

STATE OF TEXAS



Plan for Disaster Recovery - Amendment No. 7 **U. S. Department of Housing and Urban Development (HUD)**

Consolidated Security, Disaster Assistance, and Continuing Appropriations Act,
Public Law 110-329

Published: September 3, 2024

Public Comment Period: September 3 – September 11, 2024

Approved:

Prepared by:
Texas General Land Office
1700 Congress Avenue
Austin, Texas 78701
Telephone: 800.998-4456



AMENDMENT NO. 7:

Summary of Action Plan Changes

The purpose of this Substantial Action Plan, Amendment 7, is to create the Disaster Recovery Reallocation Program (DRRP), to fully utilize de-obligated funds from all other programs.

Program Description:

The State of Texas, as one of the states most affected by disasters across the country, consistently has insufficient funding to fully recover from its disasters. It is also the case that programs and subrecipients do not individually fully utilize all allocated funds. This Disaster Recovery Reallocation Program is designed to support the reallocation of those de-obligated and unutilized funds for much needed further recovery for disasters that occurred in 2008, 2015, 2016, 2017, 2018 and 2019. The Disaster Recovery Reallocation Program (DRRP) is designed to utilize these de-obligated and unutilized amounts to provide the opportunity for communities with outstanding unmet need to access remaining CDBG-DR funds.

This program is designed to utilize remaining program funds from current disaster recovery grants from 2008 to 2019, with the exception of the 2011 Wildfires grant, and expedite the expenditure of funds to comply with HUD's timely expenditure requirements through a call for projects across multiple grants. Each project will undergo eligibility analysis based on the grant that will be used to fund it.

As funds continue to be identified through the de-obligation process, they will be added to this program. All remaining funds will be reallocated to this program for each grant.

The Disaster Recovery Reallocation Program (DRRP) supersedes any conflicting criteria of the Action Plan, as amended, while addressing the appropriate reallocation of unutilized funds that will be used in the DRRP.

1 *Allocation Amount: \$20,500,000*

2 *Award Amount:*

i. Maximum Award: \$20,000,000.

ii. Minimum Award: \$500,000.

3 *Eligible Entities:* Units of local government (cities and counties), Indian Tribes and public housing authorities.

4 *Eligible Activities*

i. Flood and drainage improvements.

ii. Water and wastewater improvements.

iii. Street improvements.

iv. Rehabilitation, reconstruction, and new construction of affordable multifamily projects.

5 *Ineligible Activities*

i. Any activity not identified above.

6 *Program Fund Restrictions*

i. CDBG-DR funds may not be used to enlarge a dam or levee beyond the original footprint of the structure that existed prior to the disaster event. CDBG-DR funds for levees and dams are required to:

a. Register and maintain entries regarding such structures with the USACE National Levee Database or National Inventory of Dams;

b. Ensure that the structure is admitted in the USACE PL 84–99 Rehabilitation Program (Rehabilitation Assistance for Non-Federal Flood Control Projects);

c. Ensure the structure is accredited under the FEMA NFIP; and

d. Maintain file documentation demonstrating a risk assessment prior to funding the flood control structure and documentation that the investment includes risk reduction measures.

ii. Funds may not be used to assist a privately owned utility for any purpose. A private utility, also referred to as an investor-owned utility, is owned by private investors and is for-profit as opposed to being owned by a public trust or agency (e.g., a coop or municipally owned utility).

iii. No disaster recovery assistance will be considered with respect to any part of a disaster loss that is reimbursable by FEMA, the USACE, insurance, or another source due in part to the restrictions against duplication of benefits outlined in this Action Plan. An activity underway prior to the Presidential disaster declaration will not qualify unless the disaster directly impacted said project.

iv. By law, (codified in the HCD Act as a note to 105(a)), the amount of CDBG-DR funds that may be contributed to a USACE project is \$250,000 or less.

v. Section 582 of the National Flood Insurance Reform Act of 1994, as amended, (42 U.S.C. 5154a) prohibits flood disaster assistance in certain circumstances. In general, it provides that no Federal disaster relief assistance made available in a flood disaster area may be used to make a payment (including any loan assistance payment) to a person for “repair, replacement, or restoration” for damage to any personal, residential, or commercial property if that person at any time has received Federal flood disaster assistance that was conditioned on the person first having obtained flood insurance under applicable Federal law and the person has subsequently failed to obtain and maintain flood insurance as required under applicable Federal law on such property. No disaster assistance may be provided for the repair, replacement, or restoration of a property to a person who has failed to meet this requirement.

7 *National Objectives: Low- and Moderate-Income (LMI), and urgent need.*

8 *Project Selection*

The GLO will hold a call for projects across all grants participating in the program, with each entity permitted to submit a maximum of two eligible projects. The GLO will select which funding source will be utilized to fund the project.

The GLO will then rank projects using the criteria defined in section 1.1.1.10 below. This ranking will be used to inform the project selection in addition to a review of program eligibility and grant conditions. Approved submissions will be relatively prioritized during the contracting process based on the expiration date of the grant being utilized.

9 *Eligibility Criteria*

The management capacity of each entity and feasibility for the submitted project to be completed within the two-year time frame will be evaluated by the GLO for each submission. Additionally, each project must:

- i. Include one activity, one service area, and address one national objective;
- ii. Address unmet needs from applicable disasters or tie back to the disaster event; and
- iii. Meet a HUD National Objective.

10 *Selection Criteria*

Criteria	Maximum Points
HUD MID**	10 Points Possible
<i>Project is in a HUD MID area</i>	<i>10 Points</i>
<i>Project is in a State MID area</i>	<i>0 Points</i>
LMI National Objective	20 Points Possible
<i>Project meets the LMI national objective</i>	<i>20 Points</i>
<i>Project does not meet the LMI national objective</i>	<i>0 Points</i>
Number of CDBG-DR Eligible Presidential Declarations from 2008 to 2019	20 Points Possible
<i>10-12</i>	<i>20 Points</i>
<i>7-9</i>	<i>15 Points</i>
<i>4-6</i>	<i>10 Points</i>
<i>1-3</i>	<i>5 Points</i>
Leverage	5 Points Possible
<i>Entity has pledged to provide Non-CDBG Leverage (a minimum value of 10% of CDBG-DR funds requested)</i>	<i>5 Points</i>
<i>Entity has not pledged to provide Non-CDBG Leverage (a minimum value of 10% of CDBG-DR funds requested)</i>	<i>0 Points</i>
SoVI	15 Points Possible
<i>High</i>	<i>15 Points</i>
<i>Medium High</i>	<i>12 Points</i>
<i>Medium</i>	<i>9 Points</i>
<i>Medium Low</i>	<i>6 Points</i>
<i>Low</i>	<i>3 Points</i>
Composite Disaster Index	20 Points Possible

Criteria	Maximum Points
<i>Top 10%</i>	<i>20 Points</i>
<i>Top 25%</i>	<i>15 Points</i>
<i>Top 75%</i>	<i>10 Points</i>
<i>Bottom 25%</i>	<i>5 Points</i>
<i>Bottom 10%</i>	<i>0 Points</i>
Is the Applicant a Public Housing Authority?	10 Points Possible
<i>Applicant is a Public Housing Authority</i>	<i>10 Points</i>
<i>Applicant is not a Public Housing Authority</i>	<i>0 Points</i>
Tie-Breaker: Higher Poverty Rate	
*More details on scoring criteria will be available in the application guidelines	
**Ike/Dolly projects will automatically receive points for this category	

11 *AFFH Review*

All proposed projects will undergo AFFH review by the GLO before approval. Such review will include assessments of (1) a proposed project’s area demography, (2) socioeconomic characteristics, (3) housing configuration and needs, (4) educational, transportation, and health care opportunities, (5) environmental hazards or concerns, and (6) all other factors material to the AFFH determination. Submissions should show that projects are likely to lessen area racial, ethnic, and low-income concentrations, and/or promote affordable housing in low-poverty, nonminority areas in response to natural hazard-related impacts.

12 *Timeline*

The proposed program start date is immediately after HUD’s approval of this Action Plan Amendment. The proposed end date is two years from the start of the program.

Total Allocation Budget (Updated in APA7)	
Administration	\$ 155,673,643.00
Planning	\$ 59,055,149.00
Program - Grant Funds*	\$ 2,843,262,648.00
Disaster Recovery Enhancement Fund	\$ 55,481,416.00
TOTAL	\$ 3,113,472,856.00
* These line items include Disaster Recovery Reallocation Program (DRRP)	

The GLO will ensure the 55% housing and 45% non-housing allocations are met for program grant funds, as stipulated by the Conciliation Agreement.