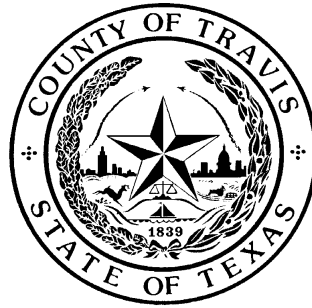

Travis County CDBG-DR Housing Guidelines

2015 Flood Events

Revised April 15, 2022



Travis County Health & Human Services Department

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Change/Version Log Table

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Introduction

In May and October of 2015, Travis County experienced floods that were declared Presidential Disaster Areas. As a part of the declaration, the U.S. Department of Housing and Urban Development (HUD) is providing funds to the State of Texas through the Texas General Land Office (GLO) to be distributed to affected areas to facilitate long term recovery in the form of Community Development Block Grant Disaster Recovery (CDBG-DR) funds. **From these funds, Travis County is receiving an award of \$1,366,574.00 for housing recovery.**

The Travis County Homebuyer Assistance Program supported by CDBG-DR funds will be administered by Travis County via a Program Operator under the guidelines and oversight of the GLO. Travis County adopted, with changes, the general housing guidelines put forth by GLO published September 19, 2018, for the 2015-2016 Community Development Block Grant Disaster Recovery (CDBG-DR) Flood Recovery.

The Travis County CDBG-DR Homebuyer Assistance Program (the Program) will provide down payment assistance for Low- to Moderate-Income individual households who were impacted renters or homeowners at the time of the May or October 2015 floods and who have selected a home within Travis County, outside of the boundaries of the City of Austin. These households may apply to purchase a home in Travis County (outside the City of Austin) through a deferred, 3-year forgivable loan for up to 100% of the down payment needed per household (with the Loan-to-Value Ratio not to exceed 105%). The down payment is restricted to the amount needed to facilitate homeownership, which will be based upon income and mortgage affordability.

The Program will be administered by a grant sub-recipient (the “Program Operator”).

Unlike many other CDBG-DR disaster recovery programs, which are implemented as a result of a flood event or perhaps another natural disaster, and contain of a buyout component, the Travis County program does not contain a buyout component.

The Texas General Land Office (GLO) and Long-Term Recovery

The GLO’s Community Development and Revitalization division (GLO-CDR) oversees the administration of Community Development Block Grant Disaster Recovery (CDBG-DR) funds allocated to Texas by HUD following a disaster. These funds support communities working to build back stronger and more resilient. CDBG-DR funds are a special appropriation from Congress associated with a Presidentially-declared disaster. These GLO Housing Guidelines (the Guidelines) address the 2015 flooding disaster Events associated with the following CDBG-DR funds:

Table 1. Applicability

Event	Federal Register (FR)	Date of Publication	Public Law(s)	FR Located at:
2015	81 FR 39687, Vol. 82, No. 117	06/17/2016	P.L. 114-113	https://www.gpo.gov/fdsys/pkg/FR-2016-06-17/pdf/2016-14110.pdf
	82 FR 36812, Vol. 82, No. 150	08/07/2017	P.L. 115-31	https://www.gpo.gov/fdsys/pkg/FR-2017-08-07/pdf/2017-16411.pdf

Recovery projects using CDBG-DR funds must meet the following HUD-designated National Objectives to be an eligible housing activity:

- Benefiting Low- to Moderate-Income Persons (LMI)
 - Low- and Moderate-Income Housing (LMH) provides that any assisted activity that involves the acquisition or rehabilitation of property to provide housing shall be considered to benefit persons of low- to moderate-income only to the extent such housing will, upon completion, be occupied by such persons.

The purpose of these Guidelines is to aid in the long-term recovery efforts following the 2015 storms and floods; specifically, to assist in moving eligible homeowners out of harm’s way through homebuyer assistance.

Travis County will administer the 2015 Storms and Flooding CDBG-DR Housing Program (the Program) with the support of a vendor, the Program Operator.

Questions regarding these Guidelines or requests for more information should be directed to the Travis County CDBG office: cdbg@traviscountytx.gov.

1. PROGRAM OBJECTIVES

The primary focus of the Travis County Homebuyer Assistance Program is to provide relief for Survivors affected by an Event (May and October 2015 Flood Events) while complying with all CDBG-DR requirements and addressing recognized impediments to fair housing choice as required under the Fair Housing Act. Assistance may be provided to Survivors in the form of homebuyer assistance. The homebuyer assistance program should consider the following objectives:

- Prioritize Households based on income criteria first, and a second consideration of the presence of any additional social characteristics that may qualify the Household as historically vulnerable to recovery barriers such as: Households in which members are under the age of 18, female heads of Household, elderly, and disabled Households, and/or Veteran populations while affirmatively furthering fair housing.
- Emphasize housing choices and designs to reduce maintenance and insurance costs, as well as provide the provision of independent living options.

2. DEFINITIONS

Adjusted Gross Income (AGI): AGI is an individual's total gross income minus specific deductions. The GLO-CDR Adjusted Gross Income Methodology may be found at <http://recovery.texas.gov/>.

Affirmative Fair Housing Marketing Plan (AFHMP): A document used to help subrecipients offer equal housing opportunities regardless of race, color, national origin, religion, sex, familial status, or disability¹ (24 CFR Part 200, Subpart M). Implementing Affirmative Fair Housing Marketing Requirements Handbook (8025.1) can be obtained from HUD’s website: https://www.hud.gov/program_offices/administration/hudclips/handbooks/fheo/80251

¹ 24 CFR 200.625

Affirmatively Furthering Fair Housing (AFFH): AFFH is a legal requirement that federal agencies and federal grantees further the purposes of the Fair Housing Act. HUD's AFFH rule provides an effective planning approach to aid program participants in taking meaningful actions to overcome historic patterns of segregation, promote fair housing choice, and foster inclusive communities that are free from discrimination. The HUD AFFH assessment tool and final rule can be found here:

https://www.huduser.gov/portal/affht_pt.html.

Affordability Period: The period of time during which a property must comply with CDBG-DR program rules and regulations, including primary residency, income, and rent restrictions as applicable.

Annual Income: Household income is the annual gross income of all adult Household members that is projected to be received during the coming 12-month period and will be used to determine program eligibility. For those types of income counted, gross amounts (before any deductions have been taken) are used; and the types of income that are not considered would be income of minors or live-in aides. Certain other Household members living apart from the Household also require special consideration. The Household's projected ability to pay must be used, rather than past earnings, when calculating income.

Applicant/Homeowner/Survivor: (Used interchangeably) Individuals whose homes or housing units were destroyed, made uninhabitable, in need of repairs, or who suffered disaster-related displacement from their primary residences and/or loss of property.

Area Median Income (AMI): Calculated annual limits based on HUD-estimated median family income with adjustments based on family size used for demonstrating LMI beneficiaries in the programs. May also be referred to Area Median Family Income (AMFI) in other program documents.

Beneficiary: The recipient deriving advantage from CDBG-DR funding.

Buyout: Purchase of an eligible property at the fair market value of the land and structures with the intent to reduce risk from future flooding or to reduce risk from future hazard. Buyouts are properties within defined Disaster Reduction Risk Areas (DRRA), determined in consultation with county and local governments such as areas within the 100-year floodplain and/or in the highest risk areas as defined by FEMA flood map "V Zone." The property acquired will be dedicated and maintained in perpetuity for a use that is compatible with open space, recreational use, or floodplain and wetlands management practices. Buyout-only is typically not considered a complete activity in the Program and may be combined with another eligible activity (i.e., relocation assistance and new construction of housing).

Case Management: Working with individual Survivors and their families to understand the Program's housing options, resulting in clear and transparent determination of eligibility. Case managers must consider all special circumstances of the Survivor's needs to decrease their barriers to participate in the program where possible. Staff should meet at designated locations and supply information in a standard format.

Damage Assessment: An inspection of the housing unit to document damage from the Event. The assessment by a certified or licensed inspector (HQS, TREC, or similar license) is required to specifically and clearly document storm-related property damage via photographic evidence and

detailed narratives (see the GLO's Damage Assessment Guidelines, found at <http://recovery.texas.gov/>). Damage Assessments must include final cost of repair estimates according to local code, an assessment of the cost-effectiveness of each recommended activity (rehabilitation, reconstruction, or new construction), mold remediation, and assistance needed to bring the home up to code at completion.

Duplication of Benefits: The Robert T. Stafford Disaster Assistance and Emergency Relief Act (Stafford Act) prohibits any person, business concern, or other entity from receiving financial assistance from CDBG-DR funding with respect to any part of a loss resulting from a major disaster as to which he/she has already received financial assistance under any other program or from insurance or any other source.

Environmental Review: All qualified projects must undergo an environmental review process. This process ensures that the activities comply with National Environmental Policy Act (NEPA) and other applicable state and federal laws.

Event: The 2015 Texas Presidentially declared storm and flooding disaster events.

Family: The term family means all persons living together in the same housing unit, as further defined under 24 CFR 570.3.

Federal Emergency Management Agency (FEMA)-Designated High-Risk Area: Areas designated by FEMA as vulnerable to significant wind and/or storm surge damage and areas located in 100-year flood zones. These areas will be identified during the environmental review process for each participating jurisdiction.

Federal Register (FR): A daily publication of the US federal government that issues proposed and final administrative regulations of federal agencies.

Flood Disaster Protection Act of 1973 and Sec. 582(a) of the National Flood Insurance Reform Act of 1994: Compliance with the legal requirements of Section 582(a) mandates that HUD flood disaster assistance that is made available in Special Flood Hazard Areas (SFHAs) may not be used to make a payment (including any loan assistance payment) to a person for repair, replacement or restoration for flood damage to any personal, residential or commercial property if: (1) the person had previously received federal flood disaster assistance conditioned on obtaining and maintaining flood insurance; and (2) that person failed to obtain and maintain flood insurance as required under applicable federal law on such property.

Flood Hazard Area: Areas designated by FEMA and/or by adopted Travis County regulations as having risk of flooding.

Flood Insurance: The Flood Disaster Protection Act of 1973 (42 U.S.C. 4012a) requires that projects receiving federal assistance and located in an area identified by FEMA as being within a Special Flood Hazard Area (SFHA) be covered by flood insurance under the National Flood Insurance Program (NFIP). In order to be able to purchase flood insurance, the community must be participating in the NFIP. If the community is not participating in the NFIP, federal assistance cannot be used in those areas.

Floodplain: FEMA designates floodplains as geographic zones subject to varying levels of flood risk. Each zone reflects the severity or type of potential flooding in the area.

- “100-year floodplain” — the geographical area defined by FEMA as having a one percent chance of being inundated by a flooding Event in any given year.
- “500-year floodplain” — the geographical area defined by FEMA as having a 0.2 percent chance of being inundated by a flooding Event in any given year.

As of May 1, 2019, Travis County adopted the FEMA 0.2% annual chance floodplain (500 year) as the regulatory floodplain, the approximate Flood Zone A along with a 100 ft. buffer around the approximate Zone A and the Colorado River Corridor—Lake Travis and the Colorado River—where the County uses FEMA’s 1% annual chance floodplain (100 year). All development in these areas also has a 2-foot freeboard requirement.

General Land Office (GLO): The Texas General Land Office is the lead state agency for managing the state's Community Development Block Grant - Disaster Recovery funds through the U.S. Department of Housing and Urban Development.

Grant Agreement: A funding agreement detailing eligible program costs and project-specific award agreements between HUD and the GLO, including regulatory provisions, certifications, and requirements.

Grant Award: The amount, including up to 100% of the required down payment, reasonable closing costs, principal write-down assistance, subsidization of interest rates, and private mortgage insurance, provided by the CDBG-DR Program to facilitate the purchase of a new or existing home.

Home/Housing Unit: (used interchangeably) a house, apartment, group of rooms, or single room occupied or intended for occupancy as separate living quarters.

Homebuyer: A beneficiary, or recipient deriving advantage from CDBG-DR funding.

Homebuyer Assistance Activity: The utilization of CDBG-DR Disaster Recovery funding for up to 100% of the required down payment, reasonable closing costs, principal write-down assistance, subsidization of interest rates, and private mortgage insurance to facilitate the purchase of a new or existing home.

Household: A household is defined as all persons occupying the same housing unit, regardless of their relationship to each other. The occupants could consist of a single family, two or more families living together, or any other group of related or unrelated persons who share living arrangements. For housing activities, the test of meeting the LMI National Objective is based on the LMI of the Household.

Housing and Community Development Act of 1974, as amended by the Supplemental Appropriations Act of 1984: Established the program of Community Development Block Grants to finance the acquisition and rehabilitation of real property and which defined the recipients and uses of such grants, with the primary goal of benefitting LMI persons.

Housing and Urban Development Act of 1968, Section 3: Requires program administrators ensure that training, employment, and other economic opportunities generated by HUD financial assistance

shall be directed to the greatest extent feasible and consistent with existing federal, state, and local laws and regulations, to low- and very low-income persons. Recipients of Section 3-covered funding ensure compliance and the compliance of their contractors/subcontractors with the Section 3 requirements, as outlined in 24 CFR 135.32.²

Housing Incentives: Incentive payments are generally offered in addition to other programs (e.g., buyout) or funding (such as insurance) to encourage Households to relocate in a suitable housing development or an area promoted by the community's comprehensive recovery plan. The housing incentive may be offered to improve a residential structure that upon completion will be occupied by a low- to moderate-income Household. An incentive may be offered in addition to a buyout payment for Households that volunteer to relocate outside of the floodplain or to a lower-risk area. A buyout incentive is not available for properties that served as second homes at the time of the disaster or following the disaster.

Low to Moderate Housing (LMH) National Objective: Any activity that involves the buyout, acquisition, or rehabilitation of property to provide housing or improve permanent residential structures will upon completion benefit and must be occupied by low- and moderate-income Households (42 U.S.C. 5305(c)(3)). Income eligibility will be determined using Area Median Income (AMI), adjusted for family size, and verified in accordance with GLO's Adjusted Gross Income Methodology. Travis County shall use the most current income limits, published annually by HUD, to verify the income eligibility of each Household applying for assistance at the time Travis County provides assistance to that Household.

Low to Moderate Income National Objective: Activities which benefit persons of income that does not exceed 80 percent of the area median income:

- Very low: Household's annual income is up to 30 percent of the AMI, as determined by HUD, adjusted for family size;
- Low: Household's annual income is between 31 percent and 50 percent of the AMI, as determined by HUD, adjusted for family size; and
- Moderate: Household's annual income is between 51 percent and 80 percent of the AMI, as determined by HUD, adjusted for family size.

Manufactured Housing Unit (MHU): A structure, transportable in one or more sections which in the traveling mode is 8 body-feet or more in width, or 40 body-feet or more in length, or when erected on site, is at least 320 square feet, and which is built on a permanent chassis and is designed to be used as a dwelling with or without a permanent foundation when connected to the required utilities, and includes the plumbing, heating, air-conditioning, and electrical systems contained therein.

Mitigation: Improvements made to reduce the possibility of property damage, personal and commercial hardship, as well as long lasting monetary burdens. For example, creating a flood mitigation program such as an acquisition of at-risk flood-prone property/housing, and elevation of

² <https://www.hudexchange.info>

housing in high-risk floodplains are two visible and effective mitigation projects that can be taken to make residents and communities safer in the face of natural disasters.

Modular Housing: A home built in sections in a factory to meet state, local, or regional building codes. Once assembled, the modular unit becomes permanently fixed to one site.

Needs Assessment: A needs assessment is a critical component in the allocation of funding across and within National Objectives for CDBG-DR funds. A given needs assessment will recommend the proportions of funding that should be set aside to benefit each LMI and non-LMI economic group. The needs assessment will determine the activities to be offered, the demographics to receive concentrated attention, the disabled, "special needs," vulnerable populations, and target areas to be served. The needs assessment will also include an assessment of the types of public services activities that may be needed to complement the program. The needs assessment should set goals within the income brackets similar to the housing damage

sustained within the impacted areas. Deviations from goals must be approved by the GLO before the Program may move forward. The GLO will work with subrecipients to develop regional local needs assessments. Each needs assessment will be posted for a 14-day public comment period and approved by the GLO before implementation.

Overall Benefit: The state must certify that, in the aggregate, not less than 70 percent of the CDBG-DR funds received by the state during a period specified by the state will be used for activities that benefit LMI Households.

Primary Lender: The entity managing the 1st lien mortgage loan for the beneficiary.

Program: Travis County's plan, process, and procedures to assist residents in disaster affected areas and distribute CDBG-DR funds to provide homebuyer assistance.

Program Design: The selection and development of programs and activities based on a needs assessment. The Program Design must include the type of housing activities that will be offered by Travis County; how the program will be marketed; how Fair Housing Objectives will be achieved, as described in the AFHMP; and how funding will be prioritized as determined through a needs assessment.

Program Income: Net income derived from the sale of program assets that exceeds \$35,000 in the aggregate, in a single fiscal year, received by the subrecipient and directly generated from the use of housing CDBG-DR funds.

Program Operator: The Vendor procured, per 2 CFR 200 to implement and administer Travis County's CDBG-DR Homebuyer Assistance Program.

Seller: The owner of the property being sold to the program beneficiary.

Single Family Home: A single-unit family residence detached or attached to other housing structures.

Sponsor (Travis County): a Subrecipient who has a contractual relationship with the GLO to fund its Program and provide funding to Applicants through the Program.

Subrecipient (Travis County): GLO defines subrecipients as cities, counties, Indian tribes, local governmental agencies (including COGs), other entities identified in approved Action Plans, private non-profits (including faith-based organizations), or a for-profit entity authorized under 24 CFR 570.201(o). The definition of subrecipient does not include procured vendors, private grant administrators, or contractors providing supplies, equipment, construction, or services and may be further restricted by GLO Program rules or other guidance including applications. See vendor definition for further clarification.

Subrogation Agreement: An agreement executed by the Beneficiary agreeing to repay any duplicative assistance if the Beneficiary later receives other disaster assistance for the same purpose as disaster recovery funds already received.

Substantial Damage: Damage of any origin sustained by a structure whereby the cost of restoring the structure to its pre-damaged condition would equal or exceed 50 percent of the market value of the structure before the damage occurred (44 CFR 59.1).

Texas Integrated Grant Reporting (TIGR): TIGR is the GLO system of record for all CDBG-DR grant management and reporting.

Uniform Relocation Assistance and Real Property Acquisitions Policies Act of 1970, as amended (Title 49 CFR Part 24) (42 U.S.C. 4601 et seq.) (URA): Applies to all acquisitions of real property or displacements of persons resulting from federal or federally assisted program or projects. URA's objective is to provide uniform, fair, and equitable treatment of persons whose real property is acquired or who are displaced in connection with federally funded projects. For the purposes of these guidelines, URA mostly applies to residential displacements in involuntary (49 CFR Subpart B) acquisition or multifamily damaged/occupied activities that require the relocation of the tenants. A displaced person is eligible to receive a rental assistance payment that is calculated to cover a period of 42 months, as waived by the FR.

Unsecured Forgivable Promissory Note: If the Applicant qualifies for disaster recovery assistance and receives an award of funding, there are conditions placed on the Applicant receiving the assistance. An Unsecured Forgivable Promissory Note (the Note) between the assisted Beneficiary and the Travis County outlines the conditions that requires Applicants to comply with several terms during a set affordability period. Once the Homeowner complies with all the terms of the Note and the affordability period ends, the terms are forgiven.

Urgent Need National Objective: An urgent need that exists because conditions pose serious and immediate threat to the health or welfare of the community; the existing conditions are recent or recently became urgent; and the subrecipient cannot finance the activities on its own because other funding sources are not available. Travis County will document how each program and/or activity funded under this category responds to a disaster-related impact. See 24 CFR 570.208(c).

Vendor: Vendors, private grant administrators, or contractors procured by the state or subrecipients to provide supplies, equipment, or services necessary to implement the Program and to serve Homeowner assistance needs. A vendor may act on behalf of the subrecipient.

Impacted Areas

Table 2. Eligible Counties and Most Impacted Counties

Impacted Areas	
2 0 1 5	<p>Most Impacted Counties (4) Harris*, Hays*, Hidalgo, Travis</p> <p><i>*The cities of Houston and San Marcos (and their respective Housing Authorities) will receive direct allocations and will administer their own programs; therefore, homes which lie outside of the city limits in Harris and Hays County will solely be inclusive.</i></p>
	<p>Impacted Competition Counties (112)</p> <p>Angelina, Archer, Atascosa, Austin, Bastrop, Baylor, Blanco, Bosque, Bowie, Brazoria, Brown, Burleson, Caldwell, Callahan, Cameron, Cass, Cherokee, Clay, Collingsworth, Colorado, Comal, Comanche, Cooke, Coryell, Dallas, Delta, Denton, DeWitt, Dickens, Duval, Eastland, Edwards, Ellis, Erath, Fannin, Fayette, Fort Bend, Frio, Gaines, Galveston, Garza, Gillespie, Gonzales, Grayson, Grimes, Guadalupe, Hall, Hardin, Harrison, Hartley, Henderson, Hill, Hood, Hopkins, Houston, Jack, Jasper, Jim Wells, Johnson, Jones, Kaufman, Kendall, Lamar, Lee, Leon, Liberty, Lubbock, Lynn, Madison, McLennan, Milam, Montague, Montgomery, Nacogdoches, Navarro, Newton, Nueces, Orange, Palo Pinto, Parker, Polk, Real, Red River, Refugio, Robertson, Rusk, Sabine, San Augustine, San Jacinto, Shelby, Smith, Somervell, Starr, Tarrant, Throckmorton, Tom Green, Trinity, Tyler, Uvalde, Van Zandt, Victoria, Waller, Waller, Washington, Wharton, Wichita, Willacy, Williamson, Wilson, Wise, Young, Zavala</p>

3. PROGRAM DESIGN

This section includes technical rules and terms required by GLO. For more public-friendly information and specifics about Travis County’s CDBG-DR Homebuyer Assistance Program, please see Section 4, beginning on page 23.

To develop the Program Design for all activities offered through this funding, Travis County will use qualified data (HUD/FEMA/SBA, insurance data, or other data as approved by the GLO in advance, to allocate the disaster funding). Section 3.A (2) explains an unmet needs assessment, which Travis County will provide as a participating subrecipient. The GLO will assist Travis County in the development and approval of its needs assessment.

- Qualified data will be used to document the impact of the relevant Event on the LMI subcategories which will aid in the development of a goal for targeting the use of housing funds in the appropriate levels and to the appropriate economic categories.
- The method of data evaluation utilized by the state and Travis County (i.e., class distribution categories by income, raw number of homes impacted versus the aggregated dollar amounts impacting communities, etc.) must be made available to the public for 14 days on a publicly accessible website. Notice of the posting of the method of review must be provided to the GLO not later than the day the method is posted on a website. If any public comment is made, Travis County must address the comment in a public response.

A. Program Design Requirements

(1) National Objective

All housing activities must meet one of the three National Objectives required under the authorizing statute of the CDBG-DR Program. Travis County will utilize the following

National Objective to meet this program requirement:

- **LMI** — Benefitting Low- to Moderate-Income persons:
 - **LMH** – Low- and Moderate-Income Housing provides that any assisted activity that involves the acquisition or rehabilitation of property to provide housing shall be considered to benefit persons of low- to moderate-income only to the extent such housing will, upon completion, be occupied by such persons.

(2) Unmet Needs Analysis

An Unmet Needs Analysis of HUD/FEMA or other housing demographic disaster victim data may be considered when determining the proportions of funding awarded that must be set aside to benefit each LMI and non-LMI economic group. The use of FEMA claims data (when available) and other Applicant demographic data allows for goals to be established to fairly allocate funds across jurisdictions and neighborhoods to serve Survivors in proportion to need. The Needs Assessment will determine the activities to be offered, the demographics to receive concentrated attention, and any target areas to be served the disabled, "special needs," vulnerable populations, and target areas to be served.

The GLO will assist Travis County on the methodology and data analysis and provide applicable raw data needed to develop and assist in development of their regional Needs Assessments. Additional information and guidance on developing a Needs Assessment is available at <http://recovery.texas.gov/>.

Applicants applying for disaster assistance must meet certain eligibility standards to qualify for assistance. Eligibility standards are further discussed in the activity-specific Guidelines in this document.

Generally, applicant eligibility for homebuyer assistance is as follows:

- ✓ Applicant must meet HUD's definition of a first-time homebuyer
- ✓ Applicant must be impacted by the May or October 2015 Flood Events (Proof of Event Damage required)
- ✓ Applicant must be able to qualify for a mortgage/home loan
- ✓ Applicant must be at or below 80% AMI/MFI (based upon current income limits updated annually)
- ✓ Applicant must take housing counseling class from a HUD-Approved Housing Counseling Agency
- ✓ Must purchase a home in Travis County, but outside of a floodplain/out of harm's way
- ✓ Additionally, *the Property Eligibility Requirements* outlined in Section 4.D. of the Guidelines must also be met.

Please see Section 4 C and D in these Guidelines for the full context of all Applicant and Property Eligibility Requirements.

The Needs Assessment will document goals within the income brackets in proportion to the damaged units in the impacted area. The GLO must approve deviations from goals before Travis County can move forward:

- 0% - 30% AMI
- 31% - 50% AMI
- 51% - 80% AMI

See Appendix A - Travis County CDBG-DR Housing Needs Assessment: 2015 Flood Events for more information.

(3) Environmental Review

All sites must undergo a complete environmental review prior to any commitment of funds. The environmental review shall document compliance with 24 CFR Part 58 and all related laws and authorities. Properties with adverse environmental conditions will not be permitted to proceed under housing activities unless the adverse conditions are corrected. No work can start on a site until the environmental review is complete.

(4) Proof of Event Damage

For homebuyer assistance, the unit must demonstrate that the damage or destruction to unit occurred by the Event. Proof of residency in Travis County at the time of the storm will be sufficient to meet this requirement. Disaster damage can be documented as follows:

- (a) FEMA, Small Business Administration (SBA) or Insurance Award Letters;
- (b) If the above-referenced documentation is not available, an inspection report/Damage Assessment (complete with photos of the damage and a written assessment of the damage with each photo taken) conducted by a certified or licensed inspector (HQS, TREC, or similar license) must be supplied by Travis County that certifies the damage occurred as a result of the Event (refer to the GLO's Damage Assessment Guidelines found at <http://recovery.texas.gov/>); or
- (c) If FEMA, SBA, or Insurance Award Letters are not available and an inspection report is inconclusive as to the cause of the damage, Travis County may provide alternative evidence, such as neighborhood-level media reports or documentation of damage by disaster response/relief organizations. GLO approval is required for this form of proof.

If FEMA denied assistance to an Applicant, assistance through the CDBG-DR Program may still be available. Applicants are not solely ineligible based on a denial by FEMA.

A Damage Assessment must be performed by a certified or licensed inspector (HQS, TREC or similar license) to specifically and clearly document Event related damage via photographic evidence and detailed narratives if the Survivor did not receive FEMA or SBA funds for the repair or replacement of a home.

(5) Size of Unit

Travis County will follow HUD standards for the number of bedrooms and size of unit based on Household size. HUD guidelines provide minimum size of unit based on anticipated Household size and occupancy policies that allow for two persons per bedroom as reasonable. The GLO follows the HUD HOME Program in determining Household size. Household composition determinations should be made by communities early in the eligibility process as this may affect the Applicant's decision to proceed with recovery assistance.

Exceptions to this standard are based on the following factors:

- (a) No more than two persons are required to occupy a bedroom.

- (b) Persons of different generations (i.e., grandparents, parents, children), persons of the opposite sex (other than spouses/couples), and unrelated adults are not required to share a bedroom. Note: All persons over the age of 18 are considered adults.
- (c) Couples living as spouses (whether or not legally married) must share the same bedroom for issuance size purposes.
- (d) A live-in aide who is not a member of the family is not required to share a bedroom with another member of the Household. Note: The need for a full-time live-in aide must be documented.
- (e) Individual medical problems (e.g., chronic illness) sometimes require separate bedrooms for Household members who would otherwise be required to share a bedroom. Documentation supporting the larger-sized unit and related subsidy must be provided and verified as valid.
- (f) In most instances, a bedroom is not provided for a family member who will be absent most of the time. If individual circumstances warrant special consideration, a waiver request may be approved.
- (g) To comply with the standard, Travis County must follow and document the reason for a requested exception as noted in the issuance size exception section below.

When determining family issuance size, include all children expected to reside in the unit in the next year as members of the Household. Examples include, but are not limited to, the following:

- Pregnant women: Children expected to be born to pregnant women are included as members of the Household.
- Adoption: A Household includes as members, children who are in the adoption process within the Household.
- Foster Children: Foster children residing in the unit along with families who are certified for foster care and are awaiting placement of children are included as members of the Household. If children are anticipated to occupy the unit within a reasonable period of time, they must be considered when determining the issuance size.
- Joint/Shared Custody Arrangements: In most instances, children in joint/shared custody arrangements should occupy the unit at least 50 percent of the time. However, if individual circumstances merit special consideration, a waiver request may be approved as outlined in the section on Issuance Size Exceptions. The custody arrangement may be verified by the divorce decree/legal documents or by self-certification.
- Custody of Children in Process: Children whose custody is in the process of being obtained by an adult Household member may be included as members of the Household. Evidence that there is a reasonable likelihood that the child will be awarded to the adult (e.g., within 3 months) must be provided for such child to be included.
- Children Temporarily Absent from Household:
 - Children temporarily absent from the home due to placement in foster care may be included as members of the Household. Evidence that there is a reasonable likelihood

that the child will return to the Household (e.g., within 3 months) must be provided for such child to be included.

- Children who are away at school but live with the family during school recesses are included as members of the Household.
- Chronic Illness — An individual with an ongoing health problem who requires at least part-time assistance on a regular basis;
- Pending Child Custody cases — Includes, but is not limited to, children in foster care who may be returning home, foster children, pending adoptions, etc.; and
- Parental Custody Situations — Children physically occupy the unit less than 50 percent of the time as documented by a divorce decree and/or self-certification.

Issuance size exceptions may be granted by Travis County through the Program Operator.

Waivers for other individual circumstances may be granted with pre-approval by the GLO. The family must request a waiver in writing to the Program Operator and explain the need and justification. If Travis County through the Program Operator is unable or unwilling to grant the exception, Travis County will submit the waiver request to GLO.

(6) Timeliness of Application Status

Travis County and the Program Operator will ensure timely communication of application status to Applicants who have applied for disaster recovery assistance. Timeliness means multiple methods of communication, such as websites, toll-free numbers, or other means that provide Applicants for recovery assistance with timely information to determine the status of their application for recovery assistance at all phases. Procedures must indicate methods for communication (e.g., website telephone, case managers, letters, etc.). Travis County and the Program Operator will ensure the accessibility and privacy of individualized information for all Applicants, frequency of Applicant status updates, and personnel or unit responsible for Applicant's information on the status of recovery applications.

(7) Affirmatively Furthering Fair Housing Review

All projects must undergo an AFFH review by the GLO prior to any commitment of funds. Such review will include assessment of a proposed project's area demography, socioeconomic characteristics, housing configuration and need, educational, transportation, health care opportunities, environmental hazards or concerns, and all other factors material to the determination. Applications should show that projects are likely to lessen area racial, ethnic, and low-income concentrations, and/or promote affordable housing in low-poverty, non-minority areas in response to natural hazard related impacts.

Travis County will utilize HUD data, local data and local knowledge to affirmatively further fair housing opportunities in the County's jurisdiction. Travis County will maintain a free-standing participant log with all applicants with the amount of the award in each area (Homebuyer Assistance), and, where possible, the race or ethnicity of the applicant (since this is generally voluntary information, if it is not obtainable, that should be indicated) for each applicant whether awarded or not. Personally Identifiable Information (PII) will not be included (social security numbers, driver's license information or mortgage information) as it is not

relevant for this review. A log of this nature will expedite the review for GLO monitors or outside parties to ensure the program is in keeping with the goals of the Affirmatively Furthering Fair Housing Final Rule.

B. Housing Assistance Caps

Unit Costs must be necessary, reasonable, allowable, and allocable. Refer to 2 CFR Part 200 Subpart E

The following table (Table 3) charts monetary caps for assistance apply to Applicants based on project type.

Table 3. Housing Assistance Caps

Project Type	Homebuyer Assistance
Down Payment	Up to 100% of (the amount needed to facilitate homeownership ¹)

¹ Therefore, 42 U.S.C. 5305(a)(24) is waived to the extent necessary to allow: (1) Homeownership assistance for households with up to 120 percent of the area median income and (2) down payment assistance for up to 100 percent of the down payment (42 U.S.C. 5305(a)(24)(D))

Although 100% of the amount needed to facilitate homeownership may be awarded to eligible homebuyers, the following must be adhered to:

- A homebuyer may not exceed the front-end and back-end qualifying ratios, which are based upon expenses or debt and gross monthly income; and
- The Loan-to-Value (LTV) ratio shall not exceed 105%. The LTV is the mortgage loan amount divided by the property sales price or appraised value. The difference or “Affordability Gap” between the loan amount and the property sales price shall be filled by down payment assistance; as well as other eligibility criteria.

The maximum loan amount or home price typically should not exceed three times (3X) the annual adjusted gross income (annual salary).

C. Affirmative Marketing Outreach Plan

Local jurisdictions administering the Program are committed to affirmatively furthering fair housing through established affirmative marketing policies. Travis County affirmative marketing efforts for the disaster funding will include the following:

- An Affirmative Fair Housing Marketing Plan, based on HUD regulations. The plan must include items on the GLO's checklist to affirmatively market units financed through the Program. The procedures cover dissemination of information, technical assistance to Applicants, project management, reporting requirements, and project review.
- The goal is to ensure that outreach and communication efforts reach eligible Survivors from all racial, ethnic, national origin, religious, familial status, the disabled, “special needs,” and gender groups. For each project or program, notification to these populations should include:
 - Fully informed of vacant units available for sale;
 - Encouraged to apply for purchase; and

- Given the opportunity to buy the unit of their choice.
- Emphasis should be focused on successful outreach to LMI areas and those communities with minority concentrations that were affected by the disaster. Outreach efforts may include door-to-door canvassing and special outreach efforts to hard-to-reach populations (e.g., seniors, and persons with severe disabilities who either do not have information about the resources available or are unable to apply for resources).
- In addition to marketing through widely available media outlets, efforts may be taken to affirmatively market the CDBG-DR Program as follows:
 - Advertise with the local media outlets, including newspapers and broadcast media, that provide unique access for persons who are considered members of a protected class under the Fair Housing Act;
 - Raise awareness with local lenders who participate in affordable housing programs and first-time homebuyer programs;
 - Include flyers in utility and tax bills advertising the Program;
 - Reach out to public or non-profit organizations and hold/attend community meetings; and
 - Other forms of outreach tailored to reaching the eligible population, including door-to-door outreach, and on the weekends, if necessary.
- Measures will be taken to make the Program accessible to persons who are considered members of a protected class under the Fair Housing Act by holding informational meetings in buildings that are compliant with the Americans with Disabilities Act (ADA), providing sign language assistance when requested, and providing special assistance for those who are visually impaired when requested.
- Applications and forms will be offered in English and other languages prevailing in the region in accordance with Title VI of the Civil Rights Act of 1964, including persons with disabilities (24 CFR 8.6), Limited English Proficiency (LEP), and other fair housing and civil rights requirements such as the effective communication requirements under the Americans with Disabilities Act. Every effort will be made to assist such Applicants in the application process.
- The Program Operator will help navigate and inform Survivors who may qualify for the Travis County CDBG-DR Homebuyer Assistance Program to remove them from flood hazards, environmental hazards, and other unsafe conditions while meeting AFFH obligations.
- Documentation of all marketing measures used, including copies of all advertisements and announcements, will be retained and made available to the public upon request.
- Travis County and the Program Operator will be required to use the Fair Housing logo in Program advertising, post Fair Housing posters and related information and, in general, inform the public of its rights under Fair Housing regulations law.
- Evaluation of outreach activities and applications received will be necessary to determine if outreach is successful and applications that are being received accurately reflect the socioeconomic and other forms of demographic diversity. Evaluation should be an ongoing process. The GLO will assist Travis County by reviewing application intake reports before the County and the Program Operator begin to qualify Applicants, and periodically thereafter.

- Travis County is also required to coordinate with HUD-certified housing counseling organizations to ensure that information and services are made available to both renters and Homeowners. Additional information is available here:

<https://apps.hud.gov/offices/hsg/sfh/hcc/hcs.cfm?weblistaction=summary>

For program-specific information, see Appendix B - Travis County CDBG-DR Affirmative Fair Housing Marketing & Outreach Plan: 2015 Flood Events.

D. Reporting Requirements

Compliance will be maintained in accordance with the reporting requirements under the GLO's CDBG-DR Program. This includes providing all information and reports as required under the GLO's contract with Travis County, demographic data and other information acquired from the Applicants, and project documentation from awarded Applicants.

(1) Section 3

Compliance with Section 3 is required by 24 CFR Part 135 and the executed agreement between Travis County and the GLO. Travis County should refer to the GLO's Section 3 Policy. For the purposes of homebuyer assistance only, Section 3 compliance is not applicable.

(2) Applicant Data

The GLO will establish procedures for Travis County to collect and report data relevant to HUD. The reporting requirements will include, but not be limited, to the following for each program activity requiring a direct application by an individual or non-institutional entity:

- Applicant's Household income at the time of assistance;
- Household income as a percentage of AMI at the time of assistance, as defined by HUD;
- The race, ethnicity, and gender of the head of Household;
- The Household's familial status;
- The presence or non-presence of a Household member with a disability; and
- The presence or non-presence of a Household member that is a veteran.

(3) Records Retention

Travis County will follow federal and state record retention guidelines. All official records on programs and individual activities shall be maintained for a 3-year period beyond the closing of a grant between the GLO and HUD. Applicant records must be maintained electronically. Travis County should contact the GLO to obtain an approved electronic record management system utilizing the GLO's Activity File Checklist. All projects, program activity files, and Applicant information received must be maintained within the GLO's system of record.

E. Procurement Requirements

As a subrecipient of grant funds, Travis County shall provide adequate documentation to show that the selection process was carried out in an open, fair, uniform, and thorough manner to ensure that federal (2 CFR 200.318–200.326) and state procurement requirements were met.

It's important to note that failure to maintain proper documentation may result in disallowed costs. These records must include, but are not limited to, the following information:

- Rational for the method of procurement;
- Evaluation and selection criteria;
- Contractor selection or rejection; and
- The basis for the cost or price.

During the procurement process, Travis County should clearly identify any items included in the bid/purchase that are not included in the CDBG-DR agreement with GLO. Travis County may utilize HUD's CDBG-DR and Procurement Guidance.³

Travis County must procure goods and services using the federal procurement and contract requirements outlined in 2 CFR 200.318 – 200.326. These procurement requirements must be followed for reimbursement from grant allocations of CDBG-DR funds provided by HUD. Travis County is also required to follow state and local procurement law and policies as prescribed by 2 CFR 200.318(a), as well as the additional requirements stated in 2 CFR Part 200.

Travis County should update its procurement policies and procedures to correspond with the procurement and contract requirements of 2 CFR 200.318 – 200.326 for CDBG-DR funding.

Additionally, the GLO may review draft solicitations or responses prior to award for compliance. Travis County should clearly identify during the procurement process any items included in the bid/purchase that are not included in the CDBG-DR contract.

Regardless of the type of procurement used, Travis County must execute a contract to document the period of performance, the work to be completed, the agreed price, and contractor or provider's required compliance with all applicable federal, state, and local requirements that Travis County must follow. If there is a conflict between federal, state, and local laws and regulations regarding procurement, the more stringent law or regulation will apply.

Additionally, Travis County is required to achieve compliance with Section 3 (24 CFR Part 135). It is strongly suggested that HUD's best practices be utilized to help achieve compliance (HUD Model Section 3 Plan), including creating a Section 3 plan. Travis County is also required to "take all necessary affirmative steps to assure that minority businesses, women's business enterprises, and labor surplus area firms are used when possible." (HUD CFR 200.321).

Furthermore, HUD requires the GLO to maintain a public website that provides information accounting for how all grant funds are used and managed/administered. To meet this requirement, Travis County must make the following applicable items available for the state to post on the GLO's website at <http://recovery.texas.gov/>: procurement policies and procedures; description of services or goods currently being procured by Travis County; and a summary of all procured contracts (as defined in 2 CFR 200.22), including those procured by Travis County (e.g., a summary list of procurements, the phase of the procurement, requirements for proposals, and any liquidation of damages associated with a contractor's failure or inability to implement the contract, etc.). Updated summaries must also be posted monthly on the website.

F. Displacement of Persons and/or Entities

The Travis County CDBG-DR Homebuyer Assistance Program is voluntary, and housing eligibility standards require that homes purchased must have been vacant for at least 90 days prior to the purchase. Therefore, persons and/or entities will not be displaced as a result of this Program.

G. Conflict of Interest

The conflict of interest regulations contained in the contract between Travis County and the GLO prohibit local elected officials, County employees, contractors, and consultants who exercise functions with respect to CDBG-DR activities or who are in a position to participate in a decision-making process or gain inside information with regard to such activities, from receiving any benefit

³ <https://www.hudexchange.info/resource/5614/buying-right-cdbg-dr-and-procurement-a-guide-to-recovery/>

from the activity either for themselves or for those with whom they have family or business ties, during their tenure or for one year thereafter.

For purposes of this section, “family” is defined to include parents (including mother-in-law and father-in-law), grandparents, siblings (including sister-in-law and brother-in-law), and children of an official covered under the CDBG-DR conflict of interest regulations at 24 CFR Sec. 570.489(h).

The GLO can consider granting an exception to the conflict of interest provision should it be determined by the GLO that Travis County has adequately and publicly addressed all of the concerns generated by the conflict of interest and that an exception would serve to further the purposes of Title I of the Housing and Community Development Act of 1974 and the effective and efficient administration of the program. Travis County will not enter into a conflict of interest until justification has been received and approved by the GLO in accordance with applicable procurement laws.

H. Complaint/Appeal Process

(1) General Policy

Travis County and the state are responsible for responding to complaints and appeals in a timely and professional manner. Travis County and the Program Operator will keep a record of each complaint or appeal that it receives to include all communications and their resolutions.

When a complaint or appeal is received, a representative will respond to the complainant or appellant within three (3) business days where practicable. For expediency, Travis County, the Program Operator, and the state shall utilize telephone communication as the primary method of contact; however, email and postmarked letters will be used as necessary.

(2) Responsibilities

Travis County and the Program Operator shall identify customer service specialists within their program that will be tasked with handling all Homeowner inquiries.

Customer service specialists are responsible for (1) determining if complaints and appeals relate to the business or authority of the Travis County, (2) ensuring that a response to all complaints and appeals are within the appropriate time frame (a final response must be provided within 15 working days of the receipt of the final complaint need for additional time), and (3) ushering all complaints and appeals through to a resolution where possible.

Travis County will maintain internal procedure(s) for handling incoming complaints, including a complaint escalation process to ensure that complaints are handled at the earliest stage in the process.

(3) Documentation

Documentation for each complaint or appeal must be maintained. Each file must include the following:

- Contact information for the complainant;
- Initial complaint;
- Address and GLO assigned project number (if applicable);
- Any communications to and from complainant or appellant;
- Results of the investigation, together with any notes, letters, or other investigative documentation;
- The date the complaint or appeal was closed; and
- Any other action taken.

I. Audit Requirements

Travis County maintains compliance with single audit requirements. Travis County, receiving funds which exceed the thresholds set in 2 CFR 200.501, audit requirements, shall have a single or program specific audit conducted in accordance with the applicable federal requirements.

Vendors and contractors employed by Travis County will be required to comply with the executed contract.

J. Changes, Waivers, and/or Conflicts

Travis County has the right to change, modify, waive, or revoke all or any part of these guidelines, with the prior written approval of the GLO.

Waivers to the requirements in these Guidelines can only be approved by the GLO and must be provided in writing. The GLO will provide the option for a waiver only after the waiver request has been posted on Travis County's website for a public comment period of at least 7 days. The waiver request must demonstrate why the housing guidelines are not practicable for the Travis County.

If these Guidelines conflict with local, state, or federal law, the more stringent requirement will prevail, provided that the requirement does not violate local, state, or federal law.

4. SINGLE FAMILY HOUSING PROGRAMS

Eligible activities under the Single-Family Housing Programs include:

- down payment assistance.
- activities designed to relocate families outside the floodplain.

Travis County's Program includes homebuyer assistance for the purpose of relocating families outside of floodplain and to help them remain in Travis County due to the high cost of owner housing.

A. Survivor Case Management

Applicants are likely to need support throughout the process. Applicants may have suffered significant losses and emotional hardships. Undertaking the process to claim insurance is often burdensome and confusing. The simple mechanics of applying to the CDBG-DR Program may be complicated by the loss of documents or temporary residence outside the area. Travis County and the Program Operator will work to cultivate partnerships with local and community liaisons such as banks, counseling agencies, legal services, title companies, etc.

The Program Operator will work to assist Survivors from inception to close-out of their recovery needs associated with the Program for which they participate. There will be a single point of contact for each Survivor Household to ensure that Survivors have the immediate contact information and information they need to be successful in their long-term recovery efforts. As Survivor applications are being accepted and reviewed for determinations of eligibility to participate in the Program, each Survivor will be counseled and made aware of their application status. They will also be made aware of available local housing counseling services. Depending on needs, they may also be referred to one of Travis County's Community Centers or to local social service providers.

B. Application Intake and Counseling

Anyone who makes an inquiry about the Program will be provided with a GLO application package to complete. The GLO requires a standardized application. All such inquiries will be reported in a

format to be provided by the GLO. Applications will be submitted electronically through the GLO's system of record.

All documentation submitted by the Applicant must include a signed statement verifying that the information provided is true, complete and accurate. Any false, fictitious, or fraudulent information, or the omission of any material, may subject the Applicant to criminal, civil or administrative penalties.

Program documents must capture the following statement:

“Warning: Any person who knowingly makes a false claim or statement to HUD may be subject to civil or criminal penalties under 18 U.S.C. 287, 1001 and 31 U.S.C. 3729.”

The Program Operator's case managers, counselors, and/or interpreters must be able to communicate with the Applicant in their primary language and should be assigned to the clients as appropriate. Additionally, they must ensure effective communications with persons with disabilities pursuant to 24 CFR 8.6 and other fair housing and civil rights requirements (such as the effective communication requirements under section 504 and the Americans with Disabilities Act). Counselors will be trained to be well-versed in all housing recovery activity requirements.

- (1) Prospective Participants obtain the Homebuyer Assistance application and information packet to determine if they meet basic program qualifications.
- (2) Participant works with a qualified lender to apply for a mortgage and complete the application package.
- (3) The housing unit selection process will be conducted by the participant.
- (4) Completed application packets must be delivered to the Program Operator.
- (5) Complete application packets are date and time stamped. Applications are only deemed complete if all information is complete, required back-up documentation is attached, and the application is signed and dated. Incomplete applications will be returned to the Applicant and will not be date/time stamped until complete.
- (6) The Program Operator requires a thirty (30) day processing time, which will begin only after ALL documents are received and the application is considered complete. The processing time may extend beyond 30 days, depending upon where the Applicant is in the home-buying process.
- (7) Program Operator verifies Applicant eligibility, housing unit and loan eligibility, and amount of assistance to be provided consistent with these guidelines.
- (8) The processing period includes completion of all required property inspections/surveys, appraisals, title commitment, document preparation, and etc. to prepare for closing.
- (9) The Program Operator will determine the Applicant's eligibility, and will provide written notification to the Applicant of approval or denial with reason and, if denied, a copy of the Program's appeal procedures.
- (10) The Program Operator will refer Applicants to Travis County Community Centers and/or to social service providers, as appropriate based on need.
- (11) When Primary Lender requirements are met, Program funds are deposited into escrow, with required closing instructions and loan documents.

C. Applicant Eligibility Requirements

The following are threshold requirements, which must be met for an Applicant to be eligible for assistance. Eligibility does not guarantee assistance since a prioritization strategy within LMI economic subgroups will be required (consistent with Program Design requirements), and it is expected that there will be more eligible Applicants than can be served with available funds.

TABLE 4. Applicant Priority Matrix

TRAVIS COUNTY APPLICANT PRIORITY MATRIX			
One or more members of the Household demonstrate:	Extremely Low 30% AMI or Below	Very Low 31% - 50% AMI	Low 51% to 80% AMI
Two or more of the following characteristics: <ul style="list-style-type: none"> • Age-dependent (<i>over 65 or under 5</i>) • Disabled • Veteran • Female Head of Household • 1 or more Household members under the age of 18 	1 st priority	2 nd priority	3 rd priority
One or more of the following characteristics: <ul style="list-style-type: none"> • Age-dependent (<i>over 65 or under 5</i>) • Disabled • Veteran • Female Head of Household • 1 or more Household members under the age of 18 	4 th priority	5 th priority	6 th priority
<ul style="list-style-type: none"> • None of the social characteristics listed above 	7 th priority	8 th priority	9 th priority

The Program will be implemented in ways consistent with Travis County’s commitment to non-discrimination. No person shall, on the grounds of race, color, national origin, religion, sex, familial status, or physical or mental disability be excluded, denied benefits or subjected to discrimination under the Program.

(1) General Eligibility

Although residents impacted by the 2015 flood events are generally eligible, program participants must also meet [HUD’s definition of a first-time homebuyer](#). A first-time homebuyer is an individual who meets any of the following criteria:

- An individual who has had no ownership in a principal residence during the 3-year period ending on the date of purchase of the property. This includes a spouse (if either meets the above test, they are considered first-time homebuyers).
- A single parent who has only owned with a former spouse while married.
- An individual who is a displaced homemaker and has only owned with a spouse.
- An individual who has only owned a principal residence not permanently affixed to a permanent foundation in accordance with applicable regulations.
- An individual who has only owned a property that was not in compliance with state, local or model building codes and which cannot be brought into compliance for less than the cost of constructing a permanent structure.

Once the first-time homebuyer criteria is met, in order to be eligible for this Homebuyer Assistance (HBA) Program, the Applicant must:

- i. have been impacted by the May or October 2015 Floods in Travis County,
- ii. be able to qualify for a home loan,
- iii. and the Applicant Household must earn no more than 80 percent of the area median income.
- iv. First-time homebuyers will be required to attend a HUD approved Housing Counseling class.

For eligible Applicants, down payment assistance may cover up to 100 percent of the down payment required to make the home affordable to the Applicant.

(a) Income Determination

The income limits to be utilized for the CDBG-DR Single Family Homeowner Program are area-specific (by county) income limits established yearly by HUD for the Section 8 Housing Program. Income eligibility will be determined and verified in accordance with the GLO’s Adjusted Gross Income Methodology. The most current income limits, published annually by HUD, shall be used by Travis County and the Program Operator to verify the income eligibility of each Household applying for assistance at the time assistance is provided. Travis County and the Program Operator must always use the most recent income limits and will be monitored to ensure compliance with the income guidance as provided throughout these Guidelines.

The income limits in Travis County for Fiscal Year (FY) 2021 are as follows:

**TABLE 5. FY 2021 Adjusted Income Limits by Household Size
Income Limits for the Austin - Round Rock Metropolitan Statistical Area (MSA)**

Fiscal Year (FY) 2021 Median Family Income = \$95,900 ADJUSTED INCOME LIMITS BY HOUSEHOLD SIZE			
Household	Extremely Low (30% Limits)	Very Low (50% Limits)	Low (80% Limits)
1 person	\$20,800	\$34,650	\$55,400
2 persons	\$23,750	\$39,600	\$63,300
3 persons	\$26,700	\$44,550	\$71,200
4 persons	\$29,650	\$49,450	\$79,100
5 persons	\$32,050	\$53,450	\$85,450
6 persons	\$34,400	\$57,400	\$91,800
7 persons	\$36,800	\$61,350	\$98,100
8 persons	\$39,150	\$65,300	\$104,450

Effective June 28, 2021 – click [HERE](#) for additional information

All Applicants must certify that they meet the Household income eligibility requirements and have their Household income documented. The income limits, in place at the time of loan approval, will apply when determining Applicant income eligibility.

(b) National Objective

Beneficiaries of the Single-Family Programs must meet the LMH National Objective of supporting housing activities for impacted persons of low- and moderate-income that, upon completion of the housing activity, will be occupied by such person.

(c) Unmet Needs

Only Applicants with an unmet need related to the CDBG-DR funded 2015 flood event will be eligible. Documentation evidencing impact from the Event and residency in Travis County at the time of the storm and rental history for the past three years will be required as part of the unmet need determination. Travis County requires the unmet needs analysis discussed in Section 3.A.(2) of these Guidelines. See Appendix A - Travis County CDBG-DR Housing Needs Assessment: 2015 Flood Events for more information.

d) Homebuyer Funds Requirement

A minimum down payment of five hundred dollars (\$500) will be required from all homebuyers receiving financing through the Program.

e) Creditworthiness

All Program Participants must meet credit and underwriting criteria to secure a loan from a commercial lender. The terms and conditions of the commercial lender's loan will be evaluated by the Program Operator to determine if it meets program guidelines.

(2) Proof of Ownership

Proof of ownership is not a requirement for Travis County's CDBG-DR Homebuyer Assistance activities. Renters impacted by the 2015 flood events are eligible for this Program. Evidence of unmet need, as it relates to resident impact is required.

(3) Principal Residency

The unit impacted by the May or October 2015 floods must have been the Applicant's principal residence during the time of the Event. Principal residency for Applicants who owned the unit can be demonstrated through property tax homestead exemptions. If a homestead exemption was not in place or if the Applicant was not the owner of the unit at the time of the disaster, an **Affidavit of Principal Residency** may be utilized as an alternative method of verification of principal residency. The affidavit must be supported by documentation such as asset verification (income tax returns, credit check, etc.) or utility bills specific to the property address and name of the Applicant, which were active as of the date of the event. Vacation homes and investment properties are not eligible for assistance under the Single-Family Homeowner Program. The **Affidavit of Principal Residency Form** may be found on the GLO's website: <http://recovery.texas.gov/>.

The unit to be occupied must be the Applicant's principal residence after purchase.

(4) Property Taxes

If the Applicant has been a Homeowner in Travis County, the Applicant must furnish evidence that property taxes are either current, have an approved payment plan, or qualify for an exemption under current laws. Applicant must provide proof of paid property taxes or that Applicant met one of the following alternatives:

- The property owner qualified for and received a tax deferral as allowed under Section 33.06 of the Texas Property Tax Code;
- The property owner qualified for and received a tax exemption pursuant to Section 11.182 of the Texas Property Tax Code; or
- The Applicant entered into a payment plan with the applicable taxing authority and is current on payments.

The Applicant must provide support documentation verifying the tax deferral or tax exemption. Any Applicant that enters into a payment plan must supply a signed copy of the payment plan

from the applicable taxing entity along with documentation that they are current on their payment plan. If an applicant is a homeowner, there is no unmet need, therefore property tax documentation is not necessary.

(5) Duplication of Benefits (DOB) Review

Each application will be reviewed to determine if previous funding awarded to the Applicant was appropriately used on the home and if any funds were received for the same purpose. The Applicant must have an unmet need to move forward in the program. The Program Operator must determine the Applicant's unmet needs first and then calculate the Applicant's DOB. Applicants must provide insurance, FEMA, SBA, and any other type of funding documentation for funds that were received. Additionally, the Program Operator with the County's assistance as needed, must verify that the submitted data is accurate and current at the time of the award, to the best of their abilities (e.g., validate against FEMA data). The Program Operator will also determine if insurance (from whom) was required under the terms of the Applicant's mortgage as part of the application review. Applicants will only have an unmet need if they currently do not own a house. Insurance, FEMA, and SBA proceeds would not be a factor for first time homebuyers or renters who have not owned a home within three years. Any unused down payment assistance or bond assistance from previous federal or local housing programs would be considered duplicative assistance.

The total DOB (difference between assistance already received minus expenditures) will equal the remaining gap. If assistance was not received for down payment assistance, the assistance received through the County's homebuyer assistance program is not considered a duplication of benefits. The GLO's DOB Calculation Form will be used to determine the total DOB amount. Please note, the current DOB calculation form may need to be updated to be in line with possible DOB factors. SBA Relocation assistance, Previous CDBG Down Payment Assistance/Optional Relocation Assistance, Mortgage Revenue Bonds.

If the total previously awarded assistance is greater than or equal to the total expenditures, then a positive dollar amount will indicate a DOB. To reconcile the DOB amount owed, the Applicant can pay the DOB amount, or the Applicant may be offered a reduction in the scope on the repair or replacement of their home's nonessential components (e.g., laminate for tile floors, etc.). Travis County will use the approved DOB forms when determining an Applicant's final DOB. The DOB Calculation Form may be found on the GLO's website: <http://recovery.texas.gov/>.

Travis County developed policies and procedures to prevent any duplication of benefits (DOB) when determining an Applicant's unmet need. Please see the DOB policies and procedures appended below. The policies and procedures will include recapture instructions (e.g., Applicant is currently appealing or suing their insurance company; therefore, recapture of future funds will be completed by Travis County) and monitoring procedures to include priorities and frequency to comply with an executed Subrogation Agreement.

(6) Child Support⁴

All Applicants and co-Applicants must be current on payments for child support. If the Applicant or co-Applicant is not current on child support, that individual will be required to enter into a payment plan that will be obtained from the Office of Attorney General (OAG). A copy of the payment plan signed by all applicable parties along with documentation demonstrating that they are current on their payment plan must be supplied.

⁴ Family Code, Title 5, Section 231.006

(7) Damage Assessment

Each Applicant's home must be assessed to verify that it was damaged from the event. A Damage Assessment report along with pictures will be required for each Applicant. Please refer to the **GLO's Damage Assessment Guidelines** located at <http://recovery.texas.gov/>.

D. Property Eligibility Requirements

The Program Operator will review each proposed housing unit to ensure that it meets all eligibility criteria before funding.

(1) Location and Characteristics

- (a) Housing units to be purchased must be located within Travis County.
- (b) Eligible homes will be those that are currently owner occupied, currently under construction, or have been vacant for at least 90 days prior to the acceptance of a contract to purchase.
- (c) No occupied rental units are eligible unless the existing tenant is purchasing the property.
- (d) The property may be a single family home, a condominium, or manufactured housing on its own lot and affixed to a permanent foundation.
- (e) All housing units must be in compliance with State and local codes and ordinances.
- (f) The property (structure) must be outside the flood plain as designated in the most recent FEMA 100 Year Flood Plain Map(s) and as defined and adopted by Travis County, and must not have a history of flooding due to storms or other weather events.
- (g) The property (structure), whether existing, under construction, or new, may not be located within 2,500 feet of a civilian airport nor within 15,000 feet of a military airport.

(2) Environmental Review

An environmental review must be performed on the property prior to federal funds being committed by Travis County (24 CFR Parts 50, 58, 574, 582, 583, and 970). No commitment or disbursement of funds will occur prior to the completion of this review. The environmental review shall document compliance with 24 CFR Part 58 and all related laws, authorities, and executive orders (specifically categorically excluded not subject to (CENST) per 25 CFR 58.5 pursuant to 24 CFR 58.34(a) and 58.35(b)(5)). The CDBG-DR Program will not provide any Program assistance toward homes that have been determined to be in a floodway. Additionally, no home can be located within a Coastal Barrier zone per Coastal Barrier Resources Act, as amended by the Coastal Barrier Improvement Act of 1990 [16 USC 3501].

(3) Condition

- (a) Construction Inspection and Determining Need for Repairs. Once the participating homebuyer has executed a purchase agreement for a housing unit, and prior to a commitment of Program funds, the following steps must be taken for the housing unit to be eligible for purchase under the Program:
 - i. The Program Operator will contract with an inspector who will do a TREC inspection of the property, as applicable. The Program Operator will bear the cost of the Inspection. The inspector will identify any code related and health and safety deficiencies that need to be corrected. A list of repair items will be given to the homebuyers and their Realtor to be negotiated with the seller.
 - ii. If the housing unit was constructed prior to 1978 then the lead-based paint requirements of Section 4.D.(3)(b) will apply.
 - iii. Upon completion of all work required by the inspector, a final inspection will be conducted prior to close of escrow. The inspector will sign off on all required work assuring that each housing unit receiving Program assistance is in compliance with

local codes and health and safety requirements at the time of purchase and prior to occupancy.

- (b) Lead Based Paint Hazards. For all homes built prior to 1978 following requirements must be met:
- i. **Notification:** All Program Applicants will be given a copy of and asked to read the EPA pamphlet “*Protect Your family From Lead in Your Home*”. (EPA 747-K-94-001, *September 2001*) Travis County will keep a signed receipt of the pamphlet in its homebuyer file.
 - ii. **Disclosure:** The HUD disclosure, “Seller’s Lead-based Paint Disclosure” notice must be provided by the seller to the homebuyer. Travis County will keep a signed copy of the form in its Homebuyer file.
 - iii. **Exemptions:** Certain properties may be exempt from Lead Safe Housing requirements. These exemptions must be documented on the “Lead Safe Housing Requirements Screening Worksheet” and appropriate documentation supplied.
 - iv. **Inspections:** A “Visual Assessment” of all the dwelling unit’s painted surfaces must be conducted as part of the required Inspection in order to identify deteriorated paint. All deteriorated paint must be stabilized in accordance with CFR 35.1330 (a) and (b); and a Clearance shall be made in accordance with CFR 35.1340.
 - v. **Mitigation:** If stabilization is required, all costs will be borne by the seller and/or buyer.
 - vi. **Proof of Corrections and Clearance:** If lead based paint hazards have been identified in a property, proof of corrections and clearance must be provided to the Program Operator prior to the participant signing Program loan documents. If such proof cannot be provided, the property will be deemed ineligible for program funds.

(4) Home Purchase Disclosures

Prior to making an offer to purchase an eligible housing unit, seller shall provide homebuyer with a disclosure containing the following provisions:

- (a) All housing units built prior to January 1, 1978 will require a lead paint disclosure to be signed by both the homebuyer and Seller;
- (b) Knowledge of any previous history of flooding in the housing unit due to natural flood Events;
- (c) The purchaser has no power of eminent domain and, therefore will not acquire the property if negotiations fail to result in an amicable agreement;
- (d) An estimate of the fair market value of the property;
- (e) The purchase and sale agreement will be contingent on the Household and housing unit meeting Program eligibility requirements and receiving Program loan approval;
- (f) A certification of owner-occupancy or property vacancy (for a minimum of three months).

The homebuyer must have read and signed all Program disclosure forms. Any and all Property disclosures must be reviewed and signed by the homebuyer and seller.

E. The Homebuyer Assistance (HBA) Program Loan

Prior to obtaining the 3-year deferred forgivable loan from Travis County’s HBA program, a homebuyer must provide evidence of financing for the **maximum** amount the Primary Lender is willing to loan (the “primary loan”). The terms and conditions of the primary loan, as stated below, will be evaluated by the Program Operator to determine if it meets program guidelines.

(1) The Primary Loan

- (a) Qualifying Ratios. Primary loans underwritten by FHA, USDA Rural Development, Fannie Mae, Freddie Mac, will be acceptable to establish creditworthiness, repayment ability, and dependability of income.
 - i. The front-end ratio shall be not exceed **33%** and is the percentage of a borrower's gross monthly income (before deductions) that would cover the cost of PITI (loan principal and interest payment + property taxes + property insurance).
 - ii. The back-end ratio shall not exceed **45%** and is the percentage of a borrower's gross monthly income that would cover the cost of PITI plus any other monthly debt payments like car or personal loans and credit card debt.
- (b) Interest Rate. The rate of interest shall be fixed (not an adjustable rate mortgage, ARM) and not exceed 2% above the prevailing market rate.
- (c) Loan Term. The primary loan shall be fully amortized and have a term "all due and payable" of up to 30 years. There shall not be a balloon payment due before the maturity date of the Program loan.
- (d) Lien Position. First lien is held by the lender, Travis County is the second lien holder.
- (e) Escrow Account. All Households will be required to have escrow accounts for the payment of taxes and insurance to ensure they remain current.

(2) The Grant Award Loan (the 3-YR Deferred Forgivable HBA Loan)

- (a) Non-recurring Closing Costs. Non-recurring costs such as credit report, earnest money, closing and recording fees, survey, and title report and title insurance, title updates and/or related costs may be included in the Grant Award Loan. These fees must be shown on the final cost estimate signed by the homebuyer.
- (b) Affordability Parameters for Buyers. The actual amount of a buyer's Program subsidy shall be computed according to the housing ratio parameters specified in Section 4.E.1 (The Primary Loan section). Each borrower shall receive only the subsidy needed to allow them to become Homeowners by closing ("the Gap") while keeping their housing costs affordable. The primary lender will use the "front-end ratio" of housing-expense-to-income to determine the amount of the primary loan and, ultimately, the program subsidy amount required, bridging the gap between the purchase price (less down payment) and the amount of the primary loan.
- (c) Rate and Terms for the Grant Award Loan.
 - i. Down Payment Assistance
 - a) Funding can be provided for up to 100% of the down payment needed per Household; however, it is restricted to the amount needed to facilitate homeownership.
 - b) A second lien for the amount of Grant Award assistance will be placed on the property by Travis County.
 - c) The interest rate will be set at 0%.
 - d) There will be no required monthly or annual payments, so long as the homebuyer fulfills the obligation to remain in the home purchased with CDBG-DR homebuyer assistance for the duration of the forgivable period.
 - e) The Grant Award loan will be forgiven at the following pro rata method at a 3 year term:
 - 1. from the date of purchase through the end of year one - 100% of the principal amount of this note is due and payable to Payee;
 - 2. during year two- 66% of the principal amount of the note is due and payable to Payee;

3. during year three- 33% of the principal amount of the note is due and payable to Payee;
 4. after the completion of year three - the principal amount of this note is forgiven.
- f) During the three-year term of the Grant Award loan, any outstanding loan amount will be immediately due and payable upon the sale or refinancing of the property, or when the property is no longer used as the principal residence of the borrower. See Section 4.I.(3) for specific residency requirements.

(d) **Loan-to-Value (LTV) Ratio.** The combined loan-to-value ratio of the Primary Loan and Grant Award loan combined shall not exceed 105 percent of the sales price.

(3) Owner Occupancy.

Participants must occupy the property as a principal residence for the entire term of the Grant Award loan. See Section 4.I.(3) for more details.

(4) Loan Monitoring Procedures

Travis County will monitor Borrowers and their housing units annually to ensure adherence to the owner-occupancy Program requirements. See Section 4.G.for Program Requirements.

(5) Primary and Grant Award Loan Document Signing

The homebuyer(s) sign promissory notes, deeds of trust, and statutory lending notices; the deeds of trust are recorded with the County Clerk/Recorder at the same time, and the request(s) for copy of notice of default are also recorded with the County Clerk/Recorder.

- (a) Escrow Procedures. The escrow/title company shall review the escrow instruction provided by the primary lender and shall issue the American Land Title Association (ALTA) after closing. The ALTA is issued to each lender providing additional coverage for the physical aspects of the property as well as the homebuyer's title failure. These aspects include anything which can be determined only by physical inspection, such as correct survey lines; encroachments; mechanics liens; mining claims and water rights. The primary lender instructs the escrow/title company in the escrow instructions as to what may show on the policy; the amount of insurance on the policy (all liens should be covered) and the loss payee (each lender should be listed as a loss payee and receive an original ALTA).

(6) Dispute Resolution and Appeals Procedure

All Applicants will be notified in writing of a denial decision. Any Applicant denied assistance from the Program has the right to appeal within seven (7) days of receipt of a denial decision. The appeal must be made in writing. An Appeals Committee consisting of one representative of the Program Operator who did not previously review the client file and one representative from Travis County who did not previously review the client file will review the appeal. The Appeals Committee will review the appeal and respond in writing to the Applicant within three (3) days where practicable, but no later than within fourteen (14) days. The decision of the Appeals Committee will be final.

F. Inspection Requirements

Each project will require an inspection(s) during the lifecycle of the project. The program will pay for only one inspection. Any additional inspection costs will be the responsibility of the homebuyer or seller. For the Travis County CDBG-DR Homebuyer Assistance Program, a TREC inspection of the home to be purchased will be required. The TREC inspection will be performed by GLO or Travis County representatives. TREC inspections will not be performed on mobile homes.

G. Project Closeout/Affordability Monitoring Requirements

Approved projects will require Affordability Note Monitoring and Land Use Restriction Agreement Monitoring. Travis County will use the GLO Monitoring Process:

Travis County shall consistently monitor every Applicant for the three-year affordability period under their program. They will need to address each of the four items listed below, document how they monitored each Applicant for compliance and at what frequency, whether monthly, quarterly or annually.

Travis County policies will also identify response actions to any default:

- **Ownership:** For the three-year affordability period, Subrecipients are required to verify each Applicant's ownership status by one of the following methods: County appraisal district records or LexisNexis Account search. Travis County will conduct this verification annually with the starting date being the final inspection date. Subrecipients are required to case note and upload proof of ownership each year in TIGR for documentation purposes.
- **Principal Residency:** For the three-year affordability period, Travis County shall verify each Applicant's current residency status by one of the following methods: County appraisal district records indicating a homestead exemption, postal service lookup, Texas DMV records, Tax Returns (1040Ez), Utility bills, Voter Registration, LexisNexis skip tracing or site visit with contact and Applicant signature. Travis County shall case note and upload proof of Principal Residency each year in TIGR for documentation purposes.
- **Property Taxes:** For the three-year affordability period, Travis County shall verify whether each Applicant's property tax records are paid by visiting the county tax-assessor-collector's website. If a Homeowner defaults on property tax payments, Travis County will work with the Applicant to enter a payment plan with the appropriate tax office. If a payment plan is not established, the Homeowner will be placed on a default list. Travis County shall case note and upload proof that the Applicant is current with taxes quarterly in TIGR for documentation purposes.
- **Insurance:** For the three-year affordability period, Travis County shall verify whether each Applicant has maintained flood and/or wind insurance (if applicable), as well as hazard insurance. This verification may require the Subrecipient to annually query each Homeowner to obtain a copy of the relevant insurance policies. If a Homeowner defaults on the insurance requirement, Travis County will work to ensure the Applicant to secure appropriate coverages. If all the required insurance policies are not obtained by the Homeowner, the home will be placed on the default list. Travis County shall case note and upload proof of insurance policies each year in TIGR for documentation purposes.

In the event Ownership and Principal Residence cannot be verified, Property Taxes are not current, or Homeowner does not maintain Required Insurance Policies, Travis County will immediately inform GLO of the breach of contract. All monitoring efforts including phone calls and written correspondence should be captured in TIGR, with adequate notes and documentation to support the action. All recaptured funds will be returned to GLO.

The following items will need to be maintained and available to the state upon request:

1. Project ID Number
2. Applicant name
3. Address of damaged home assisted
4. Additional address
5. Date affordability period began (Note executed)
6. Date affordability period will end (Note maturity date)
7. Date of Review
8. Ownership monitoring results (ownership check)
9. Property tax monitoring results (current on tax payment)

10. Principal residency monitoring results (principal residency)
11. Insurance monitoring results (hazard insurance, flood insurance, if applicable, and wind insurance, if applicable)
12. Default amount only for those in noncompliance (for Applicants that are in default of homeownership or residency)
13. Letter dates: to capture any correspondence that was sent to the Applicant to request proper documentation, verify compliance, and/or notify the Applicant of a default.

H. Housing Activity Type and Additional Requirements

(1) Homebuyer Assistance Programs (Down Payment Assistance)

(a) Overview

The CDBG-DR Program makes a benefit distinction between Survivors who choose to repair their existing damaged home from those who seek assistance purchasing a new home. Applicants who elect to seek assistance to purchase a new home will be subject to this section of the Guidelines. Homeownership assistance is available for Households earning up to 80 percent of the area median income; and down payment assistance may cover up to 100 percent of the down payment.

(b) Types of Assistance

The Travis County CDBG-DR Homebuyer Assistance Program will provide homebuyer assistance activities for Low- to Moderate-Income individual households who were impacted renters or homeowners at the time of the May or October 2015 floods and who have selected a home within Travis County.

Eligible activities for the Homebuyer Assistance Program include:

- Homebuyer Down Payment Assistance (DPA) — this includes traditional activities such as: (1) down payment assistance, (2) principal reduction, (3) all reasonable closing costs including pre-paid items, and (4) principal write-down assistance as required for the property being purchased. Travis County may offer up to 100 percent of the down payment needed per Household; however, it is restricted to the amount needed to facilitate homeownership.

To assist Travis County in meeting its Affirmatively Furthering Fair Housing goals, the option to serve Applicants under the DPA program who were not Homeowners at the time of the storm is available; however, any assistance to Survivors must be needs based. CDBG-DR regulations restrict homebuyer assistance to the amount of assistance necessary to facilitate homeownership.

(c) Amount of Assistance

Travis County may offer up to 100 percent of the down payment needed per Household; however, it is restricted to the amount needed to facilitate homeownership.

This program is voluntary. Therefore, temporary relocation assistance will not be offered.

(d) Property Types

Eligible properties for homebuyer assistance must reside within Travis County:

- Single family property (detached and attached 1–4 units)
- Condominium unit
- Cooperative unit
- Modular home/Manufactured home
- Vacant land

I. Program Requirements

(1) Unsecured Forgivable Promissory Note

(a) **Requirement to Sign.** Participants in the Single-Family Homeowner Assistance Programs shall be required to sign an Unsecured Forgivable Promissory Note (GLO Form 13.09) located on the GLO's <http://recovery.texas.gov/> website.

(b) **Terms of the Note.** Travis County is required to execute the Unsecured Forgivable Promissory Note (the Note) with assisted Homeowners for all Homeowner activities under the CDBG-DR Program. The Note may be required to be recorded in the county courthouse records during the affordability monitoring period conducted by Travis County or the state. The Homeowner must comply with the terms of the Note as follows:

- i. Assisted Homeowners are required to maintain ownership of the assisted property for at least 3 years. Cash-out refinancing, home equity loans, or any loans utilizing the assisted residence as collateral are not allowable for 3 years. A violation of this policy will activate the repayment terms of the Note.
- ii. Assisted Homeowners are required to maintain principal residency in the assisted property for 3 years. A violation of this policy will activate the repayment terms of the Note.
- iii. Taxes are to be paid and in good standing for the properties assisted. Homeowners may be on a payment plan, but it needs to be submitted to Travis County.
- iv. Insurance must be maintained at the assisted property. Hazard, flood (if applicable), and windstorm (if applicable) will be monitored for the 3-year period.

(c) **Monitoring.** Travis County is required to monitor assisted Households for compliance with the terms of the Note. Homeowners who default on the terms of the Note will repay the prorated amount and any funds remaining on the Note. The calculated default amount may be reported to credit bureaus and the Texas Office of the Attorney General. See Section 4.G for details on the monitoring process.

(d) **Owner Occupancy.** If the assisted Homeowner continues to occupy the home until the term of the Note expires, the loan is forgiven, and conditions are clear on the disposition of the property. If the property is sold, transferred, or vacated by the assisted Homeowner for any single period that exceeds thirty (30) days during the 3-year forgivable loan period, the repayment terms of the Note will be enforced, except in those cases addressed below.

- i. Migrant farm workers who are recipients of a home under this program may, when proven to be performing work for not more than 6 months, leave a home vacant during the time of their employment; however, the recipient may not rent out the home, and they must intend to return to the home. If the assisted Homeowner for any reason ceases to reside in the assisted unit during Travis County's CDBG-DR contract period, only LMI persons may re-occupy the unit until the contract is administratively closed by the GLO or the CDBG-DR contract period expires, whichever is earlier.
- ii. Accelerated forgiveness in certain cases: In the event of (1) the death of the assisted Homeowner, (2) relocation of the assisted Homeowner to a managed-care facility, or (3) relocation resulting from documented mental or physical incapacitation of the sole remaining assisted Homeowner identified in the original application, Travis County may forgive any remaining loan balance. However, the requirement that only LMI persons may occupy the assisted housing unit until the CDBG-DR contract is closed by the GLO or the contract period expires, shall not be waived by

the subrecipient. Travis County may submit a request to the GLO for assistance with unique accelerated forgiveness cases that may require review as a result of trust or will heirship matters.

- (e) **Compliance with Federal and State Requirements.** The project must comply with all applicable federal and state requirements.

J. Files and Reports

Travis County will maintain accurate Single Family Homeowner Program files and records for general administration activities, for each Applicant, and for each assisted Homeowner as required by the GLO in the GLO's system of record. Such files will be open for inspection as to qualifications, bids, and awards. Record keeping procedures must be developed for monitoring/audit by the GLO.

Any references contained in these Housing Guidelines may be updated or changed without notice, to reflect the most up to date information available.

The Travis County CDBG-DR Housing Guidelines: 2015 Flood Events is based on the GLO 2015/2016 Storms and Floods Disaster Recovery Housing Guidelines, which provide guidance on how to design, implement, and close a CDBG-DR Housing Program, and should not be construed as exhaustive instructions.

For questions regarding these guidelines, contact the Travis County CDBG office at: cdbg@traviscountytexas.gov

**Appendix A - Travis County CDBG-DR Housing Needs Assessment:
2015 Flood Events**

Introduction

Homes in several areas scattered across Travis County were flooded in the May and October 2015 floods. Much of this housing represents the naturally occurring affordable owner housing in the outlying areas of the county. For those who are low-income and experiencing buyout, there are limited options to remain a Homeowner without moving out of Travis County or further away from job centers.

The Travis County CDBG-DR Homebuyer Assistance Program (the Program) will allow those who are income eligible (at or below 80% Area Median Income) and displaced from the May or October 2015 floods, but unable to remain in the county due to high housing costs, to apply to purchase a home in Travis County through a deferred, 3-year forgivable loan for up to 100% of the down payment needed per Household; however, it is restricted to the amount needed to facilitate homeownership.

Baseline Data

The HUD Income Limits for the Austin-Round Rock-San Marcos Metropolitan Statistical Area (MSA) that includes Travis County at the time of the flood Events were as follows:

TABLE A-1. May Floods: FY 2015 Income Limits
FY 2015 Income Limits for the Austin - Round Rock Metropolitan Statistical Area (MSA)

Fiscal Year (FY) 2015 Median Family Income = \$76,800 ADJUSTED INCOME LIMITS BY HOUSEHOLD SIZE			
Household	Extremely Low (30% Limits)	Very Low (50% Limits)	Low (80% Limits)
1 person	\$16,150	\$26,900	\$43,050
2 persons	\$18,450	\$30,750	\$49,200
3 persons	\$20,750	\$34,600	\$55,350
4 persons	\$24,250	\$38,400	\$61,450
5 persons	\$28,410	\$41,500	\$66,400
6 persons	\$32,570	\$44,550	\$71,300
7 persons	\$36,730	\$47,650	\$76,200
8 persons	\$40,890	\$50,700	\$81,150

TABLE A-2. October Floods: FY 2016 Income Limits
FY 2016 Income Limits for the Austin - Round Rock Metropolitan Statistical Area (MSA)

Fiscal Year (FY) 2016 Median Family Income = \$77,800 ADJUSTED INCOME LIMITS BY HOUSEHOLD SIZE			
Household	Extremely Low (30% Limits)	Very Low (50% Limits)	Low (80% Limits)
1 person	\$16,350	\$27,250	\$43,600
2 persons	\$18,700	\$31,150	\$49,800
3 persons	\$21,050	\$35,050	\$56,050
4 persons	\$24,300	\$38,900	\$62,250
5 persons	\$28,440	\$42,050	\$67,250
6 persons	\$32,580	\$45,150	\$72,250
7 persons	\$36,730	\$48,250	\$77,200
8 persons	\$40,890	\$51,350	\$82,200

All Applicants must certify that they meet the Household income eligibility requirements and have their Household income documented. The income limits in place at the time of loan approval will apply when determining Applicant income eligibility.

TABLE A-3. Travis County FEMA Applicants, May and October 2015 Floods, by AMI Category

2015 Floods: Travis County FEMA Applicants			
Area Median Income (AMI) Category	Number of Applicants	Floor – Total Percentage	Ceiling – Low- to Moderate Income (LMI) Percentage
Extremely Low	386	28.36%	42.23%
Very Low	253	18.59%	27.68%
Low	275	20.21%	30.09%
Above 80%	447	32.84%	
Total	1361	100.00%	100.00%
Total LMI	914		

In addition to direct homebuyer assistance, eligible Households may need other services such as Homeowner counseling, legal counseling, job training, mental health, and/or general health services. Travis County and the Program Operator will work to cultivate partnerships with local and community liaisons such as banks, counseling agencies, legal services, title companies, etc. The Program Operator will work to assist Survivors from inception to close-out of their recovery needs associated with the Program for which they participate. There will be a single point of contact for each Survivor Household to ensure that Survivors have the immediate contact information and information they need to be successful in their long-term recovery efforts. As Survivor applications are being accepted and reviewed for determinations of eligibility to participate in the Program, each Survivor will be counseled and made aware of their application status. They will also be made aware of available local housing counseling services. Depending on needs, they may also be referred to one of Travis County’s Community Centers or to local social service providers.

Needs Methodology Using Available Data

The total award for Travis County CDBG-DR Homebuyer Assistance for the May and October 2015 Floods was \$1,366,574.00. Of that amount, \$1,202,586.00 will go toward direct assistance. Travis County’s goal is to distribute the program funds proportionate to need at the time of the Flood Events, as shown in Table A-4. Due to extenuating factors, however, it may be difficult to achieve the funding goal for residents with Extremely Low and Very Low AMI.

TABLE A-4. Distribution of Program Assistance by AMI Category

Travis County CDBG-DR Homebuyer Assistance Program: 2015 Floods Project Funds: \$1,202,586.00		
AMI Category	Floor	Ceiling
Extremely Low	\$341,071.42	\$507,875.49
Very Low	\$223,551.99	\$332,882.12
Low	\$242,991.29	\$361,828.39
Total	\$807,614.70	\$1,202,586.00

Furthermore, within income categories, Applicants with special needs and/or other characteristics will receive prioritization as shown in Table A-5.

TABLE A-5. Travis County Applicant Priority Matrix

TRAVIS COUNTY APPLICANT PRIORITY MATRIX			
One or more members of the Household demonstrate:	Extremely Low 30% AMI or Below	Very Low 31% - 50% AMI	Low 51% to 80% AMI
Two or more of the following characteristics: <ul style="list-style-type: none"> • Age-dependent (<i>over 65 or under 5</i>) • Disabled • Veteran • Female Head of Household • 1 or more Household members under the age of 18 	1 st priority	2 nd priority	3 rd priority
One or more of the following characteristics: <ul style="list-style-type: none"> • Age-dependent (<i>over 65 or under 5</i>) • Disabled • Veteran • Female Head of Household • 1 or more Household members under the age of 18 	4 th priority	5 th priority	6 th priority
None of the social characteristics listed above	7 th priority	8 th priority	9 th priority



Appendix B - Travis County CDBG-DR Affirmative Fair Housing Marketing & Outreach Plan: 2015 Flood Events

Travis County is committed to affirmatively furthering fair housing through established affirmative marketing policies. The goal is to ensure that outreach and communication efforts reach eligible Survivors of the Travis County May and October 2015 flood Events from all racial, ethnic, national origin, religious, familial status, the disabled, “special needs,” and gender groups.

What is fair housing? The Federal Fair Housing Act refers to [Title VIII of the Civil Rights Act of 1968](http://www.justice.gov) (www.justice.gov). This Act, in addition to the [Texas Fair Housing Act](http://www.statutes.legis.state.tx.us) (www.statutes.legis.state.tx.us), protects your right to rent an apartment, buy a home, obtain a mortgage, or purchase Homeowners insurance free from discrimination based on:

- Race
- Color
- National Origin
- Religion
- Sex
- Familial Status, and
- Disability

Fundamentally, fair housing means that our communities are open and welcoming, free from housing discrimination and hostility. But this also means that each one of us, regardless of race, color, religion, national origin, sex, familial status, and disability, has access to neighborhoods of opportunity, where our children can attend quality schools, our environment allows us to be healthy, and economic opportunities and self-sufficiency can grow.

Needs Methodology

The total award for Travis County CDBG-DR Homebuyer Assistance for the May and October 2015 Floods was \$1,366,574.00. Of that amount, \$1,202,586.00 will go toward direct assistance. Travis County’s goal is to distribute the program funds proportionate to need at the time of the Flood Events, as shown in Table B-1. Due to extenuating factors, however, it may be difficult to achieve the funding goal for residents with Extremely Low and Very Low Area Median Income (AMI).

TABLE B-1. Distribution of Program Assistance by AMI Category

Travis County CDBG-DR Homebuyer Assistance Program: 2015 Floods Project Funds: \$1,202,586.00		
AMI Category	Floor	Ceiling
Extremely Low	\$341,071.42	\$507,875.49
Very Low	\$223,551.99	\$332,882.12
Low	\$242,991.29	\$361,828.39
Total	\$807,614.70	\$1,202,586.00

Furthermore, within income categories, Applicants with special needs and/or other characteristics will receive prioritization as shown in Table B-2. This Applicant Priority Matrix will guide the prioritization of program funding as well as targeted marketing and outreach.

TABLE B-2. Travis County Applicant Priority Matrix

TRAVIS COUNTY APPLICANT PRIORITY MATRIX			
One or more members of the Household demonstrate:	Extremely Low 30% AMI or Below	Very Low 31% - 50% AMI	Low 51% to 80% AMI
Two or more of the following characteristics: <ul style="list-style-type: none"> • Age-dependent (<i>over 65 or under 5</i>) • Disabled • Veteran • Female Head of Household • 1 or more Household members under the age of 18 	1 st priority	2 nd priority	3 rd priority
One or more of the following characteristics: <ul style="list-style-type: none"> • Age-dependent (<i>over 65 or under 5</i>) • Disabled • Veteran • Female Head of Household • 1 or more Household members under the age of 18 	4 th priority	5 th priority	6 th priority
None of the social characteristics listed above	7 th priority	8 th priority	9 th priority

The Coordinator of Travis County’s Affirmative Fair Housing Marketing & Outreach Plan will be a grant Vendor (the “Program Operator”). The team that will conduct the targeted outreach in the field will include Program Operator staff members and Travis County Community Development Block Grant (CDBG) team staff members.

Outreach will occur to extremely low, very low-, and low-income people who are noted as FEMA applicants in Table A-3.

1. Program Outreach and Marketing:

- Emphasis should be focused on successful outreach to LMI areas and those communities with minority concentrations that were affected by the disaster. Outreach efforts may include door-to-door canvassing and special outreach efforts to hard-to-reach populations (e.g., seniors, and persons with severe disabilities who either do not have information about the resources available or are unable to apply for resources).

To affirmatively market and conduct outreach to impacted residents about this homebuyer assistance program, Travis County will: work with the Transportation and Natural Resources Department who are conducting buy-outs and directly connect those Households to the Program Operator. Additionally, a general notice will be sent out to all known Households impacted by the May and October 2015 floods about the program via postal mail, NextDoor, and signs in the neighborhoods impacted in the May and October 2015 floods.

All outreach efforts will be done in accordance with state and federal fair lending regulations to assure nondiscriminatory treatment, outreach and access to the Program. No person shall, on the grounds of race, color, national origin, religion, sex, familial status, or physical or mental disability be excluded, denied benefits or subjected to discrimination under the Program.

- A. The Fair Housing Lender logo will be placed on all outreach materials.
- B. Flyers or other outreach materials, in English and Spanish, will be distributed in the Program-eligible area.
- In addition to marketing through widely available media outlets, efforts may be taken to affirmatively market the CDBG-DR Program as follows:
 - Advertise with the local media outlets, including newspapers and broadcast media, that provide unique access for persons who are considered members of a protected class under the Fair Housing Act;
 - Include flyers in utility and tax bills advertising the Program;
 - Reach out to public or non-profit organizations and hold/attend community meetings; and
 - Other forms of outreach tailored to reaching the eligible population, including door-to-door outreach, and on the weekends, if necessary.

For each project or program, notification to these populations should include:

- Fully informed of vacant units available for sale;
- Encouraged to apply for purchase;
- Given the opportunity to buy the unit of their choice; and
- Measures will be taken to make the Program accessible to persons who are considered members of a protected class under the Fair Housing Act by holding informational meetings in buildings that are compliant with the Americans with Disabilities Act (ADA), providing sign language assistance when requested, and providing special assistance for those who are visually impaired when requested.
- Travis County and the Program Operator will be required to use the Fair Housing logo in Program advertising, post Fair Housing posters and related information and, in general, inform the public of its rights under Fair Housing regulations law.

2. Applications for the Program:

The Program Operator will work closely with local real estate agents and primary lenders to explain the Program requirements for eligible housing units and homebuyers, and to review Program processes.

- Applications and forms will be offered in English and other languages prevailing in the region in accordance with Title VI of the Civil Rights Act of 1964, including persons with disabilities (24 CFR 8.6), Limited English Proficiency (LEP), and other fair housing and civil rights requirements such as the effective communication requirements under the Americans with Disabilities Act. Every effort will be made to assist such Applicants in the application process.

3. Applicants for the Program:

- The Program Operator will help navigate and inform Survivors who may qualify for acquisition and buyout of their damaged unit to remove them from flood hazards, environmental hazards, and other unsafe conditions while meeting AFFH obligations. Since the County's program does not contain a buyout component, the Program Operator will help navigate and inform Survivors of the options of homeownership for safe and affordable housing outside of the floodplain and out of harm's way.
- The Program Operator will coordinate with HUD-certified housing counseling organizations to ensure that information and services are made available to Applicants. Additional information is available here: <https://apps.hud.gov/offices/hsg/sfh/hcc/hcs.cfm?weblistaction=summary>

4. Documentation:

- Documentation of all marketing measures used, including copies of all advertisements and announcements, will be submitted to GLO in accordance with program requirements. In addition, they will be retained and made available to the public upon request.

5. Evaluation:

- Evaluation of outreach activities and applications received will be necessary to determine if outreach is successful and applications that are being received accurately reflect the socioeconomic and other forms of demographic diversity. Evaluation will be an ongoing process. The GLO will assist Travis County by reviewing application intake reports before the County and the Program Operator begin to qualify Applicants, and periodically thereafter. If the applications received do not align with program goals for income categories and targeted populations, the Program Operator will adjust marketing and outreach strategies in order to better reach the income categories and targeted populations.

6. Audit Requirements:

Travis County maintains compliance with Single Audit requirements. Travis County, receiving funds which exceed the thresholds set in 2 CFR 200.501, Audit Requirements, shall have a single or program specific audit conducted in accordance with the applicable federal requirements.

Vendors and contractors employed by Travis County will be required to comply with the executed contract.

Appendix C - Travis County CDBG-DR Housing Guidelines: 2015 Flood Events Public Comments Received and Responses

After presentation to Travis County Commissioners Court, the draft *Travis County CDBG-DR Housing Guidelines: 2015 Flood Events* (Housing Guidelines) was posted for written comment for fifteen days beginning May 20, 2020 and ending June 3, 2020, prior to the final approval by the Travis County Commissioners Court. The Draft Housing Guidelines was posted on the Travis County website on May 19, 2020 and staff at the seven Travis County Community Centers were notified. One written comment was received during the 15-day comment period; the commenter expressed concerns about affordability, transit, and home availability, and asked questions about price ranges, locations of available homes, and other sources of available assistance for impacted families. The full comment and the CDBG office response is included below.

During the 15-day comment period, one public hearing was held during the normally scheduled Travis County Commissioner's Court voting session to inform and enable the community to comment on the proposed Housing Guidelines. This public hearing was held on June 2, 2020 via a virtual, online format due to the COVID-19 pandemic. The public was able to call into the meeting to ask questions or make comments. No public comments were offered at this hearing.

PUBLIC COMMENT RECEIVED DURING 15-DAY COMMENT PERIOD

Public comment received via email on 6/2/2020

Meeting Date: June 2, 2020 Public Hearing

Agenda Language: Receive comments regarding the Community Development Block Grant – Disaster Recovery (CDBG-DR) Housing Project's proposed Travis County CDBG-DR Housing Guidelines: 2015 Flood Events.

1. **Background:** Item 1 (Slide 4, p. 292). Like Travis County's CDBG-DR criteria, the City of Austin's Down Payment Assistance Program for first-time homebuyers limits income to 80% AMI (Area Median Family Income), \$52,850. I understand the two programs differ, but the income limit is the same which is the basis of my questions.

- CDBG Income Eligibility: <https://www.traviscountytexas.gov/health-human-services/cdbg/income-eligibility>
- June 2, 2020 Agenda: <http://traviscountytexas.iqm2.com/Citizens/FileOpen.aspx?Type=1&ID=1884&Inline=True>
 - a. How much home can an individual earning 80% AMI buy? Is it roughly three times the annual income or some other rule of thumb? Please provide a price range.
 - b. Where can a family impacted by the "2015 Flood Events" buy a home in Travis County or the City of Austin? Do you have a list of homes or area(s) within the 80% AMI price range? Please provide a list, map (ideally, by precinct), and/or weblinks.
 - c. Do you know of any programs that may assist a family impacted by the "2015 Flood Events" in addition to "a deferred, 3-year forgivable loan for up to 100% of the down payment" under CDBG-DR? In other words, can an individual or family get help with more than one homeowner program simultaneously? Please provide a list of other programs with criteria, if available.

2. **Context:** Last week, a City of Austin representative discussed the Down Payment Assistance Program on KAZI 88.7FM (30-year Black radio station). In part, she mentioned the lender's role in requesting between \$15K to \$40K but no mention of "shared equity" pros and cons. Subsequently, I realized that even with \$40K assistance a teacher earning \$52K could not afford to purchase a \$400K condo/townhome on Springdale/51st St. I also recently testified on 3500 Pecan Springs proposed \$380K-\$425K condos on Springdale. About 0.8 miles north of the Route 300N-Springdale/Touchstone bus stop, The Reserve at Springdale \$43M Housing Authority of the City of Austin property with 292 units has 60% AMI limit, predominantly Black area. Home ownership, however, is unattainable in the area being gentrified less than one mile south of the property between Springdale/51st St and E. MLK.
- a. Disparate Impacts: I raised income-restricted home ownership and mixed-income housing issues during Planning Commission testimony at least twice during coronavirus-2019 pandemic virtual hearings. Planning Commissioners raised questions related to affordability afterwards, too. Due to the 80% AMI restriction, disparate impact policies exclude rather than include minorities and professionals earning 80% AMI.
 - b. Transit/Transportation Implications: I noted the difference in public transportation. For \$400K future Springdale development, a \$7K silver shelter sits atop of a hill by Touchstone. The applicant (Mr. Gray) relied on Frequent Route 300 to justify his request for 25 condos/townhomes (\$380K to \$425K). But the HACA property (0.8 miles north), Capital Metropolitan Transportation Authority ("Capital Metro") removed the bus stop for 292 residents in affordable housing, forcing them to walk 1/2-mile from Pecan Springs Elementary and 1 mile from Blanton Elementary to 51st St/Mueller to the bus stops that better serve white choice riders. Six months after the June 3, 2018 Cap Remap 52 bus route changes, Capital Metro provided Pickup on-demand service which remains inadequate as minorities, Blacks in particular at The Reserve at Springdale and residents on Rogge Lane, have no weekend service and still walk before 7AM and after 7PM Monday through Friday.
3. **Closing:** Given the cost of housing in gentrified East Austin areas, lack of Northeast Austin reliable transit, elimination of Northeast-west connectivity, and absence of transit between Applied Materials, Samsung, and Apple Texas Enterprise Zones in Precincts 1 and 2, it would be helpful to know where homes and essential amenities exist for individuals earning 80% AMI in Austin/Travis County. In Craigwood and Colony Park, homes may be cheaper but bus routes funded by Travis County run 60 minutes in Black neighborhood compared to 6 minutes to The University of Texas at Austin and 15 minutes South/West and Central. This Title VI transit inequity impacts housing choices, too. From a holistic perspective, if the CDBG Office has an "asset map" often requested by Commissioner Jeff Travillion showing 80% AMI homes, transit, schools, grocery stores, and healthcare facilities, please send a copy via email. Lastly, it appears I misdialed this morning when trying to call-in for the Public Hearing. Hence request a written response to my questions. Thanks in advance.

CDBG Staff Response sent via email on 6/8/2020:

Thank you for reaching out about the draft Travis County CDBG-DR Housing Guidelines: 2015 Flood Events (Housing Guidelines). Please see our responses to your questions in the body of the email copied and pasted below; our responses are in italics.

Best,

CDBG
Office of the County Executive for
Travis County Health and Human Services
P.O. Box 1748, Austin, TX 78767
CDBG General Line: 512.854.3460
www.traviscountytexas.gov/cdbg

Meeting Date: June 2, 2020 Public Hearing

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- CDBG Income Eligibility: <https://www.traviscountytexas.gov/health-human-services/cdbg/income-eligibility>

- June 2, 2020 Agenda:

<https://traviscountytexas.ig2.com/Citizens/FileOpen.aspx?Type=1&ID=1884&Inline=True>

- a. How much home can an individual earning 80% AMI buy? Is it roughly three times the annual income or some other rule of thumb? Please provide a price range.

Response: The amount of home that a household can afford will vary depending on a number of factors. In the case of the Travis County CDBG-DR Homebuyer Assistance Program (The Program), participating households will work with lenders to determine the amount they can afford. According to HUD, if a family pays more than 30% of their income for housing, it is considered a cost burden. (Reference: https://www.hud.gov/program_offices/comm_planning/affordablehousing/)

- b. Where can a family impacted by the "2015 Flood Events" buy a home in Travis County or the City of Austin? Do you have a list of homes or area(s) within the 80% AMI price range? Please provide a list, map (ideally, by precinct), and/or weblinks.

Response: A family participating in The Program may buy a home anywhere within Travis County, though the homes must meet property eligibility requirements as outlined in the Housing Guidelines. (Reference: Section 4.D. of the Housing Guidelines.) Once underway, the affirmative fair housing marketing and outreach of The Program will include notification of vacant units available for sale. (Reference: Appendix B of the Housing Guidelines.)

- c. Do you know of any programs that may assist a family impacted by the "2015 Flood Events" in addition to "a deferred, 3-year forgivable loan for up to 100% of the down payment" under CDBG-DR? In other words, can an individual or family get help with more than one homeowner program simultaneously? Please provide a list of other programs with criteria, if available.

Response: The Travis County CDBG office does not maintain a list of all available homeowner programs, though we have compiled some information and references here: <https://www.traviscountytexas.gov/health-human-services/cdbg/housing-referral-list>. Participants in The Program must meet eligibility requirements, which include a determination of unmet needs and a duplication of benefits review. (Reference: Section 4.C. of the Housing Guidelines.)

2. **Context:** Last week, a City of Austin representative discussed the Down Payment Assistance Program on KAZI 88.7FM (30-year Black radio station). In part, she mentioned the lender's role in requesting between \$15K to \$40K but no mention of "shared equity" pros and cons. Subsequently, I realized that even with \$40K assistance a teacher earning \$52K could not afford to purchase a \$400K

condo/townhome on Springdale/51st St. I also recently testified on 3500 Pecan Springs proposed \$380K-\$425K condos on Springdale. About 0.8 miles north of the Route 300N-Springdale/Touchstone bus stop, The Reserve at Springdale \$43M Housing Authority of the City of Austin property with 292 units has 60% AMI limit, predominantly Black area. Home ownership, however, is unattainable in the area being gentrified less than one mile south of the property between Springdale/51st St and E. MLK.

- a. Disparate Impacts: I raised income-restricted home ownership and mixed-income housing issues during Planning Commission testimony at least twice during coronavirus-2019 pandemic virtual hearings. Planning Commissioners raised questions related to affordability afterwards, too. Due to the 80% AMI restriction, disparate impact policies exclude rather than include minorities and professionals earning 80% AMI.

Response: The City of Austin's Planning Commission actions, conversations, and/or policies are outside Travis County's purview. Community Development Block Grant funds from HUD, of which CDBG-DR funds are a part, are designed to benefit individuals who have low- to moderate-income.

- b. Transit/Transportation Implications: I noted the difference in public transportation. For \$400K future Springdale development, a \$7K silver shelter sits atop of a hill by Touchstone. The applicant (Mr. Gray) relied on Frequent Route 300 to justify his request for 25 condos/townhomes (\$380K to \$425K). But the HACA property (0.8 miles north), Capital Metropolitan Transportation Authority ("Capital Metro") removed the bus stop for 292 residents in affordable housing, forcing them to walk 1/2-mile from Pecan Springs Elementary and 1 mile from Blanton Elementary to 51st St/Mueller to the bus stops that better serve white choice riders. Six months after the June 3, 2018 Cap Remap 52 bus route changes, Capital Metro provided Pickup on-demand service which remains inadequate as minorities, Blacks in particular at The Reserve at Springdale and residents on Rogge Lane, have no weekend service and still walk before 7AM and after 7PM Monday through Friday.

Response: The Housing Guidelines and The Program have no bearing on the specific transit or transportation issues you have highlighted here.

3. **Closing:** Given the cost of housing in gentrified East Austin areas, lack of Northeast Austin reliable transit, elimination of Northeast-west connectivity, and absence of transit between Applied Materials, Samsung, and Apple Texas Enterprise Zones in Precincts 1 and 2, it would be helpful to know where homes and essential amenities exist for individuals earning 80% AMI in Austin/Travis County. In Craigwood and Colony Park, homes may be cheaper but bus routes funded by Travis County run 60 minutes in Black neighborhood compared to 6 minutes to The University of Texas at Austin and 15 minutes South/West and Central. This Title VI transit inequity impacts housing choices, too. From a holistic perspective, if the CDBG Office has an "asset map" often requested by Commissioner Jeff Travillion showing 80% AMI homes, transit, schools, grocery stores, and healthcare facilities, please send a copy via email. Lastly, it appears I misdialed this morning when trying to call-in for the Public Hearing. Hence request a written response to my questions. Thanks in advance.

Response: The Travis County CDBG office does not have a comprehensive "asset map" such as you have described here. However, once underway, the affirmative fair housing marketing and outreach of The Program will include notification of vacant units available for sale. (Reference: Appendix B of the Housing Guidelines.)

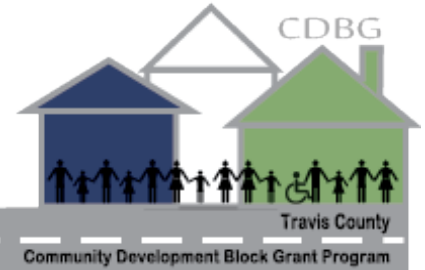
7-DAY PUBLIC COMMENT PERIOD (FOR 2022 REVISIONS)

No Public comments received via mail or email during the 7-day public comment period (May 25-31, 2022). Due to the Memorial Day holiday, staff checked through June 1, to confirm there was no delay in receipt of mailed comments.



Travis County Health and Human Services & AgriLife

CDBG Program
P.O. Box 1748
Austin, Texas 78767
PH (512) 854-3460
www.traviscountytx.gov/cdbg



Travis County CDBG-DR Homebuyer Assistance Program (HBA) Duplication of Benefits (DOB) Policies and Procedures

Guiding Policy for the Travis County Homebuyer Assistance Program (HBA)

The Robert T. Stafford Disaster Assistance and Emergency Relief Act (Stafford Act) prohibits any person, business concern, or other entity from receiving financial assistance from CDBG-DR funding with respect to any part of a loss resulting from a major disaster as to which he/she has already received financial assistance under any other program or from insurance or any other source. Duplication of Benefits is strictly prohibited.

The total Duplication of Benefits (DOB) (difference between down-payment assistance already received from insurance, FEMA, or the SBA minus expenditures) will equal the remaining gap. The remaining gap will be filled by down-payment assistance. If other funds were received for other types of housing assistance, that is not considered DOB.

Unlike many other CDBG-DR disaster recovery programs, which are implemented as a result of a flood event or perhaps another natural disaster, and contain a buyout component, the Travis County program does not contain a buyout component. As a result, although the DOB calculation form and insurance affidavit are required, if the assistance provided by insurance, FEMA, SBA, or any other source, was not for the same purpose of this program (homebuyer assistance), the assistance, will not be considered duplicative.

Guiding Procedures for the Travis County Homebuyer Assistance Program (HBA)

The form files on the second page of this document as well as the completion of the two CDBG-DR attached forms are required for all applications. The responses on these forms will help determine if a program applicant is eligible for CDBG-DR homebuyer assistance funds.

The completion of the GLO CDBG-DR [Duplication of Benefits Calculation Form](#) appended below is required for each applicant by the Grantee (GLO). If the assistance is not duplicative as defined herein, the form shall become a part of the application packet as required by the GLO, but the amount is not required to be factored into the amount of assistance provided.

The completion of the GLO CDBG-DR [Insurance Affidavit](#) appended below is required for each applicant of homebuyer assistance funds by the Grantee, the GLO. If an insurance claim has been paid, and as a result of the claim, the Survivor impacted by the May or October 2015 flood event has purchased a new home, the use of an insurance claim to purchase a home would be duplicative of the effort and intent of this program and would therefore make the prospective applicant ineligible for CDBG-DR homebuyer assistance.

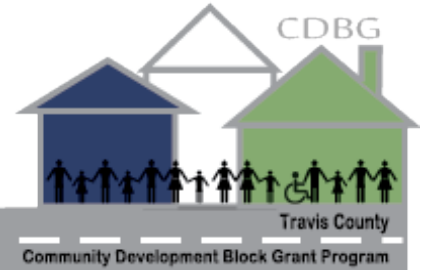
Recapture and Monitoring Requirements

Any funds provided to the homeowner that are later determined duplicative of the homebuyer assistance must be refunded to Travis County. On the anniversary of assistance for three (3) years (the forgivable period), Travis County will send a letter, an insurance affidavit, and other certifications, requiring a response to confirm insurance is maintained and there has been no assistance that would duplicate benefits.



Travis County Health and Human Services & AgriLife

CDBG Program
P.O. Box 1748
Austin, Texas 78767
PH (512) 854-3460
www.traviscountytx.gov/cdbg



Known Funding Sources for Homebuyer Assistance

Has the HBA program applicant received funds for homebuyer assistance from:

Form with checkboxes for Insurance, FEMA, SBA, and Other funding sources, plus an N/A checkbox.

If N/A is checked above, please skip this section. If not, please provide details in the chart below:

Table with 4 columns: Funding Source Name, Purpose of Assistance, Amount, Month/Year

NOTE: The total Duplication of Benefits (DOB) (difference between down-payment assistance already received from insurance, FEMA, or the SBA minus expenditures) will equal the remaining gap.

Known Funding Sources for Other Financial Assistance

Please provide the details in the chart below:

Table with 4 columns: Funding Source Name, Purpose of Assistance, Amount, Month/Year

DOB Policy Applicability (Three-prong Test)

Duplication of Benefits occurs when:

- 1. Federal financial assistance is provided to a person or entity through a program to address losses resulting from a Federally-declared emergency or disaster, AND
2. The beneficiary or entity has received (or would receive, by acting reasonably to obtain available assistance) financial assistance for the same costs from any other source (including insurance), AND
3. The total amount received exceeds the total need for those costs.

Each application for homebuyer assistance shall have applied and shall pass the duplication of benefits three-prong test, as stated herein.

Other Requirements:

Complete of both forms below is required. The responses on these forms will help determine if an program applicant is eligible for CDBG-DR homebuyer assistance funds.

[] The completion of the GLO CDBG-DR Duplication of Benefits Calculation Form is required for each applicant by the Grantee, the GLO. A sample of the form is provided below.

[] The completion of the GLO CDBG-DR Insurance Affidavit is required for each applicant of homebuyer assistance funds by the Grantee, the GLO. A sample of the form is provided below.



Texas General Land Office
Community Development and Revitalization
Duplication Of Benefits (DOB) Calculation Form
CDBG-DR Buyout/Acquisition Program

The DOB Calculation Form must document the total DOB amount per household/property. All DOB calculated must follow the latest Clarification of Duplication of Benefits requirements under the Stafford Act for Community Development Block Grant (CDBG) Disaster Recovery Grantees (71060 Federal Register/Vol. 76, No. 221/ Wednesday, November 16, 2011/Notices and 42 U.S.C. 5155 Section 312 of the Robert T. Stafford Disaster Assistance and Emergency Relief Act, as amended).

Subrecipient or GLO Designated Representative must first determine the applicant's total post-disaster recovery need (based on actual bid and program caps). Then the Subrecipient or GLO Designated Representative must reduce the determined need by funding previously received for the same purposes. The applicant will need to pay back funds or take a reduction in scope to proceed with assistance.

Subrecipient:		Contract #:	
Applicant ID:			
Applicant Name:			
Co-Applicant Name:			
Applicant Address:			

Calculation of Eligible Award			
1. Identify Applicant's Total Need Prior to Any Assistance (ex: Recon Cost, Acquisition payoff amount)		\$	-
2. Identify All Potentially Duplicative Assistance			
a. FEMA Housing Repair		\$	-
b. SBA		\$	-
c. Insurance		\$	-
d. Other (ex: nonprofit, charity, etc.). Please provide funding source:		\$	-
Received Assistance Total		\$	-
3. Expenditures (Receipts/Support Documentation)			
a. Receipts or confirmation of repairs with Inspection Report		\$	-
b. Forced Mortgage Payoff		\$	-
c. Contractor Fraud		\$	-
Expenditure Total		\$	-
4. Deduct Assistance Determined to be Duplicative (Received Assistance Total Minus Expenditure Total)		\$	-
5. Funding Adjustments			

a. Applicant Provided Funding		\$	-
Total Adjustments		\$	-
6. Maximum Eligible Award (Item 1 minus Item 4 plus Item 5)		\$	-

Acknowledgment

Under penalties of perjury, I/we certify that the information presented in this document is true and accurate to the best of my knowledge and belief. I/We further understand that providing false representations herein constitutes an act of fraud. False, misleading or incomplete information may result in my ineligibility to participate in this program or any other programs that will accept this document. Additionally, if I/we receive future funding for the same purpose of the CDBG-DR funds, I/we will agree to repay the assistance that was duplicated. Warning: Any person who knowingly makes a false claim or statement to HUD may be subject to civil or criminal penalties under 18 U.S.C. 287, 1001 and 31 U.S.C. 3729.

Signature of Applicant:		Date:	
Signature of Co-Applicant:		Date:	
Signature of Subrecipient or State Representative:		Date:	

Disclaimer: The Texas General Land Office has made every effort to ensure the information contained on this form is accurate and in compliance with the most up-to-date CDBG-DR and/or CDBG-MIT federal rules and regulations, as applicable. It should be noted that the Texas General Land Office assumes no liability or responsibility for any error or omission on this form that may result from the interim period between the publication of amended and/or revised federal rules and regulations and the Texas General Land Office's standard review and update schedule.



Texas General Land Office
 Community Development and Revitalization
 CDBG-DR Buyout / Acquisition Program
Insurance Affidavit

Project Information		
Subrecipient Name:	Contract No. and/or WO:	
Applicant's Name:		
Co-Applicant's Name:		
Physical Address:		
City:	State: Texas	Zip Code:
Instructions		
Section 312 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act prohibits any person from receiving assistance with respect to any part of a loss as to which he/she has received previous financial assistance. Applicant must document insurance policies that covered the property from the date of the event until present. Complete this form even if you did not have insurance on or after the event. The applicant is required to indicate whether or not you received claims or a settlement from an insurance company for damages caused by the event. Documentation of the claim(s) and/or settlement amount(s) must be submitted to the Program.		
Certification		
From the date of the event until present, a homeowner's, flood, and/or windstorm insurance policy was in force for the property listed above.	Choose an item.	
From the event until present, did you receive a claim or settlement payment from an insurance company for structural damages caused by the event.	Choose an item.	
Signatures (Notarization Required)		
Under penalties of perjury, I certify that the information presented in this Affidavit is true and accurate to the best of my knowledge and belief. I further understand that providing false representations herein constitutes an act of fraud. False, misleading or incomplete information may result in my ineligibility to participate in Programs that will accept this Affidavit. Warning: Any person who knowingly makes a false claim or statement to HUD may be subject to civil or criminal penalties under 18 U.S.C. 287, 1001 and 31 U.S.C. 3729.		
Applicant's Printed Name:	Date:	
Applicant's Signature:		
Co-Applicant's Printed Name:	Date:	



Texas General Land Office
Community Development and Revitalization
CDBG-DR Buyout / Acquisition Program
Insurance Affidavit

Co-Applicant's Signature:	
Before me personally appeared the person, whose signature appears above, who by being sworn, upon oath say that the statements set forth hereinabove are true and correct. Subscribed and sworn before me this _____ day of _____, 20_____.	
Signature of Notary	
Notary Public State of Texas – Printed Name	NOTARY SEAL
Date Notary's Commission Expires:	

Disclaimer: The Texas General Land Office has made every effort to ensure the information contained on this form is accurate and in compliance with the most up-to-date CDBG-DR and/or CDBG-MIT federal rules and regulations, as applicable. It should be noted that the Texas General Land Office assumes no liability or responsibility for any error or omission on this form that may result from the interim period between the publication of amended and/or revised federal rules and regulations and the Texas General Land Office's standard review and update schedule.