TxCDBG State Urgent Need Fund
Assistance After a Natural Disaster

In the aftermath of natural disasters and storms, communities may consider applying for the Texas Community Development Block Grant program, State Urgent Need (SUN) Fund (TxCDBG-SUN). These grants are available through the Texas Department of Agriculture (TDA).

Who declares a disaster?

- The chief local elected official, such as a mayor or county judge, first declares a disaster situation - municipalities then request assistance from the county, and the county judge requests assistance from the governor's office (including municipalities in the request).
- The governor may issue a proclamation or request state assistance for the designated area.
- The state also may request federal assistance, which could result in a presidential disaster declaration for all or part of the affected area.
- **Disaster events which have received a Presidential declaration of disaster, or for which the Governor's Request for Presidential Disaster Declaration has been submitted/is pending, are not eligible for TxCDBG-SUN funding.**

What should I do first?

1) Evaluate the damage and determine the community's needs.

- Determine what needs must be addressed immediately and what repairs can wait until funding is secured. The safety of the community and its residents is always the highest priority.
- Best Practice: Request a visit from the Texas Division of Emergency Management (TDEM) to your community to perform a Preliminary Damage Assessment (PDA). The assessment will document the damage observed and support the repair or replacement cost estimates.

2) Decide whether TxCDBG-SUN funds are needed:

- TxCDBG-SUN funds are not emergency relief, but an early part of the community's longer-term efforts to restore damaged infrastructure.
- Request the TxCDBG-SUN preliminary forms packet and application by emailing CDBGApps@TexasAgriculture.gov.
- TxCDBG-SUN funding is considered "funding of last resort"
  - Consider other available funding including local resources, insurance payments, and other state or federal funding partners through TWICC.org.
  - Avoid duplication of assistance/benefit by carefully considering and documenting all funding options.

Are all disaster-related costs eligible for reimbursement?

- SUN funding is available to repair, replace, rehabilitate, or improve public infrastructure impacted by a natural disaster, including mitigation measures appropriate to the project.
- The funds cannot be used for:
  - Repair costs that are covered by insurance or other funding sources;
  - Temporary improvements or emergency measures that are not a long-term solution;
  - Redundant or backup systems;
  - Repair of residential or commercial properties; or
  - Costs of preparing an application for funding.
- Funding priorities:
  - TDA will prioritize applications for safe drinking water over other eligible activities.
  - TDA may also prioritize the use of SUN funds for other activities by announcing the priority on TDA's website and/or the application guide – currently, the additional funding priority is removal of debris that poses a hazard to health and safety.

When can I start work?
Before beginning any work that will be eligible for TxCDBG-SUN funding, the community must complete:

- a public hearing to determine needs;
- a resolution by the local governing body, authorizing submission of an application; and
- an environmental review according to HUD regulations.

What other information do I need for an application?

- TxCDBG-SUN Fund applications are due within six (6) months of the applicant being named in a disaster proclamation of the Governor or a request for assistance letter from the Governor's Authorized Representative (GAR).
- A damage assessment documenting the location and cost estimate of each disaster-damaged site requested for funding, prepared by a professional engineer. Note: if the engineer preparing this cost estimate intends to serve as the project engineer, the community must complete TxCDBG procurement/selection processes **before** beginning the assessment or other project related work.
- For drought-related applications, documentation that the utility has reported to state regulators that it expects to be "out of water in 180 days or less" (Drought Priority C for TCEQ).
- An annual audit, including an auditor's opinion letter, the annual general fund expenditures, and the total unrestricted balance for the most recently ended fiscal year.
- An active SAM registration: See www.SAM.gov

When will I receive funds?

- Applications are accepted "first-come-first-served". Once the completed application is submitted to TDA, TxCDBG staff will expedite its review and processing. TDA expects SUN Fund awards to be announced within a few weeks of receiving the completed documentation.
- After the award is announced, a grant contract outlining the project and the community's responsibilities will be prepared. A TDA contract specialist will be assigned to ensure that the various program requirements have been documented, including receipts or invoices for costs incurred.
- Funds will be released to reimburse the community as work is performed and contract requirements are completed.

What about federal requirements?
All federal, state and TxCDBG program requirements apply to SUN funding. However, certain activities may qualify for exemptions or waivers to some of these requirements.

- **Competitive Procurement:** The community may request TDA approval for non-competitive procurement in cases when the usual competitive procurement process would cause hardship by delaying the project.
  - Non-competitive procurement for administrative and/or engineering services is expected to be approved **if** a community began working with those entities to identify and address community needs within the first 30 days of state disaster declaration.
  - Non-competitive procurement for construction costs and other work necessary to complete the project will be considered on a case-by-case basis, with strong evidence needed to document the hardship.
- **Environmental Review:** No work may begin, no property may be acquired, and no construction or similar contracts may be executed for projects included in a SUN Fund application until the environmental review process is complete.
  - Information on each level of review can be found in the TxCDBG Implementation Manual.
  - Contact TDA for project-specific guidance by emailing the TxCDBG Environmental Regulatory Officer at CDBG_EnvReview@TexasAgriculture.gov.
- **Requirements for Davis Bacon labor standards, acquisition of real property, financial management, contract clauses, Build America Buy America (BABA)and civil rights will not be waived.** Information on TxCDBG requirements can be found in the TxCDBG Project Implementation Manual on the TDA website: https://www.texasagriculture.gov/GrantsServices/RuralEconomicDevelopment/RuralCommunityDevelopmentBlockGrant(CDBG)/Forms.aspx .

For questions or more information: CDBGApps@TexasAgriculture.gov