



NEWS

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State housing Agency releases funding notices totaling \$105 million for hurricane disaster relief

*Funding will help rebuild rental housing, public infrastructure
damaged by Hurricane Rita*

(AUSTIN) — Help for residents affected by Hurricane Rita is significantly closer today as the Texas Department of Housing and Community Affairs released two Notices of Funding Availability (NOFAs) totaling \$105 million for disaster recovery efforts. The NOFAs, one each for rental housing stock restoration and critical infrastructure repairs, will jump-start funding to affected communities in portions of Southeast Texas hard hit by the 2005 hurricane.

“Now that we have HUD’s approval, residents will see action begin to seriously ramp up and the real work take place,” said Michael Gerber, TDHCA Executive Director. “We are determined to get these funds out quickly to help Southeast Texans rebuild their homes and their communities.”

The Department is making \$82.8 million through one NOFA available to eligible applicants to repair, rehabilitate, or reconstruct existing affordable rental housing units that experienced hurricane damage. The rental housing restoration funds are targeted to 22 counties including Angelina, Brazoria, Chambers, Fort Bend, Galveston, Hardin, Harris, Jasper, Jefferson, Liberty, Montgomery, Nacogdoches, Newton, Orange, Polk, Sabine, San Augustine, San Jacinto, Shelby, Trinity, Tyler, Walker.

Applicants must prove ownership of the development site on or before the date of impact by Hurricane Rita, September 24, 2005, and 51 percent of the units repaired or rebuilt must serve households at or below 80 percent of the area median family income.

The second NOFA, being issued by the Office of Rural Community Affairs, provides \$22.2 million for the restoration of critical infrastructure to all cities and counties within a 29-county region. The region includes: Angelina, Brazoria, Chambers, Fort Bend, Galveston, Hardin, Harris, Jasper, Jefferson, Liberty, Montgomery, Nacogdoches, Newton, Orange, Polk, Sabine, San Augustine, San Jacinto, Shelby, Trinity, Tyler, Walker, Cherokee, Gregg, Harrison, Houston, Marion, Panola, and Rusk counties.

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Eligible activities will focus on drainage issues and debris removal, repairs to public water/wastewater utilities, road and bridge repairs, and for the buyout of private residences flooded by the storm. The minimum award per contract will not be less than \$50,000 and will not exceed \$5 million. Only one application for up to \$5 million will be accepted per city or county.

The US Department of Housing and Urban Development on Friday, April 13, approved TDHCA's action plan to utilize \$428.6 million in federal Community Development Block Grant (CDBG) funds toward the state's recovery efforts. The two NOFAs represent a portion of these funds and will allow qualifying nonprofit organizations, for-profit entities, public housing authorities, and local governments to apply for grants and loans and begin to make necessary repairs in their respective communities.

Gerber noted that many state leaders helped expedite these CDBG funds at the federal level and recognized them for their assistance. "Governor Perry, Senator Hutchison, Senator Cornyn, Congressman Brady, and Texas Railroad Commissioner Michael Williams led the charge to secure these funds," he said. "We owe them, and HUD Secretary Alphonso Jackson, a debt of thanks."

TDHCA is administering these disaster recovery funds in conjunction with the Office of Rural Community Affairs and in accordance with its Action Plan for this second supplemental disaster recovery funding. HUD in January awarded Texas \$74.5 million in its first allocation of CDBG disaster recovery funds.

The second Action Plan was approved by the TDHCA Governing Board on February 1, and was submitted to HUD for approval February 6, 2007. HUD's approval last week paves the way for the Department to aggressively pursue the many home and infrastructure repairs residents of Southeast Texas have waited so long for.

About The Texas Department of Housing and Community Affairs

The Texas Department of Housing and Community Affairs is Texas' lead agency responsible for affordable housing, community and energy assistance programs, and colonia activities. The Department annually administers funds in excess of \$400 million, the majority of which is derived from mortgage revenue bond financing and refinancing, federal grants, and federal tax credits.