

Public Hearing

Community Development Block Grant (CDBG)

Disaster Recovery Round 2, Phase 2

November 28, 2011

City Hall Annex Council Chambers

CDBG Disaster Recovery Round 2

- September 2008 - Hurricane Ike hits Houston
- December 2009 - City Of Houston applies to State of Texas for funding
- August 2009 - City Of Houston was awarded \$87.2 M in CDBG Disaster Recovery Round 1 funds to address housing needs and \$21.8 M to address Non-Housing Needs
- November 2011 – Disaster Recovery Round 2, Phase 2 Public Hearing held
- December 2011 - City of Houston will apply to the Texas General Land Office (GLO) for CDBG Disaster Recovery Program Round 2 for approximately \$178 M to address housing and infrastructure needs

CDBG Disaster Recovery Round 2 Funding

City of Houston, Housing Projects	Proposed Budget*
General Housing Allocation	\$107,348,346
Affordable Rental Single Family Allocation	\$7,270,468
Affordable Rental – Other (Multifamily) Allocation	\$7,304,160
Surge Weighted Subsidized Housing Allocation	\$29,490,046
Total Allocation**	\$151,413,020

*According to H-GAC Method of Distribution (MOD)

** For collaboration with the Houston Housing Authority

CDBG Disaster Recovery Round 2

Eligible Housing Projects

1. Acquisition with rehabilitation or rehabilitation of multi-family rental units, which corrects damage from Hurricane Ike and brings the property up to applicable local, state, and Federal codes and housing standards.
2. New construction of multi-family rental units that replaces units damaged during Hurricane Ike or that house low-income populations that were displaced due to the storm.
3. Acquisition with rehabilitation or rehabilitation of single-family rental units, which corrects damage from Hurricane Ike and brings the property up to applicable local, state, and Federal codes and housing standards or that house low-income populations that were displaced due to the storm. Per the State's housing guidelines, single family rental are seven or less rental units under common ownership on contiguous or scattered lots. Scattered site single-family rental units may exceed seven units, but must be pre-approved.

CDBG Disaster Recovery Round 2 Funding

City of Houston, Non-Housing Projects	Proposed Budget*
General Non-Housing Allocation	\$26,148,986
Disaster Recovery Enhancement Fund (DREF) Obligation**	\$4,262,286

*According to H-GAC Method of Distribution (MOD)

**For collaboration with the HCDD to address individual mitigation, buyouts, and land use decisions

CDBG Disaster Recovery Round 2

Eligible Non-Housing Projects

1. Improvements and hardening to infrastructure damaged by or failed to function due to Hurricane Ike.
 - water, sewer, drainage, street/roadway, emergency generator needs.
2. Repairs to community centers damaged by Hurricane Ike.
3. Generators to community centers, homeless shelters, MUDs, WCIDs, or FWSDs that lost power due to Hurricane Ike and failed to function.

CDBG Disaster Recovery Round 2 Housing Guidelines

- Multifamily :
 - \$10 million per development cap
 - 51% of units must benefit 80% or below AMI
 - Broader access to those efficiency incentives in NOFA's
 - Must address impediments to fair housing choice
- (Single – Family) Homebuyer's Opportunity Program:
 - Three options:
 - Reconstruct home in current location
 - Sell home to HCDD/City of Houston and purchase new or existing home somewhere in the 13-county H-GAC area but not in a high minority, high poverty, or 100-year flood zone location
 - Sell home to HCDD/City of Houston and build new home or manufactured housing units (MHU) on a lot somewhere in the 13-county H-GAC area, but not in a high minority, high poverty, or 100-year flood zone location

CDBG Disaster Recovery Round 2 Funding Highlights of the Conciliation Agreement

- Must Affirmatively Further Fair Housing (AFFH)
- Must work within Flood Zones
- Must provide assistance commensurate with the damage occurring to very low-income (31% to 50% AMI) and extremely low-income (30% AMI or less) individuals
- Must offer Homeowner Opportunity Program (HOP) for all eligible homeowners:
 - Located within census tract >65% minority
 - Located within census tract >35% poverty and/or
 - Located within the flood zone

Data Collected for Mapping Target Areas

- Housing Needs Assessment Data from Texas General Land Office (GLO)
 - Used for determining the amount of requests and block group demographics
- Preliminary Damage Assessment Data from the Office of Emergency Management (OEM)
 - Used for determining the preliminary amount of damages

Selection Criteria for Primary Target Areas

- Block Groups must have 35% or more of poverty
- Block Groups must have 65% or more of minority or ethnic population status
- Block groups must have damages and requests that are above average to determine which primary areas were most impacted.

Prioritizing Finalized Target Areas

- Quartiles are defined as a set of values where the data set is divided into four equal groups
- Each group representing a fourth (or a quartile) of the population in poverty

Selecting Target Areas

- Quartiles evenly distribute poverty rates of the selected target areas from the lowest poverty rates to the highest poverty rates
- Block groups with poverty rates above the 75th percentile (the highest poverty rates) will be **Priority 1** target areas
- Block groups with poverty rates below the 25th percentile (the lowest poverty rates) will be **Priority 4** target areas

Selecting Target Areas

- Quartiles categorize an even distribution of targeted block groups in poverty as follows:

Priority 1

third quartile = 75th percentile

Priority 2

second quartile = 50th percentile

Priority 3

first quartile = 25th percentile

Priority 4

Selecting Target Areas

- The proposed areas are categorized in four priority areas.
- Four ranges of poverty from the highest poverty rate to the lowest poverty rate are mapped as:

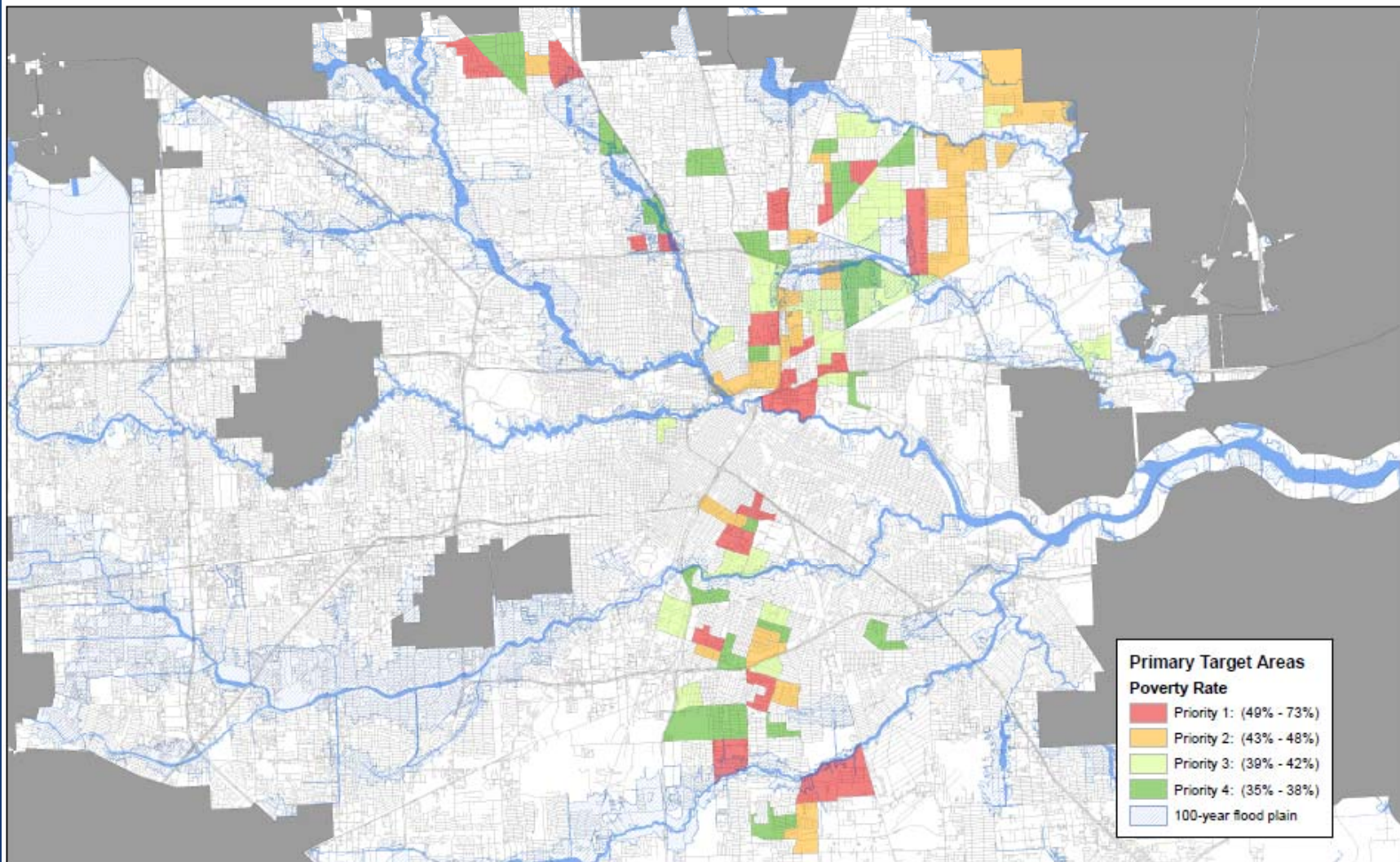
Priority 1 = 49% - 73%

Priority 2 = 43% - 48%

Priority 3 = 39% - 42%

Priority 4 = 32% - 38%

Finalized Primary Target Areas



Public Comment

CDBG Disaster Recovery Round 2, Phase 2

Thanks

- Thank you for your comments.
- Thanks to the Mayor's Office of International Communities and HCDD staff for interpreters

