

Dear Mr. (Ms.)

The National Affordable Housing Act of 1990 requires the Secretary of HUD to determine a percentage of up to 10% of the CDBG annual allocation to be spent on activities designed to meet the needs of colonias residents in the State of Arizona, California, New Mexico, and Texas after consultation with interest groups such as _____ and other representatives of the residents of colonias. I would very much appreciate it if you would answer the following questions as part of the consultation process. Upon receiving your answers, HUD headquarters and Field Office staff may call and discuss them with you.

1. Issues and Needs

- a. What are the key issues faced by colonias communities that the CDBG Colonias set-aside funding helps to address?
- b. Are there needs that cannot be addressed with CDBG
 - Due to the constraints on eligible uses?
 - Due to the definition of colonias? Especially, the 1990 cut-off?
 - Due to other reasons?
- c. Are non-CDBG resources used to address these issues? What types of resources are used: USDA, CDBG funds other than the set aside?

2. Other Public and Private Investments

- a. Does the CDBG Set-Aside help to attract or leverage other money? If so, what sources?
- b. How do you see the CDBG Set-Aside investments affecting private investment in the colonias where you work?

3. Strengths and Capacities

- a. What strengths and capacities exist in the colonias in which you work to implement projects that address the issues faced in the colonias?
- b. What types of capacity gaps exist?
- c. What types of technical assistance to you provide to residents?
- d. What are the most common types of requests for technical assistance submitted by Colonias residents?
- e. Are technical assistance activities sufficiently utilized?"

4. Data

In 2012, HUD will introduce the enhanced Consolidated Plan, through which states will receive housing, economic, demographic and other data through a mapping tool to help make informed CDBG spending decisions. This data will be available online, so groups like yours can access it and engage in the conversation. In your opinion, what data about colonias communities would be useful to see in the (forthcoming) Con Plan mapping tool?

5. Local Market Conditions:

- a. In Colonias, to what extent does self-build/incremental housing improvements occur?
- b. Do CDBG investments have a catalytic impact on these as well?
- c. To what extent does investment in Colonias lead to residents to cash-out; thus possibly causing the formation of additional low-cost, under-served settlements?

6. Legal framework

- a. Are water and sewer service a requirement for new housing?
- b. Are alternative water and sewer systems permitted?
- a. Do building codes allow for low-cost - self-build options, such as straw bale/papercrete/etc construction?
- b. What enforcement actions exist that are focused on land owners who subdivide land in an illegal or quasi-legal manner?
- c. In cases of unsecure tenure, have actions occurred to grant title, register land, or otherwise embrace culturally customary forms of tenure?