TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS
TDHCA Governing Board Approved
2016 National Housing Trust Fund Allocation Plan, Amended 2015-2019 State of Texas Consolidated Plan, and Amended 2016 One-Year Action Plan

Disclaimer

Attached is the National Housing Trust Fund ("NHTF") Allocation Plan, Amended 2015-2019 State of Texas Consolidated Plan ("Con Plan"), and Amended 2016 One-Year Action Plan ("OYAP") that was approved by the TDHCA Governing Board on February 28, 2017 for public comment. Notification of public comment for this document is scheduled to be published in the March 10, 2017 edition of the *Texas Register*.

Public Comment

Public Comment Period: Starts: Wednesday, March 1, 2017 Ends: 6:00pm Austin local time on Thursday, March 30, 2017.

Comments received after 6:00pm Austin local time on Thursday, March 30, 2017 will not be accepted.

Written comments may be submitted, in hard copy/fax or electronic formats to:

Texas Department of Housing and Community Affairs
Attn: Housing Resource Center
P.O. Box 13941
Austin, Texas 78711-3941
Fax: (512) 475-0070
Email: info@tdhca.state.tx.us

Written comments may be submitted in hard copy, fax, or email formats within the designated public comment period. Those making public comment are encouraged to reference the specific draft rule, policy, or plan related to their comment as well as a specific reference or cite associated with each comment.

Any comments received that do not directly address the 2016 NHTF Allocation Plan or NHTF specific edits to the 2015-2019 Con Plan or 2016 OYAP, will not be addressed.

Please be aware that all comments submitted to the TDHCA will be considered public information.

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS
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Mailing Address: PO Box 13941, Austin, TX 78711-3941
Main Number: 512-475-3800 Toll Free: 1-800-525-0657
Email: info@tdhca.state.tx.us Web: www.tdhca.state.tx.us

II. GRANTEE INFORMATION

State:

Texas

FY 2016 HTF Allocation Amount:

$4,789,477

III. CONSOLIDATED PLAN REQUIREMENTS

Citizen Participation Plan

The consolidated plan regulation at § 91.115 requires the State to include HTF in its citizen participation plan. Essentially, before adopting a consolidated plan, the State is required to adopt a citizen participation plan that describes the process for providing and encouraging citizens to participate in the development of the consolidated plan, the amendments to the consolidated plan and the performance report (CAPERS). For the purposes of HTF, the State is required to make the following information available to the public:

- the amount of HTF assistance the State expects to receive,
- the range of activities the State may undertake, including the estimated amount that will benefit extremely low-income households, and
- the State's plans to minimize displacement of persons and to assist any persons displaced.

If the State already conducted its citizen participation and included HTF in any citizen participation it performed for the other HUD formula grant programs, then the State does not need to conduct additional citizen participation for HTF. If the State has not yet conducted citizen participation or did not include HTF in the citizen participation it performed for other HUD formula grant programs, then it must conduct citizen participation to include HTF as part of its consolidated plan.

Consolidated Plan Screen(s) To Revise

The following screen in the eCon Planning Suite consolidated plan template in IDIS must be revised to include HTF.

☒ **ES-05 / AP-05 Executive Summary:** § 91.320(b)- The Executive Summary includes seven narratives: (1) Introduction; (2) Summary of Objectives and Outcomes; (3) Evaluation of Past Performance; (4) Summary of the Citizen Participation and Consultation Process; (5) Summary of Public Comments; (6) Summary of Comments Not Accepted; (7) Summary.

☒ **PR-15 Citizen Participation:** § 91.115 and § 91.300(c)- revise this screen to provide a summary of the citizen participation efforts made for HTF, including efforts to broaden public participation, a summary of citizen comments or views on the plan, and a written explanation of comments not accepted and the reasons why these comments were not accepted.

IV. STRATEGIC PLAN REQUIREMENTS

The State must amend the affordable housing section of the strategic plan to include specific objectives that describe proposed accomplishments the State hopes to achieve and must specify the number of extremely low-income families to which the State will provide affordable housing to (homeownership- § 93.302; rental- § 93.304) over a specific period of time. The State can complete this requirement by including HTF on the **SP-45 Goals screen**.

Note: Directions on how to amend a plan are included at the end of this document.

Reminder: 100 percent of FY 2016 HTF funds must benefit extremely low-income households; a minimum of 80 percent must be used for rental housing; up to 10 percent may be used for homeownership housing; up to 10 percent may be used for administrative costs.

Strategic Plan Screen(s) To Revise

In addition to updating the affordable housing section of the strategic plan, the following screens in the eCon Planning Suite consolidated plan template in IDIS must be revised to include HTF.

☒ **SP-10 Geographic Priorities:** § 91.315(a)(1)- revise this screen to discuss how investments are allocated geographically.

☒ **SP-25 Priority Needs:** § 91.315(a)(2)- revise this screen to indicate the general priorities for allocating investment of available resources among different needs.

☒ **SP-30 Influence of Market Conditions:** § 93.315(b)- revise this screen to describe how the characteristics of the housing market influenced the State's decisions regarding allocation priorities among the types of housing assistance.

☒ **SP-35 Anticipated Resources:** § 91.315(a)(4); § 91.320(c)(1) and (2)- revise this screen to identify the federal, state, local, and private resources expected to be available to the State to address priority needs and specific objectives identified in the strategic plan. Specifically, the State should add a program to this screen by selecting "Add" in the *Action* column. This will open the **SP-36 Add Anticipated Resource** screen. The State should select "Other" in the *Anticipated Resource* field and enter "Housing Trust Fund" in the *Other Funding Source* field. The State should also select the "public - federal" radio button in the "Source" field and complete the rest of the fields on this screen for its HTF program.

☒ **SP-45 Goals:** § 91.315(a)(4) and § 91.315 (b)(2)- revise this screen to summarize the State's priorities and the specific goals it intends to initiate and/or complete within the term of the strategic plan. The State must also ensure its five year goals include any accomplishments due to HTF funds and must also enter the number of extremely low-income families to which the State will provide assistance with its HTF funds.

V. ANNUAL ACTION PLAN REQUIREMENTS

The State must include HTF in its annual action plan or <u>amend</u> the plan to include HTF information as required in § 93.320(k)(5). The action plan must include an HTF allocation plan that describes the distribution of HTF funds, and establishes the application requirements and selection criteria of applications submitted by eligible recipients that meet the State's priority housing needs.

Annual Action Plan Screen(s) To Revise

The following screens in the eCon Planning Suite consolidated plan template in IDIS must be revised to include HTF.

☒ **AP-15 Expected Resources:** § 91.320(c)(1) and (2)- revise this screen to provide a concise summary of the federal resources expected to be available. The HTF resources added to the **SP-35 Anticipated Resources** screen will carry over to this screen.

☒ **AP-20 Annual Goals and Objectives:** § 91.320(c)(3) and (e)- revise this screen to summarize the specific goals the State intends to initiate and/or complete within the term of the program year. Any HTF related goals and objectives entered on the **SP-45 Goals** screen will carry over to this screen.

☒ **AP-25 Allocation Priorities:** § 91.320(d)- revise this screen to describe the reasons for the State's allocation priorities and how the proposed distribution of funds will address the priority needs and goals of the strategic plan.

☒ **AP-30 Method of Distribution:** § 91.320(d) and (k5)- revise this screen to include a description of its method(s) for distribution for the "Other – Housing Trust Fund" selection based on the entry made on the **SP-35 Anticipated Resources** screen.

☒ **AP-50 Geographic Distribution:** § 91.320(f)- revise this screen to describe the geographic areas of the state in which it will direct assistance during the ensuing program year and provide rationale for its priorities in allocating investment geographically.

☒ **AP-55 Affordable Housing:** § 91.320(g)- revise this screen to specify goals for the number of homeless, non-homeless, and special needs households to be provided affordable housing within the program year.

☒ **AP-65 Homeless and Other Special Needs Activities:** § 91.320(h)- revise this screen to describe how HTF will help to address the State's one-year goals and actions for reducing and ending homelessness, if applicable.

☒ **AP-75 Barriers to Affordable Housing:** § 91.320(i)- revise this screen to describe how HTF will help with any actions the State's will take during the next year to reduce barriers to affordable housing, if applicable.

☒ **AP-85 Other Actions:** § 91.320(j)- revise this screen to describe how HTF will help with any actions the State will take during the next year to carry out the following strategies outlined in the consolidated plan:

- Foster and maintain affordable housing;
- Evaluate and reduce lead-based paint hazards;
- Reduce the number of poverty-level families;
- Develop institutional structure; and
- Enhance coordination.

In addition, the State must identify obstacles to meeting underserved needs and propose actions to overcome those obstacles using HTF funds, if applicable.

HTF Funding Priorities-§ 91.320(k)(5)(i)

The State is responsible for distributing HTF funds throughout the State according to its housing priority needs. In addition to revising the **AP- 30 Method of Distribution** screen in IDIS, the State must respond to the following questions.

1. Will the State distribute HTF funds through grants to subgrantees? If yes, describe the method for distributing HTF funds through grants to subgrantees and how the State will make those funds available to units of general local governments. If no, state N/A. Please attach response if you need additional space.

N/A

2. Will the State distribute HTF funds by selecting applications submitted by eligible recipients? If yes, describe the eligibility requirements for applicants as defined in § 93.2- definition of recipient. If no, state N/A. Please attach response if you need additional space.

The state will distribute NHTF funds to eligible recipients as described in applicable sections of the Texas Department of Housing and Community Affairs ("TDHCA" or "Department") rules at Chapter 10 of the Texas Administrative Code, Subchapter C, Application Submission Requirements, Ineligibility Criteria, Board Decisions and Waiver of Rules for Applicants (10 TAC §10.201through 207), as amended and in effect at application, which sets forth the minimum requirements for applicant eligibility to participate in TDHCA Multifamily programs.

The Department will require evidence of experience and capacity through the Experience Requirement at 10 TAC §10.204(6), as amended and in effect at application.

HTF Funding Priorities Question 2: Eligible Applicants: §93.2; Page 4 of Notice-CPD-16-07 *Guidance for HTF Grantees on FY 2016 HTF Allocation Plans*

The State of Texas will distribute FY 2016 Housing Trust Fund ("HTF") Program funds by selecting applications submitted by eligible recipients as defined in §93.2 (definition of recipient) through the Application Submission Requirements, Ineligibility Criteria, Board Decisions, and Waiver of Rules for Applications provisions found in Chapter 10 of the Texas Administrative Code ("TAC"), Subchapter C (10 TAC §§10.201 through 10.207). The State of Texas will not limit recipients to a specific category such as nonprofits. Please see the table below for the requirements in §93.2 and the corresponding requirements found in state rules at 10 TAC Chapter 10.

Recipient requirements in §93.2	State Rules
(1) Make acceptable assurances to the grantee that it will comply with the requirements of the HTF program during the entire period that begins upon selection of the recipient to receive HTF funds, and ending upon the conclusion of all HTF-funded activities (3) Demonstrate its familiarity with the requirements of other Federal, State, or local housing programs that may be used in conjunction with HTF funds to ensure compliance with all applicable requirements and regulations of such programs;	**10 TAC §10.204. Required Documentation for Application Submission.** The purpose of this section is to identify the documentation that is required at the time of Application submission, unless specifically indicated or otherwise required by Department rule. If any of the documentation indicated in this section is not resolved, clarified or corrected to the satisfaction of the Department through either original Application submission or the Administrative Deficiency process, the Application will be terminated. Unless stated otherwise, all documentation identified in this section must not be dated more than six (6) months prior to the close of the Application Acceptance Period or the date of Application submission as applicable to the program. The Application may include, or Department staff may request, documentation or verification of compliance with any requirements related to the eligibility of an Applicant, Application, Development Site, or Development. **(1) Certification, Acknowledgement and Consent of Development Owner.** A certification of the information in this subchapter as well as Subchapter B of this chapter must be executed by the Development Owner and address the specific requirements associated with the Development. The Person executing the certification is responsible for ensuring all individuals referenced therein are in compliance with the certification, that they have given it with all required authority and with actual knowledge of the matters certified. (A) The Development will adhere to the Texas Property Code relating to security devices and other applicable requirements for residential tenancies, and will adhere to local building codes or, if no local building codes are in place, then to the most recent version of the International Building Code. (B) This Application and all materials submitted to the Department constitute records of the Department subject to Tex. Gov't Code, Chapter 552, and the Texas Public

	Information Act. (C) All representations, undertakings and commitments made by Applicant in the Application process for Development assistance expressly constitute conditions to any Commitment, Determination Notice, Carryover Allocation, or Direct Loan Commitment for such Development which the Department may issue or award, and the violation of any such condition shall be sufficient cause for the cancellation and rescission of such Commitment, Determination Notice, Carryover Allocation, or Direct Loan Commitment by the Department. If any such representations, undertakings and commitments concern or relate to the ongoing features or operation of the Development, they shall each and all shall be enforceable even if not reflected in the Land Use Restriction Agreement. All such representations, undertakings and commitments are also enforceable by the Department and the tenants of the Development, including enforcement by administrative penalties for failure to perform, in accordance with the Land Use Restriction Agreement. (D) The Development Owner has read and understands the Department's fair housing educational materials posted on the Department's website as of the beginning of the Application Acceptance Period. (E) The Development Owner agrees to implement a plan to use Historically Underutilized Businesses (HUB) in the development process consistent with the Historically Underutilized Business Guidelines for contracting with the State of Texas. The Development Owner will be required to submit a report of the success of the plan as part of the cost certification documentation, in order to receive IRS Forms 8609 or, if the Development does not have Housing Tax Credits, release of retainage. (F) The Applicant will attempt to ensure that at least 30 percent of the construction and management businesses with which the Applicant contracts in connection with the Development are Minority Owned Businesses as further described in Tex. Gov't Code, §2306.6734. (G) The Development Owner will affirmatively market to veterans through direct marketing or contracts with veteran's organizations. The Development Owner will be required to identify how they will affirmatively market to veterans and report to the Department in the annual housing report on the results of the marketing efforts to veterans. Exceptions to this requirement must be approved by the Department. (H) The Development Owner will comply with any and all notices required by the Department. (I) If the Development has an existing LURA with the

	Department, the Development Owner will comply with the existing restrictions. **(2) Applicant Eligibility Certification.** A certification of the information in this subchapter as well as Subchapter B of this chapter must be executed by any individuals required to be listed on the organizational chart and also identified in subparagraphs (A) – (D) below. The certification must identify the various criteria relating to eligibility requirements associated with multifamily funding from the Department, including but not limited to the criteria identified under §10.202 of this chapter (relating to Ineligible Applicants and Applications). (A) for for-profit corporations, any officer authorized by the board of directors, regardless of title, to act on behalf of the corporation, including but not limited to the president, vice president, secretary, treasurer, and all other executive officers, and each stock holder having a 10 percent or more interest in the corporation, and any individual who has Control with respect to such stock holder; (B) for non-profit corporations or governmental instrumentalities (such as housing authorities), any officer authorized by the board, regardless of title, to act on behalf of the corporation, including but not limited to the president, vice president, secretary, treasurer, and all other executive officers, the Audit committee chair, the Board chair, and anyone identified as the Executive Director or equivalent; (C) for trusts, all beneficiaries that have the legal ability to Control the trust who are not just financial beneficiaries; and (D) for limited liability companies, all managers, managing members, members having a 10 percent or more interest in the limited liability company, any individual Controlling such members, or any officer authorized to act on behalf of the limited liability company. **(3) Architect Certification Form.** The certification, addressing all of the accessibility requirements, must be executed by the Development engineer, an accredited architect or Third Party accessibility specialist. (§2306.6722; §2306.6730) **10 TAC §13.1** **13.1 Purpose** (a) Authority. The rules in this Chapter apply to the funds provided to Multifamily Developments through the Multifamily Direct Loan Program ("MFDL" or "Direct Loan Program") by the Texas Department of Housing and Community Affairs ("Department"). Notwithstanding anything in this Chapter to the contrary, loans and grants

	issued to finance the Development of multifamily rental housing are subject to the requirements of the laws of the State of Texas, including but not limited to Tex Gov't Code, Chapter 2306, and federal law pursuant to the requirements of Title II of the Cranston-Gonzalez National Affordable Housing Act and the implementing regulations 24 CFR Part 91, Part 92, and Part 93 as they may be applicable to a specific fund source. The Department is authorized to administer HOME funds pursuant to Tex Gov't Code §2306.111. Tex Gov't Code Chapter 2306, Subchapter I, Housing Finance Division: This Chapter is not applicable to the State Housing Trust Fund or Section 811. (b) General. This Chapter applies to an award of MFDL funds by the Department and establishes the general requirements associated with the application and award process for such funds. Applicants pursuing MFDL assistance from the Department are required to certify, among other things, that they have familiarized themselves with all applicable rules that govern that specific program including, but not limited to this Chapter, Chapter 1 (relating to Administration), Chapter 2 (relating to Enforcement), and Chapter 10 of this Title (relating to Uniform Multifamily Rules). Chapter 11 of this Title (relating to Housing Tax Credit Program Qualified Allocation Plan ("QAP")) and Chapter 12 of this Title (relating to Multifamily Housing Revenue Bond Rules) will apply if MFDL funds are layered with those other Department programs. Any conflict with rule of other programs or with federal regulations will be resolved on a case by case basis, that allows for compliance with all requirements. Conflicts that cannot be resolved may result in Application ineligibility. (c) Waivers. Requests for waivers of any program rules or requirements must be made in accordance with §10.207 of this title (relating to Waiver of Rules for Applications). In no instance will the Department consider waiver request that would violate federal program requirements or state or federal statute.
(2) Demonstrate the ability and financial capacity to undertake, comply, and manage the eligible activity; (4) Have demonstrated experience and capacity to conduct an eligible HTF activity as evidenced by its ability to: (i) Own, construct, or rehabilitate, and manage and operate an	**10 TAC §10.204. Required Documentation for Application Submission.** **(6) Experience Requirement.** Evidence that meets the criteria as stated in subparagraph (A) of this paragraph must be provided in the Application, unless an experience certificate was issued by the Department in 2014, 2015 or 2016 which may be submitted as acceptable evidence of this requirement. Experience of multiple parties may not be aggregated to meet this requirement. (A) A natural Person, with control of the Development

affordable multifamily rental housing development; or (ii) Design, construct, or rehabilitate, and market affordable housing for homeownership. (iii) Provide forms of assistance, such as down payments, closing costs, or interest rate buydowns for purchasers.	through placement in service, who is also a Principal of the Developer, Development Owner, or General Partner must establish that they have experience in the development and placement in service of 150 units or more. Acceptable documentation to meet this requirement shall include any of the items in clauses (i) - (ix) of this subparagraph: (i) American Institute of Architects (AIA) Document (A102) or (A103) 2007 - Standard Form of Agreement between Owner and Contractor; (ii) AIA Document G704--Certificate of Substantial Completion; (iii) AIA Document G702--Application and Certificate for Payment; (iv) Certificate of Occupancy; (v) IRS Form 8609 (only one per development is required); (vi) HUD Form 9822; (vii) Development agreements; (viii) Partnership agreements; or (ix) other documentation satisfactory to the Department verifying that a Principal of the Development Owner, General Partner, or Developer has the required experience. (B) The names on the forms and agreements in subparagraph (A)(i) - (ix) of this paragraph must reflect that the individual seeking to provide experience is a Principal of the Development Owner, General Partner, or Developer as listed in the Application. For purposes of this requirement any individual attempting to use the experience of another individual or entity must demonstrate they had the authority to act on their behalf that substantiates the minimum 150 unit requirement. (C) Experience may not be established for a Person who at any time within the preceding three years has been involved with affordable housing in another state in which the Person or Affiliate has been the subject of issued IRS Form 8823 citing noncompliance that has not been or is not being corrected with reasonable due diligence. (D) If a Principal is determined by the Department to not have the required experience, an acceptable replacement for that Principal must be identified prior to the date the award is made by the Board. (E) Notwithstanding the foregoing, no person may be used to establish such required experience if that Person or an Affiliate of that Person would not be eligible to be an Applicant themselves. **(7) Financing Requirements.** (A) Non-Department Debt Financing. Interim and permanent financing sufficient to fund the proposed Total

	Housing Development Cost less any other funds requested from the Department must be included in the Application. For any Development that is a part of a larger development plan on the same site, the Department may request and evaluate information related to the other components of the development plan in instances in which the financial viability of the Development is in whole or in part dependent upon the other portions of the development plan. Any local, state or federal financing identified in this section which restricts household incomes at any level that is lower than restrictions required pursuant to this chapter or elected in accordance with Chapter 11 of this title (relating to Housing Tax Credit Program Qualified Allocation Plan) must be identified in the rent schedule and the local, state or federal income restrictions must include corresponding rent levels in accordance with §42(g) of the Code. The income and corresponding rent restrictions will be memorialized in a recorded LURA and monitored for compliance. Financing amounts must be consistent throughout the Application and acceptable documentation shall include those described in clauses (i) and (ii) of this subparagraph. (i) Financing is in place as evidenced by: (I) a valid and binding loan agreement; and (II) a valid recorded deed(s) of trust lien on the Development in the name of the Development Owner as grantor in favor of the party providing such financing and covered by a lender's policy of title insurance in their name; (ii) Term sheets for interim and permanent loans issued by a lending institution or mortgage company that is actively and regularly engaged in the business of lending money must: (I) have been signed by the lender; (II) be addressed to the Development Owner or Affiliate; (III) for a permanent loan, include a minimum loan term of fifteen (15) years with at least a thirty (30) year amortization; (IV) include either a committed and locked interest rate, or the currently projected interest rate and the mechanism for determining the interest rate; (V) include all required Guarantors, if known; (VI) include the principal amount of the loan; (VII) include an acknowledgement of the amounts and terms of all other anticipated sources of funds; and (VIII) include and address any other material terms and conditions applicable to the financing. The term sheet may be conditional upon the completion of specified due diligence by the lender and upon the award of tax credits, if applicable; or

	(iii) For Developments proposing to refinance an existing USDA Section 515 loan, a letter from the USDA confirming that it has been provided with the Preliminary Assessment Tool. (B) Gap Financing. Any anticipated federal, state, local or private gap financing, whether soft or hard debt, must be identified and described in the Application. Applicants must provide evidence that an application for such gap financing has been made. Acceptable documentation may include a letter from the funding entity confirming receipt of an application or a term sheet from the lending agency which clearly describes the amount and terms of the financing. Other Department funding requested with Housing Tax Credit Applications must be on a concurrent funding period with the Housing Tax Credit Application, and no term sheet is required for such a request. Permanent loans must include a minimum loan term of fifteen (15) years with at least a thirty (30) year amortization or for non-amortizing loan structures a term of not less than thirty (30) years. A term loan request must also comply with the applicable terms of the NOFA under which an Applicant is applying. (C) Owner Contributions. If the Development will be financed in part by a capital contribution by the General Partner, Managing General Partner, any other partner or investor that is not a partner providing the syndication equity, a guarantor or a Principal in an amount that exceeds 5 percent of the Total Housing Development Cost, a letter from a Third Party CPA must be submitted that verifies the capacity of the contributor to provide the capital from funds that are not otherwise committed or pledged. Additionally, a letter from the contributor's bank(s) or depository(ies) must be submitted confirming sufficient funds are readily available to the contributor. The contributor must certify that the funds are and will remain readily available at Commitment and until the required investment is completed. Regardless of the amount, all capital contributions other than syndication equity will be deemed to be a part of and therefore will be added to the Deferred Developer Fee for feasibility purposes under §10.302(i)(2) of this chapter (relating to Underwriting Rules and Guidelines) or where scoring is concerned, unless the Development is a Supportive Housing Development, the Development is not supported with Housing Tax Credits, or the ownership structure includes a nonprofit organization with a documented history of fundraising sufficient to support the development of affordable housing. (D) Equity Financing. (§2306.6705(2) and (3)) If applicable to the program, the Application must include a term sheet from

	a syndicator that, at a minimum, includes: (i) an estimate of the amount of equity dollars expected to be raised for the Development; (ii) the amount of Housing Tax Credits requested for allocation to the Development Owner; (iii) pay-in schedules; (iv) anticipated developer fees paid during construction; (v) syndicator consulting fees and other syndication costs. No syndication costs should be included in the Eligible Basis; and (vi) include an acknowledgement of the amounts and terms of all other anticipated sources of funds. (E) Financing Narrative. (§2306.6705(1)) A narrative must be submitted that describes all aspects of the complete financing plan for the Development, including but not limited to, the sources and uses of funds; construction, permanent and bridge loans, rents, operating subsidies, project-based assistance, and replacement reserves; and the status (dates and deadlines) for applications, approvals and closings, etc. associated with the commitments for all funding sources. For applicants requesting HOME funds, Match in the amount of at least 5 percent of the HOME funds requested must be documented with a letter from the anticipated provider of Match indicating the provider's willingness and ability to make a financial commitment should the Development receive an award of HOME funds. The information provided must be consistent with all other documentation in the Application. **(8) Operating and Development Cost Documentation.** (A) 15-year Pro forma. All Applications must include a 15-year pro forma estimate of operating expenses, in the form provided by the Department. Any "other" debt service included in the pro forma must include a description. (B) Utility Allowances. This exhibit, as provided in the Application, must be submitted along with documentation from the source of the utility allowance estimate used in completing the Rent Schedule provided in the Application. This exhibit must clearly indicate which utility costs are included in the estimate and must comply with the requirements of §10.614 of this chapter (relating to Utility Allowances), including deadlines for submission. Where the Applicant uses any method that requires Department review, documentation indicating that the requested method has been granted by the Department must be included in the Application. (C) Operating Expenses. This exhibit, as provided in the Application, must be submitted indicating the anticipated operating expenses associated with the Development. Any

	expenses noted as "other" in any of the categories must be identified. "Miscellaneous" or other nondescript designations are not acceptable. (D) Rent Schedule. This exhibit, as provided in the Application, must indicate the type of Unit designation based on the Unit's rent and income restrictions. The rent and utility limits available at the time the Application is submitted should be used to complete this exhibit. Gross rents cannot exceed the maximum rent limits unless documentation of project-based rental assistance is provided and rents are consistent with such assistance and applicable legal requirements. The unit mix and net rentable square footages must be consistent with the site plan and architectural drawings. For Units restricted in connection with Direct Loans, the restricted Units will generally be designated "floating" unless specifically disallowed under the program specific rules. For Applications that propose utilizing Direct Loan funds, at least 90 percent of the Units restricted in connection with the Direct Loan program must be available to households or families whose incomes do not exceed 60 percent of the Area Median Income. (E) Development Costs. This exhibit, as provided in the Application, must include the contact information for the person providing the cost estimate and must meet the requirements of clauses (i) and (ii) of this subparagraph. (i) Applicants must provide a detailed cost breakdown of projected Site Work costs (excluding site amenities), if any, prepared by a Third Party engineer or cost estimator. If Site Work costs (excluding site amenities) exceed $15,000 per Unit and are included in Eligible Basis, a letter must be provided from a certified public accountant allocating which portions of those site costs should be included in Eligible Basis. (ii) If costs for Off-Site Construction are included in the budget as a line item, or embedded in the site acquisition contract, or referenced in the utility provider letters, then the Off-Site Cost Breakdown prepared by a Third Party engineer must be provided. The certification from a Third Party engineer must describe the necessity of the off-site improvements, including the relevant requirements of the local jurisdiction with authority over building codes. If any Off-Site Construction costs are included in Eligible Basis, a letter must be provided from a certified public accountant allocating which portions of those costs should be included in Eligible Basis. If off-site costs are included in Eligible Basis based on PLR 200916007, a statement of findings from a CPA must be provided which describes the facts relevant to the Development and affirmatively certifies that the fact

	pattern of the Development matches the fact pattern in PLR 200916007. (F) Rental Assistance/Subsidy. (§2306.6705(4)) If rental assistance, an operating subsidy, an annuity, or an interest rate reduction payment is proposed to exist or continue for the Development, any related contract or other agreement securing those funds or proof of application for such funds must be provided. Such documentation shall, at a minimum, identify the source and annual amount of the funds, the number of units receiving the funds, and the term and expiration date of the contract or other agreement. (G) Occupied Developments. The items identified in clauses (i) - (vi) of this subparagraph must be submitted with any Application where any structure on the Development Site is occupied at any time after the Application Acceptance Period begins or if the Application proposes the demolition of any housing occupied at any time after the Application Acceptance Period begins. If the current property owner is unwilling to provide the required documentation then a signed statement from the Applicant attesting to that fact must be submitted. If one or more of the items described in clauses (i) - (vi) of this subparagraph is not applicable based upon the type of occupied structures on the Development Site, the Applicant must provide an explanation of such non-applicability. Applicant must submit: (i) at least one of the items identified in subclauses (I) - (IV) of this clause: (I) historical monthly operating statements of the Existing Residential Development for twelve (12) consecutive months ending not more than three (3) months from the first day of the Application Acceptance Period; (II) the two (2) most recent consecutive annual operating statement summaries; (III) the most recent consecutive six (6) months of operating statements and the most recent available annual operating summary; or (IV) all monthly or annual operating summaries available; and (ii) a rent roll not more than six (6) months old as of the first day the Application Acceptance Period that discloses the terms and rate of the lease, rental rates offered at the date of the rent roll, Unit mix, and tenant names or vacancy; (iii) a written explanation of the process used to notify and consult with the tenants in preparing the Application; (§2306.6705(6)) (iv) a relocation plan outlining relocation requirements and a budget with an identified funding source; (§2306.6705(6)) (v) any documentation necessary for the Department to

	facilitate, or advise an Applicant with respect to or to ensure compliance with the Uniform Relocation Act and any other relocation laws or regulations as may be applicable; and (vi) if applicable, evidence that the relocation plan has been submitted to all appropriate legal or governmental agencies or bodies. (§2306.6705(6))

3. Will the State distribute HTF funds by selecting application submitted by eligible recipients? If yes, describe all the criteria that will be used to select applications and the relative importance of these criteria. At a minimum, as required in § 91.320(k)(5)(i), the selection criteria must include:

   - Priority based upon geographic diversity
   - Applicant's ability to obligate HTF funds
   - Applicant's ability to undertake eligible activities in a timely manner
   - For rental housing, the extent to which the project has Federal, State or local project-based rental assistance so rents are affordable to extremely low-income families
   - For rental housing, the duration of the units' affordability period
   - The merits of the application in meeting the State's priority housing needs (please describe)
   - The extent to which application makes use of non-federal funding sources
   - Other (please describe). Please attach response if you need additional space.

Priority based upon geographic diversity
As described in SP-10 Geographic Priorities The Texas NHTF will distribute NHTF funds through a competitive NOFA process. The funds will initially be available geographically, based on the proportion of Extremely Low Income Renter households to the total population of Renter Households in each of thirteen State Service Regions. A minimum will be calculated for each region as a ratio of the available allocation divided by thirteen, and available competitively within each region prior to collapse into a statewide competition.

Applicant's ability to obligate HTF funds
The applicant's experience in completion of similar projects, as evidence by TDHCA's Experience Requirement, along with the ability to present a complete application package are threshold requirements that indicate the ability to timely obligate NHTF funds.

Applicant's ability to undertake eligible activities in a timely manner
Application criteria including readiness to proceed as evidenced by site control, appropriate zoning, architectural plans, and evidence of financing will be considered.

For rental housing, the extent to which the project has Federal, State or local project-based rental assistance so rents are affordable to extremely low-income families
Of highest priority in the evaluation of applications will be the creation of new units serving ELI households that would not otherwise exist. While the availability of project-based rental assistance will be considered, only applications that demonstrate the ability to meet Underwriting requirements will be funded.

For rental housing, the duration of the units' affordability period
The minimum 30-year affordability period will be secured with a Land Use Restriction Agreement ("LURA") as a threshold requirement. While Applications that propose a longer affordability period could have a scoring advantage, they still must provide evidence of feasibility for the entire affordability period.

(continued on page 13)

The merits of the application in meeting the State's priority housing needs
The TX NHTF will prioritize housing needs of Extremely Low Income Households in accordance with the Analysis of Impediments and the high opportunity measures of the Texas Qualified Allocation Plan.

The extent to which application makes use of non-federal funding sources
The proportion of leveraged of non-federal fund sources in relation to the NHTF funds requested will be part of the scoring criteria for competitive applications. Applications with the highest proportionate leverage will have an advantage in scoring.

<u>HTF Funding Priorities Question 3: Relative Importance of Selection Criteria:</u>
§91.320(k)(5)(i); Pages 4-5 of Notice-CPD-16-07 *Guidance for HTF Grantees on FY 2016 HTF Allocation Plans*

The first priority, geographic distribution, will utilize a regional allocation formula ("RAF"), ensuring that within each of thirteen designated service regions there will be an allocable portion of such funds prioritized to eligible applicants in each such region.

The State of Texas will consider Geographic Diversity, Ability to Enter into a Commitment for HTF Funds/Timeliness, Project Based Rental Assistance (PBRA), Affordability Period, Leveraging, and Merits of the application in meeting the State's priority housing needs equally as threshold criteria. No scoring will be used in any of these factors in evaluating an application.

Geographic Diversity: The State of Texas will rely on 10 TAC §13.4(b) in making funds available geographically based on the proportion of ELI renter households to the total population of renter households in each of the thirteen State Service Regions for at least the first 30 days after the Notice of Funding Availability ("NOFA") is published in the Texas Register. Thereafter, consideration of geographic diversity will not be a factor in evaluating applications. Please see attached Regional Allocation amounts as well as a map of the Uniform State Service Regions.

10 TAC §13.4(b) Regional Allocation. All funds in the annual NOFA will be initially allocated to regions and potentially subregions based on a Regional Allocation Formula ("RAF") within the set-asides. The RAF methodology may differ by fund source. HOME funds will be allocated in accordance with Tex. Gov't Code Chapter 2306. The end date for the RAF will be identified in the NOFA, but in no instance shall it be less than 30 days from the date the NOFA is published in the Texas Register.

(1) After expiration of the period during which funds are reserved in regions under the RAF, funds collapse but may still be available within set-asides as identified in the NOFA but for an additional period not less than 15 days. All Applications received prior to these first two collapse period deadlines will continue to hold their priority unless they are withdrawn, terminated, or funded.

(2) Funds remaining after expiration of set-asides, which have not been requested in the form of a complete application, will be available statewide on a first-come first-served basis to Applications submitted after the collapse dates.

(3) In instances where the RAF would result in regional allocations insufficient to fund an application, the Department may use an alternative method of distribution, including an early collapse, revised formula or other methods as approved by the Board.

Ability to Enter into a Commitment for HTF funds/Timeliness: The State of Texas will assess an applicant's experience in completion of similar projects, as evidenced by TDHCA's Experience Requirement in 10 TAC §10.204(6), which is mentioned in the table <u>HTF Funding Priorities Question 2</u>above, along with the ability to present a complete application package as threshold requirements. Additionally, readiness to proceed as evidenced by site control, appropriate zoning, architectural plans, and evidence of financing will be evaluated as threshold criteria as well. Since all of these items are threshold criteria, they will not be subject to point distribution/weighing; rather, these items are binary in that either the applicant submits these items with the application or they do not.

Project-Based Rental Assistance (PBRA): The State of Texas will consider PBRA to the extent that the existence of it allows or the lack of it does not allowan application to meet TDHCA's underwriting requirements. There will be no point distribution/weighing of this item. 10ll TAC §13.8 from the Multifamily Direct Loan Rule and 10 TAC §§10.301 through .306 of the Uniform Multifamily Rule will comprise TDHCA's underwriting requirements. Please see attached [attach documents]

Affordability Period: The State of Texas will not prioritize applicants that propose affordability requirements in excess of 30 years. However, applicants also requesting 9% Housing Tax Credits are incentivized to commit to a longer affordability period in accordance with 10 TAC §11.9(e)(5) of the Qualified Allocation Plan, which states: In accordance with the Code, each Development is required to maintain its affordability for a 15-year Compliance Period and, subject to certain exceptions, an additional 15-year Extended Use Period. Development Owners that agree to extend the Affordability Period for a Development to thirty-five (35) years total may receive two (2) points.

Leveraging: Generally, the State of Texas prefers applications proposing developments utilizing the highest proportion of non-federal contributions, but will not evaluate HTF applications based on this preference if HTF is the only source of funds that the application is requesting. Applications layered with 9% Housing Tax Credits will be subject to scoring in 10 TAC §11.9(e)(4), which states:

(A) An Application may qualify to receive up to three (3) points if at least five (5) percent of the total Units are restricted to serve households at or below 30 percent of AMGI (restrictions elected under other point items may count) and the Housing Tax Credit funding request for the proposed Development meet one of the levels described in clauses (i) - (iv) of this subparagraph: (i) the Development leverages CDBG Disaster Recovery, HOPE VI, RAD, or Choice Neighborhoods funding and the Housing Tax Credit Funding Request is less than 9 percent of the Total Housing Development Cost (3 points). The Application must include a commitment of such funding; or
(ii) If the Housing Tax Credit funding request is less than seven (7) eight (8) percent of the Total Housing Development Cost (3 points); or
(iii) If the Housing Tax Credit funding request is less than eight (8) nine (9) percent of the Total Housing Development Cost (2 points); or
(iv) If the Housing Tax Credit funding request is less than nine (9) ten (10) percent of the Total Housing Development Cost (1 point).
(B) The calculation of the percentages stated in subparagraph (A) of this paragraph will be based strictly on the figures listed in the Funding Request and Development Cost Schedule. Should staff issue an Administrative Deficiency that requires a change in either form, then the calculation will be performed again and the score adjusted, as necessary. However, points may not increase based on changes to the Application. In order to be eligible for points, no more than 50 percent of the developer fee can be deferred. Where costs or financing change after completion of underwriting or

award (whichever occurs later), the points attributed to an Application under this scoring item will not be reassessed unless there is clear evidence that the information in the Application was intentionally misleading or incorrect.
(5) Extended Affordability. (§§2306.6725(a)(5); 2306.111(g)(3)(C); 2306.185(a)(1) and (c); 2306.6710(e)(2); and 42(m)(1)(B)(ii)(II)) In accordance with the Code, each Development is required to maintain its affordability for a 15-year Compliance Period and, subject to certain exceptions, an additional 15-year Extended Use Period. Development Owners that agree to extend the Affordability Period for a Development to thirty-five (35) years total may receive two (2) points.
(6) Historic Preservation. (§2306.6725(a)(5)) At least seventy-five percent of the residential units shall reside within the Certified Historic Structure and the Development must reasonably be expected to qualify to receive and document receipt of historic tax credits by issuance of Forms 8609. The Application must include either documentation from the Texas Historical Commission that the property is currently a Certified Historic Structure, or documentation determining preliminary eligibility for Certified Historic Structure status (5 points).
(7) Right of First Refusal. (§2306.6725(b)(1); §42(m)(1)(C)(viii)) An Application may qualify to receive (1 point) for Development Owners that will agree to provide a right of first refusal to purchase the Development upon or following the end of the Compliance Period in accordance with Tex Gov't Code, §2306.6726 and the Department's rules including §10.407 of this title (relating to Right of First Refusal) and §10.408 of this title (relating to Qualified Contract Requirements).
(8) Funding Request Amount. An Application may qualify to receive one (1) point if the Application reflects a Funding Request of Housing Tax Credits, as identified in the original Application submission, of no more than 100% of the amount available within the sub-region or set-aside as determined by the application of the regional allocation formula on or before December 1, 2015.
Additionally, §13.6(d) of the Multifamily Direct Loan Rule prioritizes applications that meet a lower per-unit subsidy limit, thereby requiring less HTF funding:
(d) Subsidy per Unit. An application that caps the per unit subsidy limit (inclusive of match) for all Direct Loan units regardless of unit size at:
(1) $100,000 per MFDL unit (4 points).
(2) $80,000 per MFDL unit (8 points).
(3) $60,000 per MFDL unit (10 points).

Merits of the application in meeting the State's priority housing needs: The State of Texas will prioritize HTF funding for the needs of ELI households in accordance with its Analysis of Impediments (AI) and high opportunity measures of the QAP. Goal No. 1 of the AI states: "Create greater mobility and improve housing opportunities for low income households and members of protected classes. §13.6(a) of the Multifamily Direct Loan Rule allows for HTF applicants to claim points as follows: "(a) Applicants eligible for points under 10 TAC §11.9(c)(4) related to the Opportunity Index (7 points)." 10 TAC §11.9(c)(4) states:

(4) Opportunity Index. The Department may refer to locations qualifying for points under this scoring item as high opportunity areas in some materials.
(A) A Proposed Development is eligible for a maximum of seven (7) up to two (2) opportunity index points if it is located in a census tract with a poverty rate of less than the greater of 20% or the median poverty rate for the region and meets the requirements in (i) or (ii) below.

(i)The Development Site is located in a census tract that has a poverty rate of less than the greater of 20% or the median poverty rate for the region and an income rate in the two highest quartiles within the uniform service region. (2 points)
(ii) The Development Site is located in a census tract that has a poverty rate of less than the greater of 20% or the median poverty rate for the region, with income in the third quartile within the region, and is contiguous to a census tract in the first or second quartile, without physical barriers such as highways or rivers between, and the Development Site is no more than 2 miles from the boundary between the census tracts. For purposes of this scoring item, a highway is a limited-access road with a speed limit of 50 miles per hour or more; and, (1 points)
(B) An application that meets the foregoing criteria may qualify for five (5) additional points up to (for a maximum of seven (7) points) for any one or more of the following factors. Each facility or amenity may be used only once for scoring purposes, regardless of the number of categories it fits:
(i) For Developments located in an Urban Area, an Application may qualify to receive points through a combination of requirements in clauses (1I) through (15XIII) of this subparagraph.
(I) The Development site is located less than 1/2 mile on an accessible route from a public park with an accessible playground, both of which meet 2010 ADA standards (1 point)
(II) The Development Site is located less than ½ mile on an accessible route from Public Transportation with a route schedule that provides regular service to employment and basic services. For purposes of this scoring item, regular is defined as scheduled service beyond 8 a.m. to 5 p.m., plus weekend service (1 point)
(III) The Development site is located within 1 mile of a full-service grocery store or pharmacy. A full service grocery store is a store of sufficient size and volume to provide for the needs of the surrounding neighborhood including the proposed development; and the space of the store is dedicated primarily to offering a wide variety of fresh, frozen canned and prepared foods, including but not limited to a variety of fresh meats, poultry, and seafood; a wide selection of fresh produce including a selection of different fruits and vegetables; a selection of baked goods and a wide array of dairy products including cheeses, and a wide variety of household goods, paper goods and toiletry items (1 point)
(IV) The Development is located within 3 miles of either an emergency room or an urgent care facility The Development is located within 3 miles of a health-related facility, such a full service hospital, community health center, minor emergency center, emergency room or urgent care facility. Physician specialty offices are not considered in this category (1 point)
(V) The Development Site is within 2 miles of a center that is licensed by the Department of Family and Protective Services specifically to provide a school-age program or to provide a child care program for infants, toddlers, and/or prekindergarten (1 point)
(VI) The Development Site is located in a census tract with a property crime rate of 26 per 1,000 persons or less as defined by neighborhoodscout.com, or local data sources (1 point)
(VII) The development site is located within 1 mile of a public library (1 point)
(VIII) The Development Site is located within 5 miles of a University or Community College campus. To be considered a university for these purposes, the provider of higher education must have the authority to confer bachelor's degrees. Two-year colleges are considered Community Colleges. Universities and Community Colleges must have a physical location within the required distance; online-only institutions do not qualify under this item (1 point)
(IX) Development Site is located in a census tract where the percentage of adults age 25 and older with an Associate's Degree or higher is 27% or higher as tabulated by the 2010-2014 American Community Survey 5-year Estimate (1 point)
(X) Development site is within 2 miles of a government-sponsored museum that is a government-sponsored or non-profit, permanent institution open to the public and is not an ancillary part of an

organization whose primary purpose is other than the acquisition, conservation, study, exhibition, and educational interpretation of objects having scientific, historical, or artistic value (1 point)
(XI) Development site is within 1 mile of an indoor recreation facility available to the public (1 point)
(XII) Development site is within 1 mile of an outdoor recreation facility available to the public (1 point)
(XIII) Development site is within 1 mile of community, civic or service organizations that provide regular and recurring services available to the entire community (this could include religious organizations or organizations like the Kiwanis or Rotary Club) (1 point)
(ii) For Developments located in a Rural Area, an Application may qualify to receive points through a combination of requirements in clauses (1I) through (13XII) of this subparagraph.
(I) The Development site is located within 2 miles 4 miles of a full-service grocery store or pharmacy. A full service grocery store is a store of sufficient size and volume to provide for the needs of the surrounding neighborhood including the proposed development; and the space of the store is dedicated primarily to offering a wide variety of fresh, frozen canned and prepared foods, including but not limited to a variety of fresh meats, poultry, and seafood; a wide selection of fresh produce including a selection of different fruits and vegetables; a selection of baked goods and a wide array of dairy products including cheeses, and a wide variety of household goods, paper goods and toiletry items (1 point)
(II) The Development is located within 4 miles of health-related facility, such a full service hospital, community health center, or minor emergency center. Physician specialty offices are not considered in this category (1 point)
(III) The Development Site is within 3 miles 4 miles of a center that is licensed by the Department of Family and Protective Services specifically to provide a school-age program or to provide a child care program for infants, toddlers, and/or prekindergarten (1 point)
(IV) The Development Site is located in a census tract with a property crime rate 26 per 1,000 or less, as defined by neighborhoodscout.com, or local data sources (1 point)
(V) The development site is located within 3 miles 4 miles of a public library (1 point)
(VI) The development site is located within 3 miles 4 miles of a public park (1 point)
(VII) The Development Site is located within 7 miles 15 miles of a University or Community College campus (1 point)
(VIII) The Development Site is located within 5 miles of a retail shopping center with XX square feet of stores (1point)
(IXVIII) Development Site is located in a census tract where the percentage of adults age 25 and older with an Associate's Degree or higher is 27% or higher as tabulated by the 2010-2014 American Community Survey 5-year Estimate (1 point)
(XIX) Development site is within 2 miles 4 miles of a government-sponsored museum that is a government-sponsored or non-profit, permanent institution open to the public and is not an ancillary part of an organization whose primary purpose is other than the acquisition, conservation, study, exhibition, and educational interpretation of objects having scientific, historical, or artistic value (1 point)
(XIX) Development site is within 1 mile 3 miles of an indoor recreation facility available to the public (1 point)
(XIIXI) Development site is within 1 mile 3 miles of an outdoor recreation facility available to the public (1 point)
(XIIIXII) Development site is within 1 mile 3 miles of community, civic or service organizations that provide regular and recurring services available to the entire community (this could include religious organizations or organizations like the Kiwanis or Rotary Club) (1 point)

Other Criteria Evaluated in Applicant Selection: All threshold and scoring criteria listed in the 2017 Multifamily Direct Loan Rule (10 TAC Chapter 13) will be applicable to Housing Trust Fund applicants.

Recipient Application Requirements- § 91.320(k)(5)(ii)

1. Will the State require that all recipient applications contain a description of the eligible activities to be conducted with HTF funds as required in § 93.200- Eligible activities?

Yes ☒ No ☐

2. Will the State require that each eligible recipient certify that housing assisted with HTF funds will comply with HTF requirements?

Yes ☒ No ☐

Performance Goals and Benchmarks- § 91.320(k)(5)(iii)

The plan must include performance goals and benchmarks against which the State will measure its progress, consistent with the State's goals established at § 91.315(b)(2). To comply with this requirement, the State will include HTF housing goals in the housing table on the **SP-45 Goals** and **AP-20 Annual Goals and Objectives** screens in the eCon Planning Suite consolidated plan template in IDIS.

VI. OTHER REQUIREMENTS

Maximum Per-unit Development Subsidy Amount- § 91.320(k)(5) and § 93.300(a)

The State must establish its own maximum limitations on the total amount of HTF funds that can be invested per-unit for development of non-luxury housing. The limits must be reasonable, based on actual costs, and adjusted for the number of bedrooms and geographic location of the project. The State may choose to develop its own limits or adopt limits used in other federal programs such as HOME or Low-Income Housing Tax Credit and must submit them with its HTF allocation plan. The State must submit a description of how the HTF maximum per-unit development subsidy amounts were established or a description of how existing limits developed for another program and being adopted for HTF meet the HTF requirements.

Indicate below what maximum per-unit development subsidy limits the State will use for its FY 2016 HTF program.

❑ State developed its own maximum per-unit development subsidy limits and the limits are attached.

☒ State adopted limits used in other federal programs and the limits are attached.

Additional limits may apply if the HTF funds are used in conjunction with other affordable housing programs. Also, these subsidy limits are subject to stricter limits in NOFAs.

Added to Allocation Plan February 2017 as a result of HUD guidance

Maximum Per-unit Development Subsidy Amount- §91.320(k)(5) and §93.300(a)

After reviewing the costs per unit on 39 projects that have received HOME funds – as both the only source of Department funding and as a gap financing source on 9% and 4% Housing Tax Credit-layered projects – over the past several years, the Department has found the following:

	Total Cost Per Unit (total development costs divided by total number of units)	HOME Cost Per HOME Unit (HOME funds invested divided by number of HOME units)
Urban New Construction Average	$155,381	$83,680
Rural New Construction Average	$148,907	$94,195

These projects were subject to Section 234 Condominium Housing Limits (formerly 221d3 Maximum Per Unit Subsidy Limits) with the applicable base city high cost percentages applied.

Given this fact, Texas will **not** establish its own maximum limitations on the total amount of NHTF funds that can be invested on a per-unit basis for the development of nonluxury housing. Texas will use the Section 234 Condominium Housing Limits with the applicable base high cost percentage applied for NHTF – as illustrated in the tables below – in the same way that these limits are used for HOME funds. Utilizing the same per-unit subsidy limits across all of the Department's Multifamily Direct Loan funding sources (HOME, NHTF, and TCAP Repayment Funds) will allow for an easier application and review process that will preserve the Department's ability to award funds based on what is available rather than prescribe a funding source at the time of application. Additionally, these per-unit subsidy limits accurately reflect what the Department has observed in the market regarding construction costs; no area of the state seems immune from the increasing construction costs.

Bedrooms	Elevator served?	N
0	$	118,563
1	$	136,703
2	$	164,869
3	$	211,037
4	$	235,104

Elevator served?	Y
$	124,770
$	143,031
$	173,924
$	225,002
$	246,983

ACTION: Notice.

SUMMARY: HUD is seeking approval from the Office of Management and Budget (OMB) for the information collection described below. In accordance with the Paperwork Reduction Act, HUD is requesting comment from all interested parties on the proposed collection of information. The purpose of this notice is to allow for 60 days of public comment.

DATES: *Comments Due Date:* January 19, 2016.

ADDRESSES: Interested persons are invited to submit comments regarding this proposal. Comments should refer to the proposal by name and/or OMB Control Number and should be sent to: Colette Pollard, Reports Management Officer, QDAM, Department of Housing and Urban Development, 451 7th Street SW., Room 4176, Washington, DC 20410–5000; telephone 202–402–3400 (this is not a toll-free number) or email at *Colette.Pollard@hud.gov* for a copy of the proposed forms or other available information. Persons with hearing or speech impairments may access this number through TTY by calling the toll-free Federal Relay Service at (800) 877–8339.

FOR FURTHER INFORMATION CONTACT: Thann Young, Office of Rural Housing and Economic Development, Department of Housing and Urban Development, 451 7th Street SW., Room 7240, Washington, DC 20410; email Thann Young at *Thann.Young@hud.gov* or telephone 202–708–2290. This is not a toll-free number. Persons with hearing or speech impairments may access this number through TTY by calling the toll-free Federal Relay Service at (800) 877–8339. Copies of available documents submitted to OMB may be obtained from Ms. Pollard.

SUPPLEMENTARY INFORMATION: This notice informs the public that HUD is seeking approval from OMB for the information collection described in Section A.

A. Overview of Information Collection

Title of Information Collection: Indian Community Capital Initiative.

OMB Approval Number: 2506—New.

Type of Request: New Collection.

Form Numbers: SF 424; HUD 424CB; HUD 424–CBW; SF–LLL; HUD 2880; HUD 2990; HUD 2991; HUD 2993; HUD 2994A; HUD 27061; and HUD 27300.

Description of the need for the information and proposed use: The Indian Community Capital Initiative (ICCI) is a collaborative effort among three federal agencies—the Department of Housing and Urban Development (HUD), the Department of the Treasury—Community Development Financial Institutions Fund (CDFI Fund), and the Department of Agriculture—Rural Development (USDA–RD). The ICCI's goal is to increase access to capital for business lending and economic development and entrepreneurship for Federally recognized Indian tribes.

Federally recognized Indian tribe means any tribal entity eligible to apply for funding and services from the Bureau of Indian Affairs by virtue of its status as an Indian tribe. The list of Federally recognized Indian tribes can be found in the notice published by the Department of the Interior on January 14, 2015 (Federal Register/Vol. 80, No. 9/Wednesday, January 14, 2015/Notices).

Respondents (*i.e.* affected public): Public.

Estimated Number of Respondents: 566.

Estimated Number of Responses: 566.

Frequency of Response: 1.

Average Hours per Response: 7211.

Total Estimated Burdens:

	Respondents	Annual responses	Total responses	Burden per response	Total annual hours	Burden cost per instrument
HUD–424CB	566	1	566	3.12	1,766	44,150
HUD–424CBW	566	1	566	3.12	1,766	44,150
HUD–2880	566	1	566	2.0	1,132	28,300
HUD–2990	566	1	566	0	0	0
HUD–2991	566	1	566	0	0	0
HUD–2993	566	1	566	0	0	0
HUD–2994A	566	1	566	.5	283	7,075
HUD–27061	566	1	566	1.0	566	14,150
HUD–27300	566	1	566	3.0	1,698	42,450
Total	5,094	....	5,094	....	7,211	180,275

B. Solicitation of Public Comment

This notice is soliciting comments from members of the public and affected parties concerning the collection of information described in Section A on the following:

(1) Whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information will have practical utility;

(2) The accuracy of the agency's estimate of the burden of the proposed collection of information;

(3) Ways to enhance the quality, utility, and clarity of the information to be collected; and

(4) Ways to minimize the burden of the collection of information on those who are to respond; including through the use of appropriate automated collection techniques or other forms of information technology, *e.g.*, permitting electronic submission of responses.

HUD encourages interested parties to submit comment in response to these questions.

Authority: Section 3507 of the Paperwork Reduction Act of 1995, 44 U.S.C. Chapter 35.

Dated: November 4, 2015.

Harriet Tregoning,

Principal Deputy Assistant Secretary for Community Planning and Development.

[FR Doc. 2015–29461 Filed 11–17–15; 8:45 am]

BILLING CODE 4210–67–P

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR–5886–N–01]

Annual Indexing of Basic Statutory Mortgage Limits for Multifamily Housing Programs

AGENCY: Office of the Assistant Secretary for Housing—Federal Housing Commissioner, HUD.

ACTION: Notice.

SUMMARY: In accordance with Section 206A of the National Housing Act, HUD has adjusted the Basic Statutory Mortgage Limits for Multifamily Housing Programs for Calendar Year 2015.

DATES: Effective date: January 1, 2015.

FOR FURTHER INFORMATION CONTACT: Daniel J. Sullivan, Deputy Director, Office of Multifamily Development, Department of Housing and Urban Development, 451 Seventh Street SW., Washington, DC 20410–8000, telephone (202) 402–6130 (this is not a toll-free number). Hearing or speech-impaired individuals may access this number through TTY by calling the toll-free Federal Information Relay Service at (800) 877–8339.

SUPPLEMENTARY INFORMATION: The FHA Down Payment Simplification Act of 2002 (Pub. L. 107–326, approved December 4, 2002) amended the National Housing Act by adding a new Section 206A (12 U.S.C. 1712a). Under Section 206A, the following are affected:

I. Section 207(c)(3)(A) (12 U.S.C. 1713(c)(3)(A));

II. Section 213(b)(2)(A) (12 U.S.C. 1715e (b)(2)(A));

III. Section 220(d)(3)(B)(iii)(I) (12 U.S.C. 1715k (d)(3)(B)(iii)(I));

IV. Section 221(d)(4)(ii)(I) (12 U.S.C. 1715l(d)(4)(ii)(I));

V. Section 231(c)(2)(A) (12 U.S.C. 1715v(c)(2)(A)); and

VI. Section 234(e)(3)(A) (12 U.S.C. 1715y(e)(3)(A)).

The Dollar Amounts in these sections are the base per unit statutory limits for FHA's multifamily mortgage programs collectively referred to as the 'Dollar Amounts,' they are adjusted annually (commencing in 2004) on the effective date of the Consumer Financial Protection Bureau's adjustment of the $400 figure in the Home Ownership and Equity Protection Act of 1994 (HOEPA) (Pub. L. 103–325, approved September 23, 1994). The adjustment of the Dollar Amounts shall be calculated using the percentage change in the Consumer Price Index for All Urban Consumers (CPI–U) as applied by the Bureau of Consumer Financial Protection for purposes of the above-described HOEPA adjustment.

HUD has been notified of the percentage change in the CPI–U used for the HOEPA adjustment and the effective date of the HOEPA adjustment. The percentage change in the CPI–U is 2.0% and the effective date of the HOEPA adjustment is January 1, 2014. The Dollar Amounts have been adjusted correspondingly and have an effective date of January 1, 2015.

The adjusted Dollar Amounts for Calendar Year 2015 are shown below:

BASIC STATUTORY MORTGAGE LIMITS FOR CALENDAR YEAR 2015

Multifamily Loan Program

☐ Section 207—Multifamily Housing

☐ Section 207 pursuant to Section 223(f)—Purchase or Refinance Housing

☐ Section 220—Housing in Urban Renewal Areas

Bedrooms	Non-Elevator	Elevator
0	$50,164	$57,886
1	$55,569	$64,832
2	$66,376	$79,497
3	$81,813	$99,566
4+	$92,622	$112,581

☐☐ Section 213—Cooperatives

Bedrooms	Non-Elevator	Elevator
0	$54,364	$57,886
1	$62,683	$65,583
2	$75,598	$79,749
3	$96,766	$103,170
4+	$107,803	$113,251

☐☐ Section 234—Condominium Housing

Bedrooms	Non-Elevator	Elevator
0	$55,474	$58,378
1	$63,962	$66,923
2	$77,140	$81,377
3	$98,742	$105,276
4+	$110,002	$115,560

☐☐ Section 221(d)(4)—Moderate Income Housing

Bedrooms	Non-Elevator	Elevator
0	$49,924	$53,928
1	$56,671	$61,822
2	$68,501	$75,176
3	$85,980	$97,251
4+	$97,156	$106,754

☐☐ Section 231—Housing for the Elderly

Bedrooms	Non-Elevator	Elevator
0	$47,465	$53,928
1	$53,062	$61,822
2	$63,364	$75,176
3	$76,255	$97,251
4+	$89,650	$106,754

☐☐ Section 207—Manufactured Home Parks per Space—$23,030

Dated: November 9, 2015.

Edward L. Golding,

Principal Deputy Assistant Secretary for Housing.

[FR Doc. 2015–29469 Filed 11–17–15; 8:45 am]

BILLING CODE 4210–67–P

DEPARTMENT OF THE INTERIOR

Fish and Wildlife Service

[FWS–R8–FHC–2015–N217: FXFR1334088TWG0W4–123–FF08EACT00]

Trinity River Adaptive Management Working Group; Public Meeting

AGENCY: Fish and Wildlife Service, Interior.

ACTION: Notice.

SUMMARY: We, the U.S. Fish and Wildlife Service, announce a public meeting of the Trinity River Adaptive Management Working Group (TAMWG). The TAMWG is a Federal advisory committee that affords stakeholders the opportunity to give policy, management, and technical input concerning Trinity River (California) restoration efforts to the Trinity Management Council (TMC). The TMC interprets and recommends policy, coordinates and reviews management actions, and provides organizational budget oversight.

DATES: *Public meeting:* TAMWG will meet from 9:30 a.m. to 4:30 p.m. Pacific Time on Thursday, December 10, 2015. *Deadlines:* For deadlines on submitting written material, please see "Public Input" under **SUPPLEMENTARY INFORMATION**.

ADDRESSES: The meeting will be held at the Trinity River Restoration Program Office, 1313 South Main Street, Weaverville, CA 96093.

FOR FURTHER INFORMATION CONTACT: Joseph C. Polos, by mail at U.S. Fish and Wildlife Service, 1655 Heindon Road, Arcata, CA 95521; by telephone at 707–822–7201 or by email at *joe_polos@fws.gov* or Elizabeth W. Hadley, Redding Electric Utility, by mail at 777 Cypress Avenue, Redding, CA 96001; by telephone at 530–339–7308 or by email at *ehadley@reupower.com.* Individuals with a disability may request an accommodation by sending an email to either point of contact.

SUPPLEMENTARY INFORMATION: In accordance with the requirements of the Federal Advisory Committee Act, 5 U.S.C. App., we announce that the Trinity River Adaptive Management Working Group will hold a meeting.

Background

The TAMWG affords stakeholders the opportunity to give policy, management, and technical input concerning Trinity River (California) restoration efforts to the TMC. The TMC interprets and recommends policy, coordinates and reviews management actions, and provides organizational budget oversight.

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, DC 20410-8000

ASSISTANT SECRETARY FOR HOUSING-
FEDERAL HOUSING COMMISSIONER

November 18, 2015 MORTGAGEE LETTER 2015-28

TO: ALL FHA APPROVED MULTIFAMILY MORTGAGEES

SUBJECT: Annual Base City High Cost Percentage and High Cost Area Revisions for 2015

Maximum mortgage amounts were revised by the Consolidated Appropriations Act, 2008 (Public Law 110-161, approved December 26, 2007) (FY 2008 Appropriations Act). Section 221 of the General Provisions of Title II of Division K of the FY 2008 Appropriations Act revises the statutory exceptions to maximum mortgage amounts for the FHA Multifamily Housing Programs, listed in Section 221 of the FY 2008 Appropriations Act, by (1) substituting 170 percent for the 140 percent exception of any geographical area, and (2) substituting 215 percent for 170 percent as the maximum exception allowed for a specific project. Accordingly, the statutory revision allows the Secretary to grant exceptions to maximum mortgage limits for certain Multifamily Housing Programs by (1) up to 170 percent, (equivalent to a 270 percent multiplier) in geographical areas where cost levels so require or (2) up to 170 percent, or 215 percent in High Cost Areas, (equivalent to a 315 percent multiplier) where necessary on a project-by-project basis.

The law does not determine which areas are to be considered “High Cost Areas.” Accordingly, the Office of Multifamily Production has developed a list of High Cost Areas for 2015. The threshold for a High Cost Area has been set for all areas (Special Limit Areas excepted) with a “calculated” High Cost Percentage (HCP) of 281.70 or greater, but because of the statutory cap of 170% or 270 multiplier, some localities have a higher HCP but still have the 270 multiplier.

The attached designated Annual Base City High Cost Percentages and High Cost Areas are effective January 1, 2015.

SPECIAL LIMIT AREAS

Guam, the U.S. Virgin Islands, and the states of Alaska and Hawaii are Special Limit areas. Care should be taken to ensure that the appropriate limits are used for corresponding programs. The HCP for Special Limit Areas is 405%.

Paperwork Reduction Act

There are no information collection requirements in this Notice and therefore the Paperwork Reduction Act of 1995 (44 U.S.C. 3501-3520) does not apply. In accordance with the Paperwork Reduction Act, an agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless the collection displays a currently valid OMB control number.

____
Edward L. Golding
Principal Deputy Assistant Secretary

Attachment

FHA MULTIFAMILY STATUTORY MORTGAGE PROGRAMS

BASE CITY HIGH COST PERCENTAGES Effective January 1, 2015

Boston MA Hub	270%
Hartford CT	270%
Bangor ME	270%
Manchester NH	270%
Providence RI	270%
Burlington VT	270%
New York NY Hub	270%
Buffalo NY	270%
Albany NY	270%
Philadelphia PA Hub	270%
Charlestown WV	270%
Camden NJ	270%
Newark NJ	270%
Pittsburg PA	270%
Wilmington DE	270%
Baltimore MD Hub	270%
Washington DC	270%
Richmond VA	265%
Greensboro NC Hub	239%
Columbia SC	244%
Atlanta GA Hub	258%
Louisville KY	245%
Knoxville TN	227%
Memphis TN	219%
Nashville TN	223%
San Juan PR	270%
US Virgin Isl. (spec limit)	405%
Jacksonville FL Hub	250%
Birmingham AL	221%
Jackson MS	217%
Miami FL	256%
Tampa FL	268%
Chicago IL Hub	270%
Springfield IL	270%
Indianapolis IN	251%
Columbus OH Hub	256%
Cleveland OH	270%
Cincinnati OH	245%
Detroit MI Hub	270%
Grand Rapids MI	246%
Minneapolis MN Hub	270%
Milwaukee WI	270%
Fort Worth TX Hub	217%
Little Rock AR	217%
New Orleans LA	221%
Shreveport LA	216%
Albuquerque NM	247%
Dallas TX	217%
Houston TX	213%
Lubbock TX	209%
San Antonio TX	193%
Kansas City MO Hub	270%
Des Moines IA	217%
Topeka KS	238%
St. Louis MO	270%
Omaha NE	228%
Oklahoma City OK	230%
Tulsa OK	226%
Denver CO Hub	270%
Helena MT	251%
Fargo ND	248%
Sioux Falls SD	234%
Salt Lake City UT	266%
Casper WY	261%
Los Angeles CA Hub	270%
Santa Ana CA (LA)	270%
San Diego CA	270%
San Francisco CA Hub	270%
Phoenix AZ	254%
Sacramento CA	270%
Honolulu HI (spec limit)	405%
Las Vegas NV	270%
Seattle WA Hub	270%
Anchorage AK (spec limit)	405%
Boise ID	270%
Portland OR	270%
Spokane WA	270%

Note: Offices with a "calculated" HCP of 281.70 (before the statutory cap of 270) or higher are designated "High Cost Areas" and are shaded. The Multifamily for Tomorrow (MFT) Transformation will be effective for all Hubs after Wave 5 is complete for the Western Region in approximately Summer of 2016. The next Mortgagee Letter on this topic will reflect the MFT changes with respect to the new organizational structure.

Added to Allocation Plan December 2016 as a result of HUD Disapproval Letter

Andrew Sinnott

From: Jennifer Molinari
Sent: Tuesday, December 15, 2015 11:31 AM
To: Megan Sylvester; Abigail Versyp; Andrew Sinnott
Cc: Marni Holloway
Subject: FW: HUD Publishes New 2015 Limits for HOME Maximum Per-Unit Subsidies

This may be the only approval response we get. I don't think we need to press this since Ellen approved in May, and we acknowledged that we knew the percentage went down to 217% (below). Let's run with this.

Jennifer Molinari
HOME Single Family Division Director
Texas Department of Housing and Community Affairs
221 E. 11th Street | Austin, TX 78701
Office: 512.475.2224
Fax: 512.475.1671

From: Eberlein, Stephen L [mailto:stephen.l.eberlein@hud.gov]
Sent: Monday, December 14, 2015 2:41 PM
To: Jennifer Molinari
Cc: Melendez, Ellen M
Subject: RE: HUD Publishes New 2015 Limits for HOME Maximum Per-Unit Subsidies

That is what the HOME Fire says.

Stephen Eberlein
Program Manager, Team 1
817.978.5956 - office
817.978.5573 - fax
stephen.l.eberlein@hud.gov

http://portal.hud.gov/hudportal/HUD?src=/program_offices/comm_planning

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From: Jennifer Molinari [mailto:jennifer.molinari@tdhca.state.tx.us]
Sent: Monday, December 14, 2015 2:16 PM
To: Melendez, Ellen M; Eberlein, Stephen L
Cc: Brooke Boston; Marni Holloway; Abigail Versyp; Andrew Sinnott; Megan Sylvester
Subject: HUD Publishes New 2015 Limits for HOME Maximum Per-Unit Subsidies

Good afternoon Ellen & Steve.

Pursuant to HOME Fire Vol. 12 Number 1, we are requesting confirmation that we can use the 217% high cost adjustment to the 234 limits effective November 18, 2015 for the State of Texas.

https://www.hudexchange.info/news/hud-publishes-new-2015-limits-for-home-maximum-per-unit-subsidies/

https://www.hudexchange.info/resources/documents/HOMEfires-Vol12-No1-Use-of-Base-City-High-Cost-Percentage-to-Determine-the-HOME-Maximum-Per-Unity-Subsidy.pdf

Please let me know if you have any questions.

Thanks,

Jennifer Molinari
HOME Single Family Division Director
Texas Department of Housing and Community Affairs
221 E. 11th Street | Austin, TX 78701
Office: 512.475.2224
Fax: 512.475.1671

About TDHCA
The Texas Department of Housing and Community Affairs is committed to expanding fair housing choice and opportunities for Texans through the administration and funding of affordable housing and homeownership opportunities, weatherization, and community-based services with the help of for-profits, nonprofits, and local governments. For more information about fair housing, funding opportunities, or services in your area, please visit www.tdhca.state.tx.us or the Learn about Fair Housing in Texas page.

Andrew Sinnott

From:	Melendez, Ellen M [Ellen.M.Melendez@hud.gov]
Sent:	Monday, July 13, 2015 8:51 AM
To:	Andrew Sinnott
Subject:	RE: HUD Publishes HOMEfires Vol. 12 No. 1: Guidance on Using the Base City High Cost Percentages to Determine the Maximum Per-Unit Subsidy Limits for HOME

Andrew,

We've received confirmation from OAHP that the state may use the HCP of 218% for units throughout the state.

Ellen

From: Melendez, Ellen M
Sent: Friday, July 10, 2015 3:17 PM
To: Andrew Sinnott
Subject: RE: HUD Publishes HOMEfires Vol. 12 No. 1: Guidance on Using the Base City High Cost Percentages to Determine the Maximum Per-Unit Subsidy Limits for HOME

We're double checking with HQs, will let you know as soon as we hear back.

Ellen

From: Andrew Sinnott [mailto:andrew.sinnott@tdhca.state.tx.us]
Sent: Thursday, July 09, 2015 4:31 PM
To: Melendez, Ellen M
Subject: RE: HUD Publishes HOMEfires Vol. 12 No. 1: Guidance on Using the Base City High Cost Percentages to Determine the Maximum Per-Unit Subsidy Limits for HOME

Thanks, Ellen. So just to confirm our conversation earlier today, it would be permissible for TDHCA to use the 218% high cost adjustment to the 234 Condominium Housing limits for HOME developments throughout Texas, correct?

Andrew Sinnott
Multifamily Loan Program Specialist
512.475.0538

Any person receiving guidance from TDHCA staff should be mindful that, as set forth in 10 TAC Section 11.1(b), there are important limitations and caveats (Also see 10 TAC §10.2(b)).

From: Melendez, Ellen M [mailto:Ellen.M.Melendez@hud.gov]
Sent: Thursday, July 09, 2015 8:39 AM
To: andrew.sinnott@tdhca.state.tx.us
Subject: FW: HUD Publishes HOMEfires Vol. 12 No. 1: Guidance on Using the Base City High Cost Percentages to Determine the Maximum Per-Unit Subsidy Limits for HOME

From: HUD Exchange Mailing List [mailto:news@mail.hudexchange.info]
Sent: Monday, June 08, 2015 10:54 AM
To: Melendez, Ellen M
Subject: HUD Publishes HOMEfires Vol. 12 No. 1: Guidance on Using the Base City High Cost Percentages to Determine the Maximum Per-Unit Subsidy Limits for HOME

Is this email not displaying correctly? View it in your browser.

Added to Allocation Plan December 2016 as a result of HUD Disapproval Letter

HUD Publishes HOMEfires Vol. 12 No. 1: Guidance on Using the Base City High Cost Percentages to Determine the Maximum Per-Unit Subsidy Limits for HOME

HUD has published *HOMEfires Vol. 12 No. 1: Guidance on Using the Base City High Cost Percentages to Determine the Maximum Per-Unit Subsidy Limits for HOME*.

This issue of HOMEfires explains whether the Office of Community Planning and Development (CPD) within a HUD Field Office can allow a HOME participating jurisdiction (PJ) that is not listed on the published list of “Base City High Cost Percentages” to use the high-cost percentage of its HUD Multifamily Hub to determine the maximum per-unit subsidy limits for HOME.

Visit the HUD Exchange at https://www.hudexchange.info

Rehabilitation Standards - § 91.320(k)(5)(iv) and § 93.301(b)

If the State intends to use its HTF funds for housing being rehabilitated, it must establish rehabilitation standards that all HTF-assisted housing undergoing rehabilitation must meet at the time of project completion in accordance with § 93.301(b). The standards must provide enough details on what work is required, how that work should be performed and what materials should be used. The State's standards may refer to applicable codes or may establish requirements that exceed the minimum requirements of the codes. At a minimum, the rehabilitation standards must address:

- Health and safety;
- Major systems;
- Lead-Based Paint;
- Accessibility;
- Disaster Mitigation;
- State and local Codes, Ordinances, and Zoning Requirements; and
- Inspectable Areas and Observable Deficiencies from HUD's Uniform Physical Condition Standards identified by HUD as applicable to HTF-assisted housing.

Indicate below if the State will use HTF funds for rehabilitation of housing.

❑ The State plans to use HTF funds for the rehabilitation of housing and has attached its rehabilitation standards.

☒ The State will not use HTF funds for rehabilitation of housing.

Change as of February 2017

Resale and/or Recapture Provisions- § 91.320(k)(5)(v) and § 93.304(f)

If the State intends to use HTF funds to assist first-time homebuyers, it must set forth the guidelines for resale or recapture and obtain HUD specific, written approval, as required in § 93.304(f). Approval of the consolidated plan or annual action plan under § 91.500 or the failure to disapprove the consolidated plan or annual action plan does not satisfy the requirement for specific HUD approval for resale or recapture guidelines.

Indicate below if the State intends to use HTF funds for first-time homebuyers.

❑ The State will use HTF funds to assist first-time homebuyers and has attached the applicable resale/recapture provisions.

☒ The State will not use HTF funds to assist first-time homebuyers.

TDHCA may develop a first-time homebuyer program for NHTF in future, but that use is not contemplated immediately. If there is sufficient funding and demand in the future to implement an NHTF Homebuyer program, the State will develop the required specific provisions at that time and submit them for approval.

HTF Affordable Homeownership Limits- § 91.320(k)(5)(vi) and § 93.305

HTF funds may only be invested for the provision of modest housing for homeownership. This means the housing has a purchase price for the type of single family housing that does not exceed 95 percent of the median purchase price for the area for newly constructed or standard housing. If the State plans to use HTF funds for homebuyer assistance, and does not use the HTF affordable homeownership limits established by HUD, it must determine 95 percent of the median purchase price for single family housing for designated areas across the State. If the State will determine its own affordable homeownership limits, it must determine the limits using the methodology described in § 93.305(a)(2).

Indicate below if the State will use HTF funds for homeownership housing and what affordable homeownership limits it will use.

- ☐ The State will use HTF funds for homeownership housing and will use the HUD issued limits.

- ☐ The State will use HTF funds for homeownership housing and has determined its own affordable homeownership limits and the limits are attached.

- ☒ The State will not use HTF funds for homeownership housing.

State Limited Beneficiaries or Preferences- § 91.320(k)(5)(vii)

The State may limit the beneficiaries or give preferences to a particular segment of the extremely low-income population only if described in the action plan. Any limitation or preference must not violate non-discrimination requirements at § 93.350 and the State must not limit or give preferences to students. The State may also allow rental housing owners to limit tenants or give a preference in accordance with § 93.303(d)(3), only if such limitation or preference is described in the action plan.

Indicate below if the State will limit beneficiaries or give preferences to a particular segment of the extremely low-income population.

- ☒ The State will limit beneficiaries and/or give preferences to the following segments of the extremely low-income population. The groups listed have also been identified in the action plan.

- ☐ The State will not limit beneficiaries and/or give preferences to any segments of the extremely low-income population.

In accordance with AP-25 of 2016 One Year Action Plan

Refinancing of Existing Debt- § 91.320(k)(5)(viii) and § 93.201(b)

If the State will use HTF funds for refinancing of existing debt, it must establish refinancing guidelines and include them in its consolidated plan. The State's refinancing guidelines must describe the conditions under which it will refinance existing debt. At a minimum, the guidelines must demonstrate that rehabilitation is the primary eligible activity and ensure that this requirement is met by establishing a minimum level of rehabilitation per unit or a required ratio between rehabilitation and refinancing. Refinancing of existing debt is only eligible if it is necessary to reduce the overall housing costs and to make the housing more affordable.

Indicate below if the State will permit the refinancing of existing debt.

- ☐ The State will permit the refinancing of existing debt and the conditions under which the State will refinance existing debt are attached.
- ■ The State will not permit the refinancing of existing debt.

Change as of February 2017

VII. GRANTEE CERTIFICATIONS

In addition to submitting an HTF allocation plan, the State must submit all the required certifications identified at § 91.225 (for new action plans). If the State is amending the action plan to include HTF, it must resubmit the following certification to include HTF:

- ☒ Consistency with plan- The jurisdiction must submit a certification that the housing activities to be undertaken with CDBG, HOME, ESG, and HOPWA funds are consistent with the strategic plan. Where the HOPWA funds are to be received by a city that is the most populous unit of general local government in an EMSA, it must obtain and keep on file certifications of consistency from the authorized public officials for each other locality in the EMSA in which housing assistance is provided. HTF must be included in this certification.

VIII. REQUIRED FORMS

In addition to submitting an HTF allocation plan, the State must submit and/or complete the following standard forms for its HTF program.

- Standard form- 424: Application for Federal Assistance (§ 91.320(a))
- Standard form- 1199 A : Direct Deposit Sign up Form

Other Documents Provided to HUD in Response to Disapproval Letter

10 TAC Chapter 10 - http://www.tdhca.state.tx.us/multifamily/docs/17-UniformMFRules-10TAC10SubA-CG.pdf and http://www.tdhca.state.tx.us/readocs/17-10TAC-Ch10-SubD.pdf

10 TAC Chapter 11 - http://www.tdhca.state.tx.us/multifamily/docs/17-QAP.pdf

10 TAC Chapter 13 - http://www.tdhca.state.tx.us/multifamily/docs/17-MF-DirectLoanRule10TAC13.pdf

Uniform State Service Region Map - http://www.tdhca.state.tx.us/multifamily/docs/09-RefMan-UniformStateSvcRegions.pdf

NHTF Allocation Formula (on the following page)

Region	ELI Households	Renter Households	NHTF Allocation factor	Allocation percentage	Regional Allocation
1	37,634	112,270	0.335209762	7%	$ 313,467.38
2	22,745	65,051	0.349648737	8%	$ 326,969.81
3	294,445	997,313	0.295238305	6%	$ 276,088.55
4	47,315	121,225	0.39030728	8%	$ 364,991.16
5	38,480	84,870	0.453399317	10%	$ 423,990.92
6	274,230	873,781	0.313842942	7%	$ 293,486.45
7	83,445	300,955	0.277267366	6%	$ 259,283.24
8	52,515	163,380	0.321428571	7%	$ 300,580.06
9	98,375	304,465	0.323107746	7%	$ 302,150.32
10	32,510	101,091	0.321591437	7%	$ 300,732.37
11	89,360	159,810	0.559164007	12%	$ 522,895.50
12	21,096	68,077	0.309884396	7%	$ 289,784.67
13	37,070	103,138	0.359421358	8%	$ 336,108.56
Total	1,129,220	3,455,426	4.609511225	100%	$ 4,310,529.00

Texas Allocation: $ 4,310,529.00

ELI Households source: 2009-2013 CHAS, Table 7

Renter households source: 2015 ACS 5-yr, Table B25009

Updated February 2017 to reflect increased NHTF Allocation amount for Program Year 2016

2015-2019 State of Texas Consolidated Plan
Substantially Amended Sections
Adding the National Housing Trust Fund (“NHTF”)

Reason for Substantial Amendment: Adding National Housing Trust Fund ("NHTF") program information to Executive Summary, Process and Strategic Plan sections as required in the "Housing Trust Fund Allocation Plan Guide 2016," available at https://www.hudexchange.info/resources/documents/HTF-Grantee-Allocation-Plan-Sample-Form.pdf.

ES-05 Executive Summary - 91.300(c), 91.320(b)

1. Introduction

The 2015–2019 State of Texas Consolidated Plan (“Plan”) governs four programs funded by the U.S. Department of Housing and Urban Development (“HUD”): the Community Development Block Grant Program (“CDBG”), the HOME Investment Partnerships (“HOME”) Program, the Emergency Solutions Grants (“ESG”) Program, the Housing Opportunities for Persons with AIDS (“HOPWA”) Program, and the National Housing Trust Fund ("NHTF"). If 2014 HUD funding levels remain consistent, the Plan will govern approximately $97,000,000 annually. NHTF will add approximately $~~4,700,000~~ 4,789,477 for 2016, with subsequent allocations assumed to be consistent. This Plan determines which of HUD’s eligible activities have been identified to best serve the needs of Texas.

HUD allows a broad range of activities for CDBG, HOME, ESG, HOPWA, and NHTF. CDBG provides resources for community development, which may include acquisition of real property; relocation and demolition; rehabilitation of residential and non-residential structures; construction of public facilities and improvements; public services; activities relating to energy conservation and renewable energy resources; and provision of assistance to profit-motivated businesses to carry out economic development and job creation/retention activities. HOME is used for single-family and multifamily housing activities, which may include providing home purchase or rehabilitation financing assistance to eligible homeowners and new homebuyers; building or rehabilitating housing for rent or ownership for eligible households; and tenant-based rental assistance to subsidize rent for low-income persons. ESG funds projects which may include supportive services to homeless individuals and households, emergency shelter/transitional housing, homelessness prevention assistance, and permanent housing for the homeless population. HOPWA is dedicated to the housing and supportive service needs of people living with HIV/AIDS and their families, which may include the acquisition, rehabilitation, or new construction of housing units; facility operations; rental assistance; short-term payments to prevent homelessness; case management; substance abuse treatment; mental health treatment; nutritional services; job training and placement assistance; and assistance with daily living. NHTF provides resources for activities housing extremely low income households, including acquisition, construction and rehabilitation for rental or ownership. A portion of the funds may be used to provide operating support for rental housing.

The Texas Department of Housing and Community Affairs ("TDHCA") administers the HOME ESG, and NHTF Programs; the Texas Department of Agriculture ("TDA") administers the CDBG Program; and the Texas Department of State Health Services ("DSHS") administers the HOPWA Program. All three State agencies collaborated to complete the Plan, along with extensive input from other state agencies, stakeholders, advocates, and community members. TDHCA is the lead agency for the Plan's development.

The Plan consists of five main chapters. The first main chapter is the Process Chapter, which describes the public input process. The second chapter is the Needs Assessment, which outlines levels of relative need in the areas of affordable housing, homelessness, special needs populations, and community development. Information was gathered through consultation with local agencies, public outreach, and demographic and economic datasets. The third chapter, Market Analysis, focuses on economic forces, as well as the current condition and availability of housing and community development resources. The research-heavy Needs Assessment and Market Analysis chapters form the basis of the fourth chapter, the Strategic Plan, which details how the State will address its priority needs over a five-year period. The strategies reflect the condition of the market, expected availability of funds, and local capacity to administer the Plan. The Strategic Plan is used as a basis for the final chapter: the One Year Action Plan, which will be updated annually.

2. Summary of the objectives and outcomes identified in the Plan Needs Assessment Overview

The Needs Assessment Chapter shapes the policies throughout the Plan. The most common housing problem was moderate to severe cost burden, especially for households with incomes between 0-30% of the area median income ("AMI"). In most cases renters experienced a higher rate of housing problems than homeowners. When comparing the Needs Assessment Chapter to the Market Analysis Chapter, the shortage of affordable housing becomes apparent. However, the State recognizes that housing costs are impacted by local economies, and common housing problems may vary by neighborhood. The Strategic Plan identifies Priority Needs for housing, such as rental assistance; production of new units; acquisition of existing units; and rehabilitation of housing.

The Needs Assessment finds that people with special needs have specific barriers to housing. For example, people with disabilities typically have lower incomes than other household types and require housing with certain specifications, such as physical accessibility features. Special needs populations include elderly and frail elderly; homeless populations and persons at risk of homelessness; persons living with HIV/AIDS and their families; persons with alcohol and substance use disorders; persons with disabilities (mental, physical, intellectual, developmental); public housing residents; residents of colonias; and victims of domestic violence. While not specifically designated as "special needs," the State is directed statutorily to gather data on farmworkers, youth aging out of foster care, and veterans. Each of these special needs populations are specifically focused on through incentives within at least one of the HUD programs covered by this Plan.

ESG focuses on persons who are homeless or at risk of homelessness. Therefore the Needs Assessment has one section dedicated to this population, including numbers of households experiencing sheltered and unsheltered homelessness, and a discussion on the greater likelihood that minorities are homeless. The Market Analysis lists the available resources for homeless populations, and the Strategic Plan identifies Priority Needs as homeless outreach; emergency shelter and transitional housing; rapid re-housing; and homelessness prevention.

HOPWA focuses on persons living with HIV/AIDS and their families, so the Needs Assessment includes an in-depth discussion about this population. Racial and ethnic minorities are disproportionately affected by HIV. Also, persons with HIV are more vulnerable to becoming homeless. The Strategic Plan identifies priority needs to serve persons with HIV/AIDS, such as rental assistance; supportive services for persons with HIV/AIDS; rapid re-housing; and homelessness prevention.

Needs Assessment Section 15 shows disproportionate housing problems based on race, which is defined as a 10% difference compared to the State as a whole. Colonias, which are residential areas along the Texas-Mexico border that lack basic living necessities, such as potable water, electricity, paved roads, and safe and sanitary housing, showed very high rates of housing problems. The 2013 Analysis of Impediments to Fair Housing Choice identified local best practices that mitigate barriers and promote choice for housing. The Strategic Plan and Action Plan lay out steps, such as research on affordable housing expansion, which mitigate the negative effects of public policies on affordable housing.
Finally, non-housing community needs focus on economic and community development. The Needs Assessment finds a large demand for community infrastructure, including water and wastewater systems, roads/ streets, and utilities. Also, there is great emphasis to serve colonias with these types of services. The Strategic Plan identifies priority community development needs as public improvements and infrastructure; economic development; public facilities; and public services.

3. Evaluation of past performance

The information below is for HOME, ESG, CDBG, and HOPWA for Program Year ("PY") 2013 (February 1, 2013 to January 31, 2014). Because NHTF is a new program for 2016, past performance information is not available.

During PY 2013, the Texas CDBG Program committed a total of $75,871,400 through 254 awarded contracts. For contracts that were awarded in PY 2013, 414,973 persons were anticipated to receive service. The Colonia Self Help Centers awarded $1,564,167 in contracts outside the PY2013 reported below. Distribution of the funds by activity is described in the table below.

In PY 2013, DSHS' HOPWA served 441 households with TBRA (109% of the One Year Action Plan, or “OYAP” goal), 470 households with Short-Term Rent and Mortgage and Utility (“STRMU”) assistance (86% of the OYAP goal), and 12 households with Permanent Housing Placement (“PHP”) assistance (80% of the OYAP goal) for a total of 923 unduplicated households. Of the total households served, 907 also received HOPWA-funded Supportive Services (95% of the OYAP goal). All HOPWA clients receive housing supportive services at some level, but some costs were leveraged with other funding sources. Client outcome goals for housing stability, reducing homelessness risk, and improving access to care were also achieved. (Subtotaled and/or totaled dollar amounts may not be exact due to all expenses are reported to two decimal points but are rounded to nearest whole dollar for the HOPWA chart.)

ESG is expended by Federal Fiscal Year (10/1-9/30). TDHCA evaluated ESG funds committed versus funds expended by activity for PY 2013, a time period that consists of half of Federal Fiscal Year 2012 (2/1/2013-9/30/2013) and Federal Fiscal Year 2013 (10/1/2013-1/31/2014). Based on TDHCA's ESG analysis, expenditures were well within range of state funding for activities. The largest disparities were found in Homelessness Prevention, where the State committed 23% of the overall budget and the activity accounted for 26% of expenditures, and in Rapid Re-Housing, where the State committed 32% of the total budget and the activity accounted for 30% of expenditures. The evaluation indicated that the State needed to minimally change its goals or projects.

TDHCA's HOME program committed $45,747,623 through seven HOME Program activities in PY 2013, representing assistance to 1,133 households. Details on the amount committed in each activity type are included in the chart below.

Fund	**2013 Total Obligation**
Community Development Fund	$42,879,742
Texas Capital Fund	$14,873,609
Colonia Construction Fund	$5,500,000
Colonia Economically Distressed Areas Program Fund	$619,665
Colonia Planning Fund	$24,250
Colonia Self-Help Centers	$0*
Planning / Capacity Building	$560,495
Disaster Relief/ Urgent Need	$9,407,233
STEP Fund	$2,006,406
Total	$75,871,400
	*The Colonia Self Help Centers awarded $1,564,167 in PY2012.

Table 1 - Table 1 - CDBG Funds Committed, PY 2013

Activity	**Amount**
Expenditures for Housing Information Services	$0
Expenditures for Resource Identification	$0
Expenditures for Housing Assistance (equals the sum of all sites and scattered-site Housing Assistance)	$2,285,384
Expenditures for Supportive Services	$469,448
Grantee Administrative Costs expended	$25,375
Project Sponsor(s) Administrative Costs expended	$176,971
Total of HOPWA funds expended during period	$2,957,179

Table 2 - Table 2 - HOPWA Program Expenditures, PY 2013

Activity	Total Funds Expended*	Percentage
Street Outreach	$502,953.00	6%
Emergency Shelter	$2,875,237.00	30%
Homelessness Prevention	$2,505,265.00	26%
Rapid Re-Housing	$2,877,496.00	30%
Homeless Management Information Systems	$486,570.00	5%
Administration	$308,974.00	3%
Total	$9,556,495.00	100%
	*Expenditures include funds from PY 2011 Second Allocation and PY 2012.	

Table 3 - Table 3 - ESG Fund Expenditures by Activity (02/01/2013-01/31/2014)

Activity	Total Committed
Homebuyer Assistance (all activities)	$4,144,295.52
Homeowner Rehabilitation	$19,299,152.13
Tenant-Based Rental Assistance	$5,072,945
CHDO Rental Development	$3,000,000
CHDO Single Family Development	$434,477
CHDO Operating Expenses	$50,000
Rental Housing Development	$13,746,754
Total	$45,747,623.65

Table 4 - Table 4 - HOME Commitments by Activity, PY 2013

4. Summary of citizen participation process and consultation process

The State is committed to collaboration with a diverse cross-section of the public in order to meet the various affordable housing needs of Texans. The State also collaborates with governmental bodies, nonprofits, and community and faith-based groups.

Prior to the release of the Draft Plan, several consultations were completed statewide, between April, 2014, and September, 2014, by TDHCA, DSHS, and TDA. The State conducted consultations in person, workshops, roundtables, planning meetings, and a public hearing. The State also conducted consultations electronically, using an online discussion forum, an online survey, listserv announcements, and emails.

During the consultation process, the State consulted with a wide variety of public, private, and nonprofit agencies that provide services including assisted housing, health services, and social and fair housing services, including those focusing on services to children, elderly persons, persons with disabilities, persons with HIV/AIDS and their families, homeless persons, and colonia residents.

Following the release of the Draft 2015-2019 Plan, a 32-day public comment period was open from September 12, 2014, through October 13, 2014. Four public hearings were held across the State at the following dates and times:

- September 30, 2014, San Antonio, 6:00pm
- October 2, 2014, Harlingen, 11:00am
- October 6, 2014, Austin, 5:00pm
- October 8, 2014, Fort Worth, 12:30pm

Two of the hearings were held after business hours. Six people commented at the hearings. Staff members received 28 email comments and 12 letter comments. Some of these commenters submitted oral and written comments and several of the letters represented comments of more than one person. TDHCA held tow roundtables in 2016 specific to NHTF, and accepted input a Board meetings and in writing prior to drafting the Application Plan. A hearing will be held during the public comment period, and the results along with any comment received during the Public Comment period will be reported in the final Plan

5. Summary of public comments

The initial public comment on the development of the draft Plan focused on the HOME and CDBG programs. Summary of those comments and staff's reasoned responses are in AD-25. For the comments that occurred during the consultation, the descriptions are in Process Chapter Section 10. Because HUD's online template for grantees, Integrated Disbursement & Information System ("IDIS") had technical difficulties and provided data limitations in saving and responding to all of the consultations, a list of consultations is also attached in the Attachments Chapter.

The public comment on the draft Plan resulted in several clarifications and additional information included in the Plan. Every program received public comment. Public comments about the programs centered on funding goal percentages for each activity, scoring criteria for award-making, and distribution process of awards. Several commenters spoke or gave written testimony on behalf of special needs groups, such as homeless populations, victims of domestic violence, people with disabilities, and farmworkers. Additionally, a few of the comments asked for clarification on the data provided or the addition of national or local statistics or information in the Plan's Needs Assessment and Market Analysis Chapters. The summary of the 67 total comments and the staff responses is attached in the Attachments Chapter.

A summary of public comment and staff's reasoned response on the NHTF Allocation Plan will be provided in the final Plan.

6. Summary of comments or views not accepted and the reasons for not accepting them

Because of the flexible nature of a draft Plan, all comments were considered for revisions. Comments or views that were not accepted were typically comments or views that requested that one activity be eliminated in favor of another activity, or that a specific activity or staff member be dedicated to one special need population. Within the confines of the existing budget and program regulations, the funding goals for the activities selected in the Plan reflect the needs identified in the Needs Assessment. In addition, eliminating any activity would potentially hamper the ability of the State to have the flexibility to meet the varied needs of Texans and adhere to program regulations. Therefore, no activity was entirely defunded.

In addition, while the State supports initiatives to serve special needs populations, holding funds in specific programs developed for one special need population might place the State in a position of having to deny an equally qualified person from access to assistance. Except for the set asides for special needs provided by statute, no other specific program for a special needs population has been developed. In addition, staff members are available to provide assistance to conveying program requirements as they relate to special needs populations.

A summary of public comment and staff's reasoned response on the NHTF Allocation Plan will be provided in the final Plan.

7. Summary

The consolidated planning process occurs once every five years, so creating a comprehensive Plan is vital for CDBG, HOME, ESG, HOPWA, and NHTF. Because of the Plan's authority to govern these programs, research from multiple sources, including other government plans, peer-reviewed journals, news sources, and fact sheets were used; valuable public input was gathered through roundtable meetings, council/workgroup meetings, public hearings, online surveys, and an online forum; and an expansive public input process is scheduled for the draft Plan.

The format of the Plan is mandated by an online form developed by HUD. HUD has provided an online template for grantees, through its planning and reporting system called IDIS. The questions in bold and many of the tables are created automatically by IDIS. After the Plan is received by HUD, the goals in the Plan are reported each year in another document called the Consolidated Annual Performance Evaluation Report ("CAPER"), which is also produced in IDIS.

PR-15 Citizen Participation - 91.115, 91.300(c)

1. Summary of citizen participation process/Efforts made to broaden citizen participation Summarize citizen participation process and how it impacted goal-setting

Comprehensive outreach was conducted to gather input on the Plan. The public hearing and consultations conducted before the creation of the draft Plan, as well as discussion of the participation of local, regional, and statewide institutions, CoCs, and other organizations affected by the Plan are listed in Process Section 10. The Plan, as adopted, substantial amendments, and the Consolidated Plan Annual Performance and Evaluation Report ("CAPER") will be available to the public online at http://www.tdhca.state.tx.us and will have materials accessible to persons with disabilities, upon request.

Encouragement of Public Participation
To reach minorities and non-English speaking residents, the draft Plan outreach will follow TDHCA's Language Access Plan. Also, the notices will be printed in Spanish and English, per Texas Government Code §2105. Spanish speaking staff will attend meetings in areas likely to have Spanish speakers, such as San Antonio and the Rio Grande Valley. Translators for other languages will be made available at public meetings, if requested.

The State encourages the involvement of individuals of low incomes and persons with disabilities in the allocation of funds and planning process through regular meetings, including community-based institutions, consumer workgroups, and councils listed in Strategic Plan Section 35. All hearing locations are accessible to all who choose to attend, and public hearings will be held at times for both working and non-working persons. Comments can be submitted either at a public hearing or in writing via mail, fax, or email.

The State notifies residents in areas where CDBG funds are proposed for use by distributing information on public hearings through the CDBG email list from TDA. Information related to the Plan and opportunities for feedback were provided through webinars and web discussions that allow participation by residents of rural areas without requiring travel to a central location. Regional public hearings held as part of the Regional Review Committee process also encourage participation by CDBG stakeholders.

Public hearings
The Draft Plan was released for a 32-day public comment period from September 12, 2014, to October 13, 2014. TDHCA held at least four hearings across the state. Constituents were encouraged to provide input regarding all programs in writing or at one of the public hearings.
The public hearing schedule WAS published in the Texas Register and on TDHCA's website at http://www.tdhca.state.tx.us, and was advertised during various workgroups and committee meetings. During the public comment period, printed copies of the draft Plan was available from TDHCA, and electronic copies will be available for download from TDHCA's website.

The affect of consultations on goal-setting was discussed in Process Section 10. Public comment received on the draft Plan is included in the Attachment Chapter.

Criteria for Amendment to the Consolidated Plan

Substantial amendments will be considered if a new activity is developed for any of the funding sources or there is a change in method of distribution. If a substantial amendment is needed, reasonable notice by publication on TDHCA's website at http://www.tdhca.state.tx.us will be given, and comments will be received for no less than 30 days after notice is given. A public hearing will be optional.

Performance Report

The 2016 CAPER will analyze the results of the Plan. Due to the short 90-day turnaround time of the CAPER between the end of HUD's Program Year (1/31) and the due date, the public will be given reasonable notice by publication on TDHCA's website at http://www.tdhca.state.tx.us. Comment will be accepted for a minimum of 15 days. A public hearing will be optional.

Citizen Participation Outreach

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
1	Electronic survey	CoCs, service providers	On January 9, 2014, TDHCA released a survey to receive input from CoCs and services providers in the State of Texas on the allocation of funding, performance standards, and HMIS policies and procedures for its 2014 ESG funds. Comments were received from fourteen agencies representing six CoCs. The comments received will be considered in program planning for 2014. Such surveys will continue to be used for future program planning.	Commenters generally supported the TDHCA method of allocation and did not support the idea of limiting funding to applicants that do not receive direct funding from HUD. Emergency shelter, homelessness prevention, and rapid re-housing remain the highest needs among the commenters. Commenters generally support the idea of direct ESG funding to the CoCs but clearly require more information.	On the 2014 ESG survey, commenters requested that TDHCA align its reporting to mirror the HMIS. TDHCA reporting is based on HUD's requirements for the CAPER. As HUD moves to revise the CAPER to more closely reflect HMIS, TDHCA will follow.	

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
2	Public Hearing	Non-targeted/broad community	On July 23, 2014, TDHCA led a public hearing at 2:00pm at the William B. Travis Building, 1701 N. Congress, Room 1-100, Austin, TX, 78701. Twelve people were in attendance and six provided spoken and/or written comments.	Three speakers gave comment related only to the CDBG program, two speakers gave comment related only to the HOME program, and one speaker gave comment related to both the CDBG and HOME programs. Additionally, six letters and one email were received as written public comment. All written comments were made on the HOME program. A summary of public comment received is provided in the Attachments Chapter.	A summary of public comment received and reasoned responses are provided in the Attachment Chapter.	

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
3	Public Hearing	Non-targeted/broad community	On Tuesday, September 30, 2014, TDHCA led a public hearing at 6:00pm at the Omni San Antonio Hotel, Grand Ballroom C, 9821 Colonnade Boulevard, San Antonio, TX 78230. Eight people were in attendance and three provided spoken and/or written comments.	A summary of public comment received and reasoned responses are provided in the Attachment Chapter.	A summary of public comment received and reasoned responses are provided in the Attachments Chapter.	http://www.tdhca.state.tx.us/events/index.jsp
4	Public Hearing	Minorities Non-English Speaking - Specify other language: Spanish	On Thursday, October 2, 2014, TDHCA led a public hearing at 11:00am at the Harlingen Public Library, Boggus Conference Room, 410 76 Drive, Harlingen, TX 78550. No one was in attendance and no spoken and/or written comments were provided.	A summary of public comment received and reasoned responses are provided in the Attachment Chapter.	A summary of public comment received and reasoned responses are provided in the Attachments Chapter.	http://www.tdhca.state.tx.us/events/index.jsp
5	Public Hearing	Non-targeted/broad community	On Monday, October 6, 2014, TDHCA led a public hearing at 6:00pm at the Stephen F. Austin Building, Room 170, 1700 N. Congress Avenue, Austin, TX 78701. Four people were in attendance and two provided spoken and/or written comments.	A summary of public comment received and reasoned responses are provided in the Attachment Chapter.	A summary of public comment received and reasoned responses are provided in the Attachments Chapter.	http://www.tdhca.state.tx.us/events/index.jsp

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
6	Public Hearing	Non-targeted/broad community	On Wednesday, October 8, 2014, TDHCA led a public hearing at 12:30pm at the Fort Worth Central Library, Chappell Meeting Room, 500 West Third Street, Fort Worth, TX 76102. Two people were in attendance and one provided spoken and/or written comments.	A summary of public comment received and reasoned responses are provided in the Attachment Chapter.	A summary of public comment received and reasoned responses are provided in the Attachments Chapter.	http://www.tdhca.state.tx.us/events/index.jsp

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
7	Electronic survey	Non-targeted/broad community	TDHCA filed a notice in the Texas Register announcing the Public Comment Period and four Public Hearings on the Draft 2015-2019 State of Texas Consolidated Plan. The notice was filed on September 8, 2014 and was published in the September 19, 2014 Edition of the Texas Register. The notice announced that the State of Texas was holding a 32-day public comment period from Friday, September 12, 2014 through 6:00 p.m. Central on Monday, October 13, 2014, to obtain public comment on of the Draft 2015-2019 State of Texas Consolidated Plan. Comments were encouraged on the Plan in written form or oral testimony at the public hearings. Written comments concerning the Plan could be submitted by mail to the Texas Department of Housing and Community Affairs, Housing Resource Center, P.O. Box 13941, Austin, TX 78711-3941, by email to info@tdhca.state.tx.us, or by fax to (512) 475-0070. The deadline to accept comments was Monday, October 13, 2014, 6:00 p.m. Central Time.	A summary of public comment received and reasoned responses are provided in the Attachment Chapter. Additionally, a copy of the Texas Register posting is provided as an attachment to Section AD-25.	A summary of public comment received and reasoned responses are provided in the Attachments Chapter.	http://www.sos.state.tx.us/texreg/archive/September192014/In%20Addition/In%20Addition.html#189

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
8	Internet Outreach	Non-targeted/broad community	To broaden citizen participation, TDHCA created a webpage to post information on the 2015-2019 State of Texas Consolidated Plan, including the Draft Plan, public hearing information, and submitting public comment. The unique URL of the webpage was shared widely by listserv emails and through TDHCA's Twitter and Facebook accounts. During the public comment period (September 12, 2014 through October 13, 2014). Twenty-eight emails were received during the public comment period.	A summary of public comment received and reasoned responses are provided in the Attachments Chapter. Additionally, screenshots of the webpage and social media outreach are provided as an attachment to Section AD-25.	A summary of public comment received and reasoned responses are provided in the Attachments Chapter.	http://www.tdhca.state.tx.us/housing-center/consolidated-plan-2015-2019.htm

Table 5 – Citizen Participation Outreach

SP-10 Geographic Priorities – 91.315(a)(1)

Geographic Area

Table 6 - Geographic Priority Areas

1	**Area Name:**	State of Texas
	Area Type:	State Service Area
	Other Target Area Description:	State Service Area
	HUD Approval Date:	
	% of Low/ Mod:	
	Revital Type:	
	Other Revital Description:	
	Identify the neighborhood boundaries for this target area.	State of Texas.
	Include specific housing and commercial characteristics of this target area.	Described in the Needs Assessment of the 2015-2019 State of Texas Consolidated Plan.
	How did your consultation and citizen participation process help you to identify this neighborhood as a target area?	Described in the Process Chapter of the 2015-2019 State of Texas Consolidated Plan.
	Identify the needs in this target area.	Described in the Needs Assessment of the 2015-2019 State of Texas Consolidated Plan.
	What are the opportunities for improvement in this target area?	Described in the Needs Assessment and Market Analysis of the 2015-2019 State of Texas Consolidated Plan.
	Are there barriers to improvement in this target area?	Described in the Needs Assessment and Market Analysis of the 2015-2019 State of Texas Consolidated Plan.

General Allocation Priorities

Describe the basis for allocating investments geographically within the jurisdiction (or within the EMSA for HOPWA)

TDHCA and TDA do not provide priorities for allocating investment geographically to areas of minority concentration as described in 24 CFR §91.320(d).

HOME Program Geographic Priorities

Texas Government Code §2306.111 requires that TDHCA use a Regional Allocation Formula ("RAF") to allocate its HOME funding. The RAF uses the data from the Census Bureau to prioritize funding, such as: number of persons who live at or under 200% of the poverty line; number of households with rent or mortgage payment that exceeds 30% of income; number of units with more than one person per room;

and vacant units for rent or for sale. Both homeowner data and renter data are used in the RAF. This formula captures data on all Texas counties and accordingly reflects geographic priorities.

Additionally, Texas Government Code §2306.111 specifies that TDHCA shall expend at least 95% of its HOME funds for the benefit of areas not in Participating Jurisdictions ("PJs"). Therefore, need and availability in the areas that are PJs are not prioritized in the RAF. The RAF distributes all HOME funds from the annual allocation except for federal- and state-mandated activities, such as CHDO Operating Expenses, housing programs for persons with disabilities, and the Contract for Deed Conversion Program. The RAF assessed, revised as appropriate, and published annually, after the public comment process, at https://www.tdhca.state.tx.us/housing-center/pubs-plans.htm.

ESG Geographic Priorities

Beginning with Federal Fiscal Year 2013, ESG funds have been prioritized for each of the HUD-designated Continuum of Care ("CoC") Regions. This is according to a combination of the CoC region's proportionate share of the total homeless population (based on the Point-in-Time count submitted to HUD by the CoCs) and the proportionate share of people living in poverty (based on the American Community Survey). For the purposes of distributing funds, the percentage of statewide homeless population is weighted at 75% while the percentage of statewide population in poverty is weighted at 25%.

CDBG Geographic Priorities

Texas CDBG Funds for projects under the Community Development ("CD") Fund are allocated by formula to 24 regions based on the methodology that HUD uses to allocate CDBG funds to the non-entitlement state programs (21.71% of annual allocation), along with a state formula based on poverty and unemployment (40% of annual allocation). In addition, 12.5% of the annual allocation is allocated to projects under the Colonia Fund categories, which must be expended within 150 miles of the Texas-Mexico border. Colonia SHC funds are allocated by statute among five Texas-Mexico border counties, as well as in other border counties that are determined to be economically distressed. Allocations for each SHC correspond to contract activities that are proposed by the SHCs and the Colonia Resident Advisory Committee ("C-RAC").

HOPWA Geographic Priorities

Texas HOPWA funding allocations are geographically distributed across the state to the 26 HIV-Service Delivery Areas ("HSDA") based on factors such as population with HIV and unmet need. Texas has 254 counties and can carry out activities anywhere in the state. Texas serves all the rural counties and is a wrap-around for the federally-designated six Metropolitan Statistical Areas ("MSAs") that receive direct HOPWA funding from HUD, which means there is some overlap of counties served by both the MSA and the state. The six directly-funded MSAs are Austin, Dallas, Fort Worth, Houston, San Antonio, and El Paso, and counties under each MSA are subject to change. DSHS allocates funding to meet the needs of PLWH in Texas, many of whom reside in areas of minority concentration; most PLWH are racial and ethnic minorities.

NHTF Geographic Priorities

The Texas NHTF will distribute NHTF funds through a competitive NOFA process. For any year that the NHTF allocation is less than $10 million, the funds will initially be available geographically, based on the proportion of Extremely Low Income Renter households to the total population of Renter Households in each of thirteen State Service Regions. A minimum will be calculated for each region as a ratio of the available allocation divided by thirteen, and available competitively within each region prior to collapse into a statewide competition. If the allocation received by the State exceeds $10 million, the Regional Allocation Formula used for the State's allocation of HOME funds will be used to distribute NHTF funds, although statutory requirements regarding benefit of areas not in Participating Jurisdictions or any HOME-specific setasides will not apply. If the State implements a homeownership program component using NHTF, the homeownership program only may use a different allocation method, based on proportionate need.

SP-25 Priority Needs – 91.315(a)(2)

Priority Needs

Table 7 – Priority Needs Summary

1	**Priority Need Name**	Rental Assistance
	Priority Level	High
	Population	Extremely Low Low Moderate Large Families Families with Children Elderly Public Housing Residents Rural Chronic Homelessness Individuals Families with Children Mentally Ill Chronic Substance Abuse veterans Persons with HIV/AIDS Victims of Domestic Violence Unaccompanied Youth Elderly Frail Elderly Persons with Mental Disabilities Persons with Physical Disabilities Persons with Developmental Disabilities Persons with Alcohol or Other Addictions Persons with HIV/AIDS and their Families Victims of Domestic Violence
	Geographic Areas Affected	State Service Area
	Associated Goals	CDBG Colonia Self-Help Centers HOME Administration HOPWA Permanent Housing Placement Assistance HOPWA Tenant-Based Rental Assistance Tenant-Based Rental Assistance with HOME funding
	Description	Rental Assistance includes security and utility deposits, and rental subsidies, usually while the household engages in a self-sufficiency program.

OMB Control No: 2506-0117 (exp. 07/31/2015)

	Basis for Relative Priority	The Needs Assessment in Section 10 and Section 30 established that cost burden was a housing problem that by far affected the most households with housing problems and were within 0-100% Area Median Income ("AMI"). Needs Assessment Section 10, Table 3, "Housing Problems", shows that 83% of renters with housing problems and income between 0-100% AMI had cost burden (i.e., spending more than 30% of income on rent) or severe cost burden (i.e., spending 50% or more of income on rent). In the answer to the question in that section "What are the most common housing problems", it was found that renters with housing problems in the 0-30% AMI category experienced a severe cost burden 5% higher than homeowners with housing problems, and renters with housing problems in the >30-50% and >50-80% AMI categories experienced non-severe cost burden 9-17% higher than homeowners with housing problems. The Market Analysis Section 15 shows that renters do not have access to enough affordable rental units. First, in the answer to the question in that section "Is there sufficient housing for households at all income levels?", there is a discussion of housing mismatch which demonstrates that higher income households often reside in market-rate units that could be affordable to the lowest-income households. Low-income households (e.g., 0-80% AMI) make up only 56% of all households occupying housing affordable to them. Even though there appears to be a large number of affordable units, this mismatch is one issue that creates cost burden. Also, in the answer to the question in that section "How is affordability of housing likely to change considering changes to home values and/or rents?", even with the increase in median incomes, the rates of cost burden for all renters remained steady over 5 years at 44%. Rental assistance would help to lower this rate of cost burden.
2	**Priority Need Name**	Production of new units
	Priority Level	High

	Population	Extremely Low Low Moderate Large Families Families with Children Elderly Public Housing Residents Rural Chronic Homelessness Individuals Families with Children Mentally Ill Chronic Substance Abuse veterans Persons with HIV/AIDS Victims of Domestic Violence Unaccompanied Youth Elderly Frail Elderly Persons with Mental Disabilities Persons with Physical Disabilities Persons with Developmental Disabilities Persons with Alcohol or Other Addictions Persons with HIV/AIDS and their Families Victims of Domestic Violence Other
	Geographic Areas Affected	State Service Area
	Associated Goals	CDBG Colonia Set-Aside Construction of single family housing HOME Administration HOME Households in new/rehabed multifamily units NHTF households in new~~/rehabed~~ multifamily units NHTF Administration

	Description	Multifamily development of new units for the construction of a rental development, which will have units to be offered at below-market-rate rents. CHDOs could be eligible to receive funding for the new construction of affordable single-family homes. New single-family homes must follow certain design and quality requirements and must be sold to low-income homebuyers after completion of construction. The production of new units may be paired with permanent financing to qualified households if needed. Production also includes Self-Help Housing. The Bootstrap Loan Program (“Bootstrap”) allows for self-help housing construction to provide very low-income families—including persons with special needs, such as colonia residents—an opportunity to purchase or refinance real property on which to build new housing or repair their existing homes through "sweat equity." Household income may not exceed 60% of AMI. All Bootstrap households provide at least 65% of the labor necessary to build or rehabilitate their housing under the supervision and guidance of a state-certified administrator or Colonia Self-Help Center. The maximum Bootstrap loan may not exceed $45,000 per household. The Colonia SHCs provides targeted colonias in border counties with opportunities to improve housing and increase personal capacity for homeownership. The SHCs provide housing services in the form of new construction, reconstruction, rehabilitation, small repairs, tool lending, construction skills training, and utility connections. Colonia residents are able to repair and construct their own and others’ housing under the guidance of qualified nonprofit housing developers who provide training in construction methods and homeownership. SHC community development activities include homeownership education, access to and training in computers/technology, consumer rights education, financial literacy, and solid waste disposal assistance.

	Basis for Relative Priority	As previously established in the "Basis for Relative Priority" for the Rental Assistance Priority Need, the most common housing problem for renters is distinctly cost burden. Creation of new multifamily units that offer reduced rents works hand-in-hand with rental assistance, since both types of assistance alleviate cost burden. Regarding the need for more affordable single-family units, the Needs Assessment Section 10 established that cost burden was a housing problem that by far affected the most homeowners that had housing problems and were within 0-100% AMI. Needs Assessment Section 10, Table 3, "Housing Problems", shows that 87% of homeowners with housing problems and incomes between 0-100% AMI had cost burden (i.e., spending more than 30% of income on mortgage) or severe cost burden (i.e., spending 50% or more of income on mortgage). In the answer to the question in that section "What are the most common housing problems", it was found that homeowners with housing problems in the 0-30% and >80-100% AMI categories experienced a cost burden 7-10% higher than renters with housing problems. Also, Needs Assessment Section 30 discussed the needs of colonia residents, who live in colonias with reduced infrastructure and poor housing. New affordable units would provide options for persons who live in substandard housing. Finally, the Market Analysis Section 15 showed how the affordability of homes for households with median family income compared to the income required to qualify for an 80%, fixed-rate mortgage to purchase a median priced home in most Multiple Listing Services ("MLS") has gone down from 2011 to 2013. When affordability is going down, the need for affordable units increases. Because of these factors, TDHCA will continue to evaluate annually whether a portion of NHTF should be directed to ownership activities to address housing problems within the context of availability of other fund sources.
3	**Priority Need Name**	Acquisition of existing units
	Priority Level	High

	Population	Extremely Low Low Moderate Large Families Families with Children Elderly Public Housing Residents Elderly Frail Elderly Persons with Mental Disabilities Persons with Physical Disabilities Persons with Developmental Disabilities Persons with HIV/AIDS and their Families Victims of Domestic Violence Other
	Geographic Areas Affected	State Service Area
	Associated Goals	CDBG Colonia Set-Aside HOME Administration Homebuyer assistance with possible rehabilitation NHTF households in new~~/rehabed~~ multifamily units NHTF Administration
	Description	For HOME, acquisition of existing units would provide funds for downpayment and closing costs. Homebuyer assistance could be paired with rehabilitation, if the home has architectural barriers for persons with disabilities. Homebuyer assistance can also include contract for deed conversions. Finally, TDHCA's Colonia SHCs provides targeted colonias in border counties with opportunities to improve housing and increase personal capacity for homeownership and employment. The SHCs provide housing services in the form of new construction, reconstruction, rehabilitation, small repairs, contract for deed conversions, tool lending, construction skills training, and utility connections. Colonia residents are able to repair and construct their own and others' housing under the guidance of qualified nonprofit housing developers who provide training in construction methods and homeownership. SHC community development activities include homeownership education, access to and training in computers/technology, consumer rights education, financial literacy, and solid waste disposal assistance.

	Basis for Relative Priority	As was already established in the "Basis for Relative Priority" for the Production of new units, the most common housing problem for owners is cost burden. Assisting homebuyers with the affordable acquisition of units will help address cost burden for potential homebuyers. As established by Needs Assessment Section 30, unscrupulous practices regarding the use of contracts for deed are often detrimental to the buyers of properties. By converting those contracts for deed to traditional mortgages, the units that were unaffordable through the high interest rates in the contracts for deed become affordable through mortgages, while also providing the homeowner with the full rights of homeownership. Also, as established by Needs Assessments Section 45, persons with disabilities may need assistance with barrier removal. The pairing of homebuyer assistance, which helps make the home affordable, and barrier removal, which allows the person with a disability to function in the home, addresses a housing and special need.
4	**Priority Need Name**	Rehabilitation of housing
	Priority Level	High

	Population	Extremely Low Low Moderate Large Families Families with Children Elderly Public Housing Residents Rural Chronic Homelessness Individuals Families with Children Mentally Ill Chronic Substance Abuse veterans Persons with HIV/AIDS Victims of Domestic Violence Unaccompanied Youth Elderly Frail Elderly Persons with Mental Disabilities Persons with Physical Disabilities Persons with Developmental Disabilities Persons with Alcohol or Other Addictions Persons with HIV/AIDS and their Families Victims of Domestic Violence Other
	Geographic Areas Affected	State Service Area
	Associated Goals	CDBG Administration CDBG Colonia Self-Help Centers CDBG Colonia Set-Aside HOME Administration Homeless Goals HOME Households in new/rehabed multifamily units Rehabilitation of single family housing NHTF households in new~~/rehabed~~ multifamily units NHTF Administration

	Description	Rehabilitation is the act of making repairs designed to address health and safety concerns, as well as local code requirements, and reconstruction is rebuilding either because it is not cost feasible to repair the home because of the extent of needed repairs, or because a home has been damaged or destroyed beyond repair. Rehabilitation or reconstruction of single-family units involves construction activities on owner-occupied housing on the same site. Activities intended to address rehabilitation needs can also result in new construction of housing units when they replace a previous, existing housing unit. Also permitted are (1) instances where an existing owner-occupied manufactured housing unit is replaced with a site-built house or another manufactured housing unit on the same site; (2) an existing housing unit is demolished and rebuilt on a lot located outside a floodplain or away from other environmental hazards; or (3) when a housing unit is replaced because it has become uninhabitable as a result of disaster or condemnation by local government. Rehabilitation of multifamily units varies from property to property depending on specific needs, and could include exterior and/or interior work. A definition of rehabilitation can be found in the Uniform Multifamily Rules 10 Texas Administrative Code, §10.3. Rehabilitation and reconstruction includes self-help housing, which involves on-site technical assistance to low- and very low-income individuals for outreach and education; housing rehabilitation; construction skills training; tool library access for self-help construction; housing finance; credit and debt counseling; grant writing; contract-for-deed conversions; and capital access for mortgages. Finally, rehabilitation may include renovation or major rehabilitation of an emergency shelter or conversion of a building into an emergency shelter.

	Basis for Relative Priority	As was already established in the "Basis for Relative Priority" for the Production of new units, the most common housing problem for renters and owners is cost burden. The Needs Assessment Section 10 shows that substandard housing is the least commonly identified housing problem, experienced by only 2% of the population under 100% AMI. However, the Market Assessment Section 15 notes the importance of local economies on the housing markets. While substandard housing is not as common of a problem for Texas as a whole compared to other housing problems, in some communities substandard housing may be a substantial problem. This is true in rural areas and especially true in colonias, as noted in Needs Assessment Section 30. Colonias are unique in that they have large amounts of substandard housing but, unlike much of the rest of Texas, have more affordable housing, as described in Market Analysis Section 50. Rehabilitation of multifamily units will help ensure affordability for renters and, as new units are added to the State's affordable housing stock, provide more affordable rental choices. Rehabilitation for single-family housing in colonias is strongly supported by the Needs Assessment and Market Analysis. Rehabilitation outside the colonias may be supported by local markets, as illustrated by comments during the consultation of the 2015-2019 State of Texas Consolidated Plan from TICH and TDCJ (Market Analysis Section 20). Although homeowner cost burden is measured in the Needs Assessment Chapter by comparing the mortgage and utility payments to the income of the homeowner, an analysis of home rehabilitation or reconstruction compared to income of the homeowner may show a substantial hardship for homeowners. Assistance of up to $85,000, which is the highest amount allowable in the HOME Single Family rehabilitation/reconstruction activity in 2014, would result in a loan of similar size as some mortgages as generated through a private financial institution. If the homeowner already has a mortgage or has income between 0-80% AMI, this large loan payment could create a burden. In this way, rehabilitation could affect affordability for the homeowner. HOME’s Single-Family rehabilitation/reconstruction program helps sustain affordability, because it repairs or replaces older housing stock through deferred, forgivable loans or grants with new, more energy-efficient housing stock, thus reducing potential cost burden. Though the focus in the Needs Assessment and Market Analysis is on affordability and availability, it should be noted that rehabilitation would also improve the safety of the homeowner. Because of these factors and particularly the needs inside colonias, HOME funds are made available annually for single family rehabilitation activities. TDHCA will continue to evaluate annually whether HOME funds should be directed to other activities that could more directly address common housing problems, such as cost burden, while ensuring that the rural parts of the state have access address the most common housing problems they may be experiencing based on geography or population. Regarding the rehabilitation of emergency shelters, Needs Assessment 40 shows that there are 16,336 unsheltered homeless on a given night. Maintaining the safety and quality of shelters will continue to warrant the rehabilitation of emergency shelters when possible.

5	**Priority Need Name**	Supportive Services for Persons with HIV/AIDS
	Priority Level	High
	Population	Extremely Low Low Moderate Large Families Families with Children Elderly Public Housing Residents Persons with HIV/AIDS Persons with HIV/AIDS and their Families
	Geographic Areas Affected	State Service Area
	Associated Goals	HOPWA-Funded Supportive Services
	Description	The Supportive Services program provides case management, basic telephone service, and assistance to purchase smoke detectors to eligible individuals living with HIV and their families. Case managers also assist HOPWA clients with comprehensive housing plans and make referrals such as medical care, mental health and/or substance abuse treatment, and other services based on the client's individual needs.
	Basis for Relative Priority	The Market Analysis states that the State HOPWA program provides tenant-based rental assistance; short-term rent, mortgage, and utilities assistance, and some project sponsors provide financial assistance with security deposits and credit checks. HOPWA-eligible individuals who have exited from an institution into the State's HOPWA program receive supportive services from a case manager which include a comprehensive housing plan and linkage and referrals to health professionals as needed to assist in keeping the client stable and housed. HOPWA eligibility requires an HIV diagnosis and income at 80% or below AMI. HIV disproportionally affects racial/ethnic minorities and males. At the end of 2012, 72,932 persons were living with HIV in Texas, many at incomes below the poverty level, and the number continues to rise every year. According to the DSHS 2012 Texas STD and HIV Integrated Epidemiologic Profile, Texas had the 8th highest rate (19.7/100,000 population) of new HIV diagnoses in the nation in 2011. Housing is a critical need for PLHW and their families.
6	**Priority Need Name**	Homeless Outreach
	Priority Level	High

	Population	Extremely Low Low Moderate Large Families Families with Children Elderly Rural Chronic Homelessness Individuals Families with Children Mentally Ill Chronic Substance Abuse veterans Persons with HIV/AIDS Victims of Domestic Violence Unaccompanied Youth Other
	Geographic Areas Affected	State Service Area
	Associated Goals	Homeless Goals
	Description	Offering essential services helps unsheltered homeless persons connect with emergency shelter, housing, or critical services, and provides urgent, non-facility-based care to those who are unwilling or unable to access emergency shelter, housing, or an appropriate health facility. Outreach includes engagement, case management, emergency health and mental health services, transportation, and services for special needs populations. Case Management includes using a centralized assessment system, conducting evaluations, counseling, coordinating services, obtaining local benefits, monitoring program participant progress, providing information and referrals, and developing an individualized housing. Emergency health services include assessing a program participant's health problems and developing a treatment plan while helping to understand their health needs. Mental health services are also provided. Transportation assistance is allowed for the homeless population and outreach providers. Outreach to special needs population will vary based on the special need and will be specified in Strategic Plan Section 45.

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	Basis for Relative Priority	Needs of individuals and families at risk of homelessness are established in Needs Assessment Section 10. Along with having low-incomes, many individuals and families at risk of homelessness have co-occurring issues, such as needs for essential services like child care or education. Because of these co-occurring issues, outreach to prevent homelessness for these populations is essential. Special needs populations described in Needs Assessment Section 45 have difficulty retaining housing in unique ways and are often vulnerable to homelessness. These populations need outreach tailored to them.
7	**Priority Need Name**	Emergency shelter and transitional housing
	Priority Level	High
	Population	Extremely Low Low Moderate Large Families Families with Children Elderly Rural Chronic Homelessness Individuals Families with Children Mentally Ill Chronic Substance Abuse veterans Persons with HIV/AIDS Victims of Domestic Violence Unaccompanied Youth Other
	Geographic Areas Affected	State Service Area
	Associated Goals	Homeless Goals

	Description	Emergency shelter means the provision of a temporary shelter for homeless persons which does not require occupants to sign leases or occupancy agreements. Emergency shelters include shelters that provide overnight accommodation services as well as shelters that provide a space to stay during day time hours. Emergency shelters can offer essential services, such as case management, child care, education services, employment assistance, job training, outpatient health services, legal services, life training skills, mental health services, substance abuse treatment services, transportation, and services for special populations.
	Basis for Relative Priority	As was already established in the "Basis for Relative Priority" for Rental Assistance, the most common housing problem is cost burden. As discussed in Needs Assessment Section 10, certain characteristics, such as cost burden, can lead to instability of housing and risk of homelessness. With the 16,336 estimated number of homeless persons unsheltered on a given night listed in the Needs Assessment Section 40, the need for emergency shelter becomes apparent.
8	**Priority Need Name**	Rapid Re-housing
	Priority Level	High
	Population	Extremely Low Low Large Families Families with Children Elderly Public Housing Residents Elderly Frail Elderly Persons with Mental Disabilities Persons with Physical Disabilities Persons with Developmental Disabilities Persons with Alcohol or Other Addictions Persons with HIV/AIDS and their Families Victims of Domestic Violence Other
	Geographic Areas Affected	State Service Area
	Associated Goals	Homeless Goals

	Description	Rapid re-housing includes housing relocation, stabilization services, and short- and/or medium-term rental assistance as necessary to help a homeless individual or family move as quickly as possible into permanent housing and achieve stability in that housing. Rapid re-housing may involve providing last month's rent, rental application fees, security deposits, utility deposits, utility payments, and moving costs. Services provided for homelessness prevention may involve housing search and placement, housing stability case management, mediation, legal services for subject matters such as landlord/tenant disputes, and credit repair.
	Basis for Relative Priority	As established in Needs Assessment Section 40, a continuum of care approach for homeless populations necessitates more options than only providing emergency shelter. In addition, Market Analysis Section 30 discusses the cost savings of rapid re-housing.
9	**Priority Need Name**	Homelessness Prevention
	Priority Level	High
	Population	Extremely Low Low Large Families Families with Children Elderly Public Housing Residents Persons with HIV/AIDS and their Families Other
	Geographic Areas Affected	State Service Area
	Associated Goals	HOPWA Permanent Housing Placement Assistance HOPWA Short-Term Rent, Mortgage, & Utilities Asst HOPWA Tenant-Based Rental Assistance Homeless Goals

	Description	Homelessness prevention includes using relocation and stabilization services and short- and/or medium-term rental assistance to prevent an individual or family from moving into an emergency shelter or another place. Homelessness prevention may involve providing last month's rent, rental application fees, security deposits, utility deposits, utility payments, and moving costs. Services provided for homelessness prevention may involve housing search and placement, housing stability case management, mediation, legal services for subject matters such as landlord/tenant disputes, and credit repair. The Texas HOPWA program prevents homelessness and stabilizes housing for PLWH in Texas with housing subsidy assistance activities and supportive services. TBRA provides tenant-based rental assistance to eligible individuals until they are able to secure other affordable and stable housing. STRMU provides emergency short-term rent, mortgage, and utility payments to eligible individuals for a maximum of 21 weeks of assistance in a 52-week period. PHP provides assistance for housing placement costs which may include application fees, related credit checks, and reasonable security deposits necessary to move persons into permanent housing. All of these activities, along with supportive services, helps clients maintain affordable and stable housing, reduces risk of homelessness, and improves access to health care and supportive services.
	Basis for Relative Priority	As established in Needs Assessment Section 40, a continuum of care approach for homeless populations necessitates more options than providing emergency shelter. Market Analysis Section 30 discusses the cost savings of homelessness prevention. PLWH and their families have a critical need for housing in Texas. Stable housing significantly increases rates of improved health outcomes for this population. HOPWA eligibility requires an HIV diagnosis and income at 80% or below AMI. HIV disproportionally affects racial/ethnic minorities and males. At the end of 2012, 72,932 persons were living with HIV in Texas, many at incomes below the poverty level, and the number continues to rise every year. "In 2011…Texas had the 8th highest rate (19.7/100,000 population) of new HIV diagnoses in the nation" (Texas Department of State Health Services, 2014).
10	**Priority Need Name**	Public Improvements and Infrastructure
	Priority Level	High
	Population	Extremely Low Low Moderate Non-housing Community Development Other

	Geographic Areas Affected	State Service Area
	Associated Goals	CDBG Administration CDBG Colonia Set-Aside CDBG Disaster Relief / Urgent Need CDBG Economic Development CDBG Other Construction CDBG Planning / Capacity Building
	Description	Public improvements and infrastructure include water and wastewater systems, roads/streets, and other utilities. SHCs in colonias include on-site technical assistance to low- and very low-income individuals and families for community development activities; infrastructure improvements; outreach and education; construction skills training; and infrastructure construction and access.
	Basis for Relative Priority	Although the Non-Homeless Special Need category "other" does not indicate which "other" is specified in the printed version of this document, "other" in this context means colonia residents. The Needs Assessment shows the need for public improvements and infrastructure as a majority of the applications received for CDBG funds include improvements and/or installation of public infrastructure. This predominance demonstrates a priority need for these types of projects.
11	**Priority Need Name**	Economic development
	Priority Level	High
	Population	Extremely Low Low Moderate Non-housing Community Development Other
	Geographic Areas Affected	State Service Area
	Associated Goals	CDBG Administration CDBG Economic Development CDBG Other Construction
	Description	Economic development includes projects in support of job creation activity primarily benefiting individuals of low-to-moderate income and downtown revitalization activities to eliminate/prevent slum and blight conditions.

	Basis for Relative Priority	Although the Non-Homeless Special Need category "other" does not indicate which "other" is specified in the printed version of this document, "other" in this context means colonia residents. The Market Analysis shows that economic development is needed as growing urbanization and an increasingly competitive global environment present challenges for the economic conditions of rural, non-entitlement communities.
12	**Priority Need Name**	Public facilities
	Priority Level	High
	Population	Extremely Low Low Moderate Non-housing Community Development Other
	Geographic Areas Affected	State Service Area
	Associated Goals	CDBG Administration CDBG Colonia Set-Aside CDBG Disaster Relief / Urgent Need CDBG Economic Development CDBG Other Construction CDBG Planning / Capacity Building
	Description	Public facilities include, but are not limited to neighborhood facilities such as libraries, public schools or community centers, and facilities for persons with special needs such as the homeless and senior citizens.
	Basis for Relative Priority	The Needs Assessment explains how rural, non-entitlement communities frequently face choosing to utilize CDBG funds for public facilities over their public infrastructure needs. Given the importance of public facilities, CDBG is developing the Community Enhancement fund to use deobligated funds to support public facility projects in rural communities.
13	**Priority Need Name**	Public services
	Priority Level	High
	Population	Extremely Low Low Moderate Non-housing Community Development Other

	Geographic Areas Affected	State Service Area
	Associated Goals	CDBG Administration CDBG Colonia Self-Help Centers CDBG Disaster Relief / Urgent Need CDBG Economic Development CDBG Other Construction CDBG Planning / Capacity Building
	Description	Public service activities include, but are not limited to, employment services, health services, and services for senior citizens.
	Basis for Relative Priority	The Needs Assessment shows the need for public services in rural communities is frequently foregone in order to employ CDBG for fundamental public infrastructure improvements. Additionally, many rural communities lack the service providers needed to deliver such services in their communities.

Narrative (Optional)

Low-income persons with special needs include colonia residents; elderly and frail elderly populations; homeless populations and persons at risk of homelessness; persons with alcohol and substance use disorders; persons with mental, physical, intellectual, or developmental disabilities; persons with HIV/AIDS and their families; public housing residents and persons on wait lists for public housing; veterans and wounded warriors; victims of domestic violence, including persons with protections under the Violence Against Woman Act ("VAWA") (domestic violence, dating violence, sexual assault, or stalking); youth aging out of foster care; and farmworkers are considered special needs groups for housing-related priority goals. Please refer to the Needs Assessment Chapter of this document for more detailed descriptions of the need associated with special needs groups. Note that when the population is listed as "other," this could be one of three populations: colonia residents, youth aging out of foster care, and farmworkers.

SP-30 Influence of Market Conditions – 91.315(b)

Influence of Market Conditions

Affordable Housing Type	Market Characteristics that will influence the use of funds available for housing type
Tenant Based Rental Assistance (TBRA)	Market Analysis Section 15 shows a possible housing mismatch in which lower-income Texans frequently are only able to access higher income units. In this case, TBRA can assist with that problem. TBRA allows eligible households the choice of rental units. HOME Use of TBRA The HOME Program takes into account the needs of households that have a cost burden as market conditions lead to the need for TBRA. Rental subsidy and security and utility deposit assistance is provided to tenants, in accordance with written tenant selection policies, for an initial period not to exceed 24 months. If available, additional funds may be set-aside to provide assistance beyond 24 months.

Affordable Housing Type	Market Characteristics that will influence the use of funds available for housing type
TBRA for Non-Homeless Special Needs	Established in the Market Analysis Section 10, some special needs populations receive priority in many programs. HOME Use of TBRA for People with Special Needs The HOME Program considers income, availability of housing, and condition of housing for persons with special needs as market conditions that lead to the need for TBRA for this population. The Needs Assessment chapter also highlights the need in Texas for special needs populations to have access to rental housing. For example, the numbers of persons with disabilities transitioning from institutional living into community-based living is increasing, creating a priority for the State of Texas. TDHCA's TBRA is critical in helping households transition back into the community. In addition, of the HOME funding that TDHCA specifically sets aside for persons with disabilities, approximately 80% of the assisted households requested TBRA in 2014; the remainder of the requests were for home repair or to purchase homes. HOPWA use of TBRA for People with Special Needs For low-income PLWH, a lack of affordable housing is an ongoing issue. Housing placement requires two and one half times the rent in income, but the cost of living is rising (i.e. increases in rent, utilities, application fees, and security deposits) while incomes remain the same or decrease. Housing options are further decreased by a shortage of available assistance. The Housing Choice Voucher (“HCV”) program is not offered in some cities or counties with small populations; has long or closed wait lists for potential applicants; or will not qualify clients based on undocumented immigrant status, which results in cost-shifting to the HOPWA program. A common issue is housing that does not meet Housing Quality Standards (“HQS”) and lack of landlords' willingness to improve these properties. Case managers try to place clients in housing that meets HQS, but those units are not always available or affordable. Also, clients are unable to afford utilities when utility rates in rural areas not established at reasonable levels, making it difficult to calculate appropriate allowances, and/or high utility costs are paid separately from the rent. TBRA has not historically paid for utilities separately from rental payments, but has the ability to do so. With the lack of subsidized housing, clients often stay on the city/local housing authority wait lists pending availability. Often local rents are much higher than the Fair Market Rent (“FMR”), which eliminates those geographical locations as options for affordable housing. A shortage of housing has landlords increasing prices to what the market will bear, which invariably are much higher than FMR. As a result, the Texas HOPWA Program offers TBRA, which provides tenant-based rental assistance to eligible individuals until they are able to secure other affordable and stable housing.

Affordable Housing Type	Market Characteristics that will influence the use of funds available for housing type
New Unit Production	Market Analysis Section 15 reflects that there are not enough affordable housing units available for renters. Market Analysis Section 15 also shows that there is a lack of supply of housing, at only 3.3 month supply of inventory for sale. HOME use of New Unit Production Because HOME Multifamily funds used for the production of multifamily housing are typically paired with other resources such as housing tax credits and/or conventional financing, the availability of those other resources influences the use of funds for new construction. As with any development, the cost of land, materials, and labor are also factors. Finally, the demand for the housing from not only income-eligible tenants but those who exhibit an ability to pay rent is a primary market characteristic. For single-family HOME funds for new unit production, the CHDOs identify the needs for new housing in their communities before they apply. CDBG Program use of New Unit Production Office of Colonia Initiatives (“OCI”) anticipates that the rise of overall construction costs stems from the increase in prices for materials, labor, and land which may cause TDHCA to increase the average amount of assistance per household. With the increased assistance per household and lower amounts of funding per household, TDHCA may decrease the number of single family households serves with new construction. NHTF Program use of New Unit Production The Texas NHTF will provide funding for new construction of multifamily developments that meet TDHCA underwriting requirements. NHTF funds will be used for the production of multifamily rental housing for extremely low income households, which units will generally not generate sufficient income to pay operating costs, therefore NHTF will typically be leveraged by other resources such as HOME funds, housing tax credits and/or conventional financing, the availability of those other resources will impact the use of NHTF for new construction. As with any development, the cost of land, materials, and labor are also factors. Finally, the demand for the housing from not only income-eligible tenants but those who exhibit an ability to pay rent is a primary market characteristic. If NHTF is used for production of units for ownership, increasing costs for material, labor and land will factor into the assistance available for each unit, as will the availability of other fund sources to leverage NHTF. Because NHTF is required to serve extremely low income households, the availability of mortgage financing with an affordable payment will impact the amount of assistance required by households to reach sustainable ownership. Because of these factors, NHTF funds used for ownership may result on fewer households served than typical for other fund sources.

Affordable Housing Type	Market Characteristics that will influence the use of funds available for housing type
Rehabilitation	While only approximately 2% of the Texas housing stock is considered substandard per Needs Assessment Section 10, almost half of the housing stock is over 30 years old per Market Analysis Section 20. Older housing stock can be associated with necessary housing repairs. In addition, Market Analysis Section 10 discusses the need for barrier removal for persons with disabilities. Finally, Needs Assessment Section 30 establishes the need for rehabilitation in colonias. HOME use of Rehabilitation When a single-family housing unit or multifamily unit is determined to be in disrepair, the unit's suitability for rehabilitation varies by program. HOME takes each housing unit on a case-by-case basis, accounting for factors such as property value, construction costs, and type of rehabilitation to determine if the unit is suitable for rehabilitation or whether the household should be offered the option to rebuild. ESG use of Rehabilitation ESG has three eligible types of rehabilitation with subtly different definitions of what is considered a suitable property. ESG considers a shelter suitable for conversion rehabilitation where the cost of rehabilitation would exceed 75% of the value of the building after conversion. A unit is suitable for major rehabilitation if the costs of rehabilitation exceed 75% of the value of the building prior to rehabilitation or conversion. Finally, ESG considers a housing unit suitable for renovation rehabilitation where the costs of rehabilitation are 75% or less of the value of the building. CDBG use of Rehabilitation To address the condition of the housing stock, the CDBG Program has established a limit of $25,000 dollars per home and a process to select homes for rehabilitation. The CDBG Program will consider adjustments based on a specific request from the subrecipient and that household’s circumstances. Vacant and abandoned housing units are not precluded from consideration. The grant recipient is responsible for establishing priority based on local housing needs. For the OCI, the assistance limit is $50,000 per household for reconstruction and new construction and $40,000 per household for rehabilitation. The OCI encourages rehabilitation assistance if the activity requires less than $40,000 to be brought up to minimum construction standards so that the maximum number of households may be served. ~~NHTF use of Rehabilitation~~ ~~The Texas NHTF will provide funding for acquisition and rehabilitation of multifamily developments that meet TDHCA underwriting requirements~~.

Affordable Housing Type	Market Characteristics that will influence the use of funds available for housing type
Rehabilitation	NHTF funds will be used for the production of multifamily rental housing for extremely low income households, which units will generally not generate sufficient income to pay operating costs, therefore NHTF will typically be leveraged by other resources such as HOME funds, housing tax credits and/or conventional financing, the availability of those other resources will impact the use of NHTF for acquisition and rehabilitation. As with any development, the cost of land, materials, and labor are also factors. Finally, the demand for the housing from not only income-eligible tenants but those who exhibit an ability to pay rent is a primary market characteristic.
Acquisition, including preservation	Market Analysis Section 15 establishes that there are not enough affordable housing units available for owners. Homebuyer assistance helps ensure that homeowners purchase units that are within their means and help to make the units more affordable. In addition, Needs Assessment Section 30 discusses the abuses of contracts for deed, which may be improved by converting the contracts to traditional mortgages, resulting in acquisition of the unit. HOME use of Acquisition HOME offers homebuyer assistance and homebuyer assistance with rehabilitation for barrier removal and to bring units up to livability standards. CDBG use of Acquisition, Including Preservation OCI program assistance for acquisition comes as either a grant or a low- or 0%-interest forgivable loan. The OCI assists a market that is less likely to qualify for mortgage products at market interest rates and that use traditional underwriting criteria. This will maintain a high level of demand for affordable acquisition assistance from TDHCA.

Table 8 – Influence of Market Conditions

SP-35 Anticipated Resources - 91.315(a)(4), 91.320(c)(1,2)

Introduction

CPD funding is governed by this Consolidated Plan, but the State also works to collaborate, coordinate, and layer non-CPD funding sources in order to reach more Texans and more efficiently use available funds. Programs listed in the anticipated resources narrative sections below could be used to leverage CPD funds. These include:

- 4% HTC Program;
- 9% HTC Program;
- Homeless and Housing Services Program (“HHSP”);
- Housing Trust Fund Program;
- Mortgage Credit Certificate (“MCC”) Program;
- First time homebuyer loan programs, including the My First Texas Home Program;
- Neighborhood Stabilization Program - Program Income (“NSP PI”);
- Section 8 Housing Choice Voucher (“HCV”) Program;
- Section 811 Project Rental Assistance (“PRA”) Program; and
- Tax Credit Assistance Program (“TCAP”) Loan Repayments.

For the programs above, the expected future funding amounts, to the extent known, are in the planning documents governing those programs. These documents can be found online at http://www.tdhca.state.tx.us/. The anticipated resources below are focused on CPD Programs.

TDHCA participates in numerous committees, workgroups, and councils which help TDHCA stay apprised of other potential resources to address affordable housing needs. Relationships with other federal and state agencies and local governments are extremely valuable, helping Texas agencies to coordinate housing and services and serve all Texans efficiently and effectively. TDHCA’s involvement in these committees promotes identifying opportunities to proactively pursue federal funding opportunities. TDHCA actively seeks engagement and input from community advocates, funding recipients, potential applicants for funding, and others to obtain input regarding the development of effective policies, programs and rules. Changes to funding plans are made periodically based on feedback received through these avenues.

TDHCA is the lead agency for the following workgroups:

C-RAC: C-RAC is a committee of colonia residents appointed by the TDHCA Governing Board. It advises TDHCA regarding the needs of colonia residents and the types of programs and activities which should be undertaken by the Colonia SHCs. The Colonia SHCs funds are provided to seven specific pre-determined counties which, in turn, procure organizations to operate their SHCs.

Disability Advisory Workgroup (“DAW”): The DAW augments TDHCA's formal public comment process, affording staff the opportunity to interact more informally and in greater detail with various stakeholders and to get feedback on designing more successful programs, with a specific focus on gaining insight on issues impacting persons with disabilities.
Housing and Health Services Coordination Council ("HHSCC"): HHSCC is established by Texas Government Code §2306.1091. Its duties include promoting coordination of efforts to offer Service-Enriched Housing and focusing on other cross-agency efforts.
Texas Interagency Council for the Homeless (“TICH”): The TICH was statutorily created in 1989 to coordinate the State’s homeless resources and services. The TICH consists of representatives from eleven state agencies. TDHCA, as the primary source for state homelessness funding, provides administrative and planning support to the TICH.
Weatherization Assistance Program Planning Advisory Committee (“WAP PAC”): The WAP PAC is comprised of a broad representation of organizations and agencies and provides balance and background related to the weatherization and energy conservation programs at TDHCA.
The descriptions of the collaborations for DSHS and TDA are in the Discussion question of this section below.

Anticipated Resources

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Reminder of ConPlan $	Narrative Description
			Annual Allocation: $	Program Income: $	Prior Year Resources: $	Total: $		
CDBG	public - federal	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services	53,849,803	2,500,000	13,000,000	69,349,803	269,249,015	TDA's CDBG Program funds community and economic development, excluding the colonia set-aside. Communities may also coordinate CDBG funding with U.S. Department of Agriculture's ("USDA") Rural Development funds or Texas Water Development Board's ("TWDB") State Revolving Fund.

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Reminder of ConPlan $	Narrative Description
			Annual Allocation: $	Program Income: $	Prior Year Resources: $	Total: $		
CDBG Colonias Set-aside	public - federal	Acquisition Admin and Planning Homebuyer assistance Homeowner rehab Public Improvements Public Services	5,983,312	0	0	5,983,312	29,916,560	The Colonia Set-Aside is used both by TDA and TDHCA for goals described in the Strategic Plan Section 45. The Colonia Economically Distressed Areas Program ("CEDAP") Legislative Set - Aside leverages funding from the TWDB's Economically Distressed Areas Program. TDHCA's Office of Colonia Initiatives ("OCI") administers a portion of the CDBG Colonia Set-Aside through its Colonia SHCs. Also, the Housing Trust Fund, which is funded through Texas General Revenue, administers the Texas Bootstrap Loan Program, which is also available to SHCs. Finally, the Housing Trust Fund also provides the Contract for Deed Conversion Program Assistance Grants are two types of grants that support eligible nonprofits and units of local government in assisting eligible colonia households with incomes 60% or less of the AMI to convert their contracts for deeds to warranty deeds.

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Reminder of ConPlan $	Narrative Description
			Annual Allocation: $	**Program Income: $**	**Prior Year Resources: $**	**Total: $**		
HOME	public - federal	Acquisition Homebuyer assistance Homeowner rehab Multifamily rental new construction Multifamily rental rehab New construction for						TDHCA's HOME Program goals are described in the Strategic Plan Section 45 for multifamily and single family activities. Single family HOME homebuyer activity may be coordinated with TDHCA's My First Texas Home Program, which can supplement down payment assistance, and the MCC Program, which provides a yearly tax credit of up to $2,000 annually that reduced the homebuyers' federal income tax liability. HOME Multifamily Development Funds can be layered with 4% HTCs and 9% HTCs. In addition, TDHCA's Section 811 PRA, a project-based supportive housing program for persons with disabilities, and TDHCA's Section 8 HCV may be used within HOME developments. Starting in 2015, TDHCA's TCAP loan repayments and NSP PI may be used to supplement or support multifamily and single-family HOME activities starting in 2015. In addition, TDHCA also develops rules that govern all multifamily programs, including the HOME Multifamily Development Program,

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Reminder of ConPlan $	Narrative Description
			Annual Allocation: $	Program Income: $	Prior Year Resources: $	Total: $		
HOPWA	public - federal	Permanent housing in facilities Permanent housing placement Short term or transitional housing facilities STRMU Supportive services TBRA	2,947,262	0	0	2,947,262	11,789,048	DSHS' HOPWA state formula funds the following activities: TBRA; STRMU; PHP; and Supportive Services. Project Sponsors leverage available funds from Ryan White and State Services grants to assist clients with housing needs, medical and non-medical case management, emergency utility assistance, mental health, transportation, and nutritional services to address the needs of eligible clients.

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Reminder of ConPlan $	Narrative Description
			Annual Allocation: $	Program Income: $	Prior Year Resources: $	Total: $		
ESG	public - federal	Conversion and rehab for transitional housing Financial Assistance Overnight shelter Rapid re-housing (rental assistance) Rental Assistance Services Transitional housing	8,891,395	0	0	8,891,395	41,195,380	TDHCA's ESG funds are awarded via contract to Subrecipient agencies that provide emergency shelter, homelessness prevention, rapid rehousing, and Homeless Management Information Systems ("HMIS") activities. HHSP is Texas state general revenue funding for the eight largest cities to provide flexibility to undertake activities that complement ESG activities. Note that not all ESG direct recipients in Texas are HHSP grantees.

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Reminder of ConPlan $	Narrative Description
			Annual Allocation: $	Program Income: $	Prior Year Resources: $	Total: $		
Housing Trust Fund	public - federal	Acquisition Multifamily						TDHCA's NHTF Program goals are described in the Strategic Plan Section 45 for multifamily and single family activities. NHTF Multifamily Development Funds can be layered with 4% HTCs and 9% HTCs, and TDHCA Multifamily Direct Loan funds, including HOME, HOME-CHDO, and TCAP Loan Repayment. In addition, TDHCA's Section 811 PRA, a project-based supportive housing program for persons with disabilities, and TDHCA's Section 8 HCV may be used within NHTF developments. In addition, TDHCA also develops rules that govern all multifamily programs, including the HOME Multifamily Development Program, known as the Uniform Multifamily Rules. If implemented, Single family NHTF homebuyer activity may be coordinated with TDHCA's My First Texas Home Program, which can supplement down payment assistance, and the MCC Program, which provides a yearly tax credit of up to $2,000 annually that reduced the homebuyers' federal income tax liability. NHTF Single

Table 9 - Anticipated Resources

Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied

HOME Program Leverages and Provides Match

HOME multifamily development is most often used to leverage with the HTC Program, which was created by the Tax Reform Act of 1986 and authorizes 9% low-income housing tax credits in the amount of $2.30 per capita for each state, and 4% low-income housing tax credits in amounts linked to the usage of the state's cap for issuance of tax exempt bond to finance affordable housing development. In Texas, this equates to approximately $61,400,000 in 9% tax credits available to be awarded by TDHCA annually. These credits may be claimed each year for ten years and this represents potential tax credit value on the magnitude of $610,000,000. The tax credits are syndicated to limited partner investors to yield cash for use in eligible development activities. Currently typical syndication rates range between 92% and 95%. TDHCA must develop a Qualified Allocation Plan ("QAP") for the selection of eligible developments to provide housing for the low-income tenants. HOME provides increased leverage, allowing the property owners to utilize fewer tax credits and less private debt and local funding, therefore providing more efficient use of resources.

Matching requirements for the HOME Multifamily Development Program will be met through the Rules that establish the awardee's minimum amount of match as 5% of the award amount. Match comes in the form of donated labor and materials, donated professional services from an architect or engineer, grants from cities or nonprofits, and waived fees by municipalities. Also, TDHCA is planning to increase match requirements for single family activities to more effectively use limited funding.

ESG Program Leverages and Provides Match

In 2011, the Texas Legislature statutorily created the HHSP statute and funded it with General Revenue. Through HHSP, the State allocates funds into the eight largest cities in Texas to support services to homeless individuals and families. These funds are sometimes used as match for either State or local ESG funding.

To meet the ESG match requirement, TDHCA includes match as part of the application process used with its Subrecipients. Subrecipient agencies are required to match 100% of their ESG award. A Subrecipient that is unable to match the award is eligible to apply to TDHCA for a match waiver of up to $100,000. However, these requests have been quite rare. In coming ESG program years, TDHCA will actively determine which organization(s) will benefit from the match waiver.

HOPWA Leverages and Provides Match

Texas HOPWA does not have program income but leverages funds whenever possible. Project Sponsors leverage available funds from Ryan White and State Services grants, private funding sources, foundations, and local assistance to help clients. AAs do not receive administrative funds from DSHS, so those costs are leveraged from other funding sources.

CDBG Leverages and Provides Match

Nearly 80% of Texas CDBG grants include local matching fund commitments. Matching funds are required for certain grants, while other grants award points to encourage local match; a sliding scale allows smaller communities to contribute less match funding than larger communities.

Match funds may be provided by the applicant, or by a water or sewer utility benefiting from the project. Economic development projects benefiting private business require 1-for-1 match commitment, with the business most often providing this substantial match.

Recent updates to the Colonia SHC Program rules have capped program assistance at $50,000 per household for reconstruction and new construction, and $40,000 per household for rehabilitation. These limits encourage administrators to leverage their funds with other resources as well as assist more households than in prior years.

If appropriate, describe publically owned land or property located within the state that may be used to address the needs identified in the plan

Due to character limitations in the previois question, NHTF leveraging activities are provided at the beginning of this response. See the last paragraph below for state owned land information.

NHTF Program Leverages

NHTF multifamily development may be used to leverage with the HTC Program, which was created by the Tax Reform Act of 1986 and authorizes 9% low-income housing tax credits in the amount of $2.30 per capita for each state, and 4% low-income housing tax credits in amounts linked to the usage of the state's cap for issuance of tax exempt bond to finance affordable housing development. In Texas, this equates to approximately $61,400,000 in 9% tax credits available to be awarded by TDHCA annually. These credits may be claimed each year for ten years and this represents potential tax credit value on the magnitude of $610,000,000. The tax credits are syndicated to limited partner investors to yield cash for use in eligible development activities. Currently typical syndication rates range between 92% and 95%. TDHCA must develop a Qualified Allocation Plan ("QAP") for the selection of eligible developments to provide housing for the low-income tenants. NHTF provides increased leverage, allowing the property owners to utilize fewer tax credits and less private debt and local funding, therefore providing more efficient use of resources.

The Texas General Land Office manages state owned lands and mineral rights totaling approximately 13 million acres. Much of this is leased for the benefit of the Permanent School Fund, an endowment fund established in 1876 for the benefit of Texas public school education. There is currently no plan to use state owned land for affordable housing or community development goals; however, local jurisdictions occasionally donate land or property in support of activities designed to address the needs identified in the plan as part of their contribution to locally administered programs.

Discussion

Continuing with the discussion of collaboration begun in the Introduction of this section, DSHS is the lead for several HIV-related councils and workgroups which provide opportunities for collaboration and resource sharing across agencies, providers, and other pertinent stakeholders to assist PLWH in Texas. Some of the initiatives are Inter-Agency Council on HIV & Hepatitis, the Texas Black Women's Initiative, the Test Texas Coalition, and the Texas HIV Syndicate. The Texas HIV Syndicate is an integrated HIV prevention and care planning body made up of roughly 100 organizational leaders representing the full continuum of HIV engagement. The Texas HIV Syndicate uses the Texas HIV Plan as a framework to develop strategies that enhance and expand on prevention and care activities across the State. Texas HIV Syndicate members develop policy recommendations, best practice models, coordination strategies, and promote innovation in HIV prevention and treatment. DSHS also holds a biennial HIV/Sexually Transmitted Disease ("STD") conference, attended by all DSHS contractors and subrecipients in addition to community leaders, health and HIV professionals, and many other essential stakeholders. Many of the DSHS contractors are also HOPWA providers. This year, the conference is August 19-21, 2014 in Austin, and invitations for two waived registrations have been extended to HUD. The goal of the Texas HIV/STD Conference is to enhance the responsiveness of people and systems supporting the spectrum of HIV/STD prevention and treatment services in Texas, including: Awareness; Targeted Prevention; Diagnosis; Linkage to Care; Maintenance in Care; and Suppression of Disease.

DSHS' Epidemiology and Surveillance Branch is responsible for reporting HIV/AIDS, STD, and tuberculosis ("TB") surveillance and epidemiologic data for the State of Texas, which includes data submission to the Centers for Disease Control and Prevention ("CDC"). This data is subsequently used by HUD to determine HOPWA formula allocations. This data is also leveraged to provide support to planning, development, implementation, and evaluation of HIV/AIDS, STD, and TB prevention and services programs, including HOPWA.
Finally, TDA participates in the following workgroups:

Texas Water Infrastructure Coordination Committee ("TWICC"): TWICC is a voluntary organization of federal and state funding agencies and technical assistance providers that address water and wastewater needs throughout the State. TDA participates in TWICC to coordinate efforts to leverage funds.

Secretary of State’s Colonia Workgroup: The Colonia Workgroup consists of federal and state funding agencies and the Texas Secretary of State’s colonia ombudsmen. The group addresses current and future infrastructure improvements in colonias, focusing on coordination of resources and information. TDHCA is also a member of this workgroup.

Drought Preparedness Council: The Council was authorized and established by the 76th Texas Legislature in 1999, and is responsible for assessment and public reporting of drought monitoring and water supply conditions, along with other duties.
These workgroups, committees, and councils help to strengthen communication between state agencies as well as provide opportunities to layer or combine funding sources.

With the block grants and the layering resources listed above, there are also CDBG Disaster Recovery ("DR") funds for Hurricanes Rita, Dolly, and Ike, and Wildfires. Hurricane Rita Disaster Recovery for housing and non-housing recovery is in 29 counties. Ike Disaster Recovery for housing and non-housing recovery is in 62 counties. Wildfire Recovery non-housing recovery is in 65 counties. More details can be found at http://www.glo.texas.gov/GLO/disaster-recovery/actionplans

SP-45 Goals Summary – 91.315(a)(4)

Goals Summary Information

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Homeless Goals	2015	2019	Homeless	State of Texas	Emergency shelter and transitional housing Homeless Outreach Homelessness Prevention Rapid Re-housing Rehabilitation of housing	ESG: $41,195,380	Tenant-based rental assistance / Rapid Rehousing: 22850 Households Assisted Homeless Person Overnight Shelter: 53555 Persons Assisted Homelessness Prevention: 31240 Persons Assisted
2	Construction of single family housing	2015	2019	Affordable Housing Non-Homeless Special Needs	State of Texas	Production of new units	HOME: $3,362,570	Homeowner Housing Added: 35 Household Housing Unit
3	Rehabilitation of single family housing	2015	2019	Affordable Housing Non-Homeless Special Needs	State of Texas	Rehabilitation of housing	HOME: $5,611,175	Homeowner Housing Rehabilitated: 330 Household Housing Unit
4	Homebuyer assistance with possible rehabilitation	2015	2019	Affordable Housing Non-Homeless Special Needs	State of Texas	Acquisition of existing units	HOME: $2,408,057	Direct Financial Assistance to Homebuyers: 200 Households Assisted

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
5	Tenant-Based Rental Assistance with HOME funding	2015	2019	Affordable Housing Non-Homeless Special Needs	State of Texas	Rental Assistance	HOME: $28,055,875	Tenant-based rental assistance / Rapid Rehousing: 2550 Households Assisted
6	HOME Households in new/rehabed multifamily units	2015	2019	Affordable Housing Non-Homeless Special Needs	State of Texas	Production of new units Rehabilitation of housing	HOME: $37,742,675	Rental units constructed: 300 Household Housing Unit Rental units rehabilitated: 75 Household Housing Unit
7	HOPWA Tenant-Based Rental Assistance	2015	2019	Affordable Housing Non-Homeless Special Needs	State of Texas	Homelessness Prevention Rental Assistance	HOPWA: $8,646,610	Tenant-based rental assistance / Rapid Rehousing: 2200 Households Assisted
8	HOPWA Short-Term Rent, Mortgage, & Utilities Asst	2015	2019	Affordable Housing Non-Homeless Special Needs	State of Texas	Homelessness Prevention	HOPWA: $2,267,963	Homelessness Prevention: 2350 Persons Assisted
9	HOPWA Permanent Housing Placement Assistance	2015	2019	Affordable Housing Non-Homeless Special Needs	State of Texas	Homelessness Prevention Rental Assistance	HOPWA: $42,524	Public service activities other than Low/Moderate Income Housing Benefit: 65 Persons Assisted
10	HOPWA-Funded Supportive Services	2015	2019	Affordable Housing Non-Homeless Special Needs	State of Texas	Supportive Services for Persons with HIV/AIDS	HOPWA: $2,267,963	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 4450 Persons Assisted

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
11	CDBG Other Construction	2015	2019	Non-Housing Community Development	State of Texas	Economic development Public Improvements and Infrastructure Public facilities Public services	CDBG: $224,430,740	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 1139215 Persons Assisted
12	CDBG Economic Development	2015	2019	Non-Housing Community Development Economic Development	State of Texas	Economic development Public Improvements and Infrastructure Public facilities Public services	CDBG: $74,368,045	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 66610 Persons Assisted Jobs created/retained: 4000 Jobs
13	CDBG Planning / Capacity Building	2015	2019	Non-Housing Community Development	State of Texas	Public Improvements and Infrastructure Public facilities Public services	CDBG: $2,802,475 CDBG Colonias Set-aside: $121,250	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 187695 Persons Assisted
14	CDBG Disaster Relief / Urgent Need	2015	2019	Non-Housing Community Development	State of Texas	Public Improvements and Infrastructure Public facilities Public services	CDBG: $47,036,165	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 661240 Persons Assisted

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
15	CDBG Colonia Set-Aside	2015	2019	Affordable Housing Non-Housing Community Development	State of Texas	Acquisition of existing units Production of new units Public Improvements and Infrastructure Public facilities Rehabilitation of housing	CDBG Colonias Set-aside: $29,916,560	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 16740 Persons Assisted
16	CDBG Colonia Self-Help Centers	2015	2019	Self-Help Centers	State of Texas	Public services Rehabilitation of housing Rental Assistance	CDBG: $7,479,140	Other: 72455 Other
17	CDBG Administration	2015	2015	Administration/Technical Assistance		Economic development Public Improvements and Infrastructure Public facilities Public services Rehabilitation of housing	CDBG: $9,474,965	

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
18	HOME Administration	2015	2019	HOME Administration	State of Texas	Acquisition of existing units Production of new units Rehabilitation of housing Rental Assistance	HOME: $12,287,815	
19	NHTF households in new/rehabed multifamily units	2016	2019	Affordable Housing Non-Homeless Special Needs	State of Texas	Acquisition of existing units Production of new units Rehabilitation of housing	Housing Trust Fund: $~~4,300,528~~ 4,310,529	Rental units constructed: ~~50~~ 75 Household Housing Unit ~~Rental units rehabilitated: 25 Household Housing Unit~~
20	NHTF Administration	2016	2019	Affordable Housing Non-Homeless Special Needs	State of Texas	Acquisition of existing units Production of new units Rehabilitation of housing	Housing Trust Fund: $~~477,836~~ 478,948	Other: 0 Other

Table 10 – Goals Summary

Goal Descriptions

1	**Goal Name**	Homeless Goals
	Goal Description	Goals for 5-year period based on Program Year ("PY") 2012 performance.
2	**Goal Name**	Construction of single family housing
	Goal Description	The number will be an estimation of households to be assisted through Single-Family HOME funds for new construction based on PY 2014 allocation and a planned shift in resources from multifamily to single-family activities.
3	**Goal Name**	Rehabilitation of single family housing
	Goal Description	The number will be an estimation of households to be assisted through Single-Family HOME funds for rehabilitation and new construction based on the PY 2014 allocation for general single family and persons with disabilities set-asides, and a planned shift in resources from multifamily to single-family activities.
4	**Goal Name**	Homebuyer assistance with possible rehabilitation
	Goal Description	The number will be an estimation of households to be assisted through Single-Family HOME funds for homebuyer assistance and homebuyer assistance with rehabilitation or modification based on the PY 2014 allocation for contract-for-deed conversion and persons with disabilities set-asides, and a shift in resources from multifamily to single-family activities.
5	**Goal Name**	Tenant-Based Rental Assistance with HOME funding
	Goal Description	The number will be an estimation of households to be assisted through Single-Family HOME funds for TBRA based on the PY 2014 allocation for general single family and persons with disabilities set-asides, and a planned shift in resources from multifamily to single family activities.
6	**Goal Name**	HOME Households in new/rehabed multifamily units
	Goal Description	The number will be an estimation of units rehabilitated or newly constructed based on the PY 2014 allocation and a planned shift in resources from multifamily to single-family activities. Multifamily Development Funds are available in the form of low interest rate repayable loans to for-profit and nonprofit developers to construct and/or rehabilitate affordable multifamily rental housing. HOME Multifamily Development Funds typically represent 5% to 20% of the total development costs on projects that are layered with 9% HTCs. For non-layered projects, HOME Multifamily Development Funds can represent over 50% of a project's total development cost. If the construction is paired with other sources of TDHCA funding, performance is measured at the time that cost certification is measured. If construction is only HOME funding, then performance is measured at the time of final draw.

7	**Goal Name**	HOPWA Tenant-Based Rental Assistance
	Goal Description	The TBRA program provides tenant-based rental assistance to eligible individuals until they are able to secure other affordable and stable housing. TBRA helps clients maintain affordable and stable housing, reduces risk of homelessness, and improves access to health care and supportive services.
8	**Goal Name**	HOPWA Short-Term Rent, Mortgage, & Utilities Asst
	Goal Description	STRMU assistance program: The STRMU program provides emergency short-term rent, mortgage, and utility payments to eligible individuals for a maximum of 21 weeks of assistance in a 52-week period. STRMU helps low-income HIV-positive clients maintain affordable housing, reduce risk of homelessness, and improve access to health care and supportive services.
9	**Goal Name**	HOPWA Permanent Housing Placement Assistance
	Goal Description	The PHP program provides assistance for housing placement costs which may include application fees, related credit checks, and reasonable security deposits necessary to move persons into permanent housing. PHP helps low-income HIV-positive clients establish affordable and stable housing, reduce risk of homelessness, and improve access to health care and supportive services.
10	**Goal Name**	HOPWA-Funded Supportive Services
	Goal Description	HOPWA Supportive Services provides financial assistance for HOPWA case management, basic telephone service, and provision of smoke detectors. Supportive Services may be provided in conjunction with HOPWA housing assistance or as a stand-alone service. HOPWA housing assistance and Supportive Services are integrated with the larger Ryan White Program both in administration and service delivery, which in turn is integrated into the larger, multi-sectoral system for delivering treatment and care to these clients. The goals of the HOPWA program are to help low-income HIV-positive clients establish or maintain affordable and stable housing; to reduce the risk of homelessness; and to improve access to health care and supportive services.
11	**Goal Name**	CDBG Other Construction
	Goal Description	Total number of beneficiaries for CDBG other construction grants, including basic infrastructure. Funding allocated includes annual allocation in addition to previously deobligated funds.
12	**Goal Name**	CDBG Economic Development
	Goal Description	Number of jobs created/retained and beneficiaries served by the Texas Capital Fund programs. Funding allocated includes annual allocation in addition to previously deobligated funds.

13	**Goal Name**	CDBG Planning / Capacity Building
	Goal Description	Total number of beneficiaries served by the CDBG Planning/Capacity Building programs (may include public services). Funding allocated includes annual allocation in addition to previously deobligated funds.
14	**Goal Name**	CDBG Disaster Relief / Urgent Need
	Goal Description	Total number of beneficiaries served by the CDBG Disaster Relief / Urgent Need programs. Funding allocated includes annual allocation in addition to previously deobligated funds.
15	**Goal Name**	CDBG Colonia Set-Aside
	Goal Description	Total number of beneficiaries served by the CDBG colonia programs. Funding allocated includes annual allocation in addition to previously deobligated funds.
16	**Goal Name**	CDBG Colonia Self-Help Centers
	Goal Description	Colonia residents receiving direct assistance through Self-Help Centers..
17	**Goal Name**	CDBG Administration
	Goal Description	CDBG Administrative costs including Technical Assistance.
18	**Goal Name**	HOME Administration
	Goal Description	HOME Administraive funds from PY 2015 HOME allocation and projected PI.
19	**Goal Name**	NHTF households in new~~/rehabed~~ multifamily units
	Goal Description	The number will be an estimation of units ~~rehabilitated or~~ newly constructed based on average per unit maximum investment. Multifamily Development Funds are available in the form of low interest rate repayable loans to for-profit and nonprofit developers to construct and/or rehabilitate affordable multifamily rental housing. If the construction is paired Tax Credit financing, performance is measured at the time that cost certification is measured. If construction is only Multifamily Direct Loan funds, then performance is measured at the time of final draw.
20	**Goal Name**	NHTF Administration
	Goal Description	NHTF Administrative funds.

Estimate the number of extremely low-income, low-income, and moderate-income families to whom the jurisdiction will provide affordable housing as defined by HOME 91.315(b)(2)

Based on anticipated program activities, TDHCA estimates that the number of PY 2015 beneficiaries for HOME Single Family assisted will be approximately 625 low-, very low-, or extremely low-income households. On the basis of historical performance, TDHCA estimates that approximately 50 percent of those households will be minority households. The HOME Multifamily Program estimates that approximately 30 households with income in the 0-50% AMI category, 30 households in the <80% AMI category, and 15 households with moderate income will be served per year from 2015 to 2019.

The ESG Program estimates that 39,000 households will be assisted through homelessness prevention and rapid re-housing activities per year.
The goals of the HOPWA Program are to help low-income HIV-positive clients establish or maintain affordable and stable housing; to reduce the risk of homelessness; and to improve access to health care and supportive services. DSHS estimates that the Texas HOPWA program will assist 923 unduplicated, income-eligible clients each year with housing subsidy assistance.

The CDBG Program encourages regional priority set-asides for housing projects such as housing rehabilitation, and housing rehabilitation in colonia areas. Based on prior application, the TDA estimates rehabilitating homes for 20 families per year and providing utility connections and similar housing assistance for an additional 250 families per year.

OCI, funded with a set-aside of CDBG funds, estimates that 4,200 persons living in colonias will be assisted by the Colonia SHCs' affordable housing activities yearly.

The Texas NHTF is anticipated to serve 75 extremely low income renter households, if the allocation amount remains relatively constant. TDHCA estimates that similar to the HOME program, approximately 50 percent of those households will be minority households.
Disaster Recovery: As outlined in great detail in each of the Action Plans for the supplemental disaster assistance, the State of Texas had huge recovery efforts from each of the events it received funding for. While all of the programs are well under way, there remains unmet need that will still exceed the funds available to the State. This can be evidenced by the over subscription of most of the programs. Please refer to each program's Action Plan or the disaster recovery divisions most current Quarterly Progress Report for specific details: http://www.glo.texas.gov/GLO/disaster-recovery/actionplans/index.html and http://www.glo.texas.gov/GLO/disaster-recovery/reports/index.html.

OMB Control No: 2506-0117 (exp. 07/31/2015)

2016 State of Texas Consolidated Plan
One Year Action Plan ("OYAP") Substantially Amended Sections
Adding the National Housing Trust Fund ("NHTF")

Reason for Substantial Amendment: Adding National Housing Trust Fund ("NHTF") program information to Annual Action Plan sections as required in the "Housing Trust FundAllocation Plan Guide 2016," available at
https://www.hudexchange.info/resources/documents/HTF-Grantee-Allocation-Plan-Sample-Form.pdf.

Executive Summary

AP-05 Executive Summary - 24 CFR 91.200(c), 91.220(b)

1. Introduction

The 2016 One-Year Action Plan ("OYAP") applies to the combined actions of the Texas Department of Housing and Community Affairs ("TDHCA"), the Texas Department of Agriculture ("TDA"), and the Texas Department of State Health Services ("DSHS"), being the three state agencies that administer ongoing HUD programs and referred to collectively herein as the "State." The OYAP reports on the intended use of funds received by the State of Texas from the U.S. Department of Housing and Urban Development ("HUD") for Program Year ("PY") 2016. This OYAP is for the HOME Investment Partnerships ("HOME") Program, the Emergency Solutions Grant ("ESG") Program, the Community Development Block Grant ("CDBG") Program, the Housing Opportunities for Persons with AIDS ("HOPWA") Program, and the National Housing Trust Fund ("NHTF"). It does not apply to CDBG Disaster Recovery funding, administered by the Texas General Land Office. The 2016 PY begins on February 1, 2016, and ends on January 31, 2017. The performance report on PY 2014 funds was made available July 2015.

2. Summarize the objectives and outcomes identified in the Plan

This could be a restatement of items or a table listed elsewhere in the plan or a reference to another location. It may also contain any essential items from the housing and homeless needs assessment, the housing market analysis or the strategic plan.

This could be a restatement of items or a table listed elsewhere in the plan or a reference to another location. It may also contain any essential items from the housing and homeless needs assessment, the housing market analysis or the strategic plan.

The 2016 OYAP:

1. Reports on the intended use of funds received by the State from HUD for PY 2016;
2. Explains the State's method for distributing CDBG, ESG, HOME, HOPWA, and NHTF program funds; and

3. Provides opportunity for public input on the development of the annual plan. The State's progress in achieving the goals put forth in the OYAP will be measured according to HUD guidelines (24 CFR §91.520) and outlined in the Annual Performance Report released yearly in May. In accordance with the guidelines from HUD, the State complies with the Community Planning and Development ("CPD") Outcome Performance Measurement System. Program activities are categorized into the objectives and outcomes listed in the CPD Outcome Performance Measurement System table below.

The objectives and outcomes as they apply to each of the four programs are listed below. The estimated performance figures are based on planned performance during the PY (February 1st through January 31st) of contracts committed and projected households to be served based on estimated availability of funds. In contrast, the performance measures reported to the Texas Legislative Budget Board for the State Fiscal Year ("SFY" - September 1st through August 31st) are based on anticipated units and households at time of award.

OBJECTIVES	**OUTCOME 1 Accessibility**	**OUTCOME 2 Affordability**	**OUTCOME 3 Sustainability**
OBJECTIVE #1 Suitable Living Environment	Enhance Suitable Living Environment Through Improved/New Accessibility (SL-1)	Enhance Suitable Living Environment Through Improved/New Affordability (SL-2)	Enhance Suitable Living Environment Through Improved/New Sustainability (SL-3)
OBJECTIVE #2 Decent Housing	Create Decent Housing with Improved/New Availability (DH-1)	Create Decent Housing with Improved/New Affordability (DH-2)	Create Decent Housing with Improved/New Sustainability (DH-3)
OBJECTIVE #3 Economic Opportunity	Provide Economic Opportunity Through Improved/New Accessibility (EO-1)	Provide Economic Opportunity Through Improved/New Affordability (EO-2)	Provide Economic Opportunity Through Improved/New Sustainability (EO-3)

Table 1 - CPD Outcome Performance Measurement System

Outcomes and Objectives	**HOME Performance Indicators**	**Expected Number**
DH-2	No. of rental units assisted through new construction and rehabilitation	172
DH-2	No. of tenant-based rental assistance	363
DH-2	No. of existing homeowners assisted through owner-occupied assistance	58
DH-2	No. of homeowners assisted through homebuyer assistance	54

Table 2 - HOME Program Performance Measures, PY 2016

Outcomes and Objectives	ESG Performance Indicators	Expected Number
SL-1	Provide funding to support the provision of emergency and/or transitional shelter to homeless persons.	11,500
DH-2	Provide non-residential services including homelessness prevention assistance.	4,740

Table 3 - ESG Performance Measures, PY 2016

Objectives and Outcomes	CDBG Performance Indicators	Expected Number
SL-1	Infrastructure Improvements	220
SL-2	Infrastructure Improvements	10
SL-3	Infrastructure Improvements	65
SL-1	Residential Rehabilitation	50
DH-3	Residential Rehabilitation	2
DH-2	Homeownership Assistance	0
SL-1	Community Facilities	8
SL-1	Public Service	0
SL-1	Clearance Demolition Activities	5
EO-1	Direct Financial Assistance	32
EO-2	Direct Financial Assistance	5
EO-3	Infrastructure Improvements to Assist Businesses	30

Table 4 - CDBG Performance Measures, PY 2016

Outcomes and Objectives	HOPWA Performance Indicators	Expected Number
DH-2	TBRA housing assistance	468
DH-2	Short-term rent, mortgage, and utility	426
DH-2	Supportive Services (restricted to housing case mgt., smoke detectors, and phone service)	823
DH-1	Permanent Housing Placement (security deposits, application fees, and credit checks)	16

Table 5 - HOPWA Performance Measures, PY 2016

Outcomes and Objectives	NHTF Performance Indicators	Expected Number
DH-2	No. of rental units assisted through new construction ~~and rehabilitation~~	0
DH-2	No. of homeowners assisted through homebuyer assistance	0

Table 6 - NHTF Performance Measures, PY 2016

3. Evaluation of past performance

This is an evaluation of past performance that helped lead the grantee to choose its goals or projects.

The information below is for HOME, ESG, CDBG, and HOPWA for PY 2014 (February 1, 2014 to January 31, 2015). Because NHTF is a new program for PY 2016, past performance data is not available.

HOME Evaluation of Past Performance

TDHCA's HOME program committed $30,437,477.99 in program funds through seven different types of HOME Program activities in PY 2014, representing assistance to 1,008 households. Details on the amount committed in each activity type are included in the chart below.

ESG Evaluation of Past Performance

ESG is expended by Federal Fiscal Year (10/1-9/30). TDHCA evaluated ESG funds committed versus funds expended by activity for PY 2014, a time period that consists of half of Federal Fiscal Year 2013 (2/1/2013-9/30/2014) and Federal Fiscal Year 2014 (10/1/2014-1/31/2015). Based on TDHCA's ESG analysis, expenditures had limited disparities and were well within the expected range of state funding for activities, based on goals in the 2014 OYAP. Disparities were found in Homelessness Prevention, where the State committed 23% of the overall budget and the activity accounted for 26% of expenditures, and in Rapid Re-Housing, where the State committed 32% of the total budget and the activity accounted for 30% of expenditures. This indicates that the State effectively programmed and expended funds consistent with its desired goals.

CDBG Evaluation of Past Performance

During PY 2014, the Texas CDBG Program committed a total of $73,970,187 through 255 awarded contracts. For contracts that were awarded in PY 2014, 394,390 persons were anticipated to receive service. The Colonia Self Help Centers awarded $1,564,167 in contracts outside the PY2014 reported below. Distribution of the funds by activity is described in the table below.

HOPWA Evaluation of Past Performance

In PY 2014, the DSHS HOPWA program served 455 households with TBRA (113% of the OYAP goal), 369 households with STRMU assistance (86% of the OYAP goal), and 12 households with Permanent Housing Placement ("PHP") assistance (80% of the OYAP goal) for a total of 818 unduplicated households. Of the total households served, 755 also received HOPWA-funded Supportive Services (91% of the OYAP goal). All HOPWA clients receive housing supportive services at some level, but some costs were leveraged with other funding sources. Client outcome goals for housing stability, reducing homelessness risk, and improving access to care were also achieved. (Subtotaled and/or totaled dollar amounts may not be exact due to all expenses are reported to two decimal points but are rounded to nearest whole dollar for the HOPWA chart.)

HOME Activity	Total Committed
Homebuyer Assistance	$1,598,283.94
Homeowner Rehabilitation	$17,715,798.05
Tenant-Based Rental Assistance	$3,147,580
CHDO Rental Development	$0
CHDO Single Family Development	$875,816
CHDO Operating Expenses	$50,000
Rental Housing Development	$7,050,000

Table 7 - HOME Commitments by Activity, PY 2014

ESG Activity	Total Funds Expended
Street Outreach	$574,172
Emergency Shelter	$2,942,981
Homelessness Prevention	$1,733,495
Rapid Re-Housing	$3,008,287
Homeless Management Information Systems	$505,803
Administration	$321,800
Total	$9,086,538.09

Table 8 - ESG Fund Expenditures by Activity, PY 2014

CDBG Fund	Total Obligation
Community Development Fund	$36,923,015
Texas Capital Fund	$8,861,714
Colonia Planning and Construction Fund	$3,948,986
Colonia Economically Distressed Areas Program Fund	$2,034,326
Colonia Self-Help Centers ("SHC")*	$1,495,828
Planning / Capacity Building	$540,640
Disaster Relief/ Urgent Need	$2,446,820
STEP Fund	$1,866,793
Administration (including TA) 3%	$1,794,993
Admin - $100k (in addition to the 3%)	$100,000
Total	$59,833,115
*The Colonia Self Help Centers allocated $1,495,828 in PY2014	

Table 9 - CDBG Funds Committed, PY 2014

HOPWA Activity	Amount

OMB Control No: 2506-0117 (exp. 07/31/2015)

Expenditures for Housing Information Services	$0
Expenditures for Resource Identification	$0
Expenditures for Housing Assistance (equals the sum of all sites and scattered-site Housing Assistance)	$2,060,888
Expenditures for Supportive Services	$375,629
Grantee Administrative Costs expended	$70,639
Project Sponsor(s) Administrative Costs expended	$161,006

Table 10 - HOPWA Program Expenditures, PY 2014

4. Summary of Citizen Participation Process and consultation process

Summary from citizen participation section of plan.

The State is committed to collaboration with a diverse cross-section of the public in order to meet the various affordable housing needs of Texans. The State also collaborates with governmental bodies, nonprofits, and community and faith-based groups. Following the release of the Draft 2016 One Year Action Plan, a 30-day public comment period was open from October 19, 2015, through November 19, 2015. During this time, a public hearing was held in Austin. Public comment solicited in person at the public hearing, in writing by email, fax, or mail. More information on the citizen participation, consultation, and public comment are included in the Consultation and Participation sections of the Plan.

A separate 30-day public comment period was open from July 15, 2016 through August 15, 2016 for the NHTF, as information regarding this program was not available during the earlier comment period for the OYAP. A public hearing regarding the NHTF was held in Austin on August 4, 2016, and public comment was solicited in person at the public hearing, in writing by email, fax, or mail.

The 2015-2019 Consolidated Plan, as adopted, substantial amendments, the OYAP, and the Consolidated Plan Annual Performance and Evaluation Report (“CAPER”) will be available to the public online at http://www.tdhca.state.tx.us and will have materials accessible to persons with disabilities, upon request.

The State recognizes that citizen participation and consultation are ongoing processes. During the development of the 2015-2019 Consolidated Plan, comprehensive outreach was conducted to gather input. This outreach continues through the development of each Annual Action Plan, within the 5-year consolidated planning process. Following the release of HUD's Final Rule to Affirmatively Further Fair Housing, the State is making efforts to update the Citizen Participation Plan and Language Access Plan, as the State works towards the development of the Assessment of Fair Housing, anticipated to be due to HUD in approximately May 2019.

5. Summary of public comments

This could be a brief narrative summary or reference an attached document from the Citizen Participation section of the Con Plan.

During the development of the 2016 OYAP, two public comment periods were held. Following the release of the Draft 2016 OYAP, the Public Comment period was open from October 19, 2015, through November 19, 2015 and a public hearing was held on November 16, 2015 in Austin, TX. The State received 18 total comments from the following 4 organizations: Amazing Grants, Inc., MET, Inc., SafePlace, and Lifeworks. A summary of the comments received and reasoned responses during the first public comment period are provided in Attachment A: Public Comment on the 2016 One Year Action Plan and Staff's Reasoned Responses.

Following HUD's release of FY 2016 formula allocations on February 16, 2016, an Amended 2016 OYAP was available for 30 days of public comment between March 7, 2016, and April 5, 2016. No comments were received during the second public comment period. Following HUD's release of NHTF formula allocations on May 5, 2016, an Amended 2016 OYAP was available for 30 days of public comment between July 15, 2016, and August 15, 2016. Public comments were received from three organizations. A summary of public comments and reasoned responses is provided as an attachment to section AP-05.

6. Summary of comments or views not accepted and the reasons for not accepting them

The comments or views not accepted have been included in Attachment A: Public Comment on the 2016 One Year Action Plan and Staff's Reasoned Responses. Because of the flexible nature of the Plan development, all comments are considered for revisions.

7. Summary

The consolidated planning process occurs once every five years, so creating a comprehensive 2015-2019 Consolidated Plan was vital for CDBG, HOME, ESG, HOPWA and NHTF. Because of the Consolidated Plan's authority to govern these programs, research from multiple sources, including other government plans, peer-reviewed journals, news sources, and fact sheets were used; valuable public input was gathered through roundtable meetings, council/workgroup meetings, public hearings, online surveys, and an online forum; and an expansive public input process was included in the development of the Consolidated Plan.

Similarly, roundtables and meetings were held to discuss the NHTF, and written input was considered prior to Amendment of the Consolidated Plan for this new fund source. Topics at the roundtables included the geographic distribution of NHTF, threshold requirements for NHTF-funded developments, cross cutting requirements applicable to NHTF, and the forms of NHTF assistance. TDHCA also received several emails and letters from disability advocates, nonprofit developers, supportive housing advocates, and fair housing advocates.

The 2015-2019 Consolidated Plan is now carried out through Annual Action Plans, which provide a concise summary of the actions, activities, and the specific federal and non-federal resources that will be used each year to address the priority needs and specific goals identified by the Consolidated Plan.

OMB Control No: 2506-0117 (exp. 07/31/2015)

AP-12 Participation - 91.115, 91.300(c)

1. Summary of citizen participation process/Efforts made to broaden citizen participation Summarize citizen participation process and how it impacted goal-setting

Encouragement of Public Participation

To reach minorities and non-English speaking residents, the Plan outreach follows TDHCA's Language Access Plan. Also, the notices are available in Spanish and English, per Texas Government Code Chapter 2105. Translators will be made available at public meetings, if requested.

The State encourages the involvement of individuals of low incomes and persons with disabilities in the allocation of funds and planning process through regular meetings, including community-based institutions, consumer workgroups, and councils (many of these meetings are listed in the Strategic Plan Section 35 of the 2015-2019 Consolidated Plan). All public hearing locations are accessible to all who choose to attend. Comments can be submitted either at a public hearing or in writing via mail, fax, or email.

The State notifies residents in areas where CDBG funds are proposed for use by distributing information on public hearings through the CDBG email list from TDA. Information related to the Plan and opportunities for feedback were provided through webinars and web discussions that allowed participation by residents of rural areas without requiring travel to a central location. Regional public hearings held as part of the Regional Review Committee process also encouraged participation by CDBG stakeholders.

Public hearings

The Draft 2016 OYAP was released for a 30-day public comment period from October 19, 2015, to November 19, 2015. A public hearing was held in Austin on November 16, 2015. Constituents were encouraged to provide input regarding all programs in writing or at the public hearing. The public hearing schedule is published in the Texas Register and on TDHCA's website at http://www.tdhca.state.tx.us, and is advertised during various workgroups and committee meetings. During the public comment period, printed copies of the draft Plan were be available from TDHCA, and electronic copies may be available for download from TDHCA's website.

The draft NHTF Amendment to the 2016 OYAP was released for a 30-day public comment period from July 15, 2016, to August 15, 2016. A public hearing was held in Austin on August 4, 2016 during the public comment period.

Criteria for Amendment to the Consolidated Plan

Substantial amendments will be considered if a new activity is developed for any of the funding sources or there is a change in method of distribution. If a substantial amendment is needed, reasonable notice by publication on TDHCA's website at http://www.tdhca.state.tx.us will be given, and comments will be received for no less than 30 days after notice is given. A public hearing will be optional.

Performance Report

The 2017 CAPER will analyze the results of the 2016 OYAP. Due to the short 90-day turnaround time of the CAPER between the end of HUD's Program Year (1/31) and the due date, the public will be given reasonable notice by publication on TDHCA's website at http://www.tdhca.state.tx.us. Comment will be accepted for a minimum of 15 days. A public hearing will be optional.

One Year Action Plan

If a draft One Year Action Plan ("OYAP") is released for public comment prior to HUD's release of actual annual allocation amounts, the draft OYAP will reflect estimated allocation amounts. Once HUD releases actual annual allocation amounts, proposed activities' budgets will be increased or decreased from the estimated funding levels to match actual allocation amounts, prior to submission to HUD. If actual allocation amounts increase or decrease more than 20% from the estimated allocation amounts, the State will release a revised OYAP public comment. Reasonable notice by publication on TDHCA's website at http://www.tdhca.state.tx.us will be given, and comments will be received for no less than 30 days after notice is given. A public hearing will be optional.

2. Summary citizen participation process and efforts made to broaden citizen participation in Colonias

There are two main methods in which TDHCA coordinates its work with other colonia-serving entities. One relates to the Colonia Self Help Center Program which funds specific Texas-border county governments with four-year contracts. Awards and funding associated with this program are reviewed and recommended by a Colonia Resident Advisory Group ("C-RAC"), which is a group of colonia residents who live in the specific colonias served by the centers. The other coordination effort relates to a cross-agency effort organized by the Texas Secretary of State that generates structured communications and data collection in conjunction with other state agencies serving colonias with their respective programs.

On a very frequent basis—weekly or more often—TDHCA provides guidance and oversight to the county governments with which TDHCA has executed SHC contracts. Somewhat less often, TDHCA provides guidance and technical assistance to the housing subgrantees with whom the respective counties have contracted to achieve specific deliverables per their individualized SHC subcontracts. Every one to two years, TDHCA organizes and implements a workshop for all eligible counties and their subgrantees to review rules, best practices, and exchange other program updates. Periodically, TDHCA convenes a meeting with C-RAC. This grass-roots-style committee approves contracts, evaluates county recommendations, and provides TDHCA and the counties guidance on programming and activities in the colonias. Lastly, approximately every two years, TDHCA updates its SHC Program rules, and initiates this process by first soliciting comment from the public at large for critiques of the current rules and suggestions for changes.

As a part of the process discussed above, TDA met with elected officials from counties serving colonia areas. The local leaders discussed funding priorities for the Community Development Fund, including projects that could serve colonia areas.

On a quarterly basis, TDHCA and TDA convene with several other state agencies that directly serve colonia residents in the areas of utilities infrastructure, transportation infrastructure, water/water water, health services, housing, and consumer issues. This group is called the Colonia Interagency Infrastructure Coordination Work Group and is organized by the Texas Office of the Secretary of State's Colonia Initiatives Program. This group has been meeting regularly since approximately 2007 when Texas passed legislation requiring the systematic identification and classification of Texas colonias, and the tracking of colonia-serving state-funded projects. The overarching goal of the workgroup is to stop the proliferation of colonias and improve the health, safety, and quality of life for colonia residents in the Texas-Mexico border region. By classifying colonias based on their level of infrastructure and access to public health services, various state agencies, and the Texas Legislature are able to prioritize funding and target colonias with critical needs (Texas Office of the Secretary of State, 2010). Besides TDHCA and TDA, other agency members of this work group include the Texas Water Development Board ("TWDB"), the Texas Commission on Environmental Quality, the Texas Department of Transportation, HHSC, and DSHS.

Citizen Participation Outreach

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
1	Public Hearing	Non-targeted/broad community	The State held a public hearing on November 12, 2015 to receive comments on the 2016 OYAP. Three individuals attended and no public comment was provided.	No public comments were received at the public hearing.		

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
2	Internet Outreach	Non-targeted/broad community	TDHCA has a centralized webpage for public comment on all plans, reports, and program rules.	All public comments and reasoned responses are provided in the Public Comment Attachment.		http://www.tdhca.state.tx.us/public-comment.htm
3	Public Meeting	Non-targeted/broad community	Rural Health and Economic Development Advisory Council met Sept. 16, 2015 and discussed draft Method of Distribution for CDBG	Public and Advisory Council discussed proposed changes.		

Table 11 – Citizen Participation Outreach

Expected Resources

AP-15 Expected Resources – 91.320(c)(1,2)

Introduction

CPD funding is governed by this Consolidated Plan, but the State also works to collaborate, coordinate, and layer non-CPD funding sources in order to reach more Texans and more efficiently use available funds. Programs listed in the anticipated resources narrative sections below could be used to leverage CPD funds. These include:

• 4% Housing Tax Credit ("HTC")/Private Activity Bond ("PAB") Program;
• 9% HTC Program;
• Homeless and Housing Services Program (“HHSP”);
• Housing Trust Fund Program;
• Mortgage Credit Certificate (“MCC”) Program;
• First time homebuyer loan programs, including the My First Texas Home Program;
• Neighborhood Stabilization Program - Program Income (“NSP PI”);
• Section 8 Housing Choice Voucher (“HCV”) Program;
• Section 811 Project Rental Assistance (“PRA”) Program; and
• Tax Credit Assistance Program (“TCAP”) Loan Repayments.

For the programs above, the expected future funding amounts, to the extent known, are in the planning documents governing those programs. These documents can be found online at http://www.tdhca.state.tx.us/. The anticipated resources below are focused on CPD Programs.

TDHCA participates in numerous committees, workgroups, and councils which help TDHCA stay apprised of other potential resources to address affordable housing needs. Relationships with other federal and state agencies and local governments are extremely valuable, helping Texas agencies to coordinate housing and services and serve all Texans efficiently and effectively. TDHCA’s involvement in these committees promotes identifying opportunities to proactively pursue federal funding opportunities. TDHCA actively seeks engagement and input from community advocates, funding recipients, potential applicants for funding, and others to obtain input regarding the development of effective policies, programs and rules. Changes to funding plans are made periodically based on feedback received through these avenues.

TDHCA is the lead agency for the following workgroups:

C-RAC:

C-RAC is a committee of colonia residents appointed by the TDHCA Governing Board. It advises TDHCA regarding the needs of colonia residents and the types of programs and activities which should be undertaken by the Colonia SHCs. The Colonia SHCs funds are provided to seven specific pre-determined counties which, in turn, procure organizations to operate their SHCs.

Disability Advisory Workgroup (“DAW”):
The DAW augments TDHCA's formal public comment process, affording staff the opportunity to interact more informally and in greater detail with various stakeholders and to get feedback on designing more successful programs, with a specific focus on gaining insight on issues impacting persons with disabilities.

Housing and Health Services Coordination Council ("HHSCC"):
HHSCC is established by Texas Government Code §2306.1091. Its duties include promoting coordination of efforts to offer Service-Enriched Housing and focusing on other cross-agency efforts. Texas Interagency Council for the Homeless (“TICH”): The TICH was statutorily created in 1989 to coordinate the State’s homeless resources and services. The TICH consists of representatives from eleven state agencies. TDHCA, as the primary source for state homelessness funding, provides administrative and planning support to the TICH.

Weatherization Assistance Program Planning Advisory Committee (“WAP PAC”):
The WAP PAC is comprised of a broad representation of organizations and agencies and provides balance and background related to the weatherization and energy conservation programs at TDHCA. The descriptions of the collaborations for DSHS and TDA are in the Discussion question of this section below.

Anticipated Resources

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Reminder of ConPlan $	Narrative Description
			Annual Allocation: $	Program Income: $	Prior Year Resources: $	Total: $		
CDBG	public - federal	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services	53,357,295	5,675,933	10,283,931	69,317,159	199,931,856	TDA's CDBG Program funds community and economic development, including program income collected by the state, and program income retained by local subgrantees, excluding the colonia set-aside. Communities may also coordinate CDBG funding with U.S. Department of Agriculture's ("USDA") Rural Development funds or Texas Water Development Board's ("TWDB") State Revolving Fund.
CDBG Colonias Set-aside	public - federal	Acquisition Admin and Planning Homebuyer assistance Homeowner rehab Public Improvements Public Services	7,662,471	0	0	7,662,471	22,294,089	The Colonia Set-Aside is used both by TDA and TDHCA for goals described in the Strategic Plan Section 45. The Colonia Economically Distressed Areas Program ("CEDAP") Legislative Set - Aside leverages funding from the TWDB's Economically Distressed Areas Program. TDHCA's Office of Colonia Initiatives ("OCI") administers a portion of the CDBG Colonia Set-Aside through its Colonia SHCs.

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Reminder of ConPlan $	Narrative Description
			Annual Allocation: $	Program Income: $	Prior Year Resources: $	Total: $		
HOME	public - federal	Acquisition Homebuyer assistance Homeowner rehab Multifamily rental new construction Multifamily rental rehab New construction for ownership TBRA	23,248,302	10,000,000	0	33,248,302	99,744,906	TDHCA's HOME Program goals are described in the Strategic Plan Section 45 for multifamily and single family activities. Single family HOME homebuyer activity may be coordinated with TDHCA's My First Texas Home Program, which can supplement down payment assistance, and the MCC Program, which provides a yearly tax credit of up to $2,000 annually that reduced the homebuyers' federal income tax liability. HOME Multifamily Development funds can be layered with 4% HTCs and 9% HTCs. In addition, TDHCA's Section 811 PRA, a project-based supportive housing program for persons with disabilities, and TDHCA's Section 8 HCV may be used within HOME developments. Starting in 2015, TDHCA's TCAP loan repayments and NSP PI may be used to supplement or support.

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Reminder of ConPlan $	Narrative Description
			Annual Allocation: $	Program Income: $	Prior Year Resources: $	Total: $		
HOPWA	public - federal	Permanent housing in facilities Permanent housing placement Short term or transitional housing facilities STRMU Supportive services TBRA	3,032,825	0	2,947,262	5,980,087	8,756,223	DSHS' HOPWA state formula funds the following activities: TBRA; STRMU; PHP; and Supportive Services. Project Sponsors leverage available funds from Ryan White and State Services grants to assist clients with housing needs, medical and non-medical case management, emergency utility assistance, mental health, transportation, and nutritional services to address the needs of eligible clients.

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Reminder of ConPlan $	Narrative Description
			Annual Allocation: $	Program Income: $	Prior Year Resources: $	Total: $		
ESG	public - federal	Conversion and rehab for transitional housing Financial Assistance Overnight shelter Rapid re-housing (rental assistance) Rental Assistance Services Transitional housing	8,817,205	0	0	8,817,205	35,268,820	TDHCA's ESG funds are awarded via contract to Subrecipient agencies that provide emergency shelter, homelessness prevention, rapid rehousing, and Homeless Management Information Systems ("HMIS") activities. HHSP is Texas state general revenue funding for the largest cities to provide flexibility to undertake activities that complement ESG activities. Note that not all ESG direct recipients in Texas are HHSP grantees. Use of funds also includes Administration.

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Reminder of ConPlan $	Narrative Description
			Annual Allocation: $	Program Income: $	Prior Year Resources: $	Total: $		
Housing Trust Fund	public - federal	Acquisition Multifamily rental new construction ~~Multifamily rental rehab~~	~~4,778,364~~ 4,789,477	0	0	~~4,778,364~~ 4,789,477	19,113,456	TDHCA's NHTF Program goals are described in the Strategic Plan Section 45 for multifamily and single family activities. NHTF Multifamily Development Funds can be layered with 4% HTCs and 9% HTCs,and TDHCA Multifamily Direct Loan funds, includingHOME, HOME-CHDO, and TCAP Loan Repayment. In addition, TDHCA's Section 811 PRA, a project-based supportive housing program for persons with disabilities, and TDHCA's Section 8 HCV may be usedwithin NHTF developments. In addition, TDHCA also develops rules that govern all multifamily programs, including the HOME Multifamily Direct Loan Program, known as the Uniform Multifamily Rules. ~~If implemented, Single family NHTF homebuyer activity may be coordinated with TDHCA's My First Texas Home Program, which can supplement down payment assistance, and the MCC Program, whichprovides a yearly tax credit of up to $2,000 annually that reduced the homebuyers' federal income tax liability.~~ NHTF Single family development would be governed by requirements in TDHCAs Single Family Umbrella Rule.

Table 12 - Expected Resources – Priority Table

Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied

HOME

HOME multifamily development is often used to leverage with the HTC Program, which authorizes 9% low-income housing tax credits of $2.30 per capita for each state, and 4% HTC in amounts linked to the usage of the state’s cap for issuance of tax exempt PABs to finance affordable housing development. In Texas, this equates to approximately $61,400,000 in 9% tax credits available to be awarded annually. These credits may be claimed each year for ten years and represents potential tax credit value on the magnitude of $610,000,000. The credits are syndicated to limited partner investors to yield cash for use in eligible development activities. Currently typical syndication rates range between 92% and 95%. TDHCA's Qualified Allocation Plan (“QAP”) identifies the criteria used for selection of eligible developments to provide housing for low-income tenants. HOME provides increased leverage, allowing property owners to utilize fewer tax credits and less private debt and local funding, thus providing more efficient use of resources. Other leveraging sources may include United States Department of Agriculture ("USDA") operating subsidies and loans, and conventional and FHA-insured loans. Match requirements for the HOME Multifamily Direct Loan Program will in part be met through Rules that establish awardees’ minimum amount of match as 5% of the award amount. TDHCA increased match requirements for single family activities to more effectively use limited funding. TDHCA has also requested for HUD to approve a waiver that its state-funded Bootstrap program be eligible as match and is responding to HUD requests for additional detail.

ESG

In 2011, the Texas Legislature created the HHSP statute and funded it with General Revenue funds. Through HHSP, the State allocates funds to cities in Texas with a population of 285,500 or greater to support services to homeless individuals and families. These funds are sometimes used as match for either State or local ESG funding. To meet the ESG match requirement, TDHCA includes the provision of evidence of proposed match as part of the application process. Subrecipients are required to provide 100% limited to budget categories for which the Subrecipient was funded. A Subrecipient that is unable to match the award is eligible to apply to TDHCA for a match waiver up to $100,000. However, these requests have been quite rare. In the FFY 2015 application process, TDHCA received no requests and will continue to actively determine which organization(s) will benefit from the match waiver.

HOPWA

Texas HOPWA does not have program income but leverages funds whenever possible. Project Sponsors leverage available funds from Ryan White and State Services grants, private funding sources, foundations, and local assistance to help clients. AAs do not receive administrative funds from DSHS, so those costs are leveraged from other funding sources. Texas is not required to match the HOPWA formula award.

CDBG

Nearly 80% of TX CDBG grants include local match fund commitments. Matching funds are required for certain grants, while other grants award points to encourage local match; a sliding scale allows smaller communities to contribute less match funding than larger communities. Match funds may be provided by the applicant, or by a water or sewer utility benefiting from the project. Economic development (ED) projects benefiting private business require 1-for-1 match commitment, with the business most often providing this substantial match. Recent updates to the Colonia SHC Program rules have capped program assistance at $50,000 per household for reconstruction and new construction, and $40,000 per household for rehabilitation. These limits encourage administrators to leverage funds with other resources as well as assist more households than in prior years.

NHTF Program Leveraging is described in the question below.

If appropriate, describe publically owned land or property located within the jurisdiction that may be used to address the needs identified in the plan

NHTF Program Leverages

NHTF multifamily development may be used to leverage with the HTC Program, which was created by the Tax Reform Act of 1986 and authorizes 9% low-income housing tax credits in the amount of $2.35 per capita for each state, and 4% low-income housing tax credits in amounts linked to the usage of the state's cap for issuance of tax exempt bond to finance affordable housing development. In Texas, this equates to approximately $61,400,000 in 9% tax credits available to be awarded by TDHCA annually.

These credits may be claimed each year for ten years and this represents potential tax credit value on the magnitude of $610,000,000. The tax credits are syndicated to limited partner investors to yield cash for use in eligible development activities. Currently typical syndication rates range between 92% and 95%. TDHCA must develop a Qualified Allocation Plan ("QAP") for the selection of eligible developments to provide housing for the low-income tenants. NHTF provides increased leverage, allowing the property owners to utilize fewer tax credits and less private debt and local funding, therefore providing more efficient use of resources.

The Texas General Land Office manages state owned lands and mineral rights totaling approximately 13 million acres. Much of this is leased for the benefit of the Permanent School Fund, an endowment fund established in 1876 for the benefit of Texas public school education. There is currently no plan to use state owned land for affordable housing or community development goals; however, local jurisdictions occasionally donate land or property in support of activities designed to address the needs identified in the plan as part of their contribution to locally administered programs.

Discussion

HOPWA: Continuing with the discussion of collaboration begun in the Introduction of this section, DSHS is the lead for several HIV-related councils and workgroups which provide opportunities for collaboration and resource sharing across agencies, providers, and other pertinent stakeholders to assist

PLWH in Texas. Some of the initiatives are Inter-Agency Council on HIV & Hepatitis, the Texas Black Women's Initiative, the Test Texas Coalition, and the Texas HIV Syndicate. The Texas HIV Syndicate is an integrated HIV prevention and care planning body made up of roughly 100 organizational leaders representing the full continuum of HIV engagement. The Texas HIV Syndicate uses the Texas HIV Plan as a framework to develop strategies that enhance and expand on prevention and care activities across the State. Texas HIV Syndicate members develop policy recommendations, best practice models, coordination strategies, and promote innovation in HIV prevention and treatment. DSHS also holds a biennial HIV/Sexually Transmitted Disease ("STD") conference, attended by all DSHS contractors and subrecipients in addition to community leaders, health and HIV professionals, and many other essential stakeholders. Many of the DSHS contractors are also HOPWA providers. The next conference will be held in 2016. The goal of the Texas HIV/STD Conference is to enhance the responsiveness of people and systems supporting the spectrum of HIV/STD prevention and treatment services in Texas, including: Awareness; Targeted Prevention; Diagnosis; Linkage to Care; Maintenance in Care; and Suppression of Disease.

DSHS' Epidemiology and Surveillance Branch is responsible for reporting HIV/AIDS, STD, and tuberculosis ("TB") surveillance and epidemiologic data for the State of Texas, which includes data submission to the Centers for Disease Control and Prevention ("CDC"). This data is subsequently used by HUD to determine HOPWA formula allocations. This data is also leveraged to provide support to planning, development, implementation, and evaluation of HIV/AIDS, STD, and TB prevention and services programs, including HOPWA.

Finally, TDA participates in the following workgroups:
Texas Water Infrastructure Coordination Committee ("TWICC"): TWICC is a voluntary organization of federal and state funding agencies and technical assistance providers that address water and wastewater needs throughout the State. TDA participates in TWICC to coordinate efforts to leverage funds.
Secretary of State's Colonia Workgroup: The Colonia Workgroup consists of federal and state funding agencies and the Texas Secretary of State's colonia ombudsmen. The group addresses current and future infrastructure improvements in colonias, focusing on coordination of resources and information. TDHCA is also a member of this workgroup.

Drought Preparedness Council: The Council was authorized and established by the 76th Texas Legislature in 1999, and is responsible for assessment and public reporting of drought monitoring and water supply conditions, along with other duties.

These workgroups, committees, and councils help to strengthen communication between state agencies as well as provide opportunities to layer or combine funding sources.

With the block grants and the layering resources listed above, there are also CDBG Disaster Recovery ("DR") funds for Hurricanes Rita, Dolly, and Ike, and Wildfires. Hurricane Rita Disaster Recovery for housing and non-housing recovery is in 29 counties. Ike Disaster Recovery for housing and non-housing recovery is in 62 counties. Wildfire Recovery non-housing recovery is in 65 counties. More details can be found at http://www.glo.texas.gov/GLO/disaster-recovery/actionplans

Annual Goals and Objectives

AP-20 Annual Goals and Objectives – 91.320(c)(3)&(e)

Goals Summary Information

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Homeless Goals	2015	2019	Homeless	State of Texas	Emergency shelter and transitional housing Homelessness Prevention Rapid Re-housing	ESG: $8,817,205	Tenant-based rental assistance / Rapid Rehousing: 1108 Households Assisted Overnight/Emergency Shelter/Transitional Housing Beds added: 3800 Beds
2	Construction of single family housing	2015	2019	Affordable Housing Non-Homeless Special Needs	State of Texas	Production of new units	HOME: $0	Homeowner Housing Added: 0 Household Housing Unit
3	Rehabilitation of single family housing	2015	2019	Affordable Housing Non-Homeless Special Needs		Rehabilitation of housing	HOME: $5,916,734	Homeowner Housing Rehabilitated: 70 Household Housing Unit
4	Homebuyer assistance with possible rehabilitation	2015	2019	Affordable Housing Non-Homeless Special Needs	State of Texas	Acquisition of existing units Rehabilitation of housing	HOME: $3,476,783	Direct Financial Assistance to Homebuyers: 58 Households Assisted
5	Tenant-Based Rental Assistance with HOME funding	2015	2019	Affordable Housing Non-Homeless Special Needs	State of Texas	Rental Assistance	HOME: $4,812,569	Tenant-based rental assistance / Rapid Rehousing: 438 Households Assisted

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
6	HOME Households in new/rehabed multifamily units	2015	2019	Affordable Housing Non-Homeless Special Needs	State of Texas	Production of new units Rehabilitation of housing	HOME: $15,713,359	Rental units constructed: 110 Household Housing Unit Rental units rehabilitated: 47 Household Housing Unit
7	HOPWA Tenant-Based Rental Assistance	2015	2019	Affordable Housing Non-Homeless Special Needs	State of Texas	Supportive Services for Persons with HIV/AIDS	HOPWA: $1,939,097	Tenant-based rental assistance / Rapid Rehousing: 468 Households Assisted
8	HOPWA Short-Term Rent, Mortgage, & Utilities Asst	2015	2019	Affordable Housing Non-Homeless Special Needs	State of Texas	Supportive Services for Persons with HIV/AIDS	HOPWA: $366,034	Homelessness Prevention: 426 Persons Assisted
9	HOPWA Permanent Housing Placement Assistance	2015	2019	Affordable Housing Non-Homeless Special Needs	State of Texas	Supportive Services for Persons with HIV/AIDS	HOPWA: $7,055	Public service activities other than Low/Moderate Income Housing Benefit: 16 Persons Assisted
10	HOPWA-Funded Supportive Services	2015	2019	Affordable Housing Non-Homeless Special Needs	State of Texas	Supportive Services for Persons with HIV/AIDS	HOPWA: $463,493	Public service activities other than Low/Moderate Income Housing Benefit: 823 Persons Assisted
11	CDBG Other Construction	2015	2019	Non-Housing Community Development	State of Texas	Public Improvements and Infrastructure Public facilities Public services	CDBG: $39,533,182	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 227843 Persons Assisted

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
12	CDBG Economic Development	2015	2019	Non-Housing Community Development Economic Development	State of Texas	Economic development Public Improvements and Infrastructure Public facilities Public services	CDBG: $8,848,164	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 14122 Persons Assisted
13	CDBG Planning / Capacity Building	2015	2019	Non-Housing Community Development	State of Texas	Public Improvements and Infrastructure Public facilities Public services	CDBG: $548,818	Other: 37412 Other
14	CDBG Disaster Relief / Urgent Need	2015	2019	Non-Housing Community Development	State of Texas	Public Improvements and Infrastructure Public facilities	CDBG: $2,497,738	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 0 Persons Assisted

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
15	CDBG Colonia Set-Aside	2015	2019	Affordable Housing Non-Housing Community Development	State of Texas	Acquisition of existing units Production of new units Public Improvements and Infrastructure Public facilities Public services Rehabilitation of housing	CDBG Colonias Set-aside: $6,097,977	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 3348 Persons Assisted
16	CDBG Colonia Self-Help Centers	2015	2019	Self-Help Centers		Public services	CDBG: $1,524,494	Other: 14491 Other
17	CDBG Administration	2015	2015	Administration/Technical Assistance		Economic development Public Improvements and Infrastructure Public facilities Public services Rehabilitation of housing	CDBG: $1,929,393	Other: 0 Other

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
18	HOME Administration	2015	2019	HOME Administration	State of Texas	Acquisition of existing units Production of new units Rehabilitation of housing Rental Assistance	HOME: $3,328,857	Other: 0 Other
19	NHTF households in new~~/rehabed~~ multifamily units	2016	2019	Affordable Housing Non-Homeless Special Needs	State of Texas	Production of new units ~~Rehabilitation of housing~~	Housing Trust Fund: $~~4,300,528~~ 4,310,529	Rental units constructed: 0 Household Housing Unit ~~Rental units rehabilitated: 0~~ Household Housing Unit
20	NHTF Administration	2016	2019	Affordable Housing Non-Homeless Special Needs	State of Texas	Acquisition of existing units Production of new units ~~Rehabilitation of housing~~	Housing Trust Fund: $~~477,836~~ 478,948	Other: 0 Other

Table 13 – Goals Summary

Goal Descriptions

1	**Goal Name**	Homeless Goals
	Goal Description	Goals for the 2016 ESG program are to provide 22,798 homeless persons with emergency shelter, 1,108 households with emergency housing assistance through rapid re-housing, and 3,800 persons with housing assistance, including homelessness prevention assistance. After reducing the award amount by 7.5% for administrative funds (which will be divided between TDHCA and its Subrecipients), the remaining funding for program activities is approximately allocated among the following categories: 32% for rapid re-housing; 21% for homelessness prevention; 34% for emergency shelters, 7% for street outreach and 6% for the Homeless Management Information System (HMIS) activities. The percentages of funding for each activity have been adjusted from the 2015 One Year Action Plan partly because of the addition of street outreach and HMIS. With the new percentages estimates, TDHCA is still under the federal requirement to spend equal or less than 60% of its funding on emergency shelter and street outreach activities. The persons/households expected to be served by each activity have been adjusted from the 2015 One Year Action Plan because of a change in projection methodology. The 2015 projections were based on funding planned to be spent on each activity. The 2016 projections are based on funding spent per person per activity from previous ESG awards. Rapid Re-housing has historically cost almost double the amount per person than Homelessness Prevention, and almost ten times the amount per person than emergency shelter or street outreach. To account for the amount of funding per person for rapid re-housing, the total projected number of households served by rapid re-housing decreased. Finally, the amount of administration is estimated at 7.5%, which is the amount allowed by HUD. The administrative funds will be divided between TDHCA and its subrecipients. TDHCA plans to use a portion of the administrative funds for Continuum of Care (CoC) lead agencies that will be running a local competition in their respective CoC regions for TDHCA's ESG funding. The funding targets and numbers served may fluctuate depending on the amount in the HUD award letter. The amounts targeted for each ESG activity will be dependent on the final HUD allocation and the percentages (as limited by federal rules) will depend on local CoC or Subrecipient decisions.

2	**Goal Name**	Construction of single family housing
	Goal Description	TDHCA does not plan to have a 2016 HOME Program goal for single family development activities performed by a Community Housing Development Organization ("CHDO") for the construction of new single family housing. The original 2015 goal of providing assistance to a minimum of 7 eligible households was reduced based on HUD's final allocation amounts. PY 2016 CHDO set aside funding is initially targeted for multifamily development activities as reflected under the Households in new/rehabilitated multifamily units strategic plan goal, but may be revised to program some funding for Single Family Development activities if TDHCA identifies future interest in the program. Single family development activities will remain an eligible activity that may be funded in the event future CHDO funding becomes available.
3	**Goal Name**	Rehabilitation of single family housing
	Goal Description	The 2016 goal for HOME Program rehabilitation and reconstruction activities is to provide assistance to a minimum of 70 households through a statewide network of units of general local governments, and non-profit organizations. These entities qualify applicants to receive assistance for the repairs and reconstruction necessary to make their homes decent, safe, sanitary, and accessible.
4	**Goal Name**	Homebuyer assistance with possible rehabilitation
	Goal Description	The 2016 goals for HOME Program acquisition activities is to provide assistance to a minimum of 58 households with downpayment and closing costs assistance, contract for deed conversion assistance to promote the conversion of contract for deed arrangements to traditional mortgages, as well as downpayment with possible rehabilitation assistance for households with a member with a disability.
5	**Goal Name**	Tenant-Based Rental Assistance with HOME funding
	Goal Description	The 2016 goal for HOME Program TBRA activity is to provide rental assistance to approximately 438 households through a statewide network of units of general local governments, public housing agencies, Local Mental Health Authorities ("LMHAs"), and other non-profit organizations. These entities qualify applicants to receive assistance and may extend assistance if the household continues to meet eligibility requirements.
6	**Goal Name**	HOME Households in new/rehabed multifamily units
	Goal Description	The 2016 goal for HOME Multifamily Program is creating/rehabilitating over 157 multifamily rental units. TDHCA's HOME Multifamily Development Programs awards HOME funds as low-interest loans to CHDOs, for-profit, and nonprofit developers. These loans leverage other public and private financing including housing tax credits, United States Department of Agriculture ("USDA") operating subsidies and loans, and conventional and Federal Housing Administration-insured loans. The end result is safe, decent, and affordable multifamily rental housing.

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7	**Goal Name**	HOPWA Tenant-Based Rental Assistance
	Goal Description	HOPWA TBRA provides tenant-based rental assistance to eligible households until they are able to secure other affordable and stable housing. The annual goal includes 468 households assisted. The estimated funding and number of individuals served may fluctuate depending on HUD's final allocation amounts and based on the target percentages identified in Action Plan Section 25.
8	**Goal Name**	HOPWA Short-Term Rent, Mortgage, & Utilities Asst
	Goal Description	STRMU provides short-term rent, mortgage, and utility assistance to eligible households for a maximum of 21 weeks of assistance in a 52-week period. The annual goal is to assist 426 persons. The estimated funding and number of individuals served may fluctuate depending on HUD's final allocation amounts and based on the target percentages identified in Action Plan Section 25.
9	**Goal Name**	HOPWA Permanent Housing Placement Assistance
	Goal Description	PHP provides assistance for housing placement costs which may include application fees, related credit checks, and reasonable security deposits necessary to move persons into permanent housing. The annual goal is to assist 16 persons. The estimated funding and number of persons served may fluctuate depending on HUD's final allocation amounts and based on the target percentages identified in Action Plan Section 25.
10	**Goal Name**	HOPWA-Funded Supportive Services
	Goal Description	Supportive Services include case management, basic telephone service and assistance to purchase smoke detectors to eligible households. The annual goal is to assist 823 persons. The estimated funding and number of households served may fluctuate depending on HUD's final allocation amounts and based on the target percentages identified in Action Plan Section 25.
11	**Goal Name**	CDBG Other Construction
	Goal Description	The Texas CDBG encourages the use of funds not only to improve existing locations but to provide facilities in other areas to accommodate residential opportunities that will benefit low and moderate income persons. Applicants are encouraged to provide for infrastructure and housing activities that will improve opportunities for low and moderate income persons. When considering projects and designing projects, applicants must continue to consider affirmatively furthering fair housing, which includes providing basic infrastructure, such as water, sewer, and roads that benefit residential housing and other housing activities. Funding allocated includes annual allocation in addition to previously deobligated funds. The annual goal includes 227,843 persons assisted. The estimated funding and number of persons served may fluctuate depending on HUD's final allocation amounts and based on the target percentages identified in Action Plan Section 25.

12	**Goal Name**	CDBG Economic Development
	Goal Description	This economic development funding is used for projects that will create or retain permanent employment opportunities, primarily for low to moderate income persons and for county economic and management development activities. Funding allocated includes annual allocation in addition to previously deobligated funds. The annual goal is to assist 14,122 persons. The estimated funding and number of persons served may fluctuate depending on HUD’s final allocation amounts and based on the target percentages identified in Action Plan Section 25.
13	**Goal Name**	CDBG Planning / Capacity Building
	Goal Description	This fund is available to assist eligible cities and counties in conducting planning activities that assess local needs, develop strategies to address local needs, build or improve local capacity, or that include other needed planning elements (including telecommunications and broadband needs). Funding allocated includes annual allocation in addition to previously deobligated funds. The annual goal is 37,412 persons benefiting from community planning projects (this may show as "other" in the chart above"). The estimated funding and number of persons served may fluctuate depending on HUD’s final allocation amounts and based on the target percentages identified in Action Plan Section 25.
14	**Goal Name**	CDBG Disaster Relief / Urgent Need
	Goal Description	Disaster Relief ("DR") assistance is available through this fund as needed for eligible activities in relief of disaster situations where either the governor has proclaimed a state disaster declaration, drought disaster declaration, or the president has issued a federal disaster declaration. CDBG may prioritize throughout the program year the use of DR assistance funds based on the type of assistance or activity under consideration and may allocate funding throughout the program year based on assistance categories. Funding allocated includes annual allocation in addition to previously deobligated funds. The annual goal is to assist 132,248 persons. The estimated funding and number of persons served may fluctuate depending on HUD’s final allocation amounts and based on the target percentages indentified in Action Plan Section 25.
15	**Goal Name**	CDBG Colonia Set-Aside
	Goal Description	This fund is available to eligible county applicants for projects in severely distressed unincorporated areas which meet the definition of a “colonia” under this fund. Funding allocated includes annual allocation in addition to previously deobligated funds. The annual goal is to assist 3,348 benefiting from public facility or infrastructure activities (other than low/moderate income housing benefit) and 14,491 "other", which equates to the number of colonia residents receiving direct assistance. The estimated funding and number of persons served may fluctuate depending on HUD’s final allocation amounts and based on the target percentages identified in Action Plan Section 25.

16	**Goal Name**	CDBG Colonia Self-Help Centers
	Goal Description	Colonia residents receiving direct assistance through Self-Help centers.
17	**Goal Name**	CDBG Administration
	Goal Description	CDBG Administrative costs including Technical Assistance
18	**Goal Name**	HOME Administration
	Goal Description	HOME Administrative expenses based on HOME allocation and projected program income.
19	**Goal Name**	NHTF households in new/rehabed multifamily units
	Goal Description	The 2016 goal for Housing Trust Fund is creating~~/rehabilitating~~ 0 multifamily rental units based on the performance period of February 1, 2016 through January 31, 2017. Funds are anticipated to be awarded after ~~January~~ May 31, 2017.
20	**Goal Name**	NHTF Administration
	Goal Description	NHTF Administrative funds for PY 2016.

Table 14 – Goal Descriptions

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, HHSP, Housing Trust Fund, MCC, and My First Texas Home Program, NSP PI, Section 8 HCV programs, Section 811 PRA, and TCAP Loan Repayments, 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 Program 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 are included in the discussion below.

HOME Serves Special Needs

TDHCA has determined that programs may target assistance to the following special needs populations: persons with disabilities, persons with alcohol or other drug addiction, 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), and public housing residents. Preferences may also include programs designed to assist single parents, persons transitioning out of incarceration, and persons transitioning out of foster homes and nursing facilities.

For Administrators who have 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, alcohol or other drug addiction, 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.

ESG Serves Special Needs

ESG does not have funding allocation priorities for special needs populations. However, the 2016 ESG NOFA includes points for applicants that propose to serve persons with higher barriers to housing, including persons with serious mental illness, persons recently released from institutions, persons with substance abuse disorders, veterans, survivors of domestic violence, or youth aging out of foster care. The 2016 ESG NOFA also includes points for applicants that use the Housing First approach to ending homelessness, which is often used for people with substance use/abuse and mental illness.

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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/rehabed multifamily units (%)	HOPWA Tenant-Based Rental Assistance (%)	HOPWA Short-Term Rent, Mortgage, & Utilities Asst (%)	HOPWA Permanent Housing Placement Assistance (%)	HOPWA-Funded Supportive 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/~~rehabed~~ multifamily units (%)	NHTF Administration (%)	Colonias Set-Aside (%)	Total (%)
CDBG	0	0	0	0	0	0	0	0	0	0	65	15	1	4	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	100	**100**
HOME	0	0	20	12	16	52	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	**100**
HOPWA	0	0	0	0	0	0	70	13	1	16	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	**100**
Housing Trust Fund	0	0	0	0	0	~~100~~	0	0	0	0	0	0	0	0	0	0	0	0	~~0~~100	0	0	**100**

Table 15 – Funding Allocation Priorities

OMB Control No: 2506-0117 (exp. 07/31/2015)

Reason for Allocation Priorities

How will the proposed distribution of funds will address the priority needs and specific objectives described in the Consolidated Plan?

HOME Allocation Priorities

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. However, TDHCA now has access to TCAP Loan Repayments, so these priorities will continue to have funds directed toward them, while likely reducing the allocation of HOME funds directed towards multifamily activities.

Although the 2015 HOME allocation to TDHCA was reduced from 2014 funding levels, funding for single family activities actually increased overall as TDHCA begins to access TCAP loan repayments for multifamily activities and by directing deobligated funding and program income resources to single family activities. Funding for single family activities from the 2016 annual allocation is anticipated to be awarded based on TDHCA's Regional Allocation Formula, with residual funding available through the Reservation System, allowing local administrators to prioritize single family activities on a household-by-household basis for:

- Homebuyer Assistance, (including contract-for-deed conversions) which addresses Acquisition of Existing Units and Rehabilitation of Existing Units priority needs;
- Homeowner Rehabilitation Assistance, 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 Allocation Priorities

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

- Homeless outreach;
- Emergency shelter;
- Rapid re-housing; and
- Homelessness prevention.

Persons experiencing homelessness and resources for persons experiencing homelessness are often concentrated in urban areas. While the need in urban areas for resources is great, there are large areas of Texas without direct access to ESG funds. The 2016 ESG NOFA established a system of scoring in which applicants receive more points for clients they serve in rural areas.

HOPWA Allocation Priorities

HOPWA provides the following activities in line with priority needs:

- TBRA, which addresses Rental Assistance priority needs;
- STRMU, which addresses Homelessness Prevention priority needs;
- Supportive Services Program, which addresses Supportive Services for PLWH priority needs; and
- PHP, which addresses Homelessness Prevention priority needs.

CDBG Allocation Priorities

The CDBG Program offers the following activities, which relate 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.
- Public facilities such as community centers and public safety facilities are less common activities, but are very valuable to LMI communities.
- Colonias SHC activities provide public services and housing funds for colonia residents living along the Texas-Mexico border.

NHTF Allocation Priorities

The NHTF Program activities for PY 2016 will be limited to ~~acquisition,~~ new construction ~~or rehabilitation~~ of multifamily housing to address the priority needs of Rental Assistance and Production of New Units, promote leveraging of other fund sources. Particularly as this is a new fund source and a new program, the administrative burden of implementation is reduced 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 and ESG are described in the Introduction. HOPWA and CDBG discuss special needs populations below.

HOPWA Serves Special Needs

Texas HOPWA serves PLWH and their family 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, PHP, Supportive Services, and administrative expenses (not to exceed 7% of their allocation) and submit those to their Administrative Agents

("AAs") and the Department of State Health Services ("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 over 90% 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 TDCHA was created and charged with the responsibility of coordinating all TDHCA's and 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 offers Border Field Offices. The three OCI Border Field Offices are located in Pharr, Laredo, and El Paso to provide technical assistance to border counties, Colonia SHCs, and Bootstrap Program participants.

AP-30 Methods of Distribution – 91.320(d)&(k)

Introduction

Given that Texas is the second largest state in the nation by total area, the method of distribution of its funds has to take into account a very large area. To serve this large area it is necessary for the State to use subrecipients to administer the programs funded under CPD. The selection processes for these entities are generally described below.

Distribution Methods

Table 16 - Distribution Methods by State Program

1	**State Program Name:**	Colonia Economically Distressed Areas Program (CEDAP)
	Funding Sources:	CDBG CDBG Colonias Set-aside
	Describe the state program addressed by the Method of Distribution.	Colonia Economically Distressed Areas Program (CEDAP) Legislative Set-Aside fund provides funding to eligible cities and counties to assist colonia residents that cannot afford the cost of service lines, service connections, and plumbing improvements associated with being connected to a TWDB Economically Distressed Area Program or similar water or sewer system improvement project.
	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	The TDA will evaluate the following factors prior to awarding CEDAP funds: The proposed use of the CDBG funds including the eligibility of the proposed activities and the effective use of the funds to provide water or sewer connections/yard lines to water/sewer systems funded through Economically Distressed Area Program or similar program; The ability of the applicant to utilize the grant funds in a timely manner; The availability of funds to the applicant for project financing from other sources; The applicant's past performance on previously awarded CDBG contracts; Cost per beneficiary; and Proximity of project site to entitlement cities or metropolitan statistical areas (MSAs).
	If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)	Guidelines, applications and additional program documentation can be found on TDA's website at www.texasagriculture.gov.

	Describe how resources will be allocated among funding categories.	The allocation is distributed on an as-needed basis.
	Describe threshold factors and grant size limits.	Maximum $1,000,000/Minimum $75,000
	What are the outcome measures expected as a result of the method of distribution?	Activities Benefiting LMI Persons
2	**State Program Name:**	Colonia Planning and Construction Funds
	Funding Sources:	CDBG CDBG Colonias Set-aside
	Describe the state program addressed by the Method of Distribution.	The Colonia Planning Fund ("CPF") funds planning activities that either targets a specific colonia(s) (Colonia Area Planning) or that provides a countywide comprehensive plan (Colonia Comprehensive Planning). In order to qualify for the Colonia Area Planning activities, the county applicant must have completed a Colonia Comprehensive Plan that prioritizes problems and colonias for future action. The targeted colonia must be included in the Colonia Comprehensive Plan. The goal of the Colonia Fund Construction ("CFC") fund is to develop viable communities by providing decent housing, viable public infrastructure, and a suitable living environment, principally for persons residing within a community or area that meets the definition of a colonia. An eligible county applicant may submit an application for the following eligible construction activities: Assessments for Public Improvements - The payment of assessments (including any charge made as a condition of obtaining access) levied against properties owned and occupied by persons of low and moderate income to recover the capital cost for a public improvement. Other Improvements - Other activities eligible under 42 USC Section 5305 designed to meet the needs of colonia residents.

	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	Colonia Fund: Construction. The selection criteria for the Colonia Fund: Construction will focus upon the following factors: community distress; percentage of people living in poverty; per capita income; percentage of housing units without complete plumbing; unemployment rate; benefit to LMI persons; project priorities; project design; matching funds; and past performance. Colonia Fund: Planning (Area). The selection criteria for the Colonia Fund: Planning will focus upon the following factors: community distress; percentage of people living in poverty; per capita income; percentage of housing units without complete plumbing; unemployment rate; project design; the severity of need within the colonia area(s) and how clearly the proposed planning effort will remove barriers to the provision of public facilities to the colonia area(s) and result in the development of an implementable strategy to resolve the identified needs; the planning activities proposed in the application; whether each proposed planning activity will be conducted on a colonia-wide basis; the extent to which any previous planning efforts for colonia area(s) have been accomplished; the CDBG cost per LMI beneficiary; the availability of funds to the applicant for project financing from other sources; the applicant's past performance on previously awarded CDBG contracts; benefit to LMI persons; and matching funds. Colonia Fund: Planning (Comprehensive). The selection criteria for the Colonia Fund: Planning will focus upon the following factors: community distress; percentage of people living in poverty; per capita income; percentage of housing units without complete plumbing; unemployment rate; project design; the severity of need for the comprehensive colonia planning effort and how effectively the proposed comprehensive planning effort will result in a useful assessment of colonia populations, locations, infrastructure conditions, housing conditions, and the development of short-term and long term strategies to resolve the identified needs; the extent to which any previous planning efforts for colonia area(s) have been accomplished; whether the applicant has provided any local matching funds for the planning or preliminary engineering activities; the applicant's past performance on previously awarded CDBG contracts; and award history (an applicant that has previously received a CDBG comprehensive planning award would receive lower priority for funding).

	If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)	Guidelines, applications and additional program documentation can be found on TDA's website at www.texasagriculture.gov.
	Describe how resources will be allocated among funding categories.	The State CDBG allocation 6.75% (approximately) is allocated to the Colonia Fund. Of the yearly CDBG allocation to the Colonia Construction and Planning Fund, 97.5% (approximately) of those funds are to award grants through the CFC and 2.5% (approximately) are to award grants through the CFP. Subsequent to awarding funds, any portion of the CFC allocation that is unable to be awarded (i.e., fund an application in the minimum amount of $75,000, etc.) may be used to fund additional eligible CFP applications, and conversely, any portion of the CFP allocation that is unable to be awarded may be used to fund additional eligible CFC applications.
	Describe threshold factors and grant size limits.	CFP Maximum $100,000/Minimum $0 CFC Maximum $500,000/Minimum $75,000
	What are the outcome measures expected as a result of the method of distribution?	Activities Benefiting LMI Persons
3	**State Program Name:**	Colonia SHC Legislative Set-Aside (administered by TDHCA)
	Funding Sources:	CDBG CDBG Colonias Set-aside
	Describe the state program addressed by the Method of Distribution.	Administered by TDHCA and funded through CDBG, the Colonia SHC Program serves colonias along the Texas-Mexico border. Colonia SHCs provide concentrated on-site technical assistance to low- and very low-income individuals and families in a variety of ways including housing, community development activities, infrastructure improvements, outreach and education. Key services include: housing rehabilitation; new construction; surveying and platting; construction skills training; tool library access for self-help construction; housing finance; credit and debt counseling; grant writing; infrastructure construction and access; contract-for-deed conversions; and capital access for mortgages.

	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	Approximately 42,000 residents live in the targeted colonias served by the colonia SHC Program. The SHCs process applications from income eligible households on a first come, first served basis. Eligible households must reside in one of the targeted colonias, which have been preselected by each recipient and county and confirmed by C-RAC. Households must earn less than 80% of AMI.
	If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)	Colonia SHCs are limited statutorily and serve seven targeted colonias within their associated participating county. The SHCs and TDHCA's Border Field Offices both conduct outreach activities throughout the contract period to inform colonia residents of program benefits and eligibility criteria and to provide application assistance.
	Describe how resources will be allocated among funding categories.	Of the State CDBG allocation, 2.5% (approximately) is allocated to this fund. Counties that are statutorily designated to participate in the Colonia SHC Program propose which target colonias should receive concentrated attention and through what scope of program activities and funding. Each SHC designs a proposal unique to the needs of a specific community and based on a needs assessment. After a C-RAC, composed of residents from previously participating colonias, reviews and approves the proposals from the counties, the proposals are then reviewed and approved by the TDHCA's Board of Directors for implementation. Resources are allocated based on analysis and input from each community.
	Describe threshold factors and grant size limits.	Maximum $1,000,000/Minimum $500,000 For the colonia SHC, program rules limit the assistance to up to $1,000,000 per colonia SHC per contract period. Each program activity, such as new construction, rehabilitation, and small repairs for housing, for example, are limited to specific dollar amounts.
	What are the outcome measures expected as a result of the method of distribution?	For the Colonia SHC Program, outcomes include: colonia residents assisted, housing units assisted or created, instances of technical assistance provided, and instances of information delivered. In general, this is Activities Benefiting LMI Persons.
4	**State Program Name:**	Colonias to Cities Initiative Program
	Funding Sources:	CDBG CDBG Colonias Set-aside

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	Describe the state program addressed by the Method of Distribution.	The Colonia to Cities Initiative ("CCIP")provides funding for basic infrastructure considered necessary for a colonia area to be annexed by an adjoining city. Priority is given to colonias that have received prior CDBG funding. Both the county and city must submit a multi-jurisdictional pre-application for the project that includes a resolution from each jurisdiction. The city's resolution must include a firm commitment to annex the colonia upon completion of the project. Failure to annex the colonia may result in a requirement to repay the CDBG funding to TDA.
	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	The TDA will evaluate the following factors prior to awarding CCIP funds: - the proposed use of the TxCDBG funds including the eligibility of the proposed activities; - the ability of the community to utilize the grant funds in a timely manner; - the availability of funds to the community for project financing from other sources; - the community's past performance on previously awarded TxCDBG contracts, if applicable; - cost per beneficiary; and - commitment by the city to annex the colonia area within one year of project completion. If applications exceed the available funding, the Department may use the scoring factors established for the Colonia Fund-Construction component.
	If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)	Eligible applicants will be notified if funds become available.
	Describe how resources will be allocated among funding categories.	If there are an insufficient number of projects ready for CEDAP funding, the CEDAP funds may be transferred to the Colonias to Cities Initiative.
	Describe threshold factors and grant size limits.	Minimum $100,000/Maximum $1,000,000

	What are the outcome measures expected as a result of the method of distribution?	Activities Benefiting Low and Moderate Income ("LMI") Persons
5	**State Program Name:**	Community Development Fund
	Funding Sources:	CDBG
	Describe the state program addressed by the Method of Distribution.	The Community Development ("CD") Fund is available on a biennial basis through a competition in each of the State's 24 planning regions. The goal of the CD Fund is to develop viable communities by providing decent housing, viable public infrastructure, and a suitable living environment, principally for persons of low to moderate income. Applicants are encouraged to provide for infrastructure and housing activities that will improve opportunities for LMI persons. When considering and designing projects, applicants must continue to consider project activities that will affirmatively further fair housing, which includes project activities that provide basic infrastructure (such as water, sewer, and roads) that will benefit residential housing and other housing activities.

	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	CD applicants are scored using a shared system with 90% of the scoring criteria established by Regional Review Committees ("RRC") and 10% established by the state's scoring criteria. There is a Regional Review Committee in each of the 24 State planning regions. Each RRC will be comprised of 12 members appointed at the pleasure of the Texas Commissioner of Agriculture. A quorum of seven members is required for all public hearings. Each RRC is responsible for determining local project priorities and objective scoring criteria for its region for the CD Fund in accordance with the requirements in this Action Plan. Additionally, the RRC shall establish the numerical value of the points assigned to each scoring factor and determine the total combined points for all RRC scoring criteria. The Regional Review Committees are responsible for convening public hearings to discuss and select the objective scoring criteria that will be used to score and rank applications at the regional level. The public must be given an opportunity to comment on the priorities and the scoring criteria considered. The final selection of the scoring criteria is the responsibility of each RRC and must be consistent with the requirements in this Action Plan. The RRC may not adopt scoring factors that directly negate or offset the State's scoring factors. Each RRC shall develop a RRC Guidebook, in the format provided by TDA, to notify eligible applicants of the objective scoring criteria and other RRC procedures for the region. The Guidebook must be submitted to TDA and approved at least ninety days prior to the application deadline. The state scoring will be based on the following: 1. Past selection - 4% of Maximum Possible RRC Score for each region. 2. Past Performance- 4% of Maximum Possible RRC Score for each region. 3. All project activities within the application would provide basic infrastructure or housing activities - 2% of Maximum Possible RRC Score for each region. (Basic infrastructure - the basic physical shared facilities serving a community's population consisting of water, sewage, roads and flood drainage. Housing activities - as defined in 24 Code of Federal Regulations ("CFR") Part 570.)
	If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)	Guidelines, applications and additional program documentation can be found on TDA's website at www.texasagriculture.gov.

	Describe how resources will be allocated among funding categories.	64.83% (approximately) of the State CDBG allocation is allocated to this fund.
	Describe threshold factors and grant size limits.	Minimum $75,000/Maximum $800,000, regions may establish additional grant amount limits.
	What are the outcome measures expected as a result of the method of distribution?	Activities Benefiting LMI Persons
6	**State Program Name:**	Community Enhancement Fund
	Funding Sources:	CDBG
	Describe the state program addressed by the Method of Distribution.	The Community Enhancement ("CEF") Fund provides a source of funds (when available) not available through other CDBG programs to stimulate a community's economic development efforts and improve self-sufficiency. The project must have the potential to benefit all citizens within a jurisdiction. The community project must provide a benefit that will enhance the overall quality of life in the rural community.
	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	The selection criteria for the Community Enhancement Fund will focus on the following factors: a. LMI percentage of the applicant; b. Partnerships; c. Multi-Purpose Facility or Public Safety Equipment; d. Sustainability; and e. Match.
	If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)	Guidelines, applications and additional program documentation can be found on TDA's website at www.texasagriculture.gov.

	Describe how resources will be allocated among funding categories.	Deobligated funds up to $3,000,000 are made available for the CE Fund on the first day of a program year.
	Describe threshold factors and grant size limits.	Minimum $50,000/Maximum $500,000
	What are the outcome measures expected as a result of the method of distribution?	Activities Benefiting LMI Persons
7	**State Program Name:**	Disaster Relief Funds
	Funding Sources:	CDBG
	Describe the state program addressed by the Method of Distribution.	Disaster Relief ("DR") Fund assistance is available as needed for eligible activities in relief of disaster situations where either a state or federal disaster declaration has been issued. Declaration other than Drought: Priority for the use of these funds is for repair and restoration activities that meet basic human needs (such as water and sewer facilities, housing, and roads), and may not include funding to construct public facilities that did not exist prior to the occurrence of the disaster. Declaration for Drought: Funding in response to a Governor's drought disaster declaration covering the area that would benefit from project activities must include new facilities to improve water supply, subject to the conditions set forth in Title 4, Part 1, Chapter 30, Subchapter A of the Texas Administrative Code.

	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	To qualify for the DR Fund: a. The situation addressed by the applicant must be both unanticipated and beyond the control of the local government. b. The problem being addressed must be of recent origin. For DR Fund assistance, this means that the application for assistance must be submitted no later than 12 months from the date of the state or federal disaster declaration. c. Funds will not be provided under Federal Emergency Management Agency's ("FEMA's") Hazard Mitigation Grant Program for buyout projects unless TDA receives satisfactory evidence that the property to be purchased was not constructed or purchased by the current owner after the property site location was officially mapped and included in a designated flood plain area. d. Each applicant must demonstrate that adequate local funds are not available, i.e., the entity has less than six months of unencumbered general operations funds available in its balance as evidenced by the last available audit required by state statute, or funds from other state or federal sources are not available to completely address the problem. e. TDA may consider whether funds under an existing CDBG contract are available to be reallocated to address the situation. f. The distribution of these funds will be coordinated with other state agencies.
	If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)	Guidelines, applications and additional program documentation can be found on TDA's website at www.texasagriculture.gov.
	Describe how resources will be allocated among funding categories.	4.10% (approximately) of the State CDBG allocation is allocated to the DR Fund. Deobligated funds up to $1,000,000 are made available for the DR Fund on the first day of a program year, and additional deobligated funds may be allocated to the DR Fund according to the procedures described in the Additional Detail on Method of Distribution section following this table. The amount for this fund category may be adjusted during the program year as needed.
	Describe threshold factors and grant size limits.	Maximum $350,000/Minimum $50,000

	What are the outcome measures expected as a result of the method of distribution?	Meet other community development needs of particular urgency which represent an immediate threat to the health and safety of residents of the community.
8	**State Program Name:**	General HOME Funds for Single-Family Activities
	Funding Sources:	HOME
	Describe the state program addressed by the Method of Distribution.	TDHCA awards single-family activity funds as grants and loans through a network of local administrators for Homeowner Rehabilitation, Homebuyer Assistance, and TBRA. Assistance length and term depends on the type of activity. The funds are initially being made available competitively on a regional basis, then later remaining funds are made available statewide on a first-come, first-served Reservation System, a contract-based system or some combination of these two methods. The method will be described in NOFAs and is informed by needs analysis, oversubscription for the activities, and public input.

	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	Applicants must comply with requirements stated in NOFAs, the Single-Family Programs Umbrella Rule, and State HOME Program Rules in effect at the time they receive their award. Review of Applications All programs will be operated through direct administration by TDHCA, reallocation of deobligated funding and program income, or through the release of Notices of Funding Availability (NOFAs) with an emphasis on geographic dispersion of funds, particularly in rural areas of the state, using a Regional Allocation Formula (RAF) which uses objective measures to determine rural housing needs such as poverty and substandard housing. For NOFAs, applicants must submit a complete application to be considered for funding, along with an application fee determined by TDHCA. Applications received by TDHCA will be reviewed for applicable threshold, eligibility and/or scoring criteria in accordance with the Department's rules and application review procedures published in the NOFA and/or application materials. Information related to NOFAs, application requirements and fees, and application review procedures and materials is available at http://www.tdhca.state.tx.us/home-division/index.htm. Selection Process Qualifying applications are recommended for funding based on the Department's rules and any additional requirements established in the NOFA. Applications submitted for development activities will also receive a review for financial feasibility, underwriting and compliance under the HOME Final Rule as well as the Department's existing previous participation review process. The state may select subrecipients or state recipients as described in program rules and NOFAs, or may conduct a portion of HOME activities directly in accordance with §92.201. Deobligated HOME Program Funds When administrators have not successfully expended the HOME funds within their contract period, TDHCA de-obligates the funds and pools the dollars for redistribution according to TDHCA's Deobligated Funds Policy at 10 TAC §1.5, and consistent with the reservation system and any open NOFAs. TDHCA may also reallocate these funds through a competitive NOFA process resulting in an award of funds.

	Describe how resources will be allocated among funding categories.	TDHCA announces the annual allocation of HOME Single-Family funds through a NOFA and specifies that the funds will initially be made available using a Regional Allocation Formula ("RAF") which divides funds among 26 sub-regions as required by state statute. The allocation method is developed based on a formula which considers need and funding availability. After a period of several months, regional allocations collapse. Following the release of the annual allocation through the RAF, TDHCA periodically adds HOME program income and deobligated funds to the funds available via the Reservation System and either allocates a specific amount of funds per activity based on funding priorities or may allow HOME administrator's requests for funding through the system to determine how the funds are finally allocated among fund categories. TDHCA may specify the maximum amount of funds that will be released for each activity type and may allocate funds via a first come, first served Reservation System or alternate method based on public comment.
	Describe threshold factors and grant size limits.	Applicants must comply with requirements stated in the HOME NOFA and State HOME Program Rules in effect the year they receive their award. These sources provide threshold limits and grant size limits per activity type.
	What are the outcome measures expected as a result of the method of distribution?	Assistance to LMI households.
9	**State Program Name:**	HOME Multifamily Development
	Funding Sources:	HOME
	Describe the state program addressed by the Method of Distribution.	The Multifamily Direct Loan Program awards loans to for-profit and nonprofit multifamily developers to construct and rehabilitate affordable rental housing. These loans typically carry a 0% to 5% interest rate and have terms ranging from 15 years to 40 years. The vast majority of the loans are made in conjunction with awards of 4% or 9% HTCs.
	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	TDHCA's Uniform Multifamily Rules set forth a minimum set of requirements that document a project owner's readiness to proceed with the development as evidenced by site control, notification of local officials, the availability of permanent financing, appropriate zoning for the site, and a market and environmental study. Additionally, the development must be near certain community assets. HOME Multifamily Direct Loan ProgramProgram funds are typically awarded on a first-come, first-served basis, as long as the criteria above are met. For HOME Multifamily Direct Loan Program applications layered with 9% HTCs, the highest scoring applications in the 9% cycle that also request HOME funds take priority over lower scoring HOME Multifamily Development applications that may have been received earlier.

	Describe how resources will be allocated among funding categories.	Typically, of the HOME Multifamily Funds, 85% is available for general activities and 15% for Community Housing Development Organizations (CHDOs). However, the HOME Multifamily Direct Loan Program may make funds available annually under the General, Persons With Disabilities, and CHDO Set-Asides.
	Describe threshold factors and grant size limits.	TDHCA's Uniform Multifamily Rules set forth a minimum set of requirements that document a project owner's readiness to proceed with the development as evidenced by site control, notification of local officials, the availability of permanent financing, experience of the developer, appropriate zoning for the site, and a market and environmental study. Additionally, the development must be near certain community assets such as a bank, pharmacy, or medical office and have certain unit amenities and common amenities. Awards of HOME Multifamily Direct Loan Program funds range from approximately $300,000 to $3 million per application in the form of a loan.
	What are the outcome measures expected as a result of the method of distribution?	Assistance to LMI households.
10	**State Program Name:**	Local Revolving Loan Funds
	Funding Sources:	CDBG
	Describe the state program addressed by the Method of Distribution.	TxCDBG allows communities that received Texas Capital Fund awards to support job creation or retention, and that created a local revolving loan fund, prior to implementation of the interim rule published November 12, 2015, to retain the program income generated by the economic development activities and to reinvest the funds to support job creation/retention activities.
	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	Criteria are established by local subrecipients, with guidance from the TxCDBG Revolving Loan Fund Information Guide provided by TDA.

	If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)	The TxCDBG Revolving Loan Fund Information Guide is provided directly to subrecipients that have established revolving loan funds.
	Describe how resources will be allocated among funding categories.	Program Income generated by a local RLF is retained by that community or returned to TDA for distribution according to the Action Plan. See "Grantee Unique Appendices" for table of local revolving loan funds.
	Describe threshold factors and grant size limits.	Minimum loan amount: $25,000. Additional parameters for minimum or maximum loan amounts may be established by the subrecipient.
	What are the outcome measures expected as a result of the method of distribution?	Activities Benefitting LMI Persons through Job Creation/Retention
11	**State Program Name:**	National Housing Trust Fund
	Funding Sources:	Housing Trust Fund
	Describe the state program addressed by the Method of Distribution.	The NHTF Program awards loans to for-profit and nonprofit multifamily developers to construct ~~and rehabilitate~~ multifamily affordable housing. Because the NHTF is required to benefit ELI households at 30% of AMI or less, the units will likely not be able to service a debt payment. The constraints on NHTF dictate that the funds be available as 0% interest, deferred payment loan, or as a 0% interest cash flow loans, if required, to leverage with tax credits or other financing mechanisms.

	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	TDHCA's Uniform Multifamily Rules set forth a minimum set of requirements that document a project owner's readiness to proceed with the development as evidenced by site control, notification of local officials, the availability of permanent financing, appropriate zoning for the site, and a market and environmental study. Additionally, the development must be near certain community assets. TDHCA Multifamily Direct Loan Program funds are typically awarded on a first-come, first-served basis, as long as the criteria above are met. For NHTF Multifamily Development applications layered with 9% HTCs, the highest scoring applications in the 9% cycle that also request NHTF funds take priority over lower scoring HOME NHTF Multifamily Development applications. Applications that will create new ELI units without preexisting vouchers or other rental subsidy will be prioritized, and additional criteria may be imposed for applications not layered with tax credits.
	Describe how resources will be allocated among funding categories.	Multifamily Direct Loan Program NHTF will not be allocated among funding categories. The requirement to serve ELI households already meets a setaside category in TDHCA Multifamily programs.
	Describe threshold factors and grant size limits.	TDHCA's Uniform Multifamily Rules set forth a minimum set of requirements that document a project owner's readiness to proceed with the development as evidenced by site control, notification of local officials, the availability of permanent financing, experience of the developer, appropriate zoning for the site, and a market and environmental study. Additionally, the development must be near certain community assets such as a bank, pharmacy, or medical office and have certain unit amenities and common amenities. NHTF will be integrated into the TDHCA Multifamily Direct Loan Program. Awards may range from approximately $300,000 to $3 million per application in the form of a loan for this program.
	What are the outcome measures expected as a result of the method of distribution?	Assistance to ELI households.
12	**State Program Name:**	Planning/Capacity Building Fund
	Funding Sources:	CDBG
	Describe the state program addressed by the Method of Distribution.	The Planning/Capacity Building ("PCB") Fund is available to assist eligible cities and counties in conducting planning activities that assess local needs, develop strategies to address local needs, build or improve local capacity, or that include other needed planning elements (including telecommunications and broadband needs).

	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	The selection criteria for the PCB Fund will focus upon the following factors: a. Community Distress; a. Percentage of persons living in poverty; b. Per capita income; c. Unemployment rate; b. Benefit to LMI Persons; c. Project Design; d. Program Priority; e. Base Match; f. Area-wide Proposals; and g. Planning Strategy and Products.
	If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)	Guidelines, applications and additional program documentation can be found on TDA's website at www.texasagriculture.gov.
	Describe how resources will be allocated among funding categories.	1.0% (approximately) of the State CDBG allocation is allocated to this fund.
	Describe threshold factors and grant size limits.	Minimum $0/Maximum $55,000
	What are the outcome measures expected as a result of the method of distribution?	Activities Benefiting LMI Persons
13	**State Program Name:**	State Mandated Contract for Deed Conversion Set-Aside
	Funding Sources:	HOME

	Describe the state program addressed by the Method of Distribution.	The 81st Texas Legislature passed Appropriations Rider 6 to TDHCA's appropriation pattern, which requires TDHCA to spend no less than $4 million for the biennium on contract for deed conversions for families that reside in a colonia and earn 60% or less of the applicable Area Median Income ("AMI"). Furthermore, TDHCA is targeted to convert no less than 200 contracts for deed into traditional notes and deeds of trust by August 31, 2016. The intent of this program is to help colonia residents become property owners by converting their contracts for deed into traditional mortgages. Households served under this initiative must not earn more than 60% of the Area Median Family Income ("AMFI") and the home converted must be their primary residence.
	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	Administrators must meet HOME Program threshold requirements to access funding. Funding is made available to contract for deed administrators on a first-come, first-served basis, in addition to threshold requirements outlined in the State HOME Program Rule, through the Reservation System.
	Describe how resources will be allocated among funding categories.	TDHCA sets aside $2,000,000 for contract for deed conversion activities annually and releases the funds through the reservation system as a method of distribution.
	Describe threshold factors and grant size limits.	Applicants must meet the thresholds provided in the NOFA and State HOME Program Rules in effect the year in which they receive their award. Administrators are not awarded a grant following a successful application. Rather funds are awarded on a household by household basis.
	What are the outcome measures expected as a result of the method of distribution?	Assistance to households with incomes at or below 60% AMFI.
14	**State Program Name:**	TCF Main Street Program
	Funding Sources:	CDBG
	Describe the state program addressed by the Method of Distribution.	The Texas Capital Fund ("TCF") Main Street Program provides eligible Texas Main Street communities with grants to expand or enhance public infrastructure in historic main street areas.

	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	The selection criteria for the TCF Main Street Program will focus upon the following factors: a. Applicant Need criteria, including poverty rate, median income, unemployment rate, and community need; b. Project criteria, including leverage, economic development consideration, sidewalks projects and Americans with Disabilities Act ("ADA") compliance, broad-based public support, emphasis on benefit to LMI persons, and grant application training; and c. Main Street program criteria, including National Main Street program recognition, Main Street program participation, historic preservation ethic impact.
	If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)	Guidelines, applications and additional program documentation can be found on TDA's website at www.texasagriculture.gov.
	Describe how resources will be allocated among funding categories.	6% of the total TCF allocation up to a maximum amount of $600,000, and program income up to $150,000 (if available).
	Describe threshold factors and grant size limits.	Maximum $250,000/Minimum $50,000
	What are the outcome measures expected as a result of the method of distribution?	Eliminate or prevent slum and blight conditions.
15	**State Program Name:**	TCF Real Estate and Infrastructure Development Programs
	Funding Sources:	CDBG
	Describe the state program addressed by the Method of Distribution.	The Texas Capital Fund ("TCF") Real Estate and Infrastructure Development Programs provides grants and/or loans for Real Estate and Infrastructure Development to create or retain permanent jobs in primarily rural communities and counties.

	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	The selection criteria for the TCF Real Estate and Infrastructure Development will focus upon the following factors: a. Job creation criteria: i. Cost-per-job, ii. Job impact, iii. Wage impact, and iv. Primary jobs created/retained; b. Unemployment rate; and c. Return on Investment. Once applications are evaluated and determined to be in the funding range the projects will be reviewed upon the following additional factors: a. History of the applicant community in the program; b. Strength of the business or marketing plan; c. Evaluation of the business and the business' principal owners credit; d. Evaluation of community and business need; and e. Justification of minimum necessary improvements to serve the project.
	If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)	Guidelines, applications and additional program documentation can be found on TDA's website at www.texasagriculture.gov.
	Describe how resources will be allocated among funding categories.	14.51% of the State CDBG allocation is allocated to the Real Estate and Infrastructure Development Programs minus the lesser of 18% or $1,800,000 of the total TCF allocation. In addition, program income funds generated by TCF projects and not otherwise allocated are made available for the Real Estate and Infrastructure Development Programs on the first day of a program year. In accordance with 24 CFR 570.479(e)(ii), the State has determined that program income generated by TCF during PY 2016 must be returned to the State for redistribution to new economic development activities. TCF awards are made for a specific project, based on the minimum necessary work to support the creation or retention of specific jobs, which must be completed prior to close out of the TCF contract. Therefore the community is unlikely to continue funding the same activity in the near future as described in the new regulation.

	Describe threshold factors and grant size limits.	Maximum $1,500,000/Minimum $150,000
	What are the outcome measures expected as a result of the method of distribution?	Activities Benefiting LMI Persons
16	**State Program Name:**	TCF Small and Micro Enterprise Revolving Fund
	Funding Sources:	CDBG
	Describe the state program addressed by the Method of Distribution.	The Texas Capital Fund ("TCF") Small and Micro Enterprise Revolving Fund provides grants to local partnerships of communities and non-profit organizations to establish a local revolving loan fund, providing loans to local small businesses that commit to create or retain permanent jobs.
	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	The selection criteria for the Small and Micro Enterprise Revolving Fund will focus on the following factors: a. Community Need; b. Non-Profit Loan Capacity; and c. Multi-jurisdictional applications.
	If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)	Guidelines, applications and additional program documentation can be found on TDA's website at www.texasagriculture.gov.
	Describe how resources will be allocated among funding categories.	Program Income funds up to $1,500,000 are made available for the Small and Micro Enterprise Revolving Fund on the first day of a program year.
	Describe threshold factors and grant size limits.	$100,000 per award

	What are the outcome measures expected as a result of the method of distribution?	Activities Benefiting LMI Persons
17	**State Program Name:**	Texas Capital Fund Downtown Revitalization Program
	Funding Sources:	CDBG
	Describe the state program addressed by the Method of Distribution.	The Texas Capital Fund ("TCF") Downtown Revitalization Program awards grant funds for public infrastructure to foster and stimulate economic development in rural downtown areas.
	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	The selection criteria for the TCF Downtown Revitalization Program will focus upon the following factors: a. Applicant Need criteria, including poverty rate, median income, unemployment rate, and community need; b. Project criteria, including leverage, economic development consideration, sidewalks projects, and ADA compliance, broad-based public support, emphasis on benefit to LMI persons, and grant application training; and c. Past Performance.
	If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)	Guidelines, applications and additional program documentation can be found on TDA's website at www.texasagriculture.gov.
	Describe how resources will be allocated among funding categories.	12% of the total TCF allocation up to a maximum of amount $1,200,000, and program income up to $350,000 (if available).
	Describe threshold factors and grant size limits.	Maximum $250,000/Minimum $50,000

	What are the outcome measures expected as a result of the method of distribution?	Eliminate or prevent slum and blight conditions.
18	**State Program Name:**	Texas ESG Program
	Funding Sources:	ESG
	Describe the state program addressed by the Method of Distribution.	The ESG Program is currently a competitive grant that awards funds to private nonprofit organizations, cities, and counties in the State of Texas to provide the services necessary to help persons that are at-risk of homelessness or homeless quickly regain stability in permanent housing. TDHCA ran a pilot program in 2014 and 2015 with two local Continuum of Care (‘CoC ¿) lead agencies to run a local competition of state ESG funding in their respective CoC regions. TDHCA expanded that pilot in 2016 to five CoC lead agencies, giving them more local control of the use of funds in their service areas. Applicants in the CoC regions in which the lead agency is running a local competition will apply directly to the CoC lead agency for TDHCA ESG funding. Applicants in the CoC regions in which the lead agency is not running a local competition will apply directly to the TDHCA for ESG funding. Ultimate award authority for all ESG funds remains with TDHCA’s Board.
	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	In the competitive process with TDHCA, applications are selected based on: - Program Description and Capacity (11%);Proposed Performance (74%);Proposed Budget and Match (8%); CoC Participation and Coordination (6%); Language Access Plan (1%); andPast Performance of Subrecipients in ESG Expenditure and Reporting (negative scores only)The allocation amounts are established by formula by CoC region. Any funds returned to the Department from prior ESG awards before 2016 ESG awards are made, will be redistributed in accordance with the 2015 NOFA.

	Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)	For the competitive process, Texas releases a NOFA each spring in anticipation of the State's receipt of ESG funding. For 2016, Applications will be accepted for a 50-day period. Applications are scored and ranked within their CoC regions. Eligible applicant organizations are Units of General Purpose Local Government, including cities, counties and metropolitan cities; urban counties that receive ESG funds directly from HUD; and organizations as described in a NOFA or other funding mechanism. Other instrumentalities of a city or county, like an LMHA, may be eligible and should seek guidance from TDHCA to determine if they can apply. Governmental organizations such as Public Housing Authorities ("PHAs") are not eligible and cannot apply directly for ESG funds; however PHAs may serve as a partner in a collaborative Application, but may not be the lead entity. These same criteria will apply to those entities awarded directly by the CoCs as well. Eligible applicant organizations also include private nonprofit organizations that are secular or religious organizations described in section 501(c) of the Internal Revenue Code of 1986, are exempt from taxation under subtitle A of the Code, have an acceptable accounting system and a voluntary board, and practice non-discrimination in the provision of assistance. Faith-based organizations receiving ESG funds, like all organizations receiving HUD funds, must serve all eligible beneficiaries without regard to religion.
	Describe how resources will be allocated among funding categories.	ESG funds may be used for six program components: street outreach, emergency shelter, homelessness prevention, rapid re-housing assistance, HMIS, and administrative activities. Per 24 CFR §576.100(b), the total amount of an Applicant's budget for street outreach and emergency shelter cannot exceed 60% of their total requested amount. Within a Collaborative Application, the 60% limit applies to the entire Application and not to each partner within the Collaborative Application. This requirement will also apply in the CoC local competition method.
	Describe threshold factors and grant size limits.	Within each CoC region, applicants may request no less than $125,000 unless the initial amount available in the region is less than $125,000. In those cases, applicants may request an amount no less than the available allocation for that region. Single applicants may request a maximum of $150,000. For a collaborative application, the maximum request amount is $150,000 times the number of partners in the application, with a maximum request of $600,000. The minimum request for a collaborative application is $125,000, unless the initial amount available in the region is less than $125,000. In those cases the collaborative applicant may request an amount no less than the available allocation for that region. In a collaborative application, each partner is not limited to budgeting $150,000 each; the total grant amount may be budgeted among all partners as agreed upon. These numbers may be adjusted depending on the final allocation from HUD. If funds are being awarded by CoCs, they will establish these factors and limits with TDHCA approval. They will not necessarily reflect these factors, but will reflect a local decision-making process.

	What are the outcome measures expected as a result of the method of distribution?	The expected outcome is that funds will be awarded to organizations that have the administrative and performance capacity to provide the services needed in their communities. The expected outcome of TDHCA's plan to fund the CoCs directly is that the same will be accomplished, but with CoC-wide planning rather than with only State planning.
19	**State Program Name:**	Texas HOPWA Program
	Funding Sources:	HOPWA
	Describe the state program addressed by the Method of Distribution.	DSHS selects seven AAs across the state through a combination of competitive Requests for Proposal ("RFP") and intergovernmental agency contracts. The AAs act as an administrative arm for DSHS by administering the HOPWA program locally. The AAs do not receive any HOPWA administrative funds from DSHS; all AA administrative costs are leveraged from other funding sources. The AAs, in turn, select HOPWA Project Sponsors to cover all 26 HSDAs through local competitive processes
	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	Information on grant applications, available funding opportunities, application criteria, etc. can be found on the DSHS website: http://www.dshs.state.tx.us/fic/default.shtm. Contracting information and resources (i.e., General Provisions, contract requirements, etc.) are located on the DSHS website: http://www.dshs.state.tx.us/contracts/default.shtm. Contracting services for DSHS and other Health agencies are consolidated under the Health and Human Services Commission's Procurement and Contracting Services (PCS) Division. This division handles the solicitation, contract development, contract execution, and office of record for DSHS's contracting needs. Evaluation Criteria as noted in the most recent RFP process for AAs for Ryan White/State Services and HOPWA programs were: Respondent Background = 30%; Assessment Narrative = 15%; Performance Measures = 10%; Work Plan = 35%; and Budget = 10%.
	Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)	The AAs select HOPWA Project Sponsors to cover all 26 HSDAs through local competitive processes. Community-based organizations, minority organizations, minority providers, grassroots and faith-based organizations are encouraged to apply. Historically, many of the agencies that have provided services to TDHCA's client population are grassroots, community-based, and minority organizations.

	Describe how resources will be allocated among funding categories.	Texas HOPWA funding allocations are geographically distributed across the state to the 26 HSDAs based on factors such as population of PLWH and unmet need. Texas HOPWA serves PLWH and their family members, all of whom are at or below 80% of AMI, and most fall into the extremely low-income category. 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 HSDA are determined, it is then up to the Project Sponsor to allocate between activities of TBRA, STRMU, PHP, Supportive Services, and administrative expenses (not to exceed 7% of their allocation) and submit those to their AA 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 when needs change.
	Describe threshold factors and grant size limits.	Texas HOPWA serves PLWH and their family members, all of whom are at or below 80% of AMI. The majority of HOPWA clients are classified as extremely low income, which is between 0% and 30% of AMI.
	What are the outcome measures expected as a result of the method of distribution?	Outcome measures are number of unduplicated income-eligible clients and families living with HIV (households) assisted with each HOPWA service category (TBRA, STRMU, PHP if applicable, and Supportive Services).
20	**State Program Name:**	Texas Small Towns Environment Program Fund
	Funding Sources:	CDBG

	Describe the state program addressed by the Method of Distribution.	The Texas Small Towns Environment Program ("STEP") Fund provides funds to cities and counties that recognize the need and potential to solve water and sewer problems through self-help techniques via local volunteers. By utilizing the resources of the community (human, material, and financial), the necessary construction, engineering, and administration costs can be reduced significantly from the cost for the installation of the same improvements through conventional construction methods. The self-help response to water and sewer needs may not be appropriate in every community. In most cases, the decision by a community to utilize self-help to obtain needed water and sewer facilities is based on the realization of the community that it cannot afford even a basic water or sewer system based on the initial construction costs and the operations/maintenance costs (including debt service costs) for water or sewer facilities installed through conventional financing and construction methods.
	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	The following are the selection criteria to be used by CDBG staff for the scoring of assessments and applications under the Texas STEP Fund: a. Project Impact b. STEP Characteristics, Merits of the Project, and Local Effort c. Past Participation and Performance d. Percentage of Savings off of the retail price e. Benefit to Low/Moderate-Income Persons
	If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)	Guidelines, applications and additional program documentation can be found on TDA's website at www.texasagriculture.gov
	Describe how resources will be allocated among funding categories.	Deobligated funds up to $1,000,000 are made available for the STEP Fund on the first day of the program year.
	Describe threshold factors and grant size limits.	Maximum $350,000/Minimum $0

	What are the outcome measures expected as a result of the method of distribution?	Activities Benefiting LMI Persons
21	**State Program Name:**	Urgent Need Fund
	Funding Sources:	CDBG
	Describe the state program addressed by the Method of Distribution.	Urgent Need ("UN") Fund assistance is available for activities that will restore water and/or sewer infrastructure whose sudden failure has resulted in death, illness, injury, or poses an imminent threat to life or health within the affected applicant's jurisdiction. The infrastructure failure must not be the result of a lack of maintenance and must be unforeseeable. An application for UN Fund assistance will not be accepted until discussions between the potential applicant and representatives of TDA, TWDB, and the Texas Commission on Environmental Quality ("TCEQ") have taken place. Through these discussions, a determination shall be made whether the situation meets eligibility requirements and if a potential applicant should be invited to submit an application for the UN Fund. Construction on an UN Fund project must begin within ninety (90) days from the start date of the CDBG contract. TDA may de-obligate the funds under an UN Fund contract if the grantee fails to meet this requirement.

	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	To qualify for the UN Fund: 1. The situation addressed by the applicant must not be related to a proclaimed state or federal disaster declaration. 2. The situation addressed by the applicant must be both unanticipated and beyond the control of the local government (e.g., not for facilities or equipment beyond their normal, useful life span). 3. The problem being addressed must be of recent origin. For UN assistance, this means that the situation first occurred or was first discovered no more than 30 days prior to the date that the potential applicant provides a written request to the TDA for UN assistance. UN funds cannot fund projects to address a situation that has been known for more than 30 days or should have been known would occur based on the applicant's existing system facilities. 4. Each applicant for these funds must demonstrate that local funds or funds from other state or federal sources are not available to completely address the problem. 5. The applicant must provide documentation from an engineer or other qualified professional that the infrastructure failure cannot have resulted from a lack of maintenance or been caused by operator error. 6. UN funds cannot be used to restore infrastructure that has been cited previously for failure to meet minimum state standards. 7. The infrastructure requested by the applicant cannot include back-up or redundant systems. 8. The UN Fund will not finance temporary solutions to the problem or circumstance. 9. TDA may consider whether funds under an existing CDBG contract are available to be reallocated to address the situation, if eligible. 10. The distribution of these funds will be coordinated with other state agencies. Each applicant for UN Funds must provide matching funds. If the applicant's most recent Census population is equal to or fewer than 1,500 persons, the applicant must provide matching funds equal to 10 percent of the CDBG funds requested. If the applicant's most recent Census population is over 1,500 persons, the applicant must provide matching funds equal to 20 percent of the CDBG funds requested. For county applications where the beneficiaries of the water or sewer improvements are located in unincorporated areas, the population category for matching funds is based on the number of project beneficiaries.

	If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)	Guidelines, applications and additional program documentation can be found on TDA's website at www.texasagriculture.gov.
	Describe how resources will be allocated among funding categories.	No funds will be allocated on the first day of the Program Year; however, the amount for this funding category may be adjusted during the 2015 PY as needed.
	Describe threshold factors and grant size limits.	Maximum $250,000/Minimum $25,000
	What are the outcome measures expected as a result of the method of distribution?	Meet other community development needs of particular urgency which represent an immediate threat to the health and safety of residents of the community

AP-50 Geographic Distribution – 91.320(f)

Description of the geographic areas of the state (including areas of low-income and minority concentration) where assistance will be directed

HOME Addresses Geographic Areas for Assistance
TDHCA does not provide priorities for allocation of investment geographically to areas of minority concentration; however, the geographic distribution of HOME funds to minority populations is analyzed annually. TDHCA is statutorily required by the Texas Government Code to provide a comprehensive statement of its activities through the State of Texas Low Income Housing Plan and Annual Report. Part of this document describes the ethnic and racial composition of families and individuals receiving assistance from each housing program.

HOME funds used for multifamily development are typically paired with tax-exempt bond and/or HTC. TDHCA rules that govern the HTC Program include incentives for developments utilizing the competitive 9% HTC in high opportunity areas which are defined as high-income, low-poverty areas and are not typically minority-concentrated, but it also provides incentive to develop in colonias or economically distressed areas. Developments using tax-exempt bond financing and 4% HTCs are more frequently located in qualified census tracts due to federal guidelines that cause these to be more financially viable.

ESG Addresses Geographic Areas for Assistance
Assistance provided by ESG funds will be directed statewide, according to the 11 HUD-designated CoC areas. TDHCA does not provide priorities for allocating investment geographically to areas of minority concentration as described in Section 91.320(d).

HOPWA Addresses Geographic Areas for Assistance
The Texas HOPWA funding allocations are geographically distributed according to the 26 HIV HSDAs. Allocations are based on several factors, including past performance of Project Sponsors and unmet need, with the majority of Texas HOPWA clients (90% in 2014) classified as extremely low and low income. 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. Many of these individuals reside in areas of minority concentration and most PLWH are racial and ethnic minorities, so the program allocates funding to meet the needs of PLWH in Texas.

CDBG Addresses Geographic Areas for Assistance
TDA does not provide priorities for allocation of funds geographically to areas of minority concentration as described in Section 91.320(f). CDBG funds are allocated across the state in three ways.
1. The CD Fund assigns a percentage of the annual allocation to each of the 24 Regional COGs, ensuring that each region of the state receives a portion of the funds.

2. The Colonia Fund directs funding to communities within 150 miles of the Texas-Mexico border. All remaining funds are distributed through state-wide competitions without geographic priorities.
3. For the Colonia SHCs, centers are established along the Texas-Mexico border in Cameron/Willacy, Hidalgo, Starr, Webb, Maverick, Val Verde, and El Paso counties as well as in any other county designated as an economically distressed area. The SHC Program serves approximately 28 colonias in seven border counties, which are comprised of primarily Hispanic households and have concentrations of very low-income households.

NHTF Geographic Priorities description is added to Discussion section text below.

Geographic Distribution

Target Area	Percentage of Funds
State of Texas	100

Table 17 - Geographic Distribution

Rationale for the priorities for allocating investments geographically

HOME Addresses Geographic Investments
HOME funds are allocated geographically using a RAF, as described in Strategic Plan Section 10. This process directs funds to areas of the State that demonstrate high need. In addition, HOME funds administered by TDHCA are primarily used in areas that are not Participating Jurisdictions ("PJs") per statute. This results in more HOME funds in smaller communities than in the larger Metropolitan Statistical Areas ("MSAs") that receive HOME funds directly from HUD. The most updated RAF is online at http://www.tdhca.state.tx.us/housing-center/pubs-plans.htm.

ESG Addresses Geographic Investments
CoC regions have funding made available for competition according to the combination of the region's proportionate share of the state's total homeless population, based on the most recent Point-in-Time count submitted to HUD by the CoCs and the region's proportionate share of people living in poverty, based on the most recent 5-year American Community Survey poverty data published by the Census Bureau. For the purposes of distributing funds, the percentage of statewide homeless population is weighted at 75% while the percentage of statewide population in poverty is weighted at 25%.

HOPWA Addresses Geographic Investments
At the end of 2012, nearly 73,000 people in Texas were known to have HIV and it is estimated that an additional 17,000 people in Texas are living with HIV but are currently unaware of their status. The number of Texans living with HIV increases each year and in order to meet the needs of low-income PLWH in Texas, many of whom live in areas of minority concentration, the HOPWA funding allocations are geographically distributed across the State and are allocated based on several factors, including unmet need.

Six cities in Texas have a population of over 500,000 (Austin, Dallas, Fort Worth, El Paso, Houston, and

San Antonio), which are in MSAs funded directly from HUD for HOPWA. Although the Texas HOPWA program can operate in any area of the State, the State program serves all counties not covered under the MSAs' jurisdictions, with some overlap of counties between the State and the MSAs. As a result, Texas HOPWA covers all of the rural areas of the State, where many low-income HOPWA clients reside, and funding prioritization is based on areas with greater unmet need for PLWH.

CDBG Addresses Geographic Investments

Texas CDBG Funds for projects under the CD Fund are allocated by formula to 24 regions based on the methodology that HUD uses to allocate CDBG funds to the non-entitlement state programs (21.71% of annual allocation), along with a state formula based on poverty and unemployment (40% of annual allocation). In addition, 12.5% of the annual allocation is allocated to projects under the Colonia Fund categories, which must be expended within 150 miles of the Texas-Mexico border. For the Colonia SHCs, state legislative mandate designates five centers along the Texas-Mexico border in specific border counties to address the long history of poverty and lack of institutional resources. Two additional counties have been designated as economically distressed areas and also operate centers through the program. These counties collectively have approximately 42,000 colonia residents who may qualify to access center services.

NHTF Addresses Geographic Investments

NHTF funds are allocated geographically using a Regional Allocation Formula, as described in Strategic Plan Section 10. Acknowledging that all regions of the State have a need to create housing for ELI households, the formula provides opportunity for access to NHTF. This process directs funds to areas of the State that demonstrate high need, but the very small amount of the PY 2016 allocation makes it difficult to fully differentiate.

Discussion

Many of the Target Areas available in the Integrated Disbursement and Information System ("IDIS"), HUD's electronic system in which this Plan has been entered, were too detailed for use at the macro-level; therefore, the State entered the "State of Texas" as a Target Area in Strategic Plan Section 10. Within Texas, each program relies on a formula to distribute funds geographically.

NHTF Geographic Priorities

The Texas NHTF will distribute NHTF funds through a competitive NOFA process. The funds will initially be available geographically, based on the proportion of Extremely Low Income Renter households to the total population of Renter Households in each of thirteen State Service Regions. A minimum will be calculated for each region as a ratio of the available allocation divided by thirteen, and available competitively within each region prior to collapse into a statewide competition.

Affordable Housing

AP-55 Affordable Housing – 24 CFR 91.320(g)

Introduction

Affordable Housing goals for PY 2016 are indicated in the table below for the number of homeless, non-homeless, and special needs households, and for the number of affordable housing units that will be provided by program type, including rental assistance, production of new units, rehabilitation of existing units, utility connections for existing units, or acquisition of existing units. Note that goals entered for ESG are only for Homeless Prevention and Rapid Re-housing. The HOME goals include multifamily and single family activities.

One Year Goals for the Number of Households to be Supported	
Homeless	4,740
Non-Homeless	363
Special-Needs	1,713
Total	6,816

Table 18 - One Year Goals for Affordable Housing by Support Requirement

One Year Goals for the Number of Households Supported Through	
Rental Assistance	6,475
The Production of New Units	172
Rehab of Existing Units	58
Acquisition of Existing Units	54
Total	6,759

Table 19 - One Year Goals for Affordable Housing by Support Type

Discussion

The one year goals for TDHCA's HOME Program include homebuyer assistance with possible rehabilitation for accessibility, TBRA, homeowner rehabilitation assistance, rehabilitation of multifamily units, and construction of single-family and multifamily units.

The one year goal~~s~~ for TDHCA's NHTF Program includes ~~rehabilitation of multifamily units, and~~ construction of new multifamily units.

TDHCA's ESG Program provides Rapid Re-housing assistance to help homeless individuals and households quickly regain stability in housing. Homelessness Prevention and Emergency Shelter outcome indicators are counted as persons, not households, so is not added into the chart above. ESG also provides street outreach, but as this does not directly equate to affordable housing, it is not counted above.

DSHS' HOPWA Program provides TBRA, STRMU, PHP, and Supportive Services to assist low-income HIV-positive clients and their households to establish or maintain affordable, stable housing, reduce the risk

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of homelessness, and improve access to health care and other services. HOPWA serves households with 80% or less of area median income, but a majority of Texas HOPWA households are under 30% AMI and lack of affordable housing is an ongoing issue. DSHS estimates that the HOPWA program will assist 890 unduplicated, income-eligible households with housing subsidy assistance.

Currently, Texas CDBG funds primarily support affordable housing through water and sewer infrastructure for housing. The CDBG funding provides a cost savings for housing when used to install water and sewer yard lines and pay impact and connection fees for qualifying residents. Housing rehabilitation projects are prioritized in several fund categories. CDBG funds also help communities study affordable housing conditions, providing data on affordable housing stock and planning tools for expanding affordable housing. CDBG provides approximately 250 utility connections per year, which are not reflected in the chart above, but could prove essential to obtaining or maintaining housing. Colonia residents are considered "Special Needs" households who are supported through the production, rehab or acquisition of units (no rental assistance). The Colonia SHCs continue to address affordable housing needs in border counties by assisting qualifying colonia residents to improve or maintain a safe, suitable home in suitable areas, with the contribution of the residents' sweat-equity which is required in all housing activities at the SHC. In addition, the Colonia SHCs provide other development opportunities that support the creation of affordable housing for beneficiaries, such as tool lending, and training in home construction and repair, financial literacy, and homeownership skills.

AP-65 Homeless and Other Special Needs Activities – 91.320(h)

Introduction

TDHCA will address requirements in 24 CFR §91.320 by using funds to reduce and end homelessness. Each ESG applicant is required to coordinate with the lead agency of the CoC, which provides services and follows a centralized or coordinated assessment process; has written policies and procedures in place as described by §578.7(a)(8) and (9); and follows a written standard to provide street outreach, emergency shelter, rapid re-housing, and homelessness prevention assistance. To assist low-income individuals and families to avoid becoming homeless, especially those discharged from publicly-funded institutions and systems of care, or those receiving assistance from public and private agencies that address housing, health, social services, employment, education, or youth needs, TDHCA requires each Subrecipient to set performance targets that are part of their contract and extended to each of the local organizations that the Subrecipient funds. A Subrecipient must address the housing and supportive service needs of individuals assisted with ESG funds in a plan to move the client toward housing stability. In addition, ESG works in tandem with other programs that help to transition persons out of institutions, such as the HOPWA Program, Section 811 PRA Program, Project Access Program, Money Follows the Person Program, and the Home and Community-Based Services - Adult Mental Health Program. The HHSCC also works to enhance coordination between housing and service agencies to assist persons transitioning from institutions into community-based settings.

Describe the jurisdictions one-year goals and actions for reducing and ending homelessness including:

Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs

The Texas ESG Program provides funds to service providers for outreach to unsheltered homeless persons in order to connect them to emergency shelter, housing, or critical services; and to provide urgent, non-facility-based care to unsheltered homeless people who are unwilling or unable to access emergency shelter, housing, or other appropriate facilities. Of critical importance is assisting the unsheltered homeless with emergency shelter or other placement. One of the possible performance measures that Subrecipients will be measured against is their ability to help homeless persons move into permanent housing, achieve higher incomes and gain more non-cash benefits. To ensure long-term housing stability, clients will be required to meet with a case manager not less than once per month (with exceptions pursuant to the VAWA and the Family Violence Prevention and Services Act ("FVPSA")). Subrecipients will also be required to develop a plan to assist program participants to retain permanent housing after the ESG assistance ends.

Addressing the emergency shelter and transitional housing needs of homeless persons

The ESG Program helps the unsheltered homeless and homeless individuals and families residing in emergency shelter and those fleeing domestic violence to return to stable housing conditions by providing support to organizations that provide emergency services and shelter to homeless persons and households. One of the possible performance measures that Subrecipients will be measured against is their ability to help individuals and families move out of emergency shelter and transitional housing and into permanent housing, achieve higher incomes and gain more non-cash benefits. To ensure long-term housing stability, clients will be required to meet with a case manager not less than once per month (with exceptions pursuant to the VAWA and the FVPSA). Subrecipients will also be required to develop a plan to assist program participants to retain permanent housing after the ESG assistance ends. In addition, the State will consider transitional housing as having characteristics associated with instability and an increased risk of homelessness, which may allow clients moving out of transitional housing to access Homelessness Prevention services.

Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again

The ESG Program has broadened the activities that can be used to help low-income families and individuals avoid becoming homeless and to rapidly re-house persons or families that experience homelessness. ESG funds can be used for short-term and medium-term rental assistance, rental application fees, security deposits, utility deposits, utility payments, and moving costs for homeless individuals or persons at risk of homelessness. Funds can also be used for housing service costs related to housing search and placement, housing stability case management, mediation, legal services, and credit repair. ESG funds can also be used to pay for essential service costs including case management, child care, education services, employment assistance and job training, outpatient health services, legal services, life skills training, mental health services, substance abuse treatment services, transportation, and costs related to serving special populations.

TDHCA acknowledges the change in the definition of chronically homeless, which was published in the Federal Register on December 4, 2015, and effective January 15, 2016. The new definition applies to clients of TDHCA's 2015 ESG Subrecipients assisted on or after the effective date, and TDHCA's ESG Subrecipients for future awards, per the revision to 24 CFR §91.5.

The definition of chronically homeless had been from the McKinney-Vento Homeless Act. The definition of chronically homeless under McKinney-Vento had included an individual or family who met certain criteria for homelessness and had "a diagnosable substance use disorder, serious mental illness, developmental disability, post traumatic stress disorder, cognitive impairments resulting from a brain injury, or chronic physical illness or disability." The revised definition of chronically homeless has more general term of "homeless individual with a disability", per below:

(9) Homeless individual with a disability
(A) In general, the term “homeless individual with a disability” means an individual who is homeless, as defined in section 11302 of this title, and has a disability that—
(i) (I) is expected to be long-continuing or of indefinite duration;
(II) substantially impedes the individual’s ability to live independently;
(III) could be improved by the provision of more suitable housing conditions; and
(IV) is a physical, mental, or emotional impairment, including an impairment caused by alcohol or drug abuse, post traumatic stress disorder, or brain injury;
(ii) is a developmental disability, as defined in section 15002 of this title; or
(iii) is the disease of acquired immunodeficiency syndrome or any condition arising from the etiologic agency for acquired immunodeficiency syndrome.”

The definition of chronically homelessness now includes a different time requirement of homelessness. The McKinney-Vento Homeless Assistance Act defined the time period of chronically homeless as homeless for at least one year, or on at least four separate occasions in the last three years. The new definition of chronically homeless requires the following time period: (1) continuously homeless for at least 12 months, or (2) on at least four separate occasions in the last three years, where the combined occasions must total at least 12 months. An “occasion” is considered a separate episode of homelessness if it is separated by at least seven days. Stays in institutions of fewer than 90 days do not constitute a break.

Finally, the new definition clarifies that a family can qualify as chronically homeless if the head of the household (whether adult head or minor head, if the family has no adult) meets the criteria of chronically homeless. In addition, the family could have a composition that has fluctuated while the head of household has been homeless.

Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: being discharged from publicly funded institutions and systems of care (such as health care facilities, mental health facilities, foster care and other youth facilities, and corrections programs and institutions); or, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs

In addition to homelessness prevention, ESG funds actively promote coordination with community providers and integration with mainstream services to marshal available resources. One performance measure for Subrecipients may be their ability to help increase non-cash benefits for program participants; the Subrecipients would help program participants obtain non-ESG resources, such as veterans benefits or food stamps.

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Individuals eligible for the State’s HOPWA Program who are exiting from an institution receive a comprehensive housing plan and linkage and referrals to health professionals from a case manager. The State HOPWA Program provides TBRA, which can be used to transition persons from institutions into stable housing. Some project sponsors also provide rental deposits and application fees. Other programs included in this Plan also address persons transitioning from institutions. For example, TDHCA has received awards totaling more than $24 million for the Section 811 PRA Program. The program will help extremely low-income individuals with disabilities and their families by providing more than 600 new integrated supportive housing units in seven areas of the state. Members of the target population include individuals transitioning out of institutions; people with severe mental illness; and youth with disabilities transitioning out of the state’s foster care system. Individuals in the Section 811 PRA Target Population are eligible for assistance from public agencies, are Medicaid-eligible, and could be at-risk of housing instability and/or homelessness.

Coordination between housing and the Health and Human Services (“HHS”) agencies is exemplified by the Project Access and Money Follows the Person programs. Project Access uses Section 8 Housing Choice Vouchers administered by TDHCA to assist low-income persons with disabilities transition from nursing homes and Intermediate Care Facilities (“ICFs”) to the community, while using the Money Follows the Person Program to provide services by HHS agencies. Since it began in 2002, the TDHCA Governing Board approved changes to Project Access based on input from advocates and the HHS agencies, such as incremental increases to vouchers from 35 to 140 and creation of a pilot program with DSHS for persons with disabilities transitioning out of State Psychiatric Hospitals.

In addition, TDHCA offers the use of TBRA to individuals on the Project Access Wait List, allowing him/her to live in the community until she/he can use Project Access. TDHCA conducted outreach and technical assistance to Department of Aging and Disability Services (“DADS”) Relocation Specialists and HOME TBRA Administrators to help them serve individuals on the wait list.
To further address the needs of individuals transitioning from institutions, HHSCC, codified in Texas Government Code, Chapter 2306, Subchapter NN, seeks to increase coordination of housing and health services, by supporting agencies to pursue funding, such as Relocation Contractor services for people with behavioral health challenges and Intellectual and Developmental Disabilities; Medicaid waiver programs; vouchers from PHAs for people with disabilities and aging Texans; housing resources from the Texas Department of Criminal Justice for people with criminal histories transitioning to the community; and DSHS’ rental assistance program.

HHSCC also encourages the coordination of TDHCA with DSHS for DSHS’ new Home and Community-Based Services: Adult Mental Health Program. This program will serve individuals with Serious Mental Illness who have long-term or multiple stays in the State’s Mental Health Facilities.

Discussion

The Texas ESG Program is designed to assist, assess and, where possible, shelter the unsheltered homeless; to quickly re-house persons who have become homeless and provide support to help them

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maintain housing; and to provide support that helps persons at risk of becoming homeless maintain their current housing. Other special needs populations are described in Action Plan Section 25.

AP-75 Barriers to affordable housing – 91.320(i)

Introduction

The Phase 2 AI identifies impediments to fair housing choice in the State of Texas and action steps that the State intends to take to address identified impediments. This document describes state and local regulatory and land use barriers in detail. It may be accessed at https://www.tdhca.state.tx.us/fair-housing/policy-guidance.htm.

TDHCA staff developed a database to track fair housing action steps, link action steps to impediments, and document benchmarks and progress in implementing such action steps. This database assists the State in the development of well informed steps to directly address impediments reflected in the Phase 2 AI. Staff also developed a database to consolidate the demographic and geographic data of recipients of the Department's Housing Tax Credit programs and provide for in-depth analyses of patterns in the allocation of funding and comparison to census data. Staff believes these databases will assist in identifying new impediments to fair housing choice as the consolidated data is analyzed and the efficacy of implemented action steps is reviewed.

The State is currently developing best practices guidance related to zoning and land use regulations, policies, and practices that will further fair housing choice. The State plans to release best practices to the public through its Fair Housing website; the website will include areas specific to Real Estate Professionals, Developers and Administrators, as well as Local Governments and Elected Officials. The AI included several suggestions on countering negative effects of public policy as it concerned two areas – land use and zoning and Not-In-My-Backyard Syndrome ("NIMBYism"). In order to avoid the difficulty, expense, and uncertainty that NIMBYism can engender, developers often focus on areas where their proposed developments are well supported. Changes in the scoring of the State's HTC Program provide incentives to develop in high opportunity areas. High opportunity areas include places with low poverty rates and quality schools, with above average state ratings.

Cases of NIMBYism can be difficult to track, it is hard to measure where NIMBYism occurs most often. The cases of NIMBYism most often associated with proposed multifamily developments, although not exclusive to these areas, NIMBYism appear anecdotally to be more likely to occur in areas with socioeconomic and housing homogeneity. To assist the State in gathering data on how elected officials, communities, and local governments are impacted by NIMBYism sentiments and to help the State in countering NIMBY messaging, TDHCA periodically outsources with universities and private consulting firms for studies, market analyses, and special projects. Guidance and resources to support affordable housing will be provided through TDHCA's Fair Housing website, along with the Fair Housing listserv and community events calendar, and a Speaker's Bureau that will be able to discuss this and other Fair Housing topics.

Actions it planned to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the

return on residential investment

TDHCA reviews all guiding documents, rules, and practices internally to determine if known barriers or impediments to furthering fair housing choice can be addressed through changes within TDHCA's power. The Department's Fair Housing, Data Management, and Reporting group continues ongoing interviews with Division Directors originally held in spring 2014. Initial recommendations and actions were noted for each program as well as a list of 15 cross-Divisional recommendations that included items such as improved Affirmative Marketing Rules, improved Language Assistance Plan guidance, a better internal mechanism for Fair Housing training, Fair Housing Team reviews of rule changes and NOFA documents, etc. TDHCA has been making and will continue to make a concerted effort to review and move forward on key recommendations and to increase staff and subrecipient education to ensure that all programs are providing best practices guidance to recipients and the general public.

TDHCA acts as an information resource for affordable housing studies and information. A project between TDHCA (including HHSCC) and the University of Texas has resulted in a Fair Housing public service message campaign with videos in support of affordable housing, fair housing rights, and Service-Enriched Housing.

The Texas Workforce Commission Civil Rights Division ("CRD") received a two-year grant of HUD Partnership Funds for an outreach campaign. CRD launched a public service announcement initiative targeting Midland, Odessa, Laredo, and Victoria, as well as small cities and towns surrounding these "oil and gas boom" areas. The campaign educates people in these areas on their Fair Housing rights and responsibilities. This includes in-person and webinar training as well as outreach presentations. CRD's fair housing training was in such demand that the outreach campaign was expanded to include all of Texas and will run through 2016.

On August 17, 2015, the United States Department of Housing and Urban Development ("HUD") adopted the Final Affirmatively Furthering Fair Housing Rule ("AFFH" or "the rule"), detailing what recipients of block grant CPD funds and Public Housing funds must do to affirmatively further fair housing and the tool by which they can identify those steps. The rule requires that Units of Government take "meaningful actions, in addition to combating discrimination, that overcome patterns of segregation and foster inclusive communities free from barriers that restrict access to opportunity based on protected characteristics." The rule replaces the Analysis of Impediments ("AI") to Fair Housing Choice with a new Assessment of Fair Housing ("AFH") tool. The AFH Tool uses HUD-generated data, and a significant community participation process, to identify areas of disparity, patterns of integration and segregation, and disproportionate housing needs. With the information generated through the AFH tool and AFFH, Units of Government are responsible for identifying fair housing issues and contributing factors, assigning priorities to contributing factors, setting goals for overcoming prioritized contributing factors, and maintaining records of progress in achieving goals.

The new process directly links the AFH tool and its identified goals with the Unit of Government's HUD-required program planning document (its Consolidated Plan or for a PHA, its 5-Year PHA Plan). Fair housing goals and priorities from the AFH are expected to be incorporated into the actual programming and proposed use of the HUD funds. Fair Housing staff are reviewing the AFFH rule and beginning to implement changes into the citizen participation plan. The first AFH tool is anticipated to be due to HUD from the State of Texas in May 2019. Staff will meet with legislators and local administrators to discuss the AFH tool and final rule.

Discussion

A current collaboration between federal funding recipients known as the Texas State Fair Housing Workgroup began in May, 2014 and continues to meet. This workgroup is assisting State agencies in adopting a uniform stance on Fair Housing issues and provide streamlined direction to essential Fair Housing information and best practices. To date, the workgroup has looked at sharing language assistance contracts, has generated ideas on streamlining Fair Housing discrimination complaint information and resources, and has served as a vehicle for comparing internal Fair Housing tracking and record keeping measures.

The Fair Housing Team at TDHCA has taken a leadership role in these meetings as directed under the 2013 Analysis of Impediments; the Fair Housing Team has shared both its Fair Housing Tracking Database and its Fair Housing website section, which TDHCA believes will become one of the leading Fair Housing website resources for the state. The Fair Housing Team has shared its demographic database, which is being created with the long-range goal of standardizing demographics collected in each TDHCA program area and analyzing these demographics to identify trends; make policy recommendations; and map service areas. As its initial test, this database will auto-generate an Excel spreadsheet that analyzes TDHCA multifamily property demographics against census data demographics by census tract, county, and MSA to determine which populations are under-represented or over-represented based on the definition of minority concentration from HUD. The spreadsheet debuted with the revised Multifamily and new Single Family Affirmative Marketing Rules. The spreadsheet assists Multifamily Owners in determining which populations are considered least likely to apply and should be included in an Affirmative Marketing Plan. The short-term effect should be an increase in understanding and compliance with the Affirmative Marketing Rule of TDHCA. The long-term effect should be an improved ability to determine which areas are under or over served and an ability to present such information objectively to stakeholders and local governments.

The Fair Housing Team has 36 action steps on which it is moving forward, and is able to produce metrics on its momentum under the AI through its Fair Housing Tracking Database. In addition to logged action steps, the database also includes outreach and daily task logs. The database collects action steps based on the four phases of project management planning (e.g., Plan, Review, Implement, and Evaluate) which lead staff to consider even at the planning stage how the step will be evaluated. This has resulted in a metrics-focused planning effort that will continue to guide future initiatives.

Finally, the State, through its Fair Housing Team, has created a new Fair Housing website section, including fair housing information for a variety of audiences (renters and homebuyers, owners and administrators, real estate agents, and local governments and elected officials) and will include fair housing toolkits and resources, links to a new Fair Housing email list and community events calendar, and a consumer survey. A portion of the available toolkits will be tailored to elected officials and local governments in an effort to encourage best practices in zoning and land use and addressing community concerns. Through this education and outreach, the State is hoping to make its best practices guidance widely known and to integrate such guidance with other state resource information.

AP-85 Other Actions – 91.320(j)

Introduction

The actions listed below are Other Actions taken by TDHCA, TDA, and DSHS to meet the requirements of §91.320(j). Other Actions include Meeting Underserved Needs, Fostering and Maintaining Affordable Housing, Lead-Based Paint Hazard Mitigation, Reducing Poverty-Level Households, Developing Institutional Structure, and Coordination of Housing and Services. The HOME, ESG, HOPWA, and CDBG programs address the other actions in concert with other federal, state, and local sources.

NHTF Addresses Affordable Housing

The NHTF Program provides to developments assisted by or through entities including, public organizations, nonprofit and for-profit organizations, and PHAs. These funds are primarily used to foster and maintain affordable housing by providing funding for preservation of existing affordable developments, or construction of new affordable developments. In addition, credits awarded through the HTC program can be layered with awarded funds from the NHTF program. When more than one source of funds is used in an affordable housing project, the State is able to provide more units of affordable housing than with one funding source alone.

Actions planned to address obstacles to meeting underserved needs

HOME Addresses Underserved Needs

Obstacles to meeting underserved needs with HOME funds, particularly multifamily activities, include NIMBYism, a lack of understanding of federal requirements surrounding the use of HOME funds, and staff observation that program administrators may have more strict tenant or household selection criteria than other locally-run programs. TDHCA works to overcome these obstacles by educating developers and the communities where affordable housing is being proposed, as well as by offering HOME funds as grants or low-interest loans, with rates as low as 0%.

ESG Addresses Underserved Needs

Lack of facilities and services for persons experiencing homelessness in rural areas is ESG's greatest underserved need. To help meet this need, TDHCA has used Community Services Block Grant discretionary funds to provide training and technical support to organizations in the Balance of State CoC. Shelters in the Balance of State CoC have limited funds for operations and maintenance, with little access to federal funds which often require substantial organizational capacity less common in smaller organizations. ESG and TDHCA's HHSP, which is state-funded only in some urban areas, may supplement federal funds in operational support.

HOPWA Addresses Underserved Needs

Some significant obstacles to addressing underserved needs are PLWH inability to obtain or maintain medical insurance, maintain income, and especially obtain employment, are partially due to a difficult economy in conjunction with rising costs of living (rent, deposits, utilities, food, transportation, etc.), high unemployment, no access to health insurance and/or decreased access to other affordable housing such as the HCV program. The inability to access HCVs is due to long or closed waiting lists, and in some cases, client non-compliance and ineligibility due to undocumented immigrant status. DSHS' HOPWA program helps meet the needs of this underserved population throughout the State by providing essential housing and utilities assistance as part of a comprehensive medical and supportive services system. As a result, PLWH and their families are able to maintain safe and affordable housing, reduce their risk of homelessness, and access medical care and supportive services. DSHS will reallocate funding to address changing needs to maximize and target HOPWA funding to HSDAs that are in greatest need.

CDBG Addresses Underserved Needs

TDA encourages projects addressing underserved community development needs. In PY 2014 CDBG funds will be available through five different grant categories to provide water or sewer services on private property for low- and moderate-income households by installing yard lines and paying impact and connection fees. Regional competition for funding allows each area of the state to determine its highest priority needs, which may vary from first-time water service to drought relief to drainage projects.

Since the first legislative reforms in the 1990s, service providers in colonias have made gains in their capacity to address colonia issues, but unmet needs still exist and the Texas-Mexico border population growth is still increasing. OCI's main obstacle in addressing colonia housing needs is the varying capacities of subrecipients to administer assistance. TDHCA has established Border Field Offices along the Texas-Mexico border to readily provide technical assistance and on-going training to organizations and local governments that use TDHCA's CDBG funding.

Actions planned to foster and maintain affordable housing

HOME Addresses Affordable Housing

The HOME Program provides grant funds, deferred forgivable loans, and repayable loans to households or developments assisted by or through entities including units of local government, public organizations, nonprofit and for-profit organizations, CHDOs and PHAs. These funds are primarily used to foster and maintain affordable housing by providing rental assistance, rehabilitation or reconstruction of owner-occupied housing units with or without refinancing, down payment and closing cost assistance with optional rehabilitation for the acquisition of affordable single family housing, single family development and funding for rental housing preservation of existing affordable or subsidized developments. HOME funds may also be used in conjunction with the HTC Program or Bond Program to construct or rehabilitate affordable rental housing.

In addition, credits awarded through the HTC program can be layered with awarded funds from the HOME Multifamily Direct Loan program. When more than one source of funds is used in an affordable housing project, the State is able to provide more units of affordable housing than with one funding source alone.

ESG Addresses Affordable Housing

While TDHCA encourages the use of ESG funds to provide affordable transitional housing, the majority of funds are utilized to provide emergency shelter. Fostering affordable housing is not an initiative for which TDHCA provides funding or that TDHCA monitors in relation to the ESG Program.

HOPWA Addresses Affordable Housing

The cost of living continues to rise (increases in rent, utilities, application fees, and security deposits) while clients' income does not change, may decrease, or clients have no income. HOPWA makes housing more affordable for low-income clients so they can maintain housing, adhere to medical treatment, and work towards a healthier outcome. Project Sponsors will address long-term goals with the clients to help them establish a financial plan that can assist them in maintaining their housing. Affordable housing needs are high among PLWH. DSHS will continue to update funding allocations to address the changing needs of local communities and to maximize and target HOPWA funding to HSDAs in greatest need. DSHS will consider a variety of factors including but not exclusive to HIV/AIDS morbidity, poverty level, housing costs and needs, and program waitlists and expenditures. Furthermore, funds are reallocated between HOPWA activities within HSDAs to meet changing needs during the project year.

CDBG Addresses Affordable Housing

Currently, CDBG funds primarily support affordable housing through water and sewer infrastructure for housing. The CDBG funding provides a cost savings for housing when used to install water and sewer yard lines and pay impact and connection fees for qualifying residents. Housing rehabilitation projects are prioritized in several fund categories, and TDA encourages each region to set aside a percentage of the regional allocation for housing rehabilitation projects. CDBG helps communities study affordable housing conditions, providing data on affordable housing stock and planning tools for expanding affordable housing. The Colonia SHCs continue to address affordable housing needs in border counties by assisting qualifying colonia residents to improve or maintain a safe, suitable home in suitable areas.

The OCI serves as a liaison to the Colonia SHCs to assist with securing funding and carrying out activities, such as low-interest mortgages, grants for self-help programs, revolving loan funds for septic tanks, and tool lending.

Actions planned to reduce lead-based paint hazards

HOME Addresses Lead-based Paint

The HOME Program requires lead screening in housing built before 1978 for all HOME eligible activities in accordance with 24 CFR §92.355 and 24 CFR Part 35, subparts A, B, J, K, M, and R. Furthermore, single-family and multifamily development activities in HOME increase the access to lead-based-paint-free housing through the construction of new housing or reconstruction of an existing housing unit. There is significant training, technical assistance, and oversight of this requirement on each activity funded under the HOME Program.

ESG Addresses Lead-based Paint

For ESG, TDHCA requires Subrecipients to evaluate and reduce lead-based paint hazards as part of its habitability review. During the annual contract implementation training, TDHCA will provide ESG Subrecipients with information related to lead-based paint regulations and TDHCA's requirements related to such. TDHCA will require ESG-funded Subrecipients to determine if a housing unit was built prior to 1978, for households seeking ESG funded rent or rent deposit assistance whose household has a family member(s) six year of age or younger. If the housing unit is built prior to 1978, the ESG Subrecipient will notify the household of the hazards of lead-based paint.
ESG Subrecipients utilizing ESG funds for renovation, rehabilitation or conversion must comply with the Lead-Based Paint Poisoning and Prevention Act and the Residential Lead-Based Paint Hazard Reduction Act of 1992. Through renovation, rehabilitation or conversion, ESG increases access to shelter without lead-based paint hazards. TDHCA evaluates, tracks, and reduces lead-based hazards for conversion, renovation, leasing or rehabilitation projects.

HOPWA Addresses Lead-Based Paint

HUD requires that Project Sponsors give all HOPWA clients utilizing homes built before 1978 the pamphlet entitled, "Protect Your Family from Lead in Your Home" during the intake process. The client's case record must include documentation that a copy of the pamphlet was given to the client and the case manager must make a certification regarding lead-based paint that includes actions and remedies if a child under age six will reside at the property.

CDBG Addresses Lead-Based Paint

Lead-based paint mitigation is an activity eligible under housing rehabilitation that is funded under the CPF, CFC, and Community Development Funds. Each contract awarded requires the sub-grantee to conform to Section 302 of the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. 4831(b)) and procedures established by TDA's CDBG in response to the Act.

NHTF Addresses Lead-based Paint

The NHTF Program requires lead screening in housing built before 1978 for all NHTF eligible activities in accordance with 24 CFR §92.355 and 24 CFR Part 35, subparts A, B, J, K, M, and R. Furthermore multifamily development activities in NHTF increase the access to lead-based-paint-free housing through the construction of new housing or reconstruction of an existing housing unit.

Actions planned to reduce the number of poverty-level families

HOME Addresses Poverty-Level Households

Through the HOME TBRA Program, TDHCA assists households with rental subsidy and security and utility deposit assistance for an initial term not to exceed 24 months. As a condition to receiving rental assistance, households must participate in a self-sufficiency program, which can include job training, General Education Development ("GED") classes, or drug dependency classes. The HOME Program enables households to receive rental assistance while participating in programs that will enable them to improve employment options and increase their economic independence and self-sufficiency. Additionally, TDHCA allocates funding toward the rehabilitation and construction of affordable housing, incentivizing units to assist very low-income households, and assists very low-income households along the international border of Texas and Mexico by promoting the conversion of contract for deed arrangements to traditional mortgages.

ESG Addresses Poverty-Level Households

The ESG Program funds activities that provide shelter and essential services for homeless persons, as well as intervention services for persons threatened with homelessness. Essential services for homeless persons include medical and psychological counseling, employment counseling, substance abuse treatment, transportation, and other services. While TDHCA supports the use of ESG funds to help ESG clients lift themselves above the poverty line, it is not a specific initiative for which TDHCA earmarks ESG funding or that TDHCA monitors for the ESG Program.

For individuals threatened with homelessness, homelessness prevention funds can be used for short-term subsidies to defray rent and utility arrearages for households receiving late notices, and security deposits.

HOPWA Addresses Poverty-Level Households

The DSHS HOPWA Program serves households in which at least one person is living with HIV based on income eligibility criteria of no more than 80% of AMI with adjustments for family and household size, as determined by HUD income limits. With varying poverty levels and housing needs in each HSDA across the State, funds are allocated and reallocated throughout the program year to maximize and target HOPWA resources to those with the most need. While many HOPWA households assisted may be at poverty-level, this is not a requirement under 24 CFR §574.3.

CDBG Addresses Poverty-Level Households

A substantial majority of TDA's CDBG funds, over 95% in 2013, are awarded to ¿principally benefit low and moderate income persons. In addition, the formula used to distribute CD funds among regions includes a variable for poverty to target funding to the greatest need. CDBG economic development funds create and retain jobs through assistance to businesses. LMI persons access these jobs, which may include training, fringe benefits, opportunities for promotion, and services such as child care.

NHTF Addresses Poverty-Level Households

NHTF allocates funding toward the ~~rehabilitation and~~ construction of affordable housing restricted to serve ELI households with affordable rents. These affordable units will allow households to have greater housing security and stability, and will ameliorate some of the negative impacts of living in poverty through provision of decent, safe and affordable housing.

Actions planned to develop institutional structure

HOME Addresses Institutional Structure

The HOME Program encourages partnerships in order to improve the provision of affordable housing. Organizations receiving Homebuyer Assistance funds are required to provide homebuyer education classes to households directly, or coordinate with a local organization that will provide the education. In addition, organizations receiving TBRA funds must provide self-sufficiency services directly, or coordinate with a local organization that will provide the services. Finally, partnerships with CHDOs and nonprofit and private-sector organizations facilitate the development of quality rental housing developments and assist in the rehabilitation or reconstruction of owner-occupied housing.

ESG Addresses Institutional Structure

TDHCA encourages ESG Subrecipients to coordinate services with housing and other service agencies. Likewise, the CoCs funded with ESG funds are required to coordinate services and their local funded organizations to provide services as part of the local CoC. While TDHCA believes its system of funding applications that apply to a statewide NOFA is an effective system, TDHCA also believes that its move to work locally with CoCs on ESG funding decisions advances program goals of local coordination and cooperation within CoCs. TDHCA reviews ESG Subrecipients' coordination efforts during on-site and desk monitoring. A map of local CoCs can be found online at: http://www.thn.org/continuums/.

HOPWA Addresses Institutional Structure

DSHS contracts with seven AAs, which contract directly with Project Sponsors serving all 26 HSDAs in the State to administer the HOPWA program under DSHS oversight. AAs also administer the delivery of other HIV health and social services, including the Ryan White and State Services HIV funds. This structure ensures the coordination of all agencies serving PLWH, avoids duplication, saves dollars, and provides the comprehensive supportive services for PLWH in each local community.

CDBG Addresses Institutional Structure

Each CDBG applicant must invite local housing organizations to provide input into the project selection process. TDA coordinates with state and federal agencies, regional Councils of Governments, and other partners to further its mission in community and economic development.
TDA also uses conference calls and webinars to provide training and technical assistance throughout the state. On-site project reviews may be conducted based on risk and other factors.

NHTF Addresses Institutional Structure

The NHTF Program encourages partnerships in order to improve the provision of affordable housing. Partnerships with nonprofit and private-sector organizations facilitate the development of quality rental housing developments. Development owners are required to provide tenant services to address the needs of ELI households living in the development.

Actions planned to enhance coordination between public and private housing and social service agencies

TDHCA has staff members that participate in several State advisory workgroups and committees. The workgroups and committees which TDHCA leads are listed in Action Plan Section 15. The groups in which TDHCA participates include, but are not limited to the Community Resource Coordination Groups, led by the Health and Human Services Commission ("HHSC"); the Council for Advising and Planning for the Prevention and Treatment of Mental and Substance Use Disorders, led by DSHS; Reentry Task Force, led by Texas Department of Criminal Justice; Interagency Workgroup on Border Issues, led by Secretary of State; Texas Foreclosure Prevention Task force, led by Texas State Affordable Housing Corporation; Money Follows the Person Demonstration Project, led by DADS; Promoting Independence Advisory Committee, led by HHSC; and Texas State Independent Living Council, lead by the Texas Department of Assistive and Rehabilitative Services ("DARS").

TDHCA's participation in HUD¿s Section 811 PRA Program requires linkages between housing and services through a partnership with TDHCA, and the State Medicaid Agency (i.e., HHSC). Because the program is designed so that an individual can access both affordable housing and services in the community, TDHCA staff and HHSC staff meet regularly to ensure both housing and services are coordinated for the program. TDHCA and HHSC have responsibilities to execute the program. TDHCA will use units for the program in multifamily housing financed by TDHCA and the services will be provided by a network of local service providers coordinated by the HHSC enterprise agencies.

HHSCC, established by Texas Government Code §2306.1091, seeks to improve interagency understanding and increase the number of staff in state housing and health services agencies that are conversant in both housing and services. HHSCC supports agencies in their efforts to secure funding for: expansion of Housing Navigators to all Aging and Disability Resource Centers ("ADRCs") with TDHCA assisting in training; expansion of the Program for All-Inclusive Care for the Elderly ("PACE"); implementation of the Delivery System Redesign Incentive Payment (¿DSRIP¿) behavioral health projects; implementation of the Balancing Incentives Payment ("BIP") initiative; and DSHS' expansion of Oxford Houses for people with Substance Use Disorders. (Other coordination efforts for HHSCC involving people leaving institutions are in Action Plan Section 65.)

Further cooperation was directed by Senate Bill 7 passed during the 83rd Legislative session. Texas Government Code §533.03551 directs the commissioner of HHSC to work in cooperation with TDHCA, TDA, Texas State Affordable Housing Corporation ("TSAHC"), and other federal, state, and local housing entities to develop housing supports for people with disabilities, including individuals with intellectual and developmental disabilities.

Finally, DADS provides Money Follows the Person Demonstration funds to TDHCA for the equivalent of two full-time employees to increase affordable housing options for individuals with disabilities who currently reside in institutions and choose to relocate into the community; and to increase the amount of affordable housing for persons with disabilities, along with other TDHCA programs that will assist in preventing institutionalization. These enhanced coordination efforts further the implementation of many programs included in the Consolidated Plan, including the Section 811 PRA Program, Section 8 Project Access, and HOME Single Family activities.

Discussion

In addition to the program actions mentioned above, TDHCA strives to meet underserved needs by closely monitoring affordable housing trends and issues as well as conducting its own research. TDHCA also makes adjustments to address community input gathered through roundtable discussions, web-based discussion forums and public hearings held throughout the State.
To foster and maintain affordable housing, TDHCA, TDA, and DSHS provide funds for nonprofit and for-profit organizations and public organizations to develop and maintain affordable housing. Funding sources include grants, low-interest loans, housing tax credits, and mortgage loans.
For lead-based paint hazard mitigation, DSHS has been charged with oversight of the Texas Environmental Lead Reduction Rules ("TELRR"). TELRR cover areas of lead-based paint activities in target housing (housing constructed prior to 1978) and child-occupied facilities, including the training and certification of persons conducting lead inspections, risk assessments, abatements, and project design. For all projects receiving over $25,000 in federal assistance, contractors need to follow inspections and abatements standards overseen by DSHS. By following these standards, the State is increasing the access to housing without lead-based paint hazards. The adherence to inspection and abatement standards is related to the extent of lead-based paint in that a majority of the housing in need of rehabilitation is likely housing built before 1978.

Furthermore, TDHCA, DSHS, and TDA's programs are aimed at reducing the number of Texans living in poverty, thereby providing a better quality of life for all Texans. The departments provide long-term solutions to the problems facing people in poverty and focus resources to those with the greatest need. Regarding institutional structure, TDHCA, DSHS, and TDA are primarily pass-through funding agencies and distribute federal funds to local entities that in turn provide assistance to households. Because of this, the agencies work with many partners, including consumer groups, community based organizations, neighborhood associations, community development corporations, councils of governments, community housing development organizations, community action agencies, real estate developers, social service providers, local lenders, investor-owned electric utilities, local government, nonprofits, faith-based organizations, property managers, state and local elected officials, and other state and federal agencies. Because the agencies do not fund individuals directly, coordination with outside entities is essential to the success of their programs. By structuring its operations this way, the State shares its risk and commits funds in correlation with local needs, local partners are able to concentrate specifically on their area of expertise and gradually expand to offering a further array of programs.

Finally, to enhance coordination between public and private housing and social service agencies, State agencies chief function is to distribute program funds to local providers that include units of local government, nonprofit and for-profit organizations, community-based organizations, private sector organizations, real estate developers and local lenders. The private housing and social service funds available for priority needs may include loans or grant programs through private banks, for-profit or nonprofit organizations; this source of funding varies from year to year.