

Minor Amendment to the 2019 One-Year Action Plan

The purpose of the this Minor Amendment to the 2019 One-Year Action Plan is to update the populations deemed Special Needs by the HOME program to better assist individuals during a state or federally declared emergency. The following section has been updated:

AP-25 Allocation Priorities

Updates are made to the Introduction.

- HOME and NHTF Serve Special Needs subsection. (P.2)

AP-25 Allocation Priorities – 91.320(d)

Introduction:

The CPD Programs serve special needs populations and meet the 13 Priority Needs found in Strategic Plan 25 of the 2015-2019 Consolidated Plan. These 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. 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. Due to software restrictions, allocations are rounded to the nearest whole number and do not reflect precise percentages.

Also, for the other programs listed in the anticipated resources (Action Plan 15) that could be used to leverage funds (including 4% HTC, 9% HTC, Multifamily Direct Loan Program, HHSP, State Housing Trust Fund, TX MCC, and My First Texas Home Program, NSP PI, Section 8 HCV programs, Section 811 PRA, and TCAP RF), goals are tailored to each program in the planning documents governing those programs. These documents can be found at <http://www.tdhca.state.tx.us>. In addition to meeting the priority needs, the CPD Programs 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's are included in the discussion below.

HOME and NHTF Serve Special Needs

TDHCA has determined that [TDHCA may have and TDHCA](#) administrators may request to establish a preference to serve the following special needs populations: persons with disabilities, persons with substance use disorders, persons living with HIV/AIDS (PLWH), persons with Violence Against Woman Act (VAWA) protections, colonia residents, farmworkers, homeless populations, veterans, wounded warriors (as defined by the Caring for Wounded Warriors Act of 2008), public housing residents, persons transitioning out of incarceration, [persons impacted by a state or federally declared disaster](#), and persons transitioning out of foster care and nursing facilities.

For administrators with 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 if necessary to provide as effective housing, aid, benefit, or services as those provided to others in accordance with 24 CFR §8.4(b)(1)(iv): PLWH, mental illness, substance use disorders, 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.

For HOME or NHTF rental housing, TDHCA will allow development of housing that meets requirements under the Housing for Older Persons Act. 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 to encourage leveraging of federal or state funding, provided that another federal or state funding source for the rental housing requires a limitation or preference. TDHCA may put further guidelines on development of specific types of rental housing by rule or NOFA.

In order to have consistent requirements for Developments with 100% Single Room Occupancy Units, the Department will utilize the HOME definition in 24 CFR §92.2 for HOME and NHTF, in addition to the

Department's definition of Single Room Occupancy at 10 TAC §11.1(d)(117) and the definition of Unit at 10 TAC §11.1(d)(136).

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 (%)	HOME Households in new/rehabbed multifamily units (%)	HOPWA Tenant-Based Rental Assistance (%)	HOPWA Short-Term Rent, Mortgage, & Utilities Asst (%)	HOPWA Permanent Housing Placement Assistance (%)	HOPWA-Funded Supportive Services (%)	HOPWA Facility-Based Housing Subsidy Assistance (%)	HOPWA Resource Identification (%)	HOPWA Housing Information Services (%)	CDBG Other Construction (%)	CDBG Economic Development (%)	CDBG Planning / Capacity Building (%)	CDBG Disaster Relief / Urgent Need (%)	CDBG Colonia Set-Aside (%)	CDBG Colonia Self-Help Centers (%)	CDBG Administration (%)	HOME Administration (%)	NHTF households in new multifamily units (%)	NHTF Administration (%)	Colonias Set-Aside (%)	Total (%)
CDBG	0	0	0	0	0	0	0	0	0	0	0	0	0	68	16	1	0	10	2	3	0	0	0	0	100
CDBG Colonias Set-aside	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	100	100
HOME	0	3	32	2	15	48	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	100
HOPWA	0	0	0	0	0	0	58	14	2	18	6	1	1	0	0	0	0	0	0	0	0	0	0	0	100
ESG	100	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	100
Housing Trust Fund	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	90	10	0	100	

Table 1 – Funding Allocation Priorities

Reason for Allocation Priorities

HOME

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. TDHCA now has access to TCAP RF, which are loan repayments from original TCAP funded developments, as a source of multifamily financing, as well as the ability to allocate program income to this activity based on the amount actually received in the prior program year, so these priorities will continue to have funds directed toward them while likely reducing the portion of HOME annual allocation funds directed towards multifamily activities.

Funding for single family activities from the 2019 annual allocation is anticipated to be awarded based on TDHCA's Regional Allocation Formula, through the Reservation System, contract awards, or a combination of the two allowing local administrators to prioritize single family activities on a household-by-household basis for: HBA, which addresses Acquisition of Existing Units and Rehabilitation of Existing Units priority needs; A pilot project allowing Homebuyer Assistance to be utilized to assist a homebuyer with purchase a land or a substandard housing unit, which will be either rehabilitated or newly constructed with HOME funds; HRA, 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 significant public input.

ESG

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

Street outreach, Emergency shelter, Rapid re-housing, HMIS activities, and Homelessness prevention.

HOPWA

HOPWA provides the following activities in line with priority needs:

TBRA, which addresses Rental Assistance priority needs; STRMU, which addresses Homelessness Prevention priority needs; Facility-Based Housing Subsidy Assistance, which addresses emergency shelter and transitional housing rental assistance needs; Supportive Services Program, which addresses Supportive Services for PLWH priority needs; and PHP, which addresses Homelessness Prevention priority needs.

CDBG

The CDBG Program offers the following activities relating 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, and to revitalize downtown areas in rural communities. Public facilities such as community centers and public safety facilities are less common activities, but are valuable to LMI communities. Colonias SHC activities provide public services and housing funds for residents living in the designated colonias of El Paso, Hidalgo,

Cameron/Willacy, Webb, Starr, Maverick and Val Verde counties.

NHTF

The NHTF Program activities for PY 2019 will be limited to construction of multifamily housing to address the priority needs of Rental Assistance and Production of New Units, and to promote leveraging of other fund sources. As this is a new fund source and a new program, the administrative burden of implementation is mitigated by using the funds within the well-established multifamily finance structure.

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 are described in the Introduction. ESG, HOPWA and CDBG discuss special needs populations below.

ESG Serves Special Needs

ESG does not have funding allocation priorities for special needs populations. However, the 2019 ESG NOFA may include selection criteria related to proposals serving persons with higher barriers to housing including persons with serious mental illness, persons recently released from institutions, persons with substance use disorders, veterans, survivors of domestic violence, youth aging out of foster care, and persons transitioning out of incarceration.

TDHCA requires ESG subrecipients to comply with HUD Final Rule Implementing Violence Against Women Reauthorization Act of 2013 (VAWA). Forms and information are required to be distributed to applicants and program participants for short- and medium-term rental assistance in accordance with 24 CFR §5.2005(e). Also pursuant to 24 CFR §5.2005(e), ESG Subrecipients are required to develop and follow an Emergency Transfer Plan.

HOPWA Serves Special Needs

Texas HOPWA serves PLWH and their household 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 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. 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, Facility-Based Housing Subsidy Assistance, PHP, Supportive Services, Housing Information Services, Resource Identification, and administrative expenses (not to exceed 7% of their allocation) and submit those to their Administrative Agents (AAs) 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.

CDBG Serves Special Needs

CDBG provides more than 85% 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 TDHCA was created and charged with the responsibility of coordinating all TDHCA's 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 operates Border Field Offices in Pharr, Laredo, and El Paso to provide technical assistance to border counties, Colonia SHCs, and Bootstrap Program participants.

