives of TDA, TWDB, and the Texas Commission on Environmental Quality ("TCEQ") have taken place. Through these discussions, a determination shall be made whether the situation meets eligibility requirements and if a potential applicant should be invited to submit an application for the UN Fund. Construction on an UN Fund project must begin within ninety (90) days from the start date of the CDBG contract. TDA may de-obligate the funds under an UN Fund contract if the grantee fails to meet this requirement.

	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	To qualify for the UN Fund: 1. The situation addressed by the applicant must not be related to a proclaimed state or federal disaster declaration. 2. The situation addressed by the applicant must be both unanticipated and beyond the control of the local government (e.g., not for facilities or equipment beyond their normal, useful life span). 3. The problem being addressed must be of recent origin. For UN assistance, this means that the situation first occurred or was first discovered no more than 30 days prior to the date that the potential applicant provides a written request to the TDA for UN assistance. UN funds cannot fund projects to address a situation that has been known for more than 30 days or should have been known would occur based on the applicant's existing system facilities. 4. Each applicant for these funds must demonstrate that local funds or funds from other state or federal sources are not available to completely address the problem. 5. The applicant must provide documentation from an engineer or other qualified professional that the infrastructure failure cannot have resulted from a lack of maintenance or been caused by operator error. 6. UN funds cannot be used to restore infrastructure that has been cited previously for failure to meet minimum state standards. 7. The infrastructure requested by the applicant cannot include back-up or redundant systems. 8. The UN Fund will not finance temporary solutions to the problem or circumstance. 9. TDA may consider whether funds under an existing CDBG contract are available to be reallocated to address the situation, if eligible. 10. The distribution of these funds will be coordinated with other state agencies. Each applicant for UN Funds must provide matching funds. If the applicant's most recent Census population is equal to or fewer than 1,500 persons, the applicant must provide matching funds equal to 10 percent of the CDBG funds requested. If the applicant's most recent Census population is over 1,500 persons, the applicant must provide matching funds equal to 20 percent of the CDBG funds requested. For county applications where the beneficiaries of the water or sewer improvements are located in unincorporated areas, the population category for matching funds is based on the number of project beneficiaries.

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	If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)	Guidelines, applications and additional program documentation can be found on TDA's website at www.texasagriculture.gov.
	Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)	
	Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)	

	Describe how resources will be allocated among funding categories.	Deobligated funds up to $1,000,000 are made available for the UN Fund on the first day of a program year. Based on demand for assistance under each UN and DR portion of this fund, UN funds may be allocated for DR projects.
	Describe threshold factors and grant size limits.	Maximum $250,000/Minimum $25,000
	What are the outcome measures expected as a result of the method of distribution?	Meet other community development needs of particular urgency which represent an immediate threat to the health and safety of residents of the community.

Discussion:

Texas has the largest number of colonias and the largest colonia population of all the border states. The method of distribution for funds set aside to serve colonias relies on subgrantees along the Texas-Mexico border as well as interagency cooperation between TDHCA, TDA, TWDB, the Office of the Attorney General, and others. The majority of the funding that assists colonias is through infrastructure development, but funds are also available to address housing, community planning, economic revitalization and disaster relief. TDHCA's role in administering colonia funding is limited to the Colonia SHCs (2.5% set-aside of all Texas' CDBG funds) and HOME colonia set-aside. TDHCA has strategically placed Border Field Offices along the Texas-Mexico Border that supports SHC staff with problem solving and training. The Border Field Offices exist to provide local technical assistance directly to both colonia residents and the organizations that serve colonia residents. TDHCA also works in concert with other state agencies on a regular basis—namely TDA and the Texas Secretary of State—to coordinate efforts and exchange information in order enhance service delivery.

The majority of the funding that assists colonias is through the CDBG Program. However, HOME has a specific set-aside for colonias. In addition, ESG and HOPWA may also provide funding in that area, as described in Action Plan Section 30.

AP-50 Geographic Distribution – 91.320(f)

Description of the geographic areas of the state (including areas of low-income and minority concentration) where assistance will be directed

HOME Addresses Geographic Areas for Assistance

TDHCA does not provide priorities for allocation of investment geographically to areas of minority concentration; however, the geographic distribution of HOME funds to minority populations is analyzed annually. TDHCA is statutorily required by the Texas Government Code to provide a comprehensive statement of its activities through the State of Texas Low Income Housing Plan and Annual Report. Part of this document describes the ethnic and racial composition of families and individuals receiving assistance from each housing program.

HOME funds used for multifamily development are typically paired with tax-exempt bond and/or HTC. TDHCA rules that govern the HTC Program include incentives for developments utilizing the competitive 9% HTC in high opportunity areas which are defined as high-income, low-poverty areas and are not typically minority-concentrated, but it also provides incentive to develop in colonias or economically distressed areas. Developments using tax-exempt bond financing and 4% HTCs are more frequently located in qualified census tracts due to federal guidelines that cause these to be more financially viable.

ESG Addresses Geographic Areas for Assistance

Assistance provided by ESG funds will be directed statewide, according to the 12 HUD-designated CoC areas. TDHCA does not provide priorities for allocating investment geographically to areas of minority concentration as described in Section 91.320(d).

HOPWA Addresses Geographic Areas for Assistance

The Texas HOPWA funding allocations are geographically distributed according to the 26 HIV HSDAs. Allocations are based on several factors, including past performance of Project Sponsors and unmet need, with the majority of Texas HOPWA clients (93% in 2013) classified as extremely low and low income. Allocations generally mirror the Ryan White Program allocation formula, which takes into account population of PLWH, HIV incidence, number of PLWH accessing Ryan White services, percent of PLWH eligible for Medicaid and other considerations. The allocations are then adjusted based on unmet need, prior performance and expenditures, geographic-specific data provided by Project Sponsors, and any other relevant factors. Many of these individuals reside in areas of minority concentration and most PLWH are racial and ethnic minorities, so the program allocates funding to meet the needs of PLWH in Texas.

CDBG Addresses Geographic Areas for Assistance

TDA does not provide priorities for allocation of funds geographically to areas of minority concentration as described in Section 91.320(f). CDBG funds are allocated across the state in three ways.

1. The CD Fund assigns a percentage of the annual allocation to each of the 24 Regional COGs, ensuring that each region of the state receives a portion of the funds.
2. The Colonia Fund directs funding to communities within 150 miles of the Texas-Mexico border.
3. All remaining funds are distributed through state-wide competitions without geographic priorities.

For the Colonia SHCs, centers are established along the Texas-Mexico border in Cameron/Willacy, Hidalgo, Starr, Webb, Maverick, Val Verde, and El Paso counties as well as in any other county designated as an economically distressed area. The SHC Program serves approximately 28 colonias in seven border counties, which are comprised of primarily Hispanic households and have concentrations of very low-income households.

Geographic Distribution

Target Area	Percentage of Funds
State of Texas	100

Table 7 - Geographic Distribution

OMB Control No: 2506-0117 (exp. 07/31/2015)

Rationale for the priorities for allocating investments geographically

HOME Addresses Geographic Investments

HOME funds are allocated geographically using a RAF, as described in Strategic Plan Section 10. This process directs funds to areas of the State that demonstrate high need. In addition, HOME funds administered by TDHCA are primarily used in areas that are not Participating Jurisdictions ("PJs") per statute. This results in more HOME funds in smaller communities than in the larger Metropolitan Statistical Areas (“MSAs”) that receive HOME funds directly from HUD. The most updated RAF is online at http://www.tdhca.state.tx.us/housing-center/pubs-plans.htm.

ESG Addresses Geographic Investments

Assistance provided by ESG funds will be directed statewide, according to the 12 HUD-designated CoC areas. CoC regions are ranked according to the combination of the region’s proportionate share of the state’s total homeless population, based on the most recent Point-in-Time count submitted to HUD by the CoCs and the region’s proportionate share of people living in poverty, based on the most recent 5-year American Community Survey poverty data published by the Census Bureau. For the purposes of distributing funds, the percentage of statewide homeless population is weighted at 75% while the percentage of statewide population in poverty is weighted at 25%

HOPWA Addresses Geographic Investments

At the end of 2012, nearly 73,000 people in Texas were known to have HIV and it is estimated that an additional 17,000 people in Texas are living with HIV but are currently unaware of their status. The number of Texans living with HIV increases each year and in order to meet the needs of low-income PLWH in Texas, many of whom live in areas of minority concentration, the HOPWA funding allocations are geographically distributed across the State and are allocated based on several factors, including unmet need.

Six cities in Texas have a population of over 500,000 (Austin, Dallas, Fort Worth, El Paso, Houston, and San Antonio), which are in MSAs funded directly from HUD for HOPWA. Although the Texas HOPWA program can operate in any area of the State, the State program serves all counties not covered under the MSAs' jurisdictions, with some overlap of counties between the State and the MSAs. As a result, Texas HOPWA covers all of the rural areas of the State, where many low-income HOPWA clients reside, and funding prioritization is based on areas with greater unmet need for PLWH.

CDBG Addresses Geographic Investments

Texas CDBG Funds for projects under the CD Fund are allocated by formula to 24 regions based on the methodology that HUD uses to allocate CDBG funds to the non-entitlement state programs (21.71% of annual allocation), along with a state formula based on poverty and unemployment (40% of annual allocation). In addition, 12.5% of the annual allocation is allocated to projects under the Colonia Fund categories, which must be expended within 150 miles of the Texas-Mexico border.

For the Colonia SHCs, state legislative mandate designates five centers along the Texas-Mexico border in specific border counties to address the long history of poverty and lack of institutional resources. Two additional counties have been designated as economically distressed areas and also operate centers through the program. These counties collectively have approximately 42,000 colonia residents who may qualify to access center services.

Discussion

Many of the Target Areas available in the Integrated Disbursement and Information System (“IDIS”), HUD’s electronic system in which this Plan has been entered, were too detailed for use at the macro-level; therefore, the State entered the “State of Texas” as a Target Area in Strategic Plan Section 10. Within Texas, each program relies on a formula to distribute funds geographically.

OMB Control No: 2506-0117 (exp. 07/31/2015)

Affordable Housing

AP-55 Affordable Housing – 24 CFR 91.320(g)

Introduction:

Affordable Housing goals for PY 2015 are indicated in the table below for the number of homeless, non-homeless, and special needs households, and for the number of affordable housing units that will be provided by program type, including rental assistance, production of new units, rehabilitation of existing units, utility connections for existing units, or acquisition of existing units. Note that goals entered for ESG are only for Homeless Prevention and Rapid Re-housing. The HOME goals include multifamily and single family activities.

One Year Goals for the Number of Households to be Supported	
Homeless	4,936
Non-Homeless	631
Special-Needs	1,197
Total	6,764

Table 8 - One Year Goals for Affordable Housing by Support Requirement

One Year Goals for the Number of Households Supported Through	
Rental Assistance	6,221
The Production of New Units	69
Rehab of Existing Units	419
Acquisition of Existing Units	55
Total	6,764

Table 9 - One Year Goals for Affordable Housing by Support Type

Discussion:

The one year goals for TDHCA's HOME Program include homebuyer assistance with possible rehabilitation for accessibility, TBRA, homeowner rehabilitation assistance, rehabilitation of multifamily units, and construction of single-family and multifamily units.

TDHCA's ESG Program provides Rapid Re-housing assistance to help homeless individuals and households quickly regain stability in housing. Homelessness Prevention and Emergency Shelter outcome indicators are counted as persons, not households, so is not added into the chart above. ESG also provides street outreach, but as this does not directly equate to affordable housing, it is not counted above.

DSHS' HOPWA Program provides STRMU, TBRA, PHP, and Supportive Services to assist low-income HIV-positive clients and their families to establish or maintain affordable, stable housing, reduce the risk of homelessness, and improve access to health care and other services. HOPWA serves PLWH who are 80% or less of area median income, but a majority of Texas HOPWA clients are under 30% AMI and lack of affordable housing is an ongoing issue. DSHS estimates that the HOPWA program will assist 928 unduplicated, income-eligible clients with housing subsidy assistance.

Currently, Texas CDBG funds primarily support affordable housing through water and sewer infrastructure for housing. The CDBG funding provides a cost savings for housing when used to install water and sewer yard lines and pay impact and connection fees for qualifying residents. Housing rehabilitation projects are prioritized in several fund categories. CDBG funds also help communities study affordable housing conditions, providing data on affordable housing stock and planning tools for expanding affordable housing. CDBG provides approximately 250 utility connections per year, which are not reflected in the chart above, but could prove essential to obtaining or maintaining housing.

Colonia residents are considered “Special Needs” households who are supported through the production, rehab or acquisition of units (no rental assistance). The Colonia SHCs continue to address affordable housing needs in border counties by assisting qualifying colonia residents to improve or maintain a safe, suitable home in suitable areas, with the contribution of the residents’ sweat-equity which is required in all housing activities at the SHC. In addition, the Colonia SHCs provide other development opportunities that support the creation of affordable housing for beneficiaries, such as tool lending, and training in home construction and repair, financial literacy, and homeownership skills.

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AP-60 Public Housing - 24 CFR 91.320(j)

Introduction:

TDHCA believes that the future success of PHAs will center on ingenuity in program design, emphasis on resident participation towards economic self-sufficiency, and partnerships with other organizations to address the needs of this population. While TDHCA does not have any direct or indirect jurisdiction over the management or operations of PHAs, it is important to maintain a relationship with these service providers.

Actions planned during the next year to address the needs to public housing

TDHCA, as a small PHA itself, works with other PHAs around the State to port vouchers when necessary. This is especially true for Project Access, a TDHCA program that uses Section 8 vouchers to transition people with disabilities in certain institutions to the community, described fully in Action Plan Section 65. For the Project Access Program, an applicant is issued a voucher from TDHCA. To port the voucher, TDHCA works with the Receiving Public Housing Authority ("RPHA") to transfer the documents and the voucher. The voucher holder is briefed and given an introduction on the RPHAs program rules. At this time, the RPHA can decide to absorb the voucher or bill the Initial PHA ("IPHA"). If the RPHA absorbs the voucher, the RPHA will send notice to the IPHA for documentation. This allows TDHCA to use another HCV for another applicant on the Project Access waiting list. If the RPHA bills the IPHA, the RPHA is required to submit a billing notice within an allotted time to the IPHA so payment can be received. The number of HCVs that were ported from January to August of 2014 was 71. In this way, TDHCA and local PHAs work closely together.

HOME Addresses PHA Needs

TDHCA provides notices of funding availability under the HOME Program to interested parties around the State, including PHAs. Furthermore, staff of PHAs, especially those receiving HOME funds and those with Section 8 Homeownership programs, are targeted by TDHCA's Texas Statewide Homebuyer Education Program for training to provide homebuyer education opportunities and self-sufficiency tools for PHA residents.

In addition, PHAs may also administer HOME TBRA funds, enabling them to provide households with rental assistance and services to increase self-sufficiency.

Regarding HOME Multifamily Development that is also financed with the HTC Program, PHAs are incentivized in the QAP to either provide leverage in developments that they own or to provide financing as evidence of support from Local Political Subdivisions for developments which they do not own.

ESG Addresses PHA Needs

PHA residents are eligible to receive assistance and services from ESG Subrecipients, as long as the assistance does not violate Section 576.105(d) of the ESG rules regarding use of funds with other subsidies. Fostering public housing resident initiatives is not an initiative for which TDHCA provides funding or that TDHCA tracks for the ESG Program.

HOPWA Addresses PHA Needs

The HOPWA program administered by DSHS does not provide public housing assistance. However, Project Sponsors coordinate closely with local housing authorities for client referrals and to address local housing issues. HOPWA clients who move into public housing are no longer eligible to receive HOPWA housing subsidy assistance but are offered HOPWA Supportive Services as needed for transition and if eligible, may continue to receive services through the Ryan White/State Services program.

CDBG Addresses PHA Needs

The Texas CDBG Program serves public housing areas through various funding categories as residents of PHAs qualify as low- to moderate-income beneficiaries for CDBG projects.

CDBG grant recipients must also comply with local Section 3 policies, including outreach to public housing residents and other qualified Section 3 persons in any new employment, training, or contracting opportunities created during the expenditure of CDBG funding.

Actions to encourage public housing residents to become more involved in management and participate in homeownership

HOME, ESG, HOPWA, and CDBG are subject to 24 CFR Part 135 which requires that HUD funds invested in housing and community development construction contribute to employment opportunities for low-income persons living in or near the HUD-funded project. These requirements, called Section 3 requirements, are covered at trainings for Subrecipients; persons who may benefit from employment opportunities include PHA residents.

HOME Addresses Public Housing Resident Initiatives

PHAs are eligible to apply to administer HOME funds to provide homebuyer assistance in their areas. PHAs also provide services to increase self-sufficiency, which may include homebuyer counseling services. In addition, TDHCA targets its Texas Statewide Homebuyer Education Program to PHAs, among other groups, which provide homebuyer education training opportunities and self-sufficiency tools for PHA residents.

ESG Addresses Public Housing Resident Initiatives

PHA residents are eligible to receive assistance and services from ESG Subrecipients, as long as the

assistance does not violate Section 576.105(d) of the ESG rules regarding use of funds with other subsidies.

HOPWA Addresses Public Housing Resident Initiatives

The HOPWA program administered by DSHS does not provide public housing assistance. However, Project Sponsors coordinate closely with local PHAs for client referrals and to address local housing issues.

CDBG Addresses Public Housing Resident Initiatives

The CDBG Program serves public housing areas through various funding categories as residents of PHAs qualify as low- to moderate-income beneficiaries for CDBG projects.

If the PHA is designated as troubled, describe the manner in which financial assistance will be provided or other assistance

TDHCA has worked to promote programs that will rehabilitate and bring substandard housing into compliant condition and will develop additional affordable housing units. For example, most of the PHA applications for HTCs are for rehabilitation and the applications for new construction usually include a demolition of the existing units. TDHCA also offers a variety of funding sources for assistance. Most PHAs that apply are usually from larger Metropolitan Statistical Areas, which are PJs and not eligible to receive HOME funding through TDHCA. Consistent with fair housing objectives, TDHCA seeks ways to accomplish these activities in a manner that seeks to place PHA units in areas of greater opportunity and areas that do not involve unacceptable site and area features.

In one specific case, TDHCA absorbed vouchers from a PHA which was having difficulties, the Navasota Housing Authority. HUD identified that the Navasota Housing Authority was administering vouchers outside of their jurisdiction. Therefore, the Navasota Housing Authority contacted TDHCA to discuss the possibilities of absorbing these vouchers. During a series of meetings with HUD staff and the PHAs, discussion resulted in a scheduled on-site visit. Ultimately, the Navasota Housing Authority transferred additional funds to TDHCA and HUD reassigned the files' PHA code.

To expand its work with PHAs, TDHCA has developed a relationship with the Texas Housing Association and the Texas chapter of the National Association of Housing and Redevelopment Officials (“NAHRO”), which serve the PHAs of Texas. Whenever possible, the State will communicate to PHAs the importance of serving special needs populations.

Discussion:

To address PHA needs, TDHCA has designated PHAs as eligible entities for its programs, such as the HTC Program, HOME Program, and ESG Program. PHAs have successfully administered HTC funds to rehabilitate or develop affordable rental housing. The PHA needs to submit an application and be awarded in order to access funding.

There are also federal sources available for PHAs that can be paired with HOME. Also through HUDs Rental Assistance Demonstration (“RAD”) Program, PHAs can use public housing operating subsidies along with HTC Program once the older PHA units are demolished and replaced with new housing. Because most PHAs using RAD are located in PJs, TDHCA does not anticipate using its HOME funds in conjunction with RAD consistent with its restrictions on HOME fund use in participating jurisdictions.

AP-65 Homeless and Other Special Needs Activities – 91.320(h)

Introduction

TDHCA will address requirements in 24 CFR §91.320 by utilizing funds to reduce and end homelessness by having each ESG fund to be coordinated with the lead agency of the CoC, which provides services and follows a centralized or coordinated assessment process; has written policies and procedures in place as described by §578.7(a)(8) and (9); and follows a written standard to provide street outreach, emergency shelter, rapid re-housing, and homelessness prevention assistance. To assist low-income individuals and families to avoid becoming homeless, especially those discharged from publicly-funded institutions and systems of care, or those receiving assistance from public and private agencies that address housing, health, social services, employment, education, or youth needs, TDHCA will require each Subrecipient to set performance targets that will be part of their contract and extended to each of the local organizations that the Subrecipient funds. A Subrecipient must address the housing and supportive service needs of individuals assisted with ESG funds in its plan.

In addition, ESG will work in tandem with other programs that help to transition persons out of institutions, such as the HOPWA Program, Section 811 PRA Program, Project Access Program, Money Follows the Person Program, and the Home and Community-Based Services - Adult Mental Health Program. The HHSCC also works to enhance coordination between housing and service agencies to assist persons transitioning from institutions into community-based settings.

Describe the jurisdictions one-year goals and actions for reducing and ending homelessness including

Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs

The Texas ESG Program provides funds to service providers for outreach to unsheltered homeless persons in order to connect them to emergency shelter, housing, or critical services; and to provide urgent, non-facility-based care to unsheltered homeless people who are unwilling or unable to access emergency shelter, housing, or other appropriate facilities. Of critical importance is assisting the unsheltered homeless with emergency shelter or other placement. One of the possible performance measures that Subrecipients will be measured against is their ability to help homeless persons move into permanent housing, achieve higher incomes and gain more non-cash benefits. To ensure long-term housing stability, clients will be required to meet with a case manager not less than once per month (with exceptions pursuant to the VAWA and the Family Violence Prevention and Services Act ("FVPSA")). Subrecipients will also be required to develop a plan to assist program participants to retain permanent housing after the ESG assistance ends.

Addressing the emergency shelter and transitional housing needs of homeless persons

The ESG program helps the unsheltered homeless and homeless individuals and families residing in emergency shelter and those fleeing domestic violence to return to stable housing conditions by providing support to organizations that provide emergency services, shelter, and transitional housing to homeless persons and households. One of the possible performance measures that Subrecipients will be measured against is their ability to help individuals and families move out of emergency shelter and transitional housing and into permanent housing, achieve higher incomes and gain more non-cash benefits. To ensure long-term housing stability, clients will be required to meet with a case manager not less than once per month (with exceptions pursuant to the VAWA and the FVPSA). Subrecipients will also be required to develop a plan to assist program participants to retain permanent housing after the ESG assistance ends.

Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again

The ESG Program has broadened the activities that can be used to help low-income families and individuals avoid becoming homeless and to rapidly re-house persons or families that experience homelessness. ESG funds can be used for short-term and medium-term rental assistance, rental application fees, security deposits, utility deposits, utility payments, and moving costs for homeless individuals or persons at risk of homelessness. Funds can also be used for housing service costs related to housing search and placement, housing stability case management, mediation, legal services, and credit repair. ESG funds can also be used to pay for essential service costs including case management, child care, education services, employment assistance and job training, outpatient health services, legal services, life skills training, mental health services, substance abuse treatment services, transportation, and costs related to serving special populations.

Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: being discharged from publicly funded institutions and systems of care (such as health care facilities, mental health facilities, foster care and other youth facilities, and corrections programs and institutions); or, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs

In addition to homelessness prevention, ESG funds provided to CoCs actively promote coordination with community providers and integration with mainstream services to marshal available resources. One performance measure for subrecipients may be their ability to help increase non-cash benefits for program participants; the subrecipients would help program participants obtain non-ESG resources, such as veterans benefits or food stamps.

Individuals eligible for the State's HOPWA Program who are exiting from an institution receive a comprehensive housing plan and linkage and referrals to health professionals from a case manager. The State HOPWA Program provides TBRA, which can be used to transition persons from institutions into stable housing. Some project sponsors also provide rental deposits and application fees.

Other programs included in this Plan also address persons transitioning from institutions. For example, TDHCA received an award for $12 million for the Section 811 PRA Program. The program will help extremely low-income individuals with disabilities and their families by providing approximately 360 new integrated supportive housing units in seven areas of the state. Members of the target population include individuals transitioning out of institutions; people with severe mental illness; and youth with disabilities transitioning out of the state's foster care system. Individuals in the Section 811 PRA Target Population are eligible for assistance from public agencies, are Medicaid-eligible, and could be at-risk of housing instability and/or homelessness.

Coordination between housing and the Health and Human Services ("HHS") agencies is exemplified by the Project Access and Money Follows the Person programs. Project Access uses Section 8 Housing Choice Vouchers administered by TDHCA to assist low-income persons with disabilities transition from nursing homes and Intermediate Care Facilities ("ICFs") to the community, while using the Money Follows the Person Program to provide services by HHS agencies. Since it began in 2002, the TDHCA Governing Board approved changes to Project Access based on input from advocates and the HHS agencies, such as incremental increases to vouchers from 35 to 140 and creation of a pilot program with DSHS for persons with disabilities transitioning out of State Psychiatric Hospitals.

In addition, TDHCA offers the use of TBRA to individuals on the Project Access Wait List, allowing him/her to live in the community until she/he can use Project Access. TDHCA conducted outreach and technical assistance to Department of Aging and Disability Services ("DADS") Relocation Specialists and HOME TBRA Administrators to help them serve individuals on the wait list.

To further address the needs of individuals transitioning from institutions, HHSCC, codified in Texas Government Code, Chapter 2306, Subchapter NN, seeks to increase coordination of housing and health services, by supporting agencies to pursue funding, such as Relocation Contractor services for people with behavioral health challenges and Intellectual and Developmental Disabilities; Medicaid waiver programs; vouchers from PHAs for people with disabilities and aging Texans; housing resources from the Texas Department of Criminal Justice for people with criminal histories transitioning to the community; and DSHS' rental assistance program.

HHSCC also encourages the coordination of TDHCA with DSHS for DSHS' new Home and Community-Based Services: Adult Mental Health Program. This program will serve individuals with Serious Mental Illness who have long-term or multiple stays in the State's Mental Health Facilities.

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Discussion

The Texas ESG Program is designed to assist, assess and, where possible, shelter the unsheltered homeless; to quickly re-house persons who have become homeless and provide support to help them maintain housing; and to provide support that helps persons at risk of becoming homeless maintain their current housing. Other special needs populations are described in Action Plan Section 25.

One public comment on the draft Plan noted that housing needed to work with other community services and supports, such as health care, location of jobs with good incomes, and education opportunties, to have a successful community. While the discussion above focuses on special needs populations, the commenter notes that when housing and services work together the entire community benefits.

AP-70 HOPWA Goals – 91.320(k)(4)

One year goals for the number of households to be provided housing through the use of HOPWA for:	
Short-term rent, mortgage, and utility assistance to prevent homelessness of the individual or family	470
Tenant-based rental assistance	445
Units provided in permanent housing facilities developed, leased, or operated with HOPWA funds	0
Units provided in transitional short-term housing facilities developed, leased, or operated with HOPWA funds	0
Total	915

AP-75 Barriers to affordable housing – 91.320(i)

Introduction:

The State submitted the Phase 2 of State of Texas Plan for Fair Housing Choice: Analysis of Impediments ("AI"), to HUD on November 8, 2013. This document describes state and local regulatory and land use barriers in detail. It may be accessed at http://www.tdhca.state.tx.us/housing-center/fair-housing. The AI included several suggestions on countering negative effects of public policy as it concerned two areas – land use and zoning and Not-In-My-Backyard Syndrome ("NIMBYism"). Suggestions applied to local governments as well as the state; the state is planning the following actions in response to these recommendations.

When a developer proposes an affordable housing development, state statutes require that the developer notify certain local community organizations and state and local officials. The required public notification process provides notice to persons, including those who may oppose affordable housing.

Given the climate surrounding the development of affordable housing and the likelihood of encountering NIMBY attitudes, developers may avoid proposing affordable developments in areas where they believe such reactions are likely because of the potentially significant increased costs of addressing NIMBYism and the increased likelihood of opposition thwarting their ultimate success. In turn, developers may choose to propose affordable multifamily developments in areas with fewer perceived barriers to development, often areas with lower median household income and concentrations of affordable housing where there is often a strong local desire for development of affordable housing. However, recent changes in the scoring of the State's HTC Program would mean developments in higher poverty areas would not score as well in the program's competitive environment.

In general, Texas residents share similar values about housing, regardless of their race, ethnicity, income or disability. Most of the value statement questions in a recent survey of Texas residents meant to detect NIMBYism received low ratings; especially "I prefer to live near people who are of my race or ethnicity." In fact, the value statement "I prefer to live in a neighborhood with many different types of people" had the second highest rating across the groups surveyed. (BBC Research and Consulting, 2012, Section III, Page 21)

The State is currently developing best practices guidance related to zoning and land use regulations, policies, and practices that will further fair housing choice. The State plans to release best practices to the public through its new Fair Housing website; the website will include areas specific to Real Estate Professionals, Developers, and Administrators, as well as Local Governments and Elected Officials.

Because cases of NIMBYism can be difficult to track (e.g., there is no database of NIMBY activities) it is hard to measure where NIMBYism occurs most often. The cases of NIMBYism most often associated with proposed HTC developments. Although not exclusive to these areas, NIMBYism appears

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anecdotally to be more likely to be a concern in areas with socioeconomic and housing homogeneity. To assist the State in gathering data on how elected officials, communities, and local governments are impacted by NIMBYism sentiments and to help the State in countering NIMBY messaging, TDHCA routinely outsources for studies, market analyses, and special projects with universities and private consulting firms. Guidance and resources to support affordable housing will be provided through TDHCA's Fair Housing website, along with a new Fair Housing listserv and community events calendar, and a Speaker's Bureau that will be able to discuss and dialogue on this and other Fair Housing topics.

Actions it planned to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment

To address concerns voiced by the public, TDHCA acts as an information resource for affordable housing studies and information. One recent project was with the University of Houston and will result in materials that can be used by elected officials and local governments that are considering a variety of actions related to affordable housing. Another project between TDHCA (including HHSCC) and the University of Texas will result in a Fair Housing public service message campaign with videos in support of affordable housing, fair housing rights, and Service-Enriched Housing.

To increase outreach at events, the State will attend a panel discussion called Building Stronger Communities through Expanded Housing Choice during an October conference of the Texas Chapter of the American Planning Association. The event will include statewide participants from communities and regional planning bodies. The State also plans to network with the Texas Municipal League and the Texas Association of Regional Councils.

The Texas Workforce Commission Civil Rights Division ("CRD") received a two-year grant of Partnership Funds for an outreach campaign. Groundwork was laid in January of 2014 and an outreach campaign coordinator was hired on July 1, 2014. CRD is targeting Midland, Odessa, Laredo, and Victoria, as well as small cities and towns surrounding these "oil and gas boom" areas. This campaign will include face-to-face activities as well as advertising/public service announcements in media sources to educate people in these areas on their Fair Housing rights and responsibilities.

TDHCA is also currently engaged in reviewing all guiding documents, rules, and practices internally to determine if known barriers or impediments to furthering fair housing choice can be further accomplished by making changes. The Fair Housing Team held interviews with Division Directors during May and June, 2014. Initial recommendations and actions were noted for each program as well as a list of 15 cross-Divisional recommendations that included items such as improved Affirmative Marketing Rules, improved Language Assistance Plan guidance, a better internal mechanism for Fair Housing training, Fair Housing Team reviews of rule changes and NOFA documents, etc. The Fair Housing Team and TDHCA will be making a concerted effort to review and move forward on key recommendations and to increase staff education to ensure that all programs are providing best practices guidance to recipients and the general public.

Also, in the Market Analysis Section 40, a policy was identified which affects the return on investment of affordable housing funds. This policy involves pressure from local governments, nonprofits and other subrecipients to use grants instead of loans, which results in a long-term depletion of affordable housing funding, since grants are not repaid. However, because of the cuts to HOME funding from HUD beginning in 2013, the affordable housing community may now be more receptive to the transition to loans. In fact, the CHDO activities were funded with 0% interest loans in 2014 and consultations with developers resulted in positive comments about the replenishment of the HOME CHDO funds. One developer recommended considering the implementation of loans for all homebuyer assistance (which is currently a mix of grants and deferred, forgivable loans) or homeowner rehabilitation. However, other consultations strongly opposed loans for homeowner rehabilitation because some program providers believe the population that uses rehabilitation are so severely low income that the homeowners would be far less likely to take on the liability of a loan and the burden of loan payments, and would rather live in a substandard property than take on those risks. TDHCA will continue to explore the idea of loans for HOME activities, when feasible.

Discussion:

A current collaboration between federal funding recipients known as the Texas State Fair Housing Workgroup began in May, 2014. This workgroup will assist State agencies adopt a uniform stance on Fair Housing issues and provide streamlined direction to essential Fair Housing information and best practices. To date, the workgroup has looked at sharing language assistance contracts, has generated ideas on streamlining Fair Housing discrimination complaint information and resources, and has served as a vehicle for comparing internal Fair Housing tracking and record keeping measures.

The Fair Housing Team at TDHCA has taken a leadership role in these meetings as directed under the 2013 Analysis of Impediments; the Fair Housing Team has shared both its Fair Housing Tracking Database, which is an internal Microsoft Access database it has designed to track action steps under the Phase 2 AI, and its new Fair Housing website section, which TDHCA believes will become one of the leading Fair Housing website resources for the state. The Fair Housing Team will also soon be debuting and sharing its demographic database, which is being created with the long-range goal of standardizing demographics collected in each TDHCA program area and analyzing these demographics to identify trends; make policy recommendations; and map service areas. As its initial test, this database will auto-generate an Excel spreadsheet that analyzes TDHCA multifamily property demographics against census data demographics by census tract, county, and MSA to determine which populations are under-represented or over-represented based on the definition of minority concentration from HUD. The spreadsheet will debut with the revised Multifamily and new Single Family Affirmative Marketing Rules. The spreadsheet will assist Multifamily Owners in determining which populations are considered least likely to apply and should be included in an Affirmative Marketing Plan. The short-term effect should be an increase in understanding and compliance with the Affirmative Marketing Rule of TDHCA. The long-term effect should be an improved ability to determine which areas are under or over served and an ability to present such information objectively to stakeholders and local governments.

The Fair Housing Team has 36 action steps on which it is moving forward, and is able to produce metrics on its momentum under the AI through its Fair Housing Tracking Database. In addition to logged action steps, the database also includes outreach and daily task logs and makes use of quick queries that it places into report-style templates based on a date range. The database collects action steps based on the four phases of project management planning (e.g., Plan, Review, Implement, and Evaluate) which lead staff to consider even at the planning stage how the step will be evaluated. This has resulted in a metrics-focused planning effort that will continue to guide future initiatives. The Fair Housing Team presented its first report to the TDHCA Board on these and other current goals at its July 31, 2014, meeting.

Finally, the State, through its Fair Housing Team, plans to create a new Fair Housing website section, which will include fair housing information for a variety of audiences (renters and homebuyers, owners and administrators, real estate agents, and local governments and elected officials) and will include fair housing toolkits and resources, links to a new Fair Housing email list and community events calendar, and a consumer survey. A portion of the available toolkits will be tailored to elected officials and local governments in an effort to encourage best practices in zoning and land use and addressing community concerns. Through this education and outreach, the State is hoping to make its best practices guidance widely known and to integrate such guidance with other state resource information.

AP-80 Colonias Actions – 91.320(j)

Introduction:

Among the border states of California, Arizona, New Mexico, and Texas, Texas has the largest number of colonias (approximately 1,825) and the largest colonia population (approximately 369,000 individuals) (Office of the Texas Secretary of State, 2010). Texas' colonias lie outside of city limits in the rural areas of their respective counties, where few to no local building codes exist to protect the households that seek affordable and sanitary housing solutions. Egregious housing conditions persist while residents also endure substandard infrastructure, inadequate potable water and waste water systems, and a host of public health, environmental and employment risks.

As discussed in Action Plan Section 48, the majority of the funding that assists colonias is through the CDBG Program, which funds both state agencies working to develop infrastructure and water services, as well as subgrantees at the local government level who work in concert with nonprofit service providers for housing, community affairs, and economic development. The OCI focuses on Texas colonias because colonias are economically distressed areas home to low- and very low-income households who contend with inadequate housing and scarce tangible resources. Colonias have proliferated along the U.S.-Mexico border. The HOME Program also has a specific set-aside for the development of housing opportunities in the colonias.

Actions planned to address obstacles to meeting underserved needs

The State dedicates 12.5 percent of CDBG funds annually for colonia areas, and additional funds are also awarded for colonia projects through other competitive fund categories. Basic human needs, including water and sewer infrastructure and housing rehabilitation, are prioritized for colonia set-aside funding, with a particular emphasis on connecting colonia households to safe and sanitary public utilities. Colonia planning funds are available to research and document characteristics and needs for colonia communities.

The Colonia SHCs experience the obstacle of wavering capacity to meet the needs of extremely under resourced colonia residents. The typical challenges that nonprofits face, such as high-turnover, lack of succession planning, lack of long-term funding opportunities, limited access to high quality training, and limited access to continuing education resources, are all exacerbated for subgrantees serving border colonias. In response, TDHCA has strategically placed Border Field Offices along the Texas-Mexico border that support SHC staff with problem solving and training. The Border Field Offices exist to provide local technical assistance directly to both colonia residents and the organizations that serve colonia residents.

Colonia residents may also receive benefit through the HOME Program, which provides rental assistance, rehabilitation or reconstruction of owner-occupied units with or without refinancing, down payment and closing cost assistance with optional rehabilitation for the acquisition of affordable single family housing, single family and multifamily development, and rental housing preservation of existing affordable or subsidized developments.

Actions the state plans to take to reduce the number of poverty-level families

Please refer to Strategic Plan Section 75 for how the TDHCA's Colonia SHCs provides one-stop-shop opportunities in targeted colonias along the Texas-Mexico border.

Actions the state plans to take to develop the institutional structure

Please refer to Strategic Plan Section 75 for the state's interagency strategy to monitor colonia improvements and facilitate information exchange among the agencies that address colonia issues.

Specific actions the state plans to take to enhance coordination between public and private house and social service agencies

In addition to the cooperation among various state agencies that help to support and develop colonias, TDHCA has established three strategically-placed Border Field Offices along the Texas-Mexico border, where the vast majority of colonias are situated. The Border Field Officers readily support administrators, disseminate funding information, and problem solve with administrators and colonia residents. This often requires facilitating communication with other service agencies, the private sector (such as colonia land owners, title companies, lenders), and other government agencies. Locally placed Border Field Officers increase the efficiency with which TDHCA can anticipate solutions and eventually builds institutional knowledge in the community.

In addition, TDA field representatives are available to provide general information on potential resources to communities and residents.

Discussion:

TDHCA and TDA's participation in the Texas Secretary of State's interagency workgroup on colonia issues helps keep both departments abreast of other state agencies' actions in infrastructure, public health and other activities. In the event that one agency's process could be counterproductive to the efforts of either department, it is in this forum that mitigation and problem solving can take place.

AP-85 Other Actions – 91.320(j)

Introduction:

The actions listed below are Other Actions taken by TDHCA, TDA, and DSHS to meet the requirements of §91.320(j). Other Actions include Meeting Underserved Needs, Fostering and Maintaining Affordable Housing, Lead-Based Paint Hazard Mitigation, Reducing Poverty-Level Households, Developing Institutional Structure, and Coordination of Housing and Services. The HOME, ESG, HOPWA, and CDBG programs address the other actions in concert with other federal, state, and local sources.

Actions planned to address obstacles to meeting underserved needs

HOME Addresses Underserved Needs

Obstacles to meeting underserved needs with HOME funds, particularly multifamily activities, include NIMBYism, a lack of understanding of federal requirements surrounding the use of HOME funds, and staff observation that program administrators may have more strict tenant or household selection criteria than other locally-run programs. TDHCA works to overcome these obstacles by educating developers and the communities where affordable housing is being proposed, as well as by offering HOME funds as grants or low-interest loans, with rates as low as 0%.

ESG Addresses Underserved Needs

Lack of facilities and services for homeless persons in rural areas is ESG¿s greatest underserved need. To help meet this need, TDHCA has used Community Services Block Grant discretionary funds to provide training and technical support to organizations in the Balance of State CoC. Shelters in the Balance of State CoC have limited funds for operations and maintenance, with little access to federal funds which often require substantial organizational capacity less common in smaller organizations. ESG and TDHCA¿s HHSP, which is state-funded only in some urban areas, may supplement federal funds in operational support.

HOPWA Addresses Underserved Needs

Some significant obstacles to addressing underserved needs are PLWH inability to obtain or maintain medical insurance, maintain income, and especially obtain employment, are partially due to a difficult economy in conjunction with rising costs of living (rent, deposits, utilities, food, transportation, etc.), high unemployment, no access to health insurance and/or decreased access to other affordable housing such as the HCV program. The inability to access HCVs is due to long or closed waiting lists, and in some cases, client non-compliance and ineligibility due to undocumented immigrant status.

DSHS¿ HOPWA program helps meet the needs of this underserved population throughout the State by providing essential housing and utilities assistance as part of a comprehensive medical and supportive services system. As a result, PLWH and their families are able to maintain safe and affordable housing, reduce their risk of homelessness, and access medical care and supportive services. DSHS will reallocate funding to address changing needs to maximize and target HOPWA funding to HSDAs that are in greatest need.

CDBG Addresses Underserved Needs

TDA encourages projects addressing underserved community development needs. In PY 2014 CDBG funds will be available through five different grant categories to provide water or sewer services on private property for low- and moderate-income households by installing yard lines and paying impact and connection fees. Regional competition for funding allows each area of the state to determine its highest priority needs, which may vary from first-time water service to drought relief to drainage projects.

Since the first legislative reforms in the 1990s, service providers in colonias have made gains in their capacity to address colonia issues, but unmet needs still exist and the Texas-Mexico border population growth is still increasing. OCI's main obstacle in addressing colonia housing needs is the varying capacities of subrecipients to administer assistance. TDHCA has established Border Field Offices along the Texas-Mexico border to readily provide technical assistance and on-going training to organizations and local governments that use TDHCA¿s CDBG funding.

Actions planned to foster and maintain affordable housing

HOME Addresses Affordable Housing

The HOME Program provides grant funds, deferred forgivable loans, and repayable loans to households or developments assisted by or through entities including units of local government, public organizations, nonprofit and for-profit organizations, CHDOs and PHAs. These funds are primarily used to foster and maintain affordable housing by providing rental assistance, rehabilitation or reconstruction of owner-occupied housing units with or without refinancing, down payment and closing cost assistance with optional rehabilitation for the acquisition of affordable single family housing, single family development and funding for rental housing preservation of existing affordable or subsidized developments. HOME funds may also be used in conjunction with the HTC Program or Bond Program to construct or rehabilitate affordable rental housing.

In addition, credits awarded through the HTC program can be layered with awarded funds from the HOME Multifamily Development program. When more than one source of funds is used in an affordable housing project, the State is able to provide more units of affordable housing than with one funding source alone.

ESG Addresses Affordable Housing

While TDHCA encourages the use of ESG funds to provide affordable transitional housing, the majority of funds are utilized to provide emergency shelter. Fostering affordable housing is not an initiative for which TDHCA provides funding or that TDHCA monitors in relation to the ESG Program.

HOPWA Addresses Affordable Housing

The cost of living continues to rise (increases in rent, utilities, application fees, and security deposits) while clients' income does not change, may decrease, or clients have no income. HOPWA makes housing more affordable for low-income clients so they can maintain housing, adhere to medical treatment, and work towards a healthier outcome. Project Sponsors will address long-term goals with the clients to help them establish a financial plan that can assist them in maintaining their housing. Affordable housing needs are high among PLWH. DSHS will continue to update funding allocations to address the changing needs of local communities and to maximize and target HOPWA funding to HSDAs in greatest need. DSHS will consider a variety of factors including but not exclusive to HIV/AIDS morbidity, poverty level, housing costs and needs, and program waitlists and expenditures. Furthermore, funds are reallocated between HOPWA activities within HSDAs to meet changing needs during the project year.

CDBG Addresses Affordable Housing

Currently, CDBG funds primarily support affordable housing through water and sewer infrastructure for housing. The CDBG funding provides a cost savings for housing when used to install water and sewer yard lines and pay impact and connection fees for qualifying residents.

Housing rehabilitation projects are prioritized in several fund categories, and TDA encourages each region to set aside a percentage of the regional allocation for housing rehabilitation projects.

CDBG helps communities study affordable housing conditions, providing data on affordable housing stock and planning tools for expanding affordable housing. The Colonia SHCs continue to address affordable housing needs in border counties by assisting qualifying colonia residents to improve or maintain a safe, suitable home in suitable areas.

The OCI serves as a liaison to the Colonia SHCs to assist with securing funding and carrying out activities, such as low-interest mortgages, grants for self-help programs, revolving loan funds for septic tanks, and tool lending.

Actions planned to reduce lead-based paint hazards

HOME Addresses Lead-based Paint

The HOME Program requires lead screening in housing built before 1978 for all HOME eligible activities in accordance with 24 CFR §92.355 and 24 CFR Part 35, subparts A, B, J, K, M, and R. Furthermore, single-family and multifamily development activities in HOME increase the access to lead-based-paint-free housing through the construction of new housing or reconstruction of an existing housing unit.

There is significant training, technical assistance, and oversight of this requirement on each activity funded under the HOME Program.

ESG Addresses Lead-based Paint

For ESG, TDHCA requires Subrecipients to evaluate and reduce lead-based paint hazards as part of its habitability review. During the annual contract implementation training, TDHCA will provide ESG Subrecipients with information related to lead-based paint regulations and TDHCA¿s requirements related to such. TDHCA will require ESG-funded Subrecipients to determine if a housing unit was built prior to 1978, for households seeking ESG funded rent or rent deposit assistance whose household has a family member(s) six year of age or younger. If the housing unit is built prior to 1978, the ESG Subrecipient will notify the household of the hazards of lead-based paint.

ESG Subrecipients utilizing ESG funds for renovation, rehabilitation or conversion must comply with the Lead-Based Paint Poisoning and Prevention Act and the Residential Lead-Based Paint Hazard Reduction Act of 1992. Through renovation, rehabilitation or conversion, ESG increases access to shelter without lead-based paint hazards. TDHCA evaluates, tracks, and reduces lead-based hazards for conversion, renovation, leasing or rehabilitation projects.

HOPWA Addresses Lead-Based Paint

HUD requires that Project Sponsors give all HOPWA clients utilizing homes built before 1978 the pamphlet entitled, ¿Protect Your Family from Lead in Your Home¿ during the intake process. The client's case record must include documentation that a copy of the pamphlet was given to the client and the case manager must make a certification regarding lead-based paint that includes actions and remedies if a child under age six will reside at the property.

CDBG Addresses Lead-Based Paint

Lead-based paint mitigation is an activity eligible under housing rehabilitation that is funded under the CPF, CFC, and Community Development Funds. Each contract awarded requires the sub-grantee to conform to Section 302 of the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. 4831(b)) and procedures established by TDA's CDBG in response to the Act.

Actions planned to reduce the number of poverty-level families

HOME Addresses Poverty-Level Households

Through the HOME TBRA Program, TDHCA assists households with rental subsidy and security and utility deposit assistance for an initial term not to exceed 24 months. As a condition to receiving rental assistance, households must participate in a self-sufficiency program, which can include job training, General Education Development ("GED") classes, or drug dependency classes. The HOME Program enables households to receive rental assistance while participating in programs that will enable them to improve employment options and increase their economic independence and self-sufficiency. Additionally, TDHCA allocates funding toward the rehabilitation and construction of affordable housing, incentivizing units to assist very low-income households, and assists very low-income households along the international border of Texas and Mexico by promoting the conversion of contract for deed arrangements to traditional mortgages.

ESG Addresses Poverty-Level Households

The ESG Program funds activities that provide shelter and essential services for homeless persons, as well as intervention services for persons threatened with homelessness. Essential services for homeless persons include medical and psychological counseling, employment counseling, substance abuse treatment, transportation, and other services. While TDHCA supports the use of ESG funds to help ESG clients lift themselves above the poverty line, it is not a specific initiative for which TDHCA earmarks ESG funding or that TDHCA monitors for the ESG Program.

For individuals threatened with homelessness, homelessness prevention funds can be used for short-term subsidies to defray rent and utility arrearages for households receiving late notices, and security deposits.

HOPWA Addresses Poverty-Level Households

The DSHS HOPWA Program serves HIV-positive persons based on income eligibility criteria of no more than 80% of AMI with adjustments for family and household size, as determined by HUD income limits. With varying poverty levels and housing needs in each HSDA across the State, funds are allocated and reallocated throughout the program year to maximize and target HOPWA resources to those with the most need. While many HOPWA clients assisted may be at poverty-level, this is not a requirement under 24 CFR §574.3.

CDBG Addresses Poverty-Level Households

A substantial majority of TDA's CDBG funds, over 95% in 2013, are awarded to ¿principally benefit low and moderate income persons. In addition, the formula used to distribute CD funds among regions includes a variable for poverty to target funding to the greatest need. CDBG economic development funds create and retain jobs through assistance to businesses. LMI persons access these jobs, which may include training, fringe benefits, opportunities for promotion, and services such as child care.

Actions planned to develop institutional structure

HOME Addresses Institutional Structure

The HOME Program encourages partnerships in order to improve the provision of affordable housing.

Organizations receiving Homebuyer Assistance funds are required to provide homebuyer education classes to households directly, or coordinate with a local organization that will provide the education. In addition, organizations receiving TBRA funds must provide self-sufficiency services directly, or coordinate with a local organization that will provide the services. Finally, partnerships with CHDOs and nonprofit and private-sector organizations facilitate the development of quality rental housing developments and assist in the rehabilitation or reconstruction of owner-occupied housing.

ESG Addresses Institutional Structure

TDHCA encourages ESG subrecipients to coordinate services with housing and other service agencies. Likewise, the CoCs funded with ESG funds are required to coordinate services and their local funded organizations to provide services as part of the local CoC. While ESG believes its system of funding applications that apply to a statewide NOFA is an effective system, ESG also believes that its move to fund the CoCs directly advances program goals of local coordination and cooperation within CoCs. TDHCA reviews ESG subrecipients¿ coordination efforts during on-site and desk monitoring. A map of local CoCs can be found online at: http://www.thn.org/continuums/.

HOPWA Addresses Institutional Structure

DSHS contracts with seven AAs, which contract directly with Project Sponsors serving all 26 HSDAs in the State to administer the HOPWA program under DSHS oversight. AAs also administer the delivery of other HIV health and social services, including the Ryan White and State Services HIV funds. This structure ensures the coordination of all agencies serving PLWH, avoids duplication, saves dollars, and provides the comprehensive supportive services for PLWH in each local community.

CDBG Addresses Institutional Structure

Each CDBG applicant must invite local housing organizations to provide input into the project selection process. TDA coordinates with state and federal agencies, regional Councils of Governments, and other partners to further its mission in community and economic development.

TDA also uses conference calls and webinars to provide training and technical assistance throughout the state. On-site project reviews may be conducted based on risk and other factors.

Actions planned to enhance coordination between public and private housing and social service agencies

TDHCA has staff members that participate in several State advisory workgroups and committees. The workgroups and committees which TDHCA leads are listed in Action Plan Section 15. The groups in which TDHCA participates include, but are not limited to the Community Resource Coordination Groups, led by the Health and Human Services Commission ("HHSC"); the Council for Advising and Planning for the Prevention and Treatment of Mental and Substance Use Disorders, led by DSHS; Reentry Task Force, led by Texas Department of Criminal Justice; Interagency Workgroup on Border Issues, led by Secretary of State; Texas Foreclosure Prevention Task force, led by Texas State Affordable Housing Corporation; Money Follows the Person Demonstration Project, led by DADS; Promoting Independence Advisory Committee, led by HHSC; and Texas State Independent Living Council, lead by the Texas Department of Assistive and Rehabilitative Services ("DARS").

TDHCA¿s participation in HUD¿s Section 811 PRA Program requires linkages between housing and services through a partnership with TDHCA, and the State Medicaid Agency (i.e., HHSC). Because the program is designed so that an individual can access both affordable housing and services in the community, TDHCA staff and HHSC staff meet regularly to ensure both housing and services are coordinated for the program. TDHCA and HHSC have responsibilities to execute the program. TDHCA will use units for the program in multifamily housing financed by TDHCA and the services will be provided by a network of local service providers coordinated by the HHSC enterprise agencies.

HHSCC, established by Texas Government Code §2306.1091, seeks to improve interagency understanding and increase the number of staff in state housing and health services agencies that are conversant in both housing and services. HHSCC supports agencies in their efforts to secure funding for: expansion of Housing Navigators to all Aging and Disability Resource Centers ("ADRCs") with TDHCA assisting in training; expansion of the Program for All-Inclusive Care for the Elderly ("PACE"); implementation of the Delivery System Redesign Incentive Payment (¿DSRIP¿) behavioral health projects; implementation of the Balancing Incentives Payment ("BIP") initiative; and DSHS' expansion of Oxford Houses for people with Substance Use Disorders. (Other coordination efforts for HHSCC involving people leaving institutions are in Action Plan Section 65.)

Further cooperation was directed by Senate Bill 7 passed during the 83rd Legislative session. Texas Government Code §533.03551 directs the commissioner of HHSC to work in cooperation with TDHCA, TDA, Texas State Affordable Housing Corporation ("TSAHC"), and other federal, state, and local housing entities to develop housing supports for people with disabilities, including individuals with intellectual and developmental disabilities.

Finally, DADS provides Money Follows the Person Demonstration funds to TDHCA for the equivalent of two full-time employees to increase affordable housing options for individuals with disabilities who currently reside in institutions and choose to relocate into the community; and to increase the amount of affordable housing for persons with disabilities, along with other TDHCA programs that will assist in preventing institutionalization. These enhanced coordination efforts further the implementation of many programs included in the Consolidated Plan, including the Section 811 PRA Program, Section 8 Project Access, and HOME Single Family activities.

Discussion:

In addition to the program actions mentioned above, TDHCA strives to meet underserved needs by closely monitoring affordable housing trends and issues as well as conducting its own research. TDHCA also makes adjustments to address community input gathered through roundtable discussions, web-based discussion forums and public hearings held throughout the State.

To foster and maintain affordable housing, TDHCA, TDA, and DSHS provide funds for nonprofit and for-profit organizations and public organizations to develop and maintain affordable housing. Funding sources include grants, low-interest loans, housing tax credits, and mortgage loans.

For lead-based paint hazard mitigation, DSHS has been charged with oversight of the Texas Environmental Lead Reduction Rules ("TELRR"). TELRR cover areas of lead-based paint activities in target housing (housing constructed prior to 1978) and child-occupied facilities, including the training and certification of persons conducting lead inspections, risk assessments, abatements, and project design. For all projects receiving over $25,000 in federal assistance, contractors need to follow inspections and abatements standards overseen by DSHS. By following these standards, the State is increasing the access to housing without lead-based paint hazards. The adherence to inspection and abatement standards is related to the extent of lead-based paint in that a majority of the housing in need of rehabilitation is likely housing built before 1978.

Furthermore, TDHCA, DSHS, and TDA's programs are aimed at reducing the number of Texans living in poverty, thereby providing a better quality of life for all Texans. The departments provide long-term solutions to the problems facing people in poverty and focus resources to those with the greatest need.

Regarding institutional structure, TDHCA, DSHS, and TDA are primarily pass-through funding agencies and distribute federal funds to local entities that in turn provide assistance to households. Because of this, the agencies work with many partners, including consumer groups, community based organizations, neighborhood associations, community development corporations, councils of governments, community housing development organizations, community action agencies, real estate developers, social service providers, local lenders, investor-owned electric utilities, local government, nonprofits, faith-based organizations, property managers, state and local elected officials, and other state and federal agencies. Because the agencies do not fund individuals directly, coordination with outside entities is essential to the success of their programs. By structuring its operations this way, the State shares its risk and commits funds in correlation with local needs, local partners are able to concentrate specifically on their area of expertise and gradually expand to offering a further array of programs.

Finally, to enhance coordination between public and private housing and social service agencies, State agencies chief function is to distribute program funds to local providers that include units of local government, nonprofit and for-profit organizations, community-based organizations, private sector organizations, real estate developers and local lenders. The private housing and social service funds available for priority needs may include loans or grant programs through private banks, for-profit or nonprofit organizations; this source of funding varies from year to year.

OMB Control No: 2506-0117 (exp. 07/31/2015)

Program Specific Requirements

AP-90 Program Specific Requirements – 91.320(k)(1,2,3)

Introduction:

Program specific requirements as referenced in 24 CFR 91.320 (k)(1,2,3) are described below for the CDBG, HOME, and ESG programs.

For the CDBG Program, it is expected that the total amount of program income that will have been received before the start of PY 2015 and that has not yet been reprogrammed will be $2,500,000. The amount of CDBG urgent need activities is estimated to be $5,100,000. The 85% of CDBG funds to benefit persons of low to moderate income includes PY 14-16.

Community Development Block Grant Program (CDBG)
Reference 24 CFR 91.320(k)(1)

Projects planned with all CDBG funds expected to be available during the year are identified in the Projects Table. The following identifies program income that is available for use that is included in projects to be carried out.

1. The total amount of program income that will have been received before the start of the next program year and that has not yet been reprogrammed	2,500,000
2. The amount of proceeds from section 108 loan guarantees that will be used during the year to address the priority needs and specific objectives identified in the grantee's strategic plan.	0
3. The amount of surplus funds from urban renewal settlements	0
4. The amount of any grant funds returned to the line of credit for which the planned use has not been included in a prior statement or plan	0
5. The amount of income from float-funded activities	0
Total Program Income:	**2,500,000**

Other CDBG Requirements

1. The amount of urgent need activities	5,100,000
2. The estimated percentage of CDBG funds that will be used for activities that benefit persons of low and moderate income.Overall Benefit - A consecutive period of one, two or three years may be used to determine that a minimum overall benefit of 70% of CDBG funds is used to benefit persons of low and moderate income. Specify the years covered that include this Annual Action Plan.	85.00%

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HOME Investment Partnership Program (HOME)
Reference 24 CFR 91.320(k)(2)

1. A description of other forms of investment being used beyond those identified in Section 92.205 is as follows:

   The State is not proposing to use any form of investment in its HOME Program that is not already listed as an eligible for investment in 24 CFR 92.205(b).

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2. A description of the guidelines that will be used for resale or recapture of HOME funds when used for homebuyer activities as required in 92.254, is as follows:

   If the participating jurisdiction intends to use HOME funds for homebuyers, the guidelines for resale or recapture must be described as required in 24 CFR §92.254(a)(5). Recapture provisions are not applicable for HOME-assisted multifamily rental projects; in the case of default, sale, short sale, and/or foreclosure, the entire HOME investment must be repaid.

   TDHCA has elected to utilize the recapture provision under 24 CFR §92.254(a)(5)(ii) as its primary method of recapturing HOME funds under any program the State administers that is subject to this provision. The following methods of recapture would be acceptable to TDHCA and will be identified in the note prior to closing.

   A. Recapture the amount of the HOME investment reduced on a pro rata share based on the time the homeowner has owned and occupied the unit measured against the required affordability period. The recapture amount is subject to available shared net proceeds in the event of sale or foreclosure of the housing unit.

   B. In the event of sale or foreclosure of the housing unit, if the shared net proceeds (i.e., the sales price minus closing costs; any other necessary transaction costs; and loan repayment, other than HOME funds) are in excess of the amount of the HOME investment that is subject to recapture, then the net proceeds may be divided proportionately between TDHCA and the homeowner as set forth in the following mathematical formulas. If there are no Net Proceeds from the sale, no repayment will be required of the homebuyer and the balance of the loan shall be forgiven:

   (HOME investment / (HOME investment + homeowner investment)) X net proceeds = HOME amount to be recaptured

   (Homeowner investment / (HOME investment + homeowner investment)) X net proceeds = amount to homeowner

   C. The household can sell the unit to any willing buyer at any price.

   D. In the event that the assisted property is rented or leased, or otherwise ceases to be the principal residence of the initial household, the entire HOME investment is subject to recapture.

   E. In the event of sale to a subsequent low-income purchaser of a HOME-assisted homeownership unit, the low-income purchaser may assume the existing HOME loan and recapture obligation entered into by the original buyer if no additional HOME assistance is provided to the subsequent homebuyer. In cases in which the subsequent homebuyer needs HOME assistance in excess of the balance of the original HOME loan, the HOME subsidy (the direct subsidy as described in §92.254) to the original homebuyer must be recaptured. A separate HOME subsidy must be provided to the new homebuyer, and a new affordability period must be established based on that assistance to the buyer.

3. A description of the guidelines for resale or recapture that ensures the affordability of units acquired with HOME funds? See 24 CFR 92.254(a)(4) are as follows:

   In certain limited instances, TDHCA may choose to utilize the resale provision at 24 CFR §92.254(a)(5)(i) under any program the State administers that is subject to this provision. The following method of resale would be acceptable to TDHCA and will be identified in the note prior to closing:

   A. Resale is defined as the continuation of the affordability period upon the sale or transfer, rental or lease, refinancing, or if the initial Household is not longer occupying the property as their Principal Residence.

   B. Resale requirements must ensure that, if the housing does not continue to be the principal residence of the family for the duration of the period of affordability, the housing is made available for subsequent purchase at an affordable price to a reasonable range of low- or very low-income homebuyers that will use the property as their principal residence.

   C. The resale requirement must ensure that the price at resale provides the original HOME-assisted owner a fair return on investment. Fair return on investment is defined as the sum of down payment and closing costs paid from the initial seller's cash at purchase, closing costs paid by the seller at sale, the principal payments only made by the initial homebuyer in excess of the amount required by the loan, and any documented capital improvements in excess of $500. Fair return on investment is paid to the seller at sale once first mortgage debt is paid and all other conditions of the initial written agreement are met. In the event there are no funds for fair return, then fair return does not exist. In the event there are partial funds for fair return, then fair return shall remain in force.

   D. The initial homebuyer's investment of down payment and closing costs divided by TDHCA's HOME investment equals the percentage of appreciated value that shall be paid to the initial homebuyer. The balance of appreciated value shall be paid to TDHCA. If appreciated value is zero, or less than zero, then no appreciated value exists. The HOME loan balance will be transferred to the subsequent buyer and the affordability period will remain in effect. The period of affordability is based on the total amount of HOME funds invested in the housing.

   E. In the event that the assisted property is sold during the affordability period, rented or leased, or otherwise ceases to be the principal residence of the initial household, the entire HOME investment will become immediately due and payable if the property does not continue to meet the affordability requirements for the remainder of the affordability period.

4. Plans for using HOME funds to refinance existing debt secured by multifamily housing that is rehabilitated with HOME funds along with a description of the refinancing guidelines required that

will be used under 24 CFR 92.206(b), are as follows:

TDHCA may use HOME funds to refinance existing debt secured by multifamily housing that is being rehabilitated with HOME funds as described in 24 CFR §92.206(b). TDHCA shall use its underwriting and evaluation standards, site and development requirements, and application and submission requirements found in 10 TAC, Chapter 10, for refinanced properties in accordance with its administrative rules. At a minimum, these rules require the following:

- that rehabilitation is the primary eligible activity for developments involving refinancing of existing debt;
- that a minimum funding level is set for rehabilitation on a per unit basis;
- that a review of management practices is required to demonstrate that disinvestments in the property has not occurred;
- that long-term needs of the project can be met;
- that the financial feasibility of the development will be maintained over an extended affordability period;
- that whether new investment is being made to maintain current affordable units and/or creates additional affordable units is stated;
- that the required period of affordability is specified;
- that the HOME funds may be used throughout the entire jurisdiction (except as TDHCA may be limited by the Texas Government Code) is specified; and
- that HOME funds cannot be used to refinance multifamily loans made or insured by any Federal program, including CDBG, is stated.

Emergency Solutions Grant (ESG)
Reference 91.320(k)(3)

1. Include written standards for providing ESG assistance (may include as attachment)

A. Being a unit of general local government or private nonprofit organization.

B. Documenting that the proposed project has the approval of the municipality in which the project will operate.

C. Assuring that ESG Subrecipients that are units of local general government obligate funds within 180 days from the date that TDHCA received the award letter from HUD.

D. Documentation of fiscal accountability.

E. Proposing to undertake only eligible activities.

F. Demonstrating need.

G. Assuring ability to provide matching funds. (The State may grant an exception to the match requirement of up to a total of $100,000 each fiscal year.)

H. Demonstrating effectiveness in serving the homeless, including the ability to establish, maintain, and/or improve the self-sufficiency of homeless individuals.

I. Assuring that homeless individuals will be involved in the provision of services funded through ESG, to the maximum extent feasible, through employment, volunteerism, renovating, maintaining or operating facilities, and/or providing direct services to occupants of facilities assisted with ESG funds.

J. Assuring the operation of an adequate, sanitary, and safe homeless facility and good-faith administration of a policy designed to ensure that the homeless facility is free from the illegal use, possession, or distribution of drugs or alcohol by its beneficiaries.

K. Assuring that it will develop and implement procedures to ensure the confidentiality of records of any individual receiving assistance as a result of family violence.

L. Assuring that all activities it undertakes with assistance under ESG are consistent with the State of Texas Consolidated Plan, the McKinney-Vento Homeless Assistance Act, and all other assurances and certifications.

M. Assuring the participation in the development and implementation, to the maximum extent practicable and where appropriate, policies and protocols for the discharge of persons from publicly-funded institutions and systems of care to prevent such discharge from immediately resulting in homelessness for such persons. ESG funds are not to be used to assist such persons in place of State and local resources.

N. Assuring that it will meet HUD's standards for participation in a local Homeless Management Information System and the collection and reporting of client-level information.

O. Any renovation carried out with ESG assistance shall be sufficient to ensure that the building involved is safe and sanitary, and the renovation will assist homeless individuals in obtaining (1) appropriate supportive services, including permanent housing and other services essential for achieving independent living; and (2) other federal, state, local, and private assistance available for such individuals.

2. If the Continuum of Care has established centralized or coordinated assessment system that meets HUD requirements, describe that centralized or coordinated assessment system.

Most of Texas's 12 CoCs do not currently use centralized or coordinated assessment systems. Subrecipients will be required to participate in a centralized or coordinated assessment system in adherence with HUD's requirements and standards as published in the CoC program rule. TDHCA has contracted with a provider to promote the CoCs readiness for this requirement.

3. Identify the process for making sub-awards and describe how the ESG allocation available to private nonprofit organizations (including community and faith-based organizations).

Texas is moving toward noncompetitively funding the COC network. For its competitive awards, Texas releases a NOFA each spring in anticipation of receiving ESG funding. Applications are accepted for generally a 30-day period. Applications are scored and ranked within their CoC regions. CoC regions are ranked according to the combination of the region's proportionate share of the state's total homeless population, based on the most recent Point-in-Time count submitted to HUD by the CoCs and the region's proportionate share of people living in poverty, based on the most recent 5-year ASC poverty data published by the Census Bureau. For the purposes of distributing funds, the percentage of statewide homeless population is weighted at 75% while the percentage of the statewide population in poverty is weighted at 25%.

Eligible applicant organizations are Units of General Purpose Local Government, including cities, counties and metropolitan cities and urban counties that receive ESG funds directly from HUD. Governmental organizations such as COGs, LMHAs, and PHAs are not eligible and cannot apply directly for ESG funds; however COGs, LMHAs, and PHAs may serve as a partner in a collaborative Application but may not be the lead entity.

Eligible Applicant organizations include private nonprofit organizations that are secular or religious organizations described in section 501(c) of the Internal Revenue Code of 1986, are exempt from taxation under subtitle A of the Code, have an acceptable accounting system and a voluntary board, and practice non-discrimination in the provision of assistance. Faith-based organizations receiving ESG funds, like all organizations receiving HUD funds, must serve all eligible beneficiaries without regard to religion.

4. If the jurisdiction is unable to meet the homeless participation requirement in 24 CFR 576.405(a), the jurisdiction must specify its plan for reaching out to and consulting with homeless or formerly homeless individuals in considering policies and funding decisions regarding facilities and services funded under ESG.

   With the change in the rules so that homeless participation is not required on the boards of Subrecipient agencies, TDHCA will consult with CoC leaders and Subrecipient agencies to design a way to receive input from homeless or formerly homeless persons in considering policies and funding decisions regarding facilities and services funded under ESG.

5. Describe performance standards for evaluating ESG.

   Organizations providing street outreach will be required to meet contractual performance targets for the number of persons to be assisted, the number of persons to be provided with case management, and the number of persons who will be placed in temporary, transitional or permanent housing.

   Organizations providing emergency shelter and transitional shelter will be required to meet contractual performance targets for the number of persons to be assisted, the number of persons to be provided with case management, and the number of persons who will exit to temporary, transitional housing destinations or permanent housing destinations.

   Organizations providing homelessness prevention and rapid re-housing assistance will be required to meet contractual performance targets for the number of persons to be assisted, the number of persons to be provided with housing stability case management services, the number of persons who will increase their non-cash benefits, the number of persons who will have an increase in income at program exit, and, for rapid re-housing, the number of persons who will exit to permanent housing destinations.

Discussion:

For HOME, the State is not proposing to use any form of investment in its HOME Program that is not already listed as an eligible for investment in 24 CFR 92.205(b). As described above, TDHCA may use HOME funds to refinance existing debt secured by multifamily housing that is being rehabilitated with HOME funds as described in 24 CFR §92.206(b). TDHCA shall use its underwriting and evaluation standards, site and development requirements, and application and submission requirements found in

10 Texas Administrative Code, Chapter 10, for refinanced properties in accordance with its administrative rules.

For ESG, performance standards for evaluating ESG are separated by the following activities: street outreach; emergency shelter and transitional shelter; and homelessness prevention and rapid re-housing assistance. These standards are included in each ESG Subrecipients annual contractual agreement with TDHCA.