



## **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 [Aubrey-Ann.Gilmore@TexasAgriculture.gov](mailto:Aubrey-Ann.Gilmore@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](http://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](mailto:CDBG_EnvReview@TexasAgriculture.gov).
- **Requirements for Davis Bacon labor standards, acquisition of real property, financial management, contract clauses, 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](https://www.texasagriculture.gov/GrantsServices/RuralEconomicDevelopment/RuralCommunityDevelopmentBlockGrant(CDBG)/Forms.aspx).

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