



TEXAS DEPARTMENT OF AGRICULTURE  
COMMISSIONER SID MILLER

November 20, 2019

Mr. Mark Roy,  
U.S. Department of Housing and Urban Development  
Fort Worth Regional Office  
Office of Community Planning and Development  
801 Cherry Street, Unit #45, Suite 2500  
Fort Worth, TX 76102

RE: 2019 One Year Action Plan – CDBG program Substantial Amendment

Dear Mr. Roy,

The Texas Department of Agriculture (Department) proposes to revise the 2019 One Year Action Plan (OYAP) in order to better assist small and rural Texas communities impacted by disaster events. The proposed revision would replace the existing Disaster Relief Fund and Urgent Need Fund with a new State Urgent Need (SUN) Fund.

Since this change will change the method of distribution connected to the 2019 annual action plan, the State of Texas is required to substantially amend the 2019 OYAP. The proposed changes and public participation efforts are outlined in the attached document.

Sincerely,

Suzanne Barnard, Director  
Texas Community Development Block Grant Program



TEXAS DEPARTMENT OF AGRICULTURE  
COMMISSIONER SID MILLER

January 16, 2020

Mr. Mark Roy,  
U.S. Department of Housing and Urban Development  
Fort Worth Regional Office  
Office of Community Planning and Development  
801 Cherry Street, Unit #45, Suite 2500  
Fort Worth, TX 76102

RE: 2019 One Year Action Plan – CDBG program Substantial Amendment

Dear Mr. Roy,

The Texas Department of Agriculture (Department) has adopted and implemented the substantial amendment to the 2019 One Year Action Plan (OYAP), as previously submitted, in order to better assist small and rural Texas communities impacted by disaster events. The substantial amendment replaces the existing Disaster Relief Fund and Urgent Need Fund with a new State Urgent Need (SUN) Fund.

The department accept public comment and held a public hearing – the only comment received was in support of the proposed change. The Department will make the SUN Fund available to non-entitlement CDBG communities for the remainder of Program Year 2019.

Sincerely,

Suzanne Barnard, Director  
Texas Community Development Block Grant Program

**Substantial Amendment to the 2019 State of Texas One Year Action Plan for the  
Community Development Block Grant (CDBG) Program**

The Texas Department of Agriculture (TDA) has prepared a substantial amendment to the 2019 State of Texas One Year Action Plan, for the Community Development Block Grant (CDBG) Program in accordance with the State’s citizen participation plan and the requirements of 24 CFR part 91. This amendment changes the method of distribution connected to the 2019 annual action plan, therefore the State of Texas is required to substantially amend the 2019 State of Texas One Year Action Plan.

Citizen Participation activities for this substantial amendment were conducted as follows:

<b>Public Participation Opportunity</b>	<b>Date</b>	<b>Number of Attendees</b>
Formal Public Hearing	December 18, 2019	0
	December 9, 2019	6
<b>Informal Stakeholder Feedback Sessions and other Discussions:</b>		
Disaster Impact Task Force (appointed by Commissioner Miller)	June 20, 2019	11
Texas Rural Health and Economic Development Advisory Council	July 16, 2019	23
Roundtable – Austin	July 17, 2019	50
Roundtable – Kilgore	August 1, 2019	30
Roundtable – Austin	August 7, 2019	25
Roundtable – Austin	August 14, 2019	39
Roundtable – Laredo	August 20, 2019	15
Roundtable – Beaumont	August 21, 2019	21
Roundtable – Amarillo	August 22, 2019	21
Roundtable – El Paso	August 29, 2019	5
Roundtable – Webinar	September 5, 2019	43

**Detail on the CDBG Amendment**

In recent years, Texas has experienced numerous natural disasters, including 19 federally declared disaster events in Federal Fiscal Years 2015-2019 and multiple state-level proclamations and declared events. The State CDBG fund category for Disaster Relief has not been effectively used to address the needs of communities after these disaster events.

Based on information gathered from communities, agency partners, and other stakeholders, TDA has developed a new program to address disaster-impacted communities. Congress has appropriated large sums of CDBG-Disaster Recovery funding (administered by GLO) to address large scale disaster events, and other funding, including Federal Emergency Management Agency (FEMA) Public Assistance and Individual Assistance funding, Small Business Administration loans, and other federal resources are available following a Presidential declaration of disaster. While these resources may never be enough to restore communities after a major disaster event, the availability of federal resources sets these events apart. Disaster events that occur in an isolated area, or in an area where the value of property destroyed cannot meet the threshold necessary for a federal declaration, are also devastating to communities. Tornadoes, small flood events, and drought cause significant damage to the local area, but communities are not eligible to request federal resources and no other state-level resources are dedicated to addressing these needs.

The State Urgent Need (SUN) Fund will provide financial assistance to communities impacted by state-declared disaster events that are not eligible for federal disaster assistance.

This program category will replace the existing Disaster Relief (DR) Fund and Urgent Need (UN) Fund. The amount of funding available to transfer to the SUN Fund for the remainder of Program Year 2019 (through August 2020) reflects a small increase to the remaining amount that could have been transferred to the DR and UN Funds under the existing 2019 One Year Action Plan.

This new program category and the elimination of the existing DR and UN program categories under the TxCDBG program do not have any impact on CDBG-Disaster Recovery funding administered by the GLO.

Substantial amendments have been made to section AP-30 of the 2019 OYAP. The use of these funds will be reported in future CAPERS.

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

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### Distribution Methods

Table 1 - Distribution Methods by State Program

Delete State Programs from Method of Distribution:

<b>State Program Name:</b>	Disaster Relief Funds
<b>State Program Name:</b>	Urgent Need Fund

Add new State Program to Method of Distribution:

(cont. next page)

<b>State Program Name:</b>	State Urgent Need (SUN) Fund
<b>Funding Sources:</b>	CDBG
<b>Describe the state program addressed by the Method of Distribution.</b>	The State Urgent Need Fund is available following natural disasters and events that are not eligible for federal disaster assistance. The SUN program provides financial assistance to address disaster-related damage to public infrastructure and utilities, including repair, replacement, and mitigation measures.
<b>Describe all of the criteria that will be used to select applications and the relative importance of these criteria.</b>	<p>The State Urgent Need Fund is available as needed following events that receive a proclamation or other formal request for state agency assistance from the Governor (or designee), for which the Governor has not requested federal assistance.</p> <ul style="list-style-type: none"> <li>• Priority will be given to projects that address safe drinking water and other priorities as announced by the Commissioner of Agriculture.</li> <li>• The situation addressed by the applicant must be both unanticipated and beyond the control of the local government.</li> <li>• The problem being addressed must be of recent origin. For SUN assistance, this means that the application for assistance must be submitted no later than six months from the date of the state-declared disaster declaration.</li> <li>• The applicant must demonstrate that adequate local funds are not available. For SUN assistance, this generally means the applicant 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, and funds from other state or federal sources are not available to completely address the problem.</li> <li>• TDA may consider whether funds under an existing CDBG contract are available to be reallocated to address the situation.</li> </ul>
<b>If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria?</b>	Guidelines, applications and additional program documentation can be found on TDA's website at <a href="http://www.texasagriculture.gov">www.texasagriculture.gov</a> .
<b>Describe how resources will be allocated among funding categories.</b>	Of the State CDBG allocation, \$0 is allocated initially. However, a maximum \$2 million may be transferred from other fund categories as needed.
<b>Describe threshold factors and grant size limits.</b>	<p>Maximum: \$350,000 for projects benefitting a single jurisdiction / \$1 million for projects benefitting multiple communities.</p> <p>Minimum: \$50,000</p>
<b>What are the outcome measures expected as a result of the method of distribution?</b>	<p>Activities Benefitting LMI Persons</p> <p>Activities Addressing an Urgent Need</p>