

NEWS

FOR IMMEDIATE RELEASE June 15, 2007 Contact: Gordon Anderson/512.475.4743 Michael Lyttle/512.475.4542

Starr County receives \$514,800 in disaster funds to repair flood damaged homes

TDHCA expects disaster funding to assist 10 homeowners in recovery process

(AUSTIN) — The quality of life for 10 Starr County homeowners whose homes suffered extensive flood damage last September should soon dramatically improve as the result of yesterday's \$514,800 disaster relief award to the county from the Texas Department of Housing and Community Affairs (TDHCA). The award was made through a portion of TDHCA's HOME Investment Partnerships (HOME) Program reserved for income eligible households who own the home in which they live.

"The residents of Starr County took a cruel hit from nature last September, and some are still struggling to make repairs," said Michael Gerber, TDHCA Executive Director. "TDHCA is pleased to provide these funds and help these families rebuild their lives and communities."

Heavy rains that fell on Starr County beginning on September 13, 2006, resulted in severe flooding which damaged several homes. The Governor's Division of Emergency Management, accompanied by TDHCA staff, conducted a preliminary damage assessment the week of September 15.

Governor Rick Perry subsequently requested TDHCA make available any financial assistance to the area possible. The Department communicated with county officials regarding the potential use of HOME Program funds to respond to this natural disaster, and staff visited with officials to provide technical assistance with the application process. The county applied for an award, and today the Department's Governing Board gave final funding approval.

Starr County will utilize \$495,000 of the funds to rehabilitate or reconstruct 10 homes and apply the balance toward covering administrative costs as allowed under federal rules.

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Starr County receives \$514,800 in disaster funds to rebuild flood damaged homes Page 2 of 2

The US Department of Housing and Urban Development is the funding source for the HOME Program, and funds are designed to assist households at or below 80 percent of the area median family income. Eligible applicants include units of local government, public housing authorities, Community Housing Development Organizations and other nonprofit groups, and qualifying forprofit organizations.

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.