

STATE OF TEXAS



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

The Consolidated Security, Disaster Assistance, and Continuing Appropriations Act,
2009 (Pub. L. 110-329, approved September 30, 2008) 74 FR 7244 (February 13,
2009) & 74 FR 41146 (August 14, 2009)

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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.

v. Permanently affixed emergency communications equipment.

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 three 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 and 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>

Criteria	Maximum Points
<i>Low</i>	<i>3 Points</i>
Composite Disaster Index	20 Points Possible
<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 submission guidelines	
**Ike/Dolly projects will automatically receive points for this category	

11 AFFH Review

All proposed projects will undergo AFFH review by the applicant before GLO 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.

Ike/Dolly CDBG-DR Allocations – Updated in APA 7

DRGR Activity	Previous Budget	Reallocated Amount	Current Budget
State Administered Non-Housing	\$ 10,392,292.08	\$ 10,392,292.08	\$ -
State Administered Housing	\$ 7,731,200.88	\$ 7,731,200.88	\$ -
Housing Opportunity Program Round	\$ 18,000,000.00	\$ 1,580,125.08	\$ 16,419,874.92
Public Housing Program Round 2	\$ 2,228,295.55	\$ 2,222,632.69	\$ 5,662.86
Total	\$ 38,351,788.51	\$ 21,926,250.73	\$ 16,425,537.78

Public Comments:

Amendment 7

The State of Texas Hurricanes Ike & Dolly CDBG-DR Action Plan: Amendment 7 was released on September 3, 2024. The public comment period for the document ran from September 3 to September 11, 2024. The GLO distributed a statewide press release announcing the availability of the Amendment on the GLO website. Additionally, the GLO sent out an email to stakeholders across the three eligible counties targeting local emergency management coordinators, county and local government officials, public housing authorities, and other interested parties.

Forty-three comments regarding the DRRP in general were received. Ten comments exclusively relating to Amendment 7 of the Hurricanes Ike & Dolly action plan were received. In response to the comments, permanently affixed emergency communications equipment was added as an eligible activity for the DRRP, the maximum number of DRRP submissions was increased from two to three, and a budget changes table was added to the amendment.

Amendment 7 Commenters

Last Name	First Name	Individual, County, City, or Organization
Armstrong	DeWayne	City of Pineland
Thomas	David	Lufkin Police Department
Weems	Scott	City of Nacogdoches
Sprayberry	Sherry	Polk County Sheriff's Office
Stutts	Angela	City of Onalaska
Smith	Clayton	Crockett Police Department
Mohler	Josh	City of Livingston Fire Department
Frizzell	Jason	Crockett Fire Department
Blalock	Thomas	Zavalla Volunteer Fire Department
Edwards	Troy	Fuller Springs Volunteer Fire Department
Cochran	Dennis	Central Volunteer Fire Department

Wolfe	Mike	Huntington VFD
Lovell	Brandan	Huntington Police Department
Williams	Andrew	Center Police Department
King	Ricky	Center Police Department
Albers	Jim	Center Police Department
Monzingo	Tim	Nacogdoches County Sheriff's Office
McMulle	Michael	Woodville Police Department
Claude	Mike	DETCOG
Eldridge	Emmitt	San Jacinto County OEM
Moehlmann	Chris	South Polk County Volunteer Fire Department
Nehring	Chad	City of Center
Garcia	Angela	American Conservation Foundation, Inc.
Austin	Carolina	Natural Resources Solutions, LC
Ureno	Jossue	Individual
Nielson	Charlyn	Individual
Beaty	Sidney	Texas Housers
Sloan	Maddie	Texas Appleseed
N/A	N/A	Harvey Forgotten Survivors Caucus
Caldwell	James	Fair Housing Neighborhood Rights

DRRP General Comments

Comment Received: All action plan amendments should include the purchase and installation of public safety radio equipment and dispatch centers as an eligible use of DRRP funds. Although HUD does not allow the use of CDBG funds to purchase handheld public safety radios, the GLO

should request a waiver regarding this prohibition. *(Similar comment received 22 times)*

Response: Thank you for your comment. Permanently affixed emergency communications equipment has been added as an eligible activity to the DRRP. However, due to the limited expenditure deadline for these funds, there will not be sufficient time to request and receive a waiver from HUD to add handheld public safety radios to the list of eligible activities.

Comment Received: DETCOG should be allowed to submit a regional application to address public safety communication needs related to radio equipment purchases and installation.

Response: A regional application would be problematic due to the selection criteria and single-project constraints under the DRRP, which is necessary to ensure all program funds are utilized in compliance with expenditure timelines.

Comment Received: Is the applicable LMI going to be from where individuals and families fell during the hurricanes or is their current LMI level today?

Response: The most recently available LMI data will be used for the DRRP eligibility considerations.

Comment Received: Please clarify whether counties included under the 2011 Wildfire Presidential Declaration but not under any of the other 2008-2019 declarations be eligible to apply.

Response: The DRRP does not add additional eligible areas to any of the six action plans. If a county received a disaster declaration for the 2011 Wildfires but is not included in any of the disaster areas eligible for the DRRP, it would not be eligible to receive these funds.

Comment Received: Please clarify whether DRRP-eligible counties included under the 2011 Wildfire presidential declaration receive credit for this declaration under the "Number of CDBGDR Eligible Presidential Declarations from 2008 to 2019" criterion.

Response: The presidential declaration from the 2011 Wildfires would be included in the scoring criteria.

Comment Received: Please clarify whether Bastrop County, the only "HUD Most Impacted and Distressed" area under the 2011 Wildfire grant (77 FR 22584 4/16/21), will receive 10 points under the HUD MID scoring criterion.

Response: The HUD Most Impacted and Distressed scoring criteria is applicable to each individual action plan. The 2011 Wildfires action plan will not be amended to include a DRRP, meaning that counties that were exclusively HUD MID for the 2011 Wildfires will not receive any points for this scoring criterion.

Comment Received: Please clarify whether funds contributed from each CDBG-DR grant will only be available to projects that serve MID areas associated with that grant.

Response: The DRRP funds in each of the six individual action plans are available to all entities that are eligible under the respective action plan.

Comment Received: Please clarify if any level of FEMA assistance eligibility will provide a credit toward the points earned for the "Number of CDBG-DR Eligible Presidential Declarations" criterion.

Response: Only disasters for which Federal Major Disaster Declarations and CDBG-DR Eligible Presidential Declarations issued will be factored into this criterion.

Comment Received: Developing Affirmatively Furthering Fair Housing (AFFH) reviews after projects are proposed works backwards to develop a fair housing narrative and justify project decisions after the fact. This plan amendment does not foster a use of funds that affirmatively furthers fair housing. *(Similar comment received two times)*

Response: AFFH reviews must be conducted by the applicant as a part of its project selection process and submitted to the GLO during the application phase of the program. The GLO will review applicants' compliance with AFFH requirements for each project submitted for funding consideration. The GLO remains committed to ensuring AFFH efforts are compliant with regulatory requirements.

Comment Received: The current eligible activities do not allow for single-family home repair. The eligible activities need to be updated to better reflect community needs and wants.

Response: Due to the limited nature of the funds and expenditure timeline, the DRRP is focused on infrastructure improvements and the rehabilitation, reconstruction, and new construction of affordable multifamily projects.

Comment Received: County-level Social Vulnerability Index (SoVI) does not provide enough detail and does not give an accurate picture of vulnerability in specific communities. Using a county-level measure erases the vulnerability of communities within these counties.

Response: The DRRP will be utilizing the Social Vulnerability Index ("SoVI"), a highly regarded metric that accounts for disproportionate impacts, as a scoring criterion. In order for DRRP scoring to remain consistent across all action plans, the GLO will evaluate SoVI scores at the county and place levels. By utilizing SoVI's synthesis of 29 socioeconomic variables contributing to the reduction in a community's ability to prepare for, respond to, and recover from hazards, the GLO is able to discern a clearer picture of differential vulnerability across impacted areas. SoVI has been used in a variety of disaster-related action plans across the nation and has gained prominence in the disaster recovery and mitigation realm.

Comment Received: We support the goals GLO has laid out for the DRRP; to provide the opportunity for communities with outstanding unmet need to access de-obligated and unutilized CDBG-DR funds and to expedite the expenditure of those funds.

Response: The GLO appreciates this comment.

Comment Received: We appreciate the inclusion of scoring criteria like the Social Vulnerability Index (SVI), LMI National Objective, Number of CDBG-DR Eligible Presidential Declarations, and additional points for Public Housing Authorities that will help ensure these funds reach underserved communities with the most remaining unmet disaster recovery needs.

Response: The GLO appreciates this comment.

Comment Received: The amendment does not include detailed information on the Composite Disaster Index (CDI) and Social Vulnerability Index (SVI) scoring criteria.

Response: Additional details on the CDI and SoVI scoring criteria are provided in the DRRP Mapping

Viewer, the DRRP Call for Projects Guide, and layer list description, which are available on the GLO's website.

Comment Received: We support GLO's inclusion of a Social Vulnerability Index (SVI) in the scoring criteria and agree that the SVI is a critical component of any distribution of public funding.

Response: The GLO appreciates this comment.

Comment Received: We note that GLO has not specified which SVI it is using or the geographic level of analysis.

Response: The DRRP will be utilizing the SoVI, which originated out of the University of South Carolina and was further developed through a partnership with the University of Central Florida. SoVI is a highly regarded metric that accounts for disproportionate impacts through an equity lens. In order for DRRP scoring to remain consistent across all action plans, SoVI scores will be evaluated at the county and place levels.

Comment Received: Peer-reviewed research on social vulnerability confirms there is a need for transparency in the methods used to determine vulnerability, on the selection of an appropriate vulnerability index, and on how to adapt the index when county-scale aggregation downplays areas of actual vulnerability. If a default index is to be used, most governments tend to use the Center for Disease Control's social vulnerability index (SVI) which is based on publicly accessible data, for public policy purposes, not the SoVI from U. South Carolina which is based on proprietary information and is often used for academic research. (Similar comment received two times)

Response: The SoVI, which originated out of the University of South Carolina and was further developed through a partnership with the University of Central Florida, is a highly regarded metric that accounts for disproportionate impacts. By utilizing SoVI, the GLO can discern a clearer picture of differential vulnerability across areas of impact. SoVI synthesizes 29 socioeconomic variables (see Table 3-8 under section 3.6 of this Amendment) that contribute to reduction in a community's ability to prepare for, respond to, and recover from hazards. SoVI is a comparative metric that facilitates the examination of the differences in vulnerability among counties and other geographies. SoVI has been used in a variety of disaster-related action plans across the nation and has gained prominence in the disaster recovery and mitigation realm. The Centers for Disease Control's SVI, on the other hand, refers to the resilience of communities when confronted by external stresses on human health. These two distinctions are further illustrated when recognizing that SoVI is utilized in FEMA's National Risk Index while SVI is being used in the National Environmental Public Health Tracking Network.

Comment Received: We support the use of DRRP funds on flood and drainage improvements and water and wastewater improvements.

Response: The GLO appreciates this comment.

Comment Received: Although street improvements could further the objectives of CDBG-DR, the Amendment 7 language on street-related eligible activities is overly broad. Street improvements projects should only be funded if they make street infrastructure more resilient to flooding.

Response: All projects funded under the DRRP will be required to address unmet needs from the

applicable disaster in accordance with eligible activity parameters outlined in each action plan and tie back to the disaster event.

Comment Received: For the provision related to affordable multifamily units, we urge GLO to add scoring criteria incentivizing making more than 51% of units affordable to the lowest-income Texans and increasing the number of units accessible to people with disabilities. As a recent report from the State Comptroller indicated, increasing the supply of housing, particularly for low-income Texans, is a crucial step towards solving the housing affordability crisis.

Response: All affordable multifamily housing projects funded by the DRRP must comply with applicable Housing Guidelines, available on the GLO's website.

Comment Received: We are not confident that the intended use of the money, to address the unmet need of the communities affected directly by the storms, will be awarded in a manner that appropriately addresses storm needs. As community members with experience living through countless disasters, of which Houston is a beneficiary of five out of six of these annual declarations, our unmet need should be the most considered in the actions of the GLO.

Response: All projects funded under the DRRP will be required to address unmet needs from the applicable disaster and tie back to the disaster event.

Comment Received: We are concerned that there is not enough information given to the public in these amendments to submit an appropriate public comment. *(Similar comment received two times)*

Response: The GLO drafts action plans and amendments in accordance with regulatory requirements and published HUD guidance.

Comment Received: This amendment does not explicitly state that the funds must be used in direct tieback to the storm, like other Amendments clearly state.

Response: As stated in the DRRP eligibility criteria in each action plan amendment, each project must "[a]ddress unmet needs from applicable disasters and tie back to the disaster event".

Comment Received: We are extremely concerned with the lack of consideration for Affirmatively Furthering Fair Housing regulations and lack of clarity on how the GLO expect to ensure fair housing and discourage discrimination, in light of the current discriminatory finding that is still unsettled against the GLO for a similar competition administered with the CDBG-Mitigation funds.

Response: AFFH reviews must be conducted by the applicant as a part of the process for project selection and submitted to the GLO during the application phase of the project. The GLO will review applicants' compliance with AFFH requirements for each project submitted for funding consideration. The GLO remains committed to ensuring AFFH efforts are compliant with regulatory requirements.

Comment Received: We implore the GLO to withdraw all six amendments that are attempting to create a DRRP in order to move money away from the original intended beneficiaries. Houston was impacted in five of the six funding allocations. And Houston continues to be devastated by disasters. It is unclear why GLO would be moving funding away from the programs they should be completing as those were the most important unmet needs that this money was intended to address. *(Similar comment received two times)*

Response: The DRRP is designed to utilize funds that have been unutilized and de-obligated from other programs to ensure that all grant funds are expended. Communities will be eligible to apply for DRRP funds under any action plan in which they are identified as HUD and/or State MID areas.

Comment Received: We are also in disagreement that any money that is reallocated for any purpose be withheld from repairing, reconstructing, or rehabilitating single family homes for homeowners living in their primary residence.

Response: Due to the limited nature of the funds and expenditure timelines, the DRRPs are focused on limited infrastructure and affordable multifamily housing projects.

Comment Received: The Action Plan Amendments note that “each project will undergo eligibility analysis based on the grant that will be used to fund it,” but fails to provide detail on how the DRRP will connect to specific grant priorities and requirements.

Response: The DRRP sections of each action plan amendment describe the requirements for use of the reallocated funds and state that selected projects must address unmet needs from the applicable disaster in accordance with eligible activity parameters outlined in the action plan and tie back to the disaster event.

Comment Received: The GLO also needs to clearly communicate and explain the decision to move funds to a new program. It is unclear why the Action Plan Amendments note that the State of Texas “consistently has insufficient funding to fully recover from disasters” and yet funding is being reallocated. If programs and subrecipients do not fully utilize allocated funds, why can those funds not be reallocated within the existing Action Plan to address previously established priorities and needs? *(Similar comment received two times)*

Response: All reallocated funds are either funds that were not utilized in their original program or deobligated from closed contracts. The GLO has created the DRRPs to ensure that all remaining grant funds are expended within HUD established timelines.

Comment Received: If the DRRP is going to be an ongoing program using deobligated or unobligated funds, the GLO must spend more time seeking public input and developing meaningful criteria that reflect the needs of low-income Texans.

Response: All action plan amendments have been posted for the federally required amount of time according to respective Federal Register notices due to the limited expenditure timeline of the funds.

Comment Received: The Action Plan Amendments fail to provide evidence to demonstrate that the listed eligible activities are in line with priorities and needs of vulnerable communities who have faced historic discrimination.

Response: All proposed projects must address unmet needs from applicable disasters and tie back to the disaster event. Each project will undergo Affirmatively Furthering Fair Housing (AFFH) review by the applicants before GLO approval, as outlined in the DRRP requirements in the action plans.

Comment Received: Under the proposed Composite Disaster Index (CDI) selection criteria, will GLO use the 254-county-based CDI percentiles, or will it recalculate the percentiles based upon the number of DRRP-eligible counties? If the latter, we request this information be made available prior to finalizing the action plan amendments so that stakeholders can assess the impact on their

ability to compete.

Response: The DRRP selection criteria will utilize the state-wide CDI. Additional information on all data used in this program can be found on the program website when the call for projects begins.

Comment Received: **The proposed scoring criteria already have another item that measures compounding impacts of disasters - the count of presidential disaster declarations. If the GLO wants to continue to focus so many points on compounding impact and increased vulnerability, they should rework their criteria to more accurately reflect local risk that is relevant to the funding source. (Similar comment received two times)**

Response: The DRRP selection criteria are focused on providing funds to areas that have been most frequently impacted by significant disasters. Utilizing CDI and the count of CDBG-DR eligible presidential disaster declarations in the criteria helps to ensure that reallocation funds are used to assist those who are regularly impacted by disasters.

Comment Received: **We understand the desire to leverage existing funds, but we are concerned that the inclusion of points for providing at least 10% of the funds requested in the scoring criteria could disadvantage communities without access to other resources for disaster recovery. While the higher number of points for projects that meet the LMI National Objective may be intended to mitigate this effect, we are perhaps more concerned that smaller, less well-resourced, and less affluent communities will not have the capacity to submit project applications in the first place. We urge GLO to conduct affirmative outreach to these communities and offer them technical assistance with grant applications. (Similar comment received two times)**

Response: By including a leverage component in the selection criteria, the DRRP encourages submissions from entities that have the capacity and commitment to utilize funds in line with the expenditure timeline. The GLO will host a webinar to discuss the DRRP and provide written submission guides and FAQs to support communities.

Comment Received: **We are confused about the inclusion of the CDI in the scoring criteria, particularly since a more relevant measure, “Number of CDBG-DR Eligible Presidential Declarations from 2008 to 2018” is also included.**

Response: The DRRP selection criteria are focused on providing funds to areas that have been most frequently impacted by significant disasters. Utilizing CDI and the count of CDBG-DR eligible presidential disaster declarations in the criteria helps to ensure that reallocation funds are used to assist those who are regularly impacted by disasters.

Comment Received: **Counties are ranked by the highest frequency per hazard, including wildfires, hail, and drought, that would not result in unmet needs eligible to be addressed with the CDBG-DR funding covered by the proposed Action Plan Amendments. Because the scores are weighted by the relative impact of each hazard on property loss and human casualties, wildfires, which GLO has specifically excluded from the DRRP, are weighted more heavily than flooding, which caused much of the damage these funds are intended to address.**

Response: The CDI is designed to give a comprehensive description of the impact of all disasters. All DRRP projects will be required to address unmet needs related to the respective disaster events.

Comment Received: **Normalizing the distribution twice also means that outliers, counties with the**

most severe risk for eligible hazards, are pulled towards the middle of the distribution, meaning that their relative risk for eligible hazards looks smaller than it actually is.

Response: The CDI is one component of the scoring criteria for the DRRP, worth 20 points.

Comment Received: The CDI uses data from the National Flood Insurance Program on properties that have flooded multiple times to calculate flood risk. This means that only houses that are insured and have filed flood insurance claims are counted towards flood risk: homeowners who can't afford flood insurance or live in areas without a community rating are excluded.

Response: The CDI methodology utilized in the DRRP selection criteria follows the methodology designed by the Center for Space Research at UT Austin. The CDI is one component of the scoring criteria for the DRRP, worth 20 points.

Comment Received: The CDI also does not account for the number of people and amount of property at risk from a given hazard. Ranking counties from 1 to 5 instead of using absolute numbers distorts the magnitude of difference between counties.

Response: The CDI is one component of the scoring criteria for the DRRP, worth 20 points. The ranking of eligible counties under each DRRP based on areas of impact allows for a more accurate weighting relative to each disaster event.

Comment Received: GLO should use the SVI at the census tract and not county level in order to ensure that CDBG-DR funds address unmet recovery needs in the most affected areas. Determining SVI score at the county level rather than at a lower geographic level means that areas with greater economic inequality will have lower SVI scores, even if there are areas within those counties with very high levels of social vulnerability. This may steer funds away from the hardest-hit areas that are most affected by pre-existing inequities and where recovery funds are still most needed.

Response: The GLO intends to use SoVI analyses at county and place levels to allow the DRRP scores to be consistent across action plans.

Comment Received: The total number project submissions should be increased from two.

Response: Thank you for your comment. The maximum number of project submissions per applicant has been increased to three.

Comment Received: The public should have an opportunity to know and comment on which specific requirements of an Action Plan are being superseded. While the public may have some sense of this from the current amendments which detail specific programs from and to which funds are being reallocated, the inclusion of language in the Harvey, 2018 Floods, and 2019 Disasters amendments in specific program sections stating that “any remaining funds within this program will be reallocated to the DRRP” suggests that the public may not have an opportunity to comment on future reallocations to the DRRP.

Response: The GLO will follow requirements for posting future substantial action plan amendments for public comment as required for each grant.

Comment Received: [I]t is critical that the scoring criteria and eligible activities for the DRRP are

developed through deliberate and genuine public engagement and are targeted to the low- and moderate-income Texans that are the intended beneficiaries of these funds.

Response: The LMI criterion is 20% of the total points award for the DRRP in order to emphasize it as a National Objective. The GLO will follow requirements for posting future substantial action plan amendments for public comment as required for each grant.

Comment Received: We would like to emphasize the importance of ensuring that unexpended funds from disaster recovery efforts are reallocated for use within the broader affected regions, particularly in areas that share the same watershed or ecological systems as those originally impacted. By allowing unexpended funds to be reallocated and utilized in counties outside the original disaster declaration areas, we can address the broader environmental and community recovery needs, ensuring a more resilient restoration of these vital ecosystems.

Response: HUD does not allow the GLO to make any additional areas eligible under the DRRPs for any of the six action plans.

Hurricanes Ike and Dolly Specific Comments

Comment Received: Since Ike and Dolly happened 16 years ago, how will the State and the GLO give eligible aid for damages that Texans may have already fixed over a decade ago with their own money?

Response: The eligible activities under the DRRP are infrastructure improvements and rehabilitation, reconstruction, and new construction of affordable multifamily projects. This program does not include reimbursements to individuals for repairs that have already occurred.

Comment Received: The proposed scoring DRRP scoring criteria do not acknowledge guidelines outlined in the 2010 Voluntary Compliance Agreement (VCA) and do not differentiate between housing and non-housing activities. The amendment fails to explain how these criteria were selected and how they will ensure that the GLO meets the 55% housing activities/45% non-housing activities requirement of the VCA.

Response: As stated in the DRRP section of the Action Plan amendment, the GLO will ensure the 55% housing and 45% non-housing allocations are met for program grant funds, as stipulated by the Conciliation Agreement.

Comment Received: The GLO must spend more time seeking public input and developing meaningful criteria that reflect the needs of low-income Texans.

Response: This Action Plan amendment was posted for the federally required period according to the relevant Federal Register notice due to the limited expenditure timeline of the funds.

Comment Received: Amendment 7 does not provide any information on where the initial \$20.5 million in unutilized CDBG-DR funds for Hurricanes Ike and Dolly that will be reallocated to the DRRP is coming from while the other proposed Action Plan Amendments detail the source of the de-obligated and unutilized funds. Nor does the Amendment specify which criteria of the Action Plan conflict with the Amendment and will be superseded, and the Action Plan containing the proposed changes has not been published for comment.

Response: Thank you for your comment. This information is now included in the “Ike CDBG-DR Allocations - Updated in APA 7” table on page 6 of the Action Plan amendment.

Comment Received: This amendment does not evaluate the outcomes of the Ike and Dolly programs that were funded to address the unmet need.

Response: Information regarding the unmet needs related to Hurricanes Ike and Dolly can be found in the initial Action Plan and the DRGR Quarterly Performance Reports, which identified the use of funds for each grant, on the [GLO’s website](#).

Comment Received: This amendment does not clearly state how much funding would be allocated to the DRRP.

Response: The DRRP has been allocated \$20,500,000 in this amendment to the Action Plan, as stated in the Program Description section on page 2 of the posted amendment.

Comment Received: This action plan amendment does not give us any details regarding the reasons why the DRRP is needed, how much money will be put into the DRRP from the \$3 billion budget.

Response: The Program Description section of the Action Plan amendment addresses the reasons for establishing the DRRP and states that a total of \$20,500,000 is allocated to the DRRP through this amendment.

Comment Received: The GLO should get input from the community on how the money is spent within their affected areas instead of putting it into a competition where only the government bodies have a say in the submitted applications.

Response: Each applicant must develop and implement a citizen participation component in its project selection process that complies with the GLO’s guidance prior to submission of project applications to the GLO.

Comment Received: The use of Composite Disaster Index (CDI) as a criterion can reward points to applicants in areas with more vulnerability to hazards, but not necessarily hazards relevant to Hurricane Ike. Considering wildfire or drought risk, for example, might shift funding away from the areas most relevant to Ike funds and contradicts the HUD requirement that funds specifically address Hurricane Ike damage. The factors used to measure vulnerability can also be flawed. Wildfires that result in no property damage or harm to residents should not be relevant.

Response: The Composite Disaster Index (“CDI”) is not the only criterion being considered for project ranking. The CDI is illustrative of the hazards faced by the state and seeks to show the severity of all hazards in order to determine where limited funds should be directed. The CDI’s predictive modeling of future risk uses past occurrences to determine patterns and predict future occurrences. While this dataset does consider a variety of disaster types, all projects funded by the DRRP must “[a]ddress unmet needs from applicable disasters and tie back to the disaster event,” as stated in the DRRP eligibility criteria in the Action Plan amendment.

Comment Received: The CDI was calculated including all 254 counties in Texas, and not solely the counties eligible for CDBG-DR funds for Hurricanes Ike and Dolly (in the case of this proposed Amendment). Comparing eligible areas to non-eligible areas creates a different distribution,

distorts the CDI scores of eligible counties, and may result in a misallocation of CDBG-DR funds.

Response: In order to allow for consistent scoring for the DRRPs across all action plans, the statewide CDI score will be used in the scoring criteria.



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, DC 20410-7000

OFFICE OF COMMUNITY PLANNING
AND DEVELOPMENT

Jennifer Jones
Deputy Land Commissioner
Texas General Land Office
1700 N. Congress Street, Suite 935
Austin, TX 78701-1495

Dear Ms. Jones:

The Department of Housing and Urban Development (HUD) is approving the State of Texas' Action Plan Amendment (APA) 7 to the State's Action Plan for Community Development Block Grant-Disaster Recovery (CDBG-DR) funds appropriated under the Consolidated Security, Disaster Assistance, and Continuing Appropriations Act, 2009, Public Law 110-329, and the Disaster Recovery Enhancement Fund. HUD allocated \$3,113,472,856 to the state of Texas for long-term recovery efforts in response to Hurricanes Ike and Dolly.

APA 7 reallocates de-obligated and unutilized funds from the State-administered housing and non-housing programs, the Housing Opportunity Program, and the Public Housing Program Round 2. These funds will now be used for the new Disaster Recovery Reallocation Program (DRRP). The DRRP is designed to provide communities with outstanding unmet needs the opportunity to access remaining CDBG-DR funds. Eligible applicants may apply for DRRP funds for the eligible activities, below. The minimum and maximum award amounts are \$500,000 and \$20,000,000, respectively.

DRRP Eligible Activities:

- Housing activities:
 - Rehabilitation, reconstruction, and new construction of affordable multifamily projects, and
- Infrastructure activities:
 - Flood and drainage improvements,
 - Water and wastewater improvements,
 - Street improvements, and
 - Permanently affixed emergency communication equipment.

HUD's approval of action plans and APAs means that the plan and amendments are substantially complete but do not constitute approval of the grantee's implementation of the activities described in the plan. The Department acknowledges that the State of Texas' submission of APA 7 is substantially complete.


The Action Plan funding allocations, as modified by APA 7, are reflected in the attached appendix.

The Department remains committed to assisting the State of Texas in its efforts to address the State's recovery needs. If the State has any questions regarding the information in this letter, please contact Ms. Sonya M. Brister, Assistant Director, FTW Region, Grants Management Division, Office of Disaster Recovery, by email at Sonya.M.Brister@hud.gov.

Sincerely,

**WILLIAM
BEDFORD**

William L. Bedford
Director, Grants Management Division
Office of Disaster Recovery

 Digitally signed by WILLIAM
BEDFORD
Date: 2024.12.06 13:42:53
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Appendix A: Budget Allocations

Program	Previous Allocation	Change	APA 7
Administration	\$ 155,673,643	\$ -	\$ 155,673,643
Planning	\$ 59,055,149	\$ -	\$ 59,055,149
Disaster Recovery Enhancement Fund	\$ 55,481,416	\$ -	\$ 55,481,416
State Administered Non-Housing	\$ 10,392,292	\$ (10,392,292)	\$ -
State Administered Housing	\$ 7,731,201	\$ (7,731,201)	\$ -
Housing Opportunity Program Round	\$ 18,000,000	\$ (1,580,125)	\$ 16,419,875
Public Housing Program Round 2	\$ 2,228,296	\$ (2,222,633)	\$ 5,663
Program Grant Funds	\$ 2,804,919,859	\$ 21,926,251	\$ 2,826,846,110
Total Allocation	\$ 3,113,481,856		\$ 3,113,481,856