

BOARD BOOK OF JULY 12, 2018



J. B. Goodwin, Chair

Leslie Bingham Escareño, Vice-Chair

Paul Braden, Member

Asusena Reséndiz, Member

Sharon Thomason, Member

Leo Vasquez, III, Member

Texas Department of Housing and Community Affairs

PROGRAMMATIC IMPACT IN FISCAL YEAR 2017

The Texas Department of Housing and Community Affairs (“TDHCA”) is the State of Texas’ lead agency responsible for affordable housing and administers a statewide array of programs to help Texans become more independent and self-sufficient. Short descriptions and key impact measures for these programs – including the total number of households/individuals to be served and total funding either administered or pledged for Fiscal Year 2017 (September 1, 2016, through August 31, 2017) – are set out below:

Multifamily New Construction & Rehabilitation:

Provides mechanisms to attract investment capital and to make available significant financing for the construction and rehabilitation of affordable rental housing through the Housing Tax Credit, Multifamily Bond, and Multifamily Direct Loan programs.

Total Households Served: 8,583
Total Funding: \$886,263,818*

Single Family Homebuyer Assistance, New Construction, Rehabilitation, Bootstrap, and Contract for Deed:

Assists with the purchase, construction, repair, or rehabilitation of affordable single family housing by providing grants and loans through the HOME Single Family Development, HOME Homeowner Rehabilitation Assistance, HOME Homebuyer Assistance, Amy Young Barrier Removal, and Texas Bootstrap programs. Stabilizes homeownership in colonias through the HOME Contract for Deed program.

Total Households Served: 326
Total Funding: \$17,323,164

Single Family Homeownership Program:

Provides down payment and closing cost assistance, mortgage loans, and mortgage credit certificates to eligible households through the My First Texas Home and Mortgage Credit Certificates programs.

Total Households Served: 5,870
Total Funding: \$870,405,445

Rental Assistance:

Provides rental, security, and utility deposit assistance through HOME Tenant Based Rental Assistance, and rental assistance payments through HUD Section 8 Housing Choice Vouchers and Section 811 Project Based Rental Assistance.

Total Households Served: 1,678
Total Funding: \$13,668,121

Weatherization Assistance Program:

Provides funding to help low-income households control energy costs through the installation of energy efficient materials and through energy conservation education.

Total Households Served: 3,349
Total Funding: \$24,379,360

Homelessness

Funds local programs and services for individuals and families at risk of homelessness or experiencing homelessness. Primary programs are the Homeless Housing and Services program and the Emergency Solutions Grants program.

Total Individuals Served: 36,555
Total Funding: \$15,009,483

Comprehensive Energy Assistance Program:

Provides energy utility bill assistance to households with an income at or below 150% federal poverty guidelines.

Total Households Served: 134,465
Total Funding: \$94,482,215

Community Services Block Grant:

Provides administrative support for essential services for low-income individuals through Community Action Agencies.

Total Individuals Served: 492,727
Total Funding: \$31,237,527

Sources: this data comes from the TDHCA 2018 State Low Income Housing Plan and Annual Report draft. Multifamily New Construction & Rehab data come from the most recent award logs from FY2017 for 4%, 9%, and Direct Loan Applications. Because Multifamily logs are updated on a monthly basis to reflect the changing status of Applications, this impact statement will also be updated on a monthly basis.

Note: Some households may be served by more than one TDHCA program.

*FY2017 data for the Multifamily program is artificially low, largely due to federal tax reform’s timing effects on 4% housing tax credit developments. A significant amount of 4% activity was delayed into the 4 months after FY2017 (Sept., Oct., and Nov., and Dec.).



**TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS
GOVERNING BOARD MEETING**

**A G E N D A
8:00 AM
July 12, 2018**

**JOHN H. REAGAN BUILDING
JHR 140, 105 W 15TH STREET
AUSTIN, TEXAS 78701**

CALL TO ORDER

ROLL CALL

J.B. Goodwin, Chair

CERTIFICATION OF QUORUM

Pledge of Allegiance - I pledge allegiance to the flag of the United States of America, and to the republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

Texas Allegiance - Honor the Texas flag; I pledge allegiance to thee, Texas, one state under God, one and indivisible.

CONSENT AGENDA

Items on the Consent Agenda may be removed at the request of any Board member and considered at another appropriate time on this agenda. Placement on the Consent Agenda does not limit the possibility of any presentation, discussion or approval at this meeting. Under no circumstances does the Consent Agenda alter any requirements under Tex. Gov't Code Chapter 551. Action may be taken on any item on this agenda, regardless of how designated.

ITEM 1: APPROVAL OF THE FOLLOWING ITEMS PRESENTED IN THE BOARD MATERIALS:

MULTIFAMILY ASSET MANAGEMENT

- a) Presentation, discussion, and possible action regarding a change in Ownership Structure prior to issuance of IRS Form(s) 8609 and amendment to Developer and Guarantor:
17275 Aria Grand Austin

Raquel Morales
Director of MF Asset
Management

COMMUNITY AFFAIRS

- b) Presentation, discussion, and possible action on approval of the Federal Fiscal Year 2019 Low Income Home Energy Assistance Program Application and State Plan for submission to the U.S. Department of Health and Human Services and approval of the associated 2019 LIHEAP awards

Michael DeYoung
Director of Community
Affairs

HOME AND HOMELESSNESS PROGRAMS

- c) Presentation, discussion, and possible action on awards for the 2017 HOME Investment Partnerships Program Single Family Programs Homebuyer Assistance and Tenant-Based Rental Assistance Notice of Funding Availability

Abigail Versyp
Director of HOME and
Homelessness Program

MULTIFAMILY FINANCE

- d) Presentation, discussion, and possible action on the Second Amendment to the 2018-1 Multifamily Direct Loan Notice of Funding Availability

Marni Holloway
Director of MF Finance

HOUSING RESOURCE CENTER

- e) Presentation, discussion, and possible action on the 2019 Regional Allocation Formula Methodology

Elizabeth Yevich
Director of Housing
Resource Center

ACTION ITEMS

ITEM 2: REPORTS

- a) Report on the meeting of the Audit and Finance Committee and action on recommendations of that committee:
i. Approval of the items for inclusion in the Legislative Appropriations Request for fiscal years 2020-21

Sharon Thomason
Chair of Audit and
Finance Committee

- b) Report regarding schedule and proposed changes for 2019 QAP and Multifamily Rules submission

Marni Holloway
Director of MF Finance

ITEM 3: MULTIFAMILY FINANCE

- a) Presentation, discussion, and possible action on timely filed scoring and other appeals under 10 TAC §10.902 of the Department's Multifamily Program Rules relating to the Appeals Process:

Marni Holloway
Director of MF Finance

18020	St. Elizabeth Place	Houston
18086	The Village at Overlook Parkway	San Antonio
18157	Bamboo Estates	Lyford
18221	Cypress Creek Apartment Homes at Hazelwood Street	Princeton

- b) Presentation, discussion, and possible action on a remanded Request for Administrative Deficiency regarding site eligibility under 10 TAC §11.3(g) related to Proximity of Development Sites:

18033	The Miramonte	Fifth Street CDP
18043	Huntington at Miramonte	Fifth Street CDP
18047	Miramonte Single Living	Fifth Street CDP

- c) Presentation, discussion, and possible action on staff determinations regarding Application disclosures under 10 TAC §10.101(a)(2) related to Applicant Disclosure of Undesirable Site Features:

18217	Cypress Creek at Santa Fe	Santa Fe
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APPENDIX

Multifamily Application Logs

PUBLIC COMMENT ON MATTERS OTHER THAN ITEMS FOR WHICH THERE WERE POSTED AGENDA ITEMS

EXECUTIVE SESSION

The Board may go into Executive Session (close its meeting to the public):

1. The Board may go into Executive Session Pursuant to Tex. Gov't Code §551.074 for the purposes of discussing personnel matters including to deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee;
2. Pursuant to Tex. Gov't Code §551.071(1) to seek the advice of its attorney about pending or contemplated litigation or a settlement offer;
3. Pursuant to Tex. Gov't Code §551.071(2) for the purpose of seeking the advice of its attorney about a matter in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with Tex. Gov't Code Chapter 551; including seeking legal advice in connection with a posted agenda item;
4. Pursuant to Tex. Gov't Code §551.072 to deliberate the possible purchase, sale, exchange, or lease of real estate because it would have a material detrimental effect on the Department's ability to negotiate with a third person; and/or
5. Pursuant to Tex. Gov't Code §2306.039(c) the Department's internal auditor, fraud prevention coordinator or ethics advisor may meet in an executive session of the Board to discuss issues related to fraud, waste or abuse.

J.B. Goodwin
Chair

OPEN SESSION

If there is an Executive Session, the Board will reconvene in Open Session. Except as specifically authorized by applicable law, the Board may not take any actions in Executive Session.

ADJOURN

To access this agenda and details on each agenda item in the board book, please visit our website at www.tdhca.state.tx.us or contact Michael Lyttle, 512-475-4542, TDHCA, 221 East 11th Street, Austin, Texas 78701, and request the information. If you would like to follow actions taken by the Governing Board during this meeting, please follow TDHCA account (@tdhca) on Twitter.

Individuals who require auxiliary aids, services or sign language interpreters for this meeting should contact Terri Roeber, ADA Responsible Employee, at 512-475-3959 or Relay Texas at 1-800-735-2989, at least five (5) days before the meeting so that appropriate arrangements can be made.

Non-English speaking individuals who require interpreters for this meeting should contact Elena Peinado, 512-475-3814, at least five (5) days before the meeting so that appropriate arrangements can be made.

Personas que hablan español y requieren un intérprete, favor de llamar a Elena Peinado, al siguiente número 512-475-3814 por lo menos cinco días antes de la junta para hacer los preparativos apropiados.

NOTICE AS TO HANDGUN PROHIBITION DURING THE OPEN MEETING OF A GOVERNMENTAL ENTITY IN THIS ROOM ON THIS DATE:

Pursuant to Section 30.06, Penal Code (trespass by license holder with a concealed handgun), a person licensed under Subchapter H, Chapter 411, Government Code (handgun licensing law), may not enter this property with a concealed handgun.

De acuerdo con la sección 30.06 del código penal (ingreso sin autorización de un titular de una licencia con una pistola oculta), una persona con licencia según el subcapítulo h, capítulo 411, código del gobierno (ley sobre licencias para portar pistolas), no puede ingresar a esta propiedad con una pistola oculta.

Pursuant to Section 30.07, Penal Code (trespass by license holder with an openly carried handgun), a person licensed under Subchapter H, Chapter 411, Government Code (handgun licensing law), may not enter this property with a handgun that is carried openly.

De acuerdo con la sección 30.07 del código penal (ingreso sin autorización de un titular de una licencia con una pistola a la vista), una persona con licencia según el subcapítulo h, capítulo 411, código del gobierno (ley sobre licencias para portar pistolas), no puede ingresar a esta propiedad con una pistola a la vista.

NONE OF THESE RESTRICTIONS EXTEND BEYOND THIS ROOM ON THIS DATE AND DURING THE MEETING OF THE GOVERNING BOARD OF THE TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

CONSENT AGENDA

1a

BOARD ACTION REQUEST
ASSET MANAGEMENT DIVISION
JULY 12, 2018

Presentation, discussion, and possible action regarding a change in the ownership structure of the Development Owner prior to issuance of IRS Form(s) 8609 and amendment to the Developer and Guarantor for Aria Grand (HTC #17275)

RECOMMENDED ACTION

WHEREAS, Aria Grand (the “Development”) received an award of 9% Housing Tax Credits (“HTCs”) in 2017 for the construction of 70 multifamily units in Austin, Travis County;

WHEREAS, on December 28, 2017, Aria Grand, LLC (the “Development Owner”) received administrative approval to amend the HTC Application with the addition of HLD Texas, LLC to the organization structure of the Development Owner, Developer, and Guarantor;

WHEREAS, HLD Texas, LLC is composed of Chris Dischinger (33.33% manager), Mark Lechner (33.33% manager), and William Hartz (33.33% member);

WHEREAS, on June 12, 2018, a representative for the Development Owner, requested approval for another amendment to the ownership structure of the Development Owner, Developer, and Guarantor that involves replacing HLD Texas, LLC with LDG Multifamily, LLC in order to comply with their lender’s closing conditions;

WHEREAS, LDG Multifamily, LLC is composed of Chris Dischinger and Mark Lechner (each a 50% member), and the replacement of HLD Texas, LLC will result in the exit of William Hartz as a principal in the Development Owner structure; and

WHEREAS, the removal of a principal is being requested prior to the issuance of IRS Form(s) 8609, and 10 TAC §10.406(e) requires that parties reflected in the Application that have control must remain in the ownership structure and retain such control, unless approved otherwise by the Board, and the Owner has complied with the amendment requirements therein;

NOW, therefore, it is hereby

RESOLVED, that the change in the Development Owner structure and the amendment to the Developer and Guarantor for Aria Grand are approved as presented to this meeting, and the Executive Director and his designees are each authorized, empowered, and directed to take all necessary action to effectuate the foregoing.

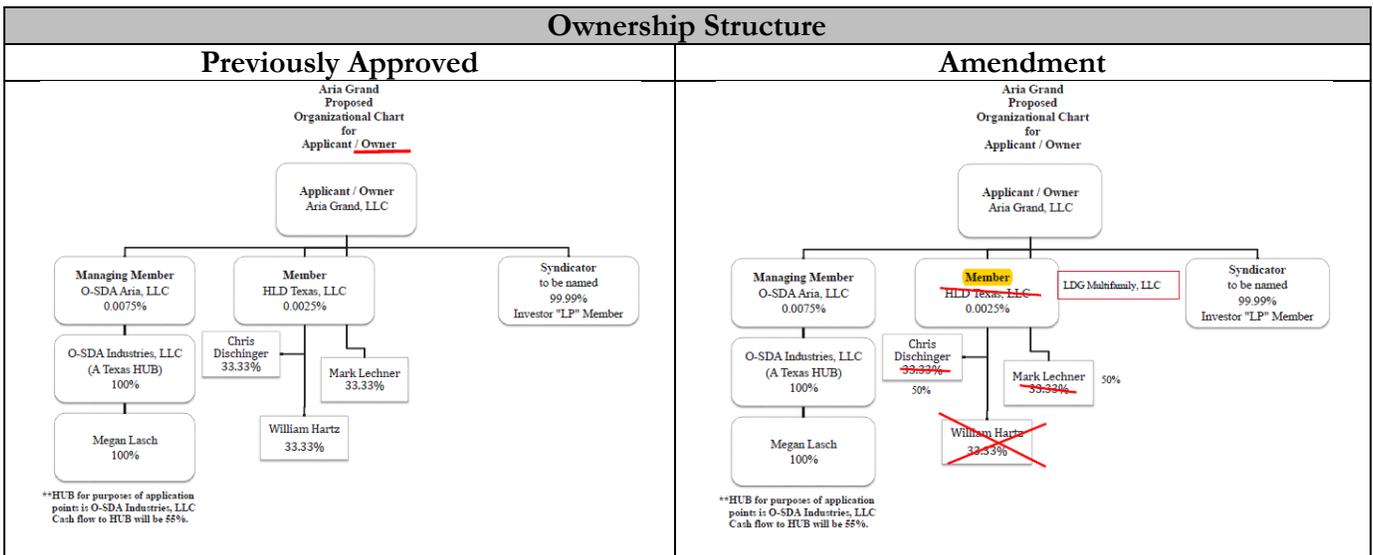
BACKGROUND

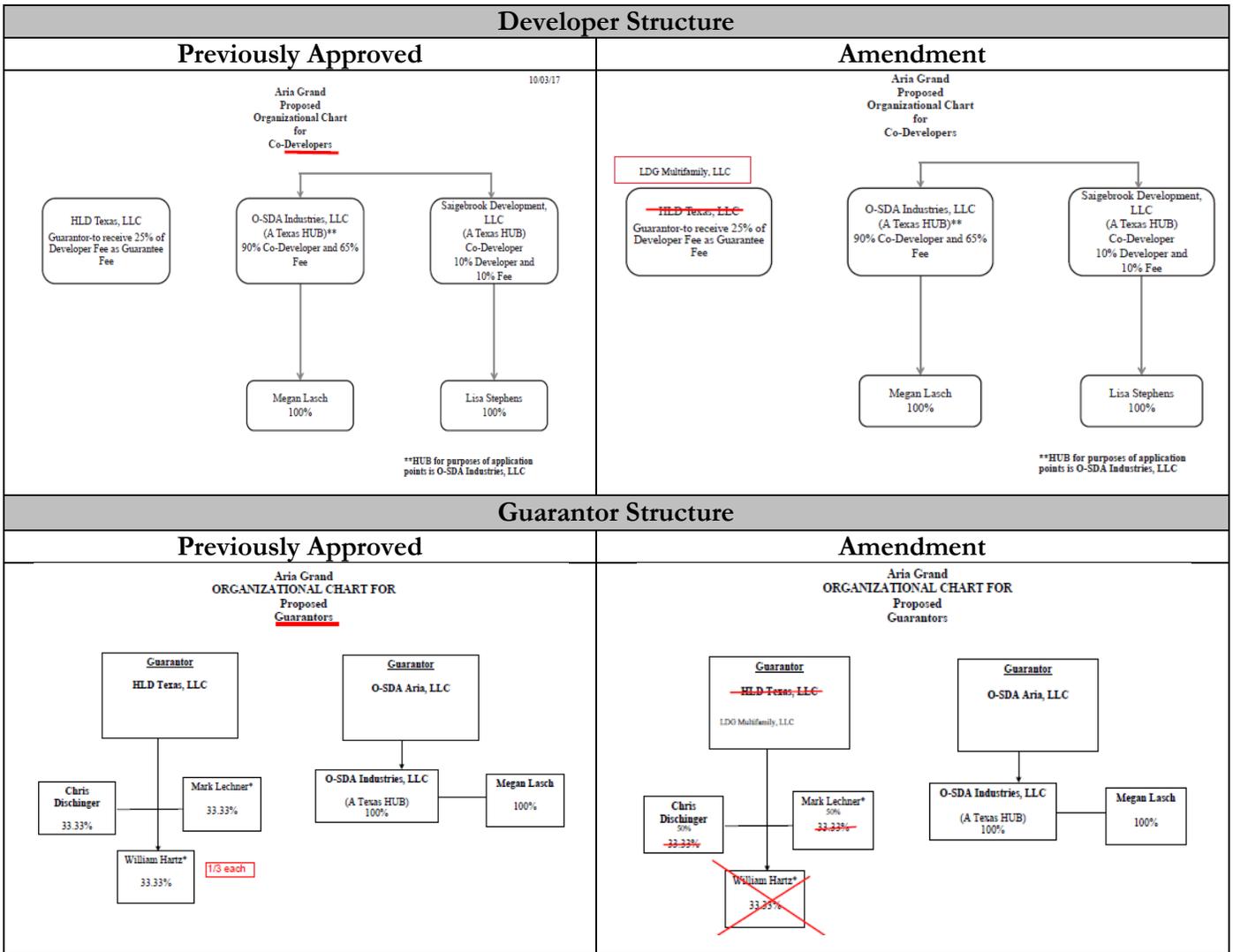
Aria Grand was submitted and approved for a 9% HTC award in 2017 for the construction of 70 multifamily units in Austin, Travis County. The Development is in the pre-construction phase and is required by the Carryover Allocation Agreement to place in service by December 31, 2019. On October 30, 2017, the Development Owner submitted a request to amend the Application by adding HLD Texas, LLC (“HLD”) to the ownership structure of the Development Owner, Developer, and Guarantor. The ownership structure of HLD is composed of Chris Dischinger (33.33% manager), Mark Lechner (33.33% manager), and William Hartz (33.33% member). The Development Owner’s request was administratively approved by the Department on December 28, 2017.

On June 12, 2018, Lisa Stephens, the representative for the Development Owner, submitted a second amendment to the Application. The request is for another to change the current ownership structure of the Development Owner, Developer, and Guarantor. Ms. Stephens explains that they have changed lenders since the approval of their first amendment. As a condition for closing the deal, their new lender requires HLD to be replaced with LDG Multifamily, LLC (“LDG”) as a Guarantor. Therefore, the amendment is for approval for HLD to transfer their interest and position to LDG. The ownership of LDG is comprised of Chris Dischinger and Mark Lechner, each a 50% member and current principals of HLD.

However, with the transfer proposed one of the current Principals, William Hartz, will exit the ownership structure of the Development Owner. 10 TAC §10.406(e) states that prior to the issuance of IRS Forms 8609 “an Applicant may request an amendment to its ownership structure to add Principals. The part(ies) reflected in the Application as having control must remain in the ownership structure and retain such control, unless approved otherwise by the Board.” Therefore, the exit of Mr. Hartz as a Principal is considered to require board approval pursuant the Department’s ownership transfer rules. Staff has confirmed that the person used to meet the Experience requirement at Application under 10 TAC §10.204(6) of the Uniform Multifamily Rules (Megan Lasch) will remain in the ownership structure of the Development Owner, Developer, and Guarantor.

A comparison of the structure of the Development Owner, Developer, and Guarantor is reflected in the following table:





Staff recommends approval of the changes to the ownership structure of the Development Owner, Developer, and Guarantor as presented.

From: Lisa Stephens [lisa@saigebrook.com]
Sent: Tuesday, June 12, 2018 11:14 AM
To: Lee Ann Chance
Cc: 'Megan Lasch'
Subject: Aria Grand - 17275
Attachments: 17275_transfer approval_letter.pdf; CBoT term sheet - Aria Grand LLC 4.17.2018.pdf; Pages from 17-Ownership Transfer Package Chg Pgs LDG 180611-3.pdf

Good morning Lee Ann. It seems like we have a lot to discuss these days! Back in December, TDHCA approved the addition of a guarantor, developer, owner for Aria Grand. That approval was issued for HLD Texas, LLC. Since then, we have had to change lenders for the project and the new lender, Community Bank of Texas, has requested that we replace the entity HLD Texas, LLC with the entity LDG Multifamily, LLC. The principals of LDG Multifamily, LLC are also principals of HLD Texas, LLC and as such both Mark and Chris were reviewed for previous participation, credit limit certification and credit checks under the prior review. However, given the entity change required by the bank, even though the principals are the same, I think we need provide notification.

Attached is the original approval letter for HLD, the term sheet from Community Bank showing the requirement for LDG and the pages from the ownership transfer package that would have been modified if LDG was used instead of HLD. I have also provided the required forms for the entity LDG since they were not previously provided.

Given that all the underlying principals were reviewed previously, I'm not sure if we need to do anything else? Please advise. Happy to move forward as you suggest.

Thanks
Lisa



April 13, 2018

Aria Grand, LLC
O-SDA Aria, LLC
Megan Lasch
421 W. 3rd Street
Austin, Texas 78701

Re: Aria Grand

Dear Ms. Lasch,

CommunityBank of Texas (the "Bank") is pleased to provide the following term sheet for construction and permanent financing to Aria Grand, LLC ("Borrower") for the development of Aria Grand, a 70-unit LIHTC family development to be built in Austin, Texas. The proposed terms and conditions are as follows:

Summary of Terms

Borrower: Aria Grand, LLC

Guaranty: Construction loan will be guaranteed by Megan Lasch, LDG Development, LLC, and Chris Dischinger. The General Contractor, Xpert Design and Construction ("Xpert Design") will provide one (1) of the following to support construction of the project:

- 1) Full project payment and performance bond;
- 2) Project Completion Guaranty provided by Xpert Design along with bonding of all major subcontractors, including plumbing, electrical, site work, structural and mechanical/HVAC, in form and substance reasonably satisfactory to Investor Limited Partner and Bank.

Permanent loan will be non-recourse except as to normal "bad boy" carve outs.

Project: Aria Grand

Credit Facilities: A) Construction loan of approximately \$8,400,000

- Priced at a variable rate of Prime – 0.25%, floating subject to a minimum all-in rate of 4.25% (floor of 4.25%)
- 30-month construction loan term
- one 6-month extension subject to 1) completion of project, 2) project sources and uses being balanced, 3) receipt of required tax credit equity payments, 4) No event of default has occurred or potential for default to occur, 5) 85% occupancy and 6) No material adverse change in the financial condition of the Project, Borrower and Guarantor(s).
- Interest only due monthly during construction period
- Total construction loan period including extension is 36-months

B) Permanent loan of up to approximately \$3,800,000 (amount also subject to investor approval) at an assumed underwriting rate of interest of 5.85%:

- Subject to final approval, the permanent loan rate will be locked at 5.85% fixed on a 35-year amortization through a closing date on or before August 31, 2018.
- 15-year term upon conversion to permanent status based on 90% occupancy for 90 days and a 1.15:1 debt service coverage.
- No pre-payment penalty – You may pay off the loan at anytime without penalty.
- Principal and interest due monthly during permanent period based on a 35-year amortization; balloon payment due at maturity.
- Replacement reserves to be \$250 per unit per year with agreed upon increases for future years.
- Operating deficit and other reserve requirements subject to Bank review and approval. It is expected that these reserve requirements will mirror the equity LOI, but that all reserves noted above will be held at CommunityBank of Texas. It is expected that any release provisions of operating reserve funds (aside from normal usage) will be subject to review and approval by Bank.

Note: Construction draws will be processed through the Bank, Title Company, and with approval of a 3rd party construction engineering firm hired by or acceptable to the Bank.

Loan-to-value: 1) Construction loan amount will be based on LTV not to exceed 80% based on rent-restricted value plus value of the tax credits; 2) Permanent period LTV not to exceed 80% based on the appraisal's identified decontrol value. Please note that the decontrol value determines the value of the property on a market rate basis (non-restricted) but adjusting the valuation for the mandated 3-year decontrol period if the property is taken back through foreclosure. The 3-year decontrol period is mandated by Section 42 requirements that tenants be given a maximum 3-year period to transition out of the property if it is converting to market rate due to the LURA being removed by Bank foreclosure. Appraisal report will be in form and substance acceptable to the Bank.

Collateral:

- 1st lien deed of trust and assignment of leases and rents on the subject property
- UCC filing on furniture, fixtures, and equipment
- Assignment of Tax Credits
- Security interest in operating and replacement reserve funds
- Assignment and subordination of deferred developer fee and other management fees collected by general partner or a related entity.
- Assignment and subordination of management, construction, architectural contracts, etc.

Fees: An origination fee of 0.75% for the construction loan and 0.75% for the permanent loan will both be payable at construction loan closing. An extension fee of 0.25% (of the outstanding loan balance) will be charged upon exercise of the 6-month construction loan extension.

Borrower will also pay for all reasonable costs incurred by the Bank in connection with the loans including, but not limited to, legal fees and expenses, appraisal/survey fees, title insurance premiums and search fees, UCC searches, environmental assessment fees, and inspecting architect fees, whether or not the facilities contemplated herein are funded. This obligation will survive whether or not the loans are approved.

The following are estimates for the Bank's costs aside from origination fees noted above:

- 1) Legal - \$35,000 - \$40,000
- 2) Appraisal – up to \$6,000
- 3) Plan and Cost Review – up to \$6,500
- 4) Appraisal Review, Environmental and Insurance Review - \$2,515

Reporting Requirements: Include but are not limited to:

- Annual audited financial statements of Borrower
- Annual financial statements of Guarantors
- Annual evidence of tax credit compliance
- Monthly operating statements on the property once construction is complete (leading up to conversion).
- Quarterly operating statements on the property during the permanent loan period

Summary of Conditions

This proposal is subject to all of the following conditions being met prior to construction closing:

- Tax Credit Allocation:** Receipt of an annual allocation of Low-Income Housing Tax Credits from the Texas Department of Housing & Community Affairs (TDHCA) in a minimum amount of \$1,204,400.
- Other Funds:** The Bank acknowledges amount and term of other anticipated project financing sources are to include the following estimated amounts:
- Equity - \$11,139,586
 - Austin Housing Authority (subordinated soft loan) - \$1,500,000
 - Deferred Developer Fee - \$320,663
- Tax Credit Equity:** Tax credit investor and equity terms (including price and pay-in schedule) subject to Bank approval.
- Developer Fee:** Timing of payment of developer profit to be mutually agreed upon between Bank and Borrower. It is expected that the developer fee payment will mirror the developer fee payment schedule negotiated in the equity LOI.
- Project Budget:** The Bank's current understanding of the project budget is based on information provided by Borrower via email on April 3, 2018. The Bank acknowledges that this project budget is subject to change. However, significant changes to the budget that materially affect the project may result in changes to the terms and conditions proposed herein.
- Other Conditions:** Receipt and approval of those items listed in the Due Diligence Checklist.

This discussion letter does not represent a commitment by the Bank for the proposed financing, nor does it define all the terms and conditions of loan documents, but is a framework upon which a loan request may be submitted and considered. Issuance of a commitment by the Bank is subject to the approval of the loan request under the Bank's internal approval process, which includes, but is not limited to, a review of the Borrower's then current financial condition and review and approval of all third-party reports, in addition to completion of loan documents in form and substance acceptable to the Bank.

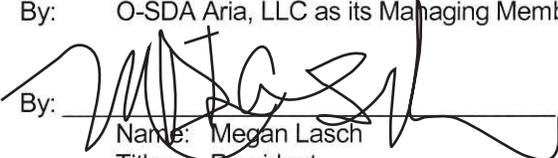
If you should have any questions concerning these terms and conditions, please feel free to call me at (713) 308-5754. Megan, thank you for giving us the opportunity to consider financing for this project.

Sincerely,

CommunityBank of Texas, N.A.

By: 
Stephen W. Rose
Executive Vice President

Agreed to:
By: Aria Grand, LLC
By: O-SDA Aria, LLC as its Managing Member

By: 
Name: Megan Lasch
Title: President

Date: 4-17-18



TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

www.tdhca.state.tx.us

Greg Abbott
GOVERNOR

BOARD MEMBERS
J.B. Goodwin, *Chair*
Leslie Bingham-Escareño, *Vice Chair*
Paul A. Braden, Member
Asusena Reséndiz, Member
Sharon Thomason, Member
Leo Vasquez, Member

December 28, 2017

Writer's direct dial: 512-475-3296
Email: tim.irvine@tdhca.state.tx.us

Megan Lasch
O-SDA Industries, LLC
421 West 3rd Street, Suite 1504
Austin, Texas 78701

RE: ARIA GRAND (THE "DEVELOPMENT")
HTC # 17275
APPROVAL OF OWNERSHIP TRANSFER AND APPLICATION AMENDMENT REQUEST

Ms. Lasch:

The Texas Department of Housing and Community Affairs (the "Department") received your letter dated October 30, 2017, requesting the Department's approval for an ownership transfer that adds HLD Texas, LLC (.0025%) as a new member of the Development Owner, and concurrently reduces the ownership interest of O-SDA Aria, LLC from .01% to .0075%. The transfer is requested to meet the requirements of the equity investor and lender.

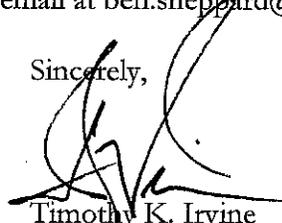
The letter also contains a request to amend the application by adding new Guarantors and Developers. In this regard, O-SDA Industries, LLC (an original co-developer) will decrease its percentage of the developer fee from 90% to 65%, and HLD Texas, LLC will be added as a Guarantor that has no control of the Developer organization but receives 25% of the developer fee as a guarantee fee. O-SDA Industries, LLC will retain its original 90% control of the Developer. These changes are requested to meet the requirements of the equity investor and lender.

Your requests for approval of the ownership transfer and the related application amendments for changes in Guarantors and Developers are granted. Any new owner entities are subject to all the terms and restrictions currently in place. The new owners, or authorized representatives thereof, have affirmed through signed and notarized Owner Certifications, dated October 30-31, 2017, that they have read and understand the Uniform Multifamily Rules (Title 10, Texas Administrative Code, Chapter 10), the Qualified Allocation Plan, and the provisions under which the application for an HTC award was made.



If you have any questions please contact the Multifamily Finance Division staff member assigned to this matter, Ben Sheppard, at (512) 475-2122 or via email at ben.sheppard@tdhca.state.tx.us.

Sincerely,



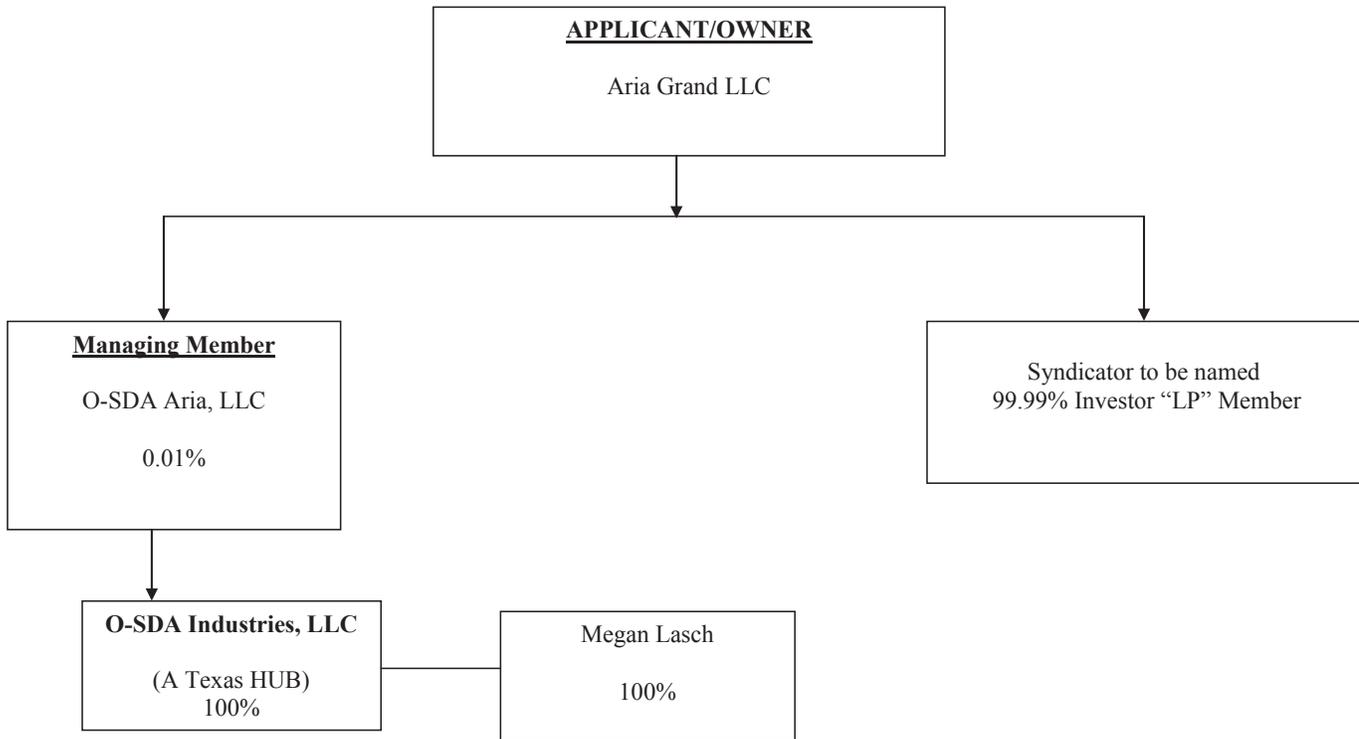
Timothy K. Irvine
Executive Director

TKI/BPS

Application

Pre-Transfer

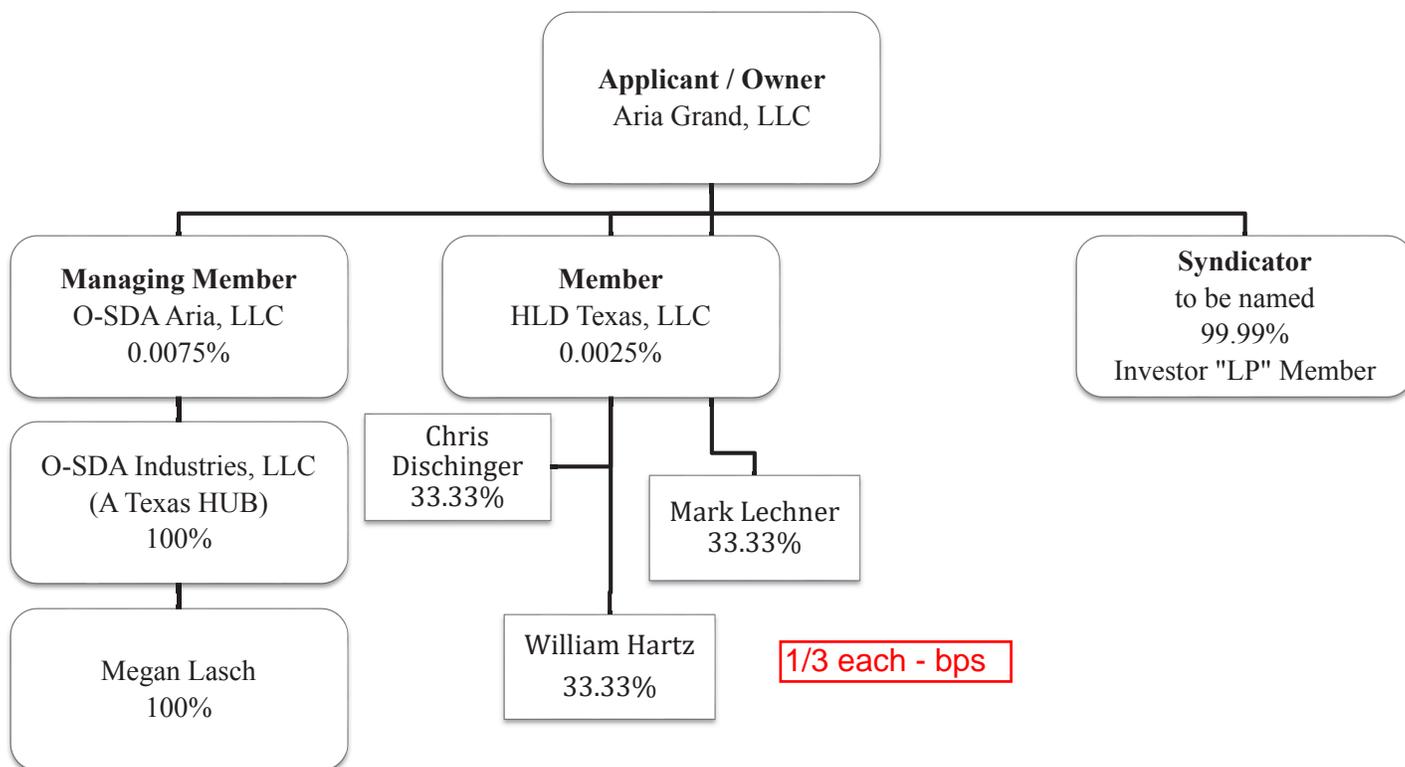
**Aria Grand
ORGANIZATIONAL CHART FOR
APPLICANT / OWNER**



Transfer approved
12/28/2017

10/03/17

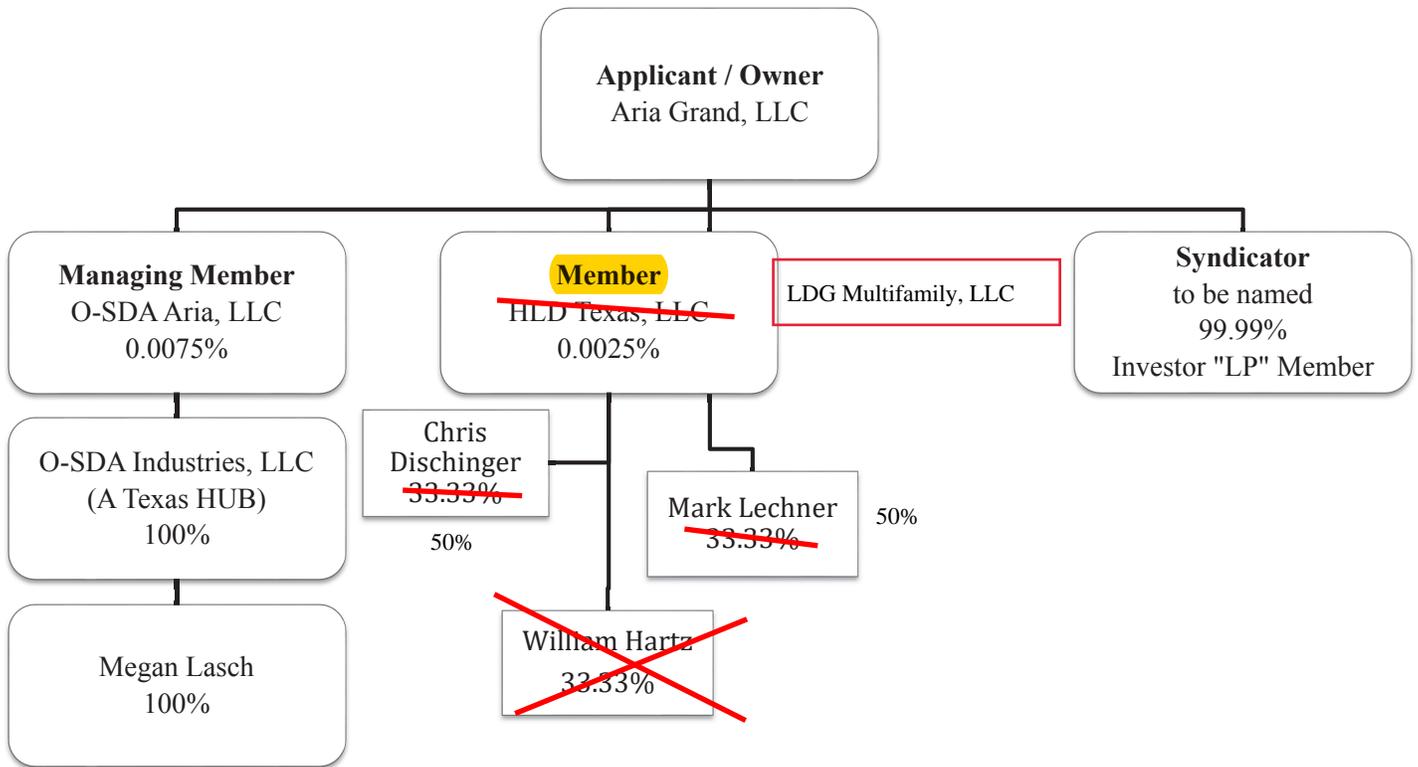
**Aria Grand
Proposed
Organizational Chart
for
Applicant / Owner**



1/3 each - bps

****HUB for purposes of application points is O-SDA Industries, LLC
Cash flow to HUB will be 55%.**

**Aria Grand
Proposed
Organizational Chart
for
Applicant / Owner**

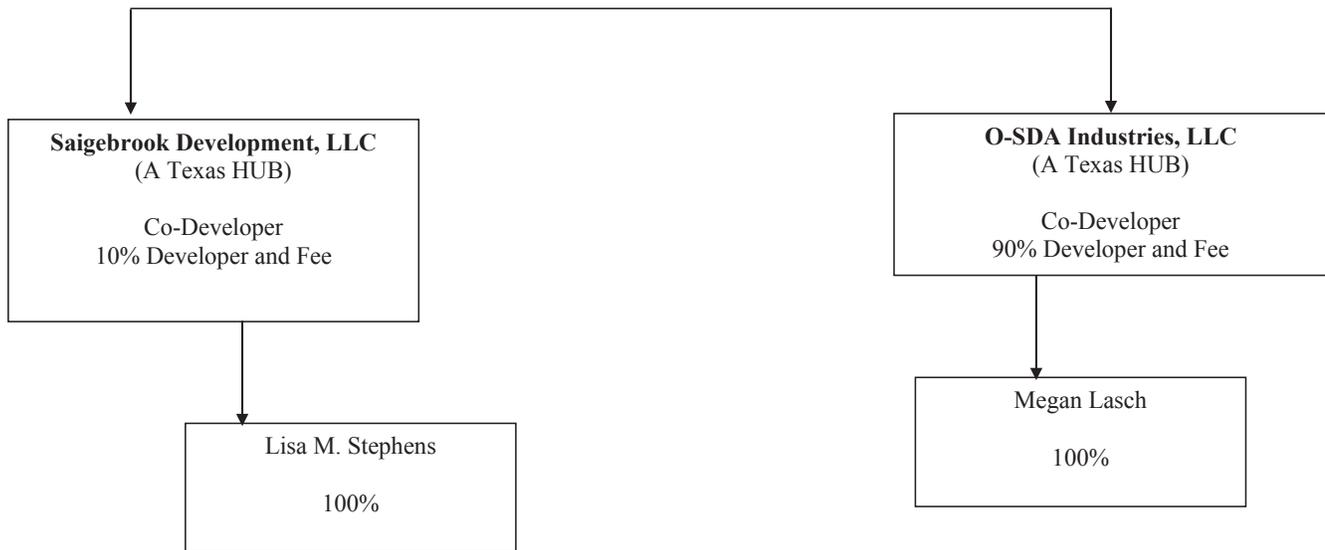


****HUB for purposes of application points is O-SDA Industries, LLC
Cash flow to HUB will be 55%.**

Application

Pre-Transfer

Aria Grand
ORGANIZATIONAL CHART FOR
Co-Developers



Transfer approved
12/28/2017

10/03/17

**Aria Grand
Proposed
Organizational Chart
for
Co-Developers**

HLD Texas, LLC
Guarantor-to receive 25% of
Developer Fee as Guarantee
Fee

O-SDA Industries, LLC
(A Texas HUB)**
90% Co-Developer and 65%
Fee

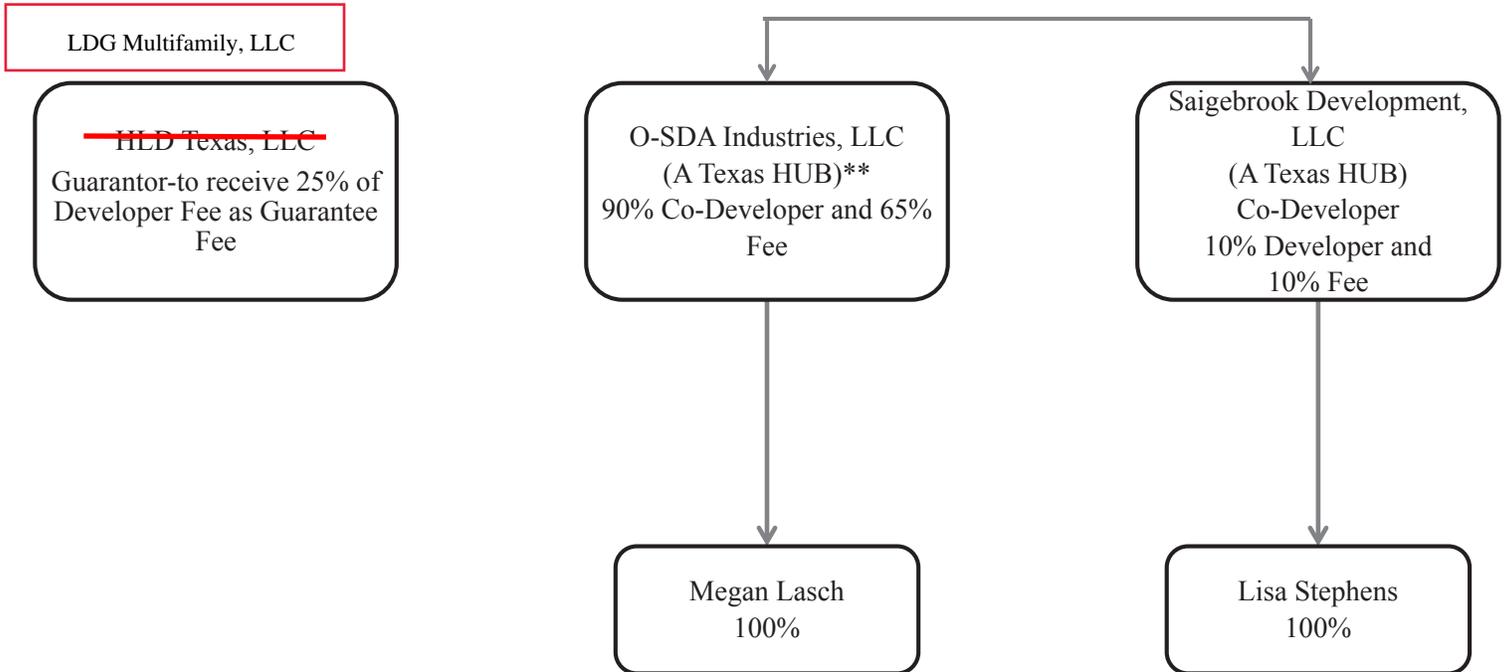
Saigebrook Development,
LLC
(A Texas HUB)
Co-Developer
10% Developer and
10% Fee

Megan Lasch
100%

Lisa Stephens
100%

****HUB for purposes of application
points is O-SDA Industries, LLC**

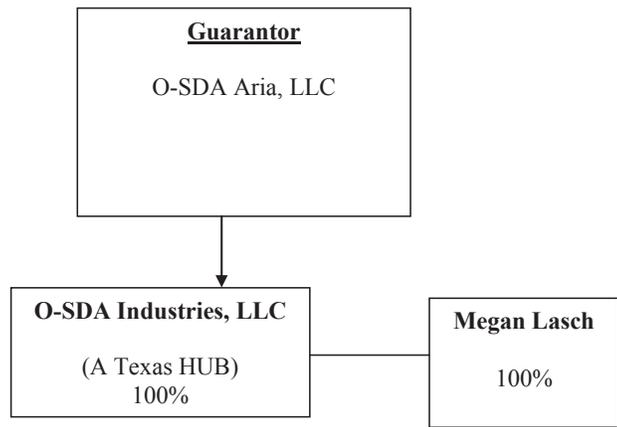
**Aria Grand
Proposed
Organizational Chart
for
Co-Developers**



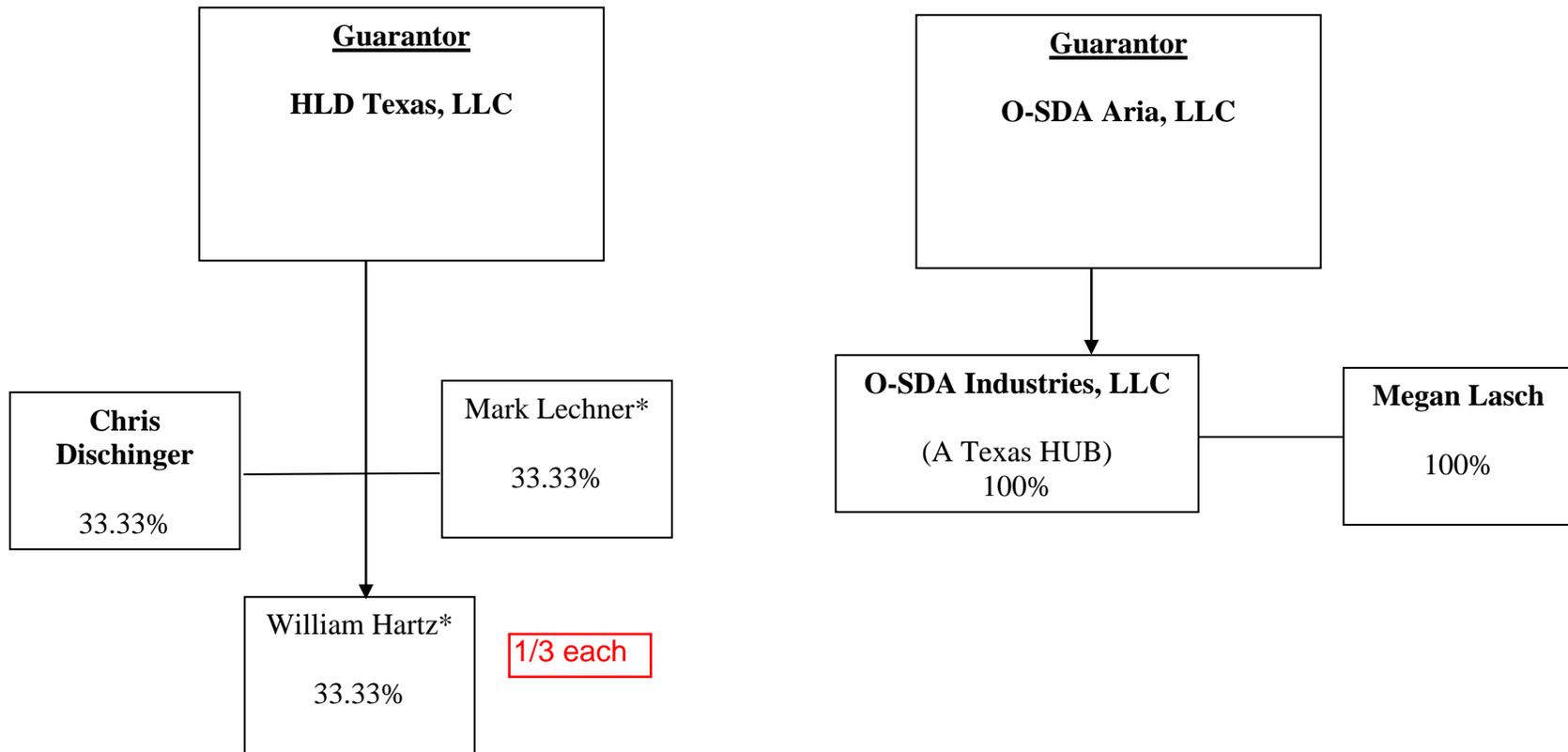
****HUB for purposes of application points is O-SDA Industries, LLC**

**Aria Grand
ORGANIZATIONAL CHART FOR
Guarantor**

Pre-Transfer

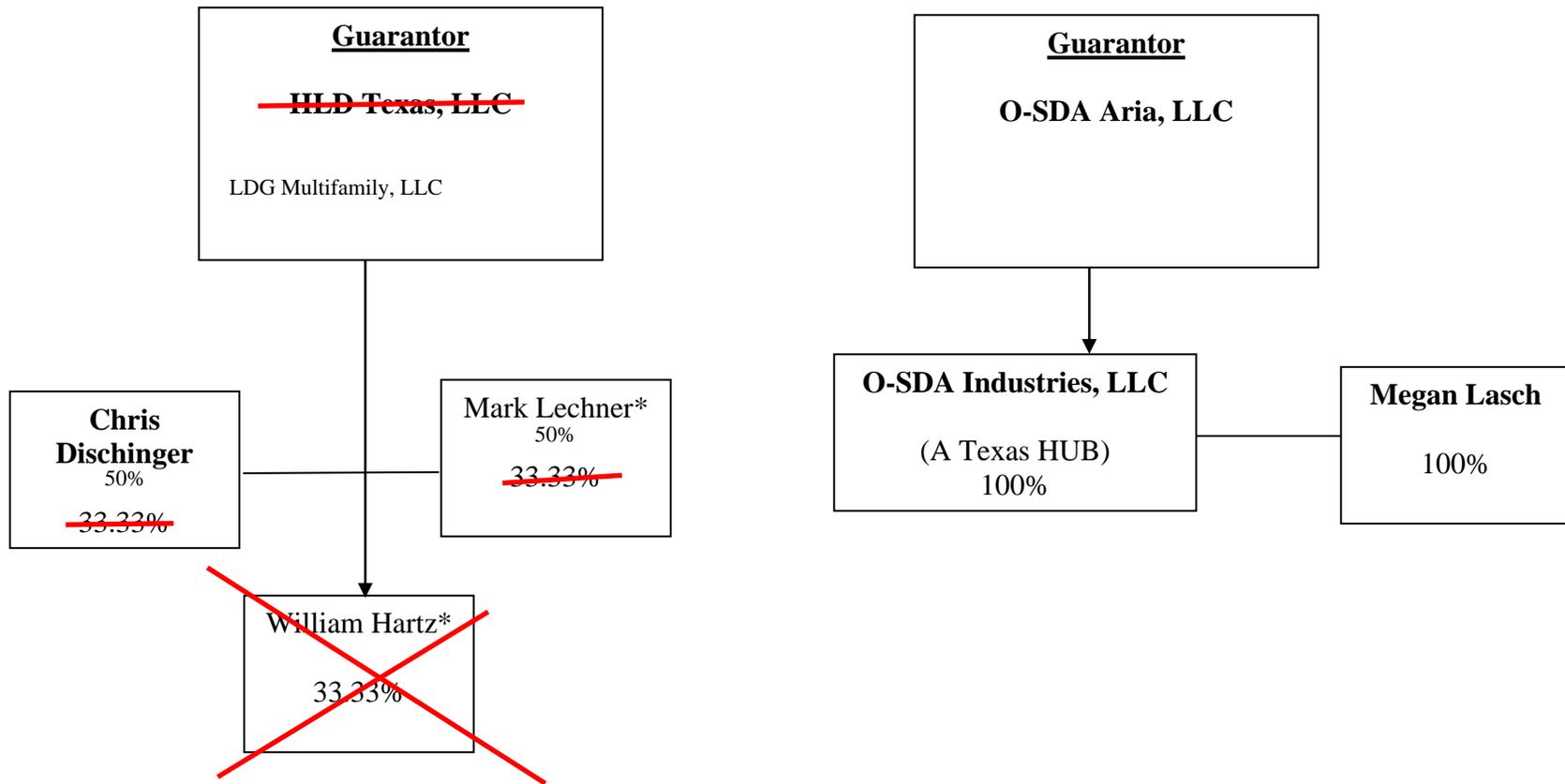


**Aria Grand
ORGANIZATIONAL CHART FOR
Proposed
Guarantors**



*Note – William Hartz and Mark Lechner are not intended at this time to be individual guarantors. Chris Dischinger is intended to be an individual guarantor along with Megan Lasch.

Aria Grand ORGANIZATIONAL CHART FOR Proposed Guarantors



*Note – William Hartz and Mark Lechner are not intended at this time to be individual guarantors. Chris Dischinger is intended to be an individual guarantor along with Megan Lasch.



TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

www.tdhca.state.tx.us

Greg Abbott
GOVERNOR

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December 14, 2015

Writer's direct phone # 512-475-1676
Email: marni.holloway@tdhca.state.tx.us

Mrs. Megan Lasch
c/o Alyssa Carpenter
1305 East 6th Street, Suite 12
Austin, Texas 78702

RE: REQUEST FOR EXPERIENCE CERTIFICATE UNDER 2016 UNIFORM MULTIFAMILY RULES

Dear Mrs. Lasch:

We have reviewed your request for an experience certificate, which is provided to individuals that meet the requirements of §10.204(6) of the Uniform Multifamily Rules. In order to meet the experience requirements an individual must establish that they have experience in the development and placement in service of at least 150 residential units. We find that the documentation you have provided is sufficient to establish this required experience. Additionally, you have certified to compliance with the requirements of §10.204(6)(B), including the following requirements:

(ii) Experience may not be established for a Person who at any time within the preceding three years has been involved with affordable housing in another state, in which the Person or Affiliate has been the subject of issued IRS Form 8823 citing non-compliance that has not been or is not being corrected with reasonable due diligence. ...

(iv) Notwithstanding the foregoing, no person may be used to establish such required experience if that Person or an Affiliate of that Person would not be eligible to be an Applicant themselves.

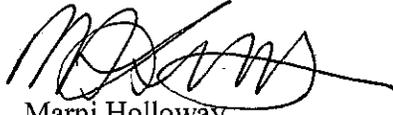
Should you choose to participate as a member of the Development Team or an individual providing experience for any Application submitted for funding, a Previous Participation Review (10 TAC §1.5) may be conducted prior to any award of funds. Additionally, should it be determined at any point in time that the information provided in your request for experience is fraudulent, knowingly falsified, intentionally or negligibly materially misrepresented, or omits relevant information, this certificate of experience is null and void and you may be subject to other sanctions under the Texas Department of Housing and Community Affairs' rules and requirements.



certificate of experience is null and void and you may be subject to other sanctions under the Texas Department of Housing and Community Affairs' rules and requirements.

If you have any questions or concerns regarding this certificate or the experience requirements, please contact Marni Holloway at marni.holloway@tdhca.state.tx.us.

Sincerely,

A handwritten signature in black ink, appearing to read 'Marni Holloway', with a long horizontal flourish extending to the right.

Marni Holloway
Director of Multifamily Finance

1b

BOARD ACTION REQUEST
COMMUNITY AFFAIRS DIVISION
JULY 12, 2018

Presentation, discussion, and possible action on approval of the Federal Fiscal Year (“FFY”) 2019 Low Income Home Energy Assistance Program (“LIHEAP”) Application and State Plan for submission to the U.S. Department of Health and Human Services (“USHHS”) and approval of the associated 2019 LIHEAP awards

RECOMMENDED ACTION

WHEREAS, the Texas Department of Housing and Community Affairs (the “Department”) develops and submits a State Plan to the USHHS each year to administer the LIHEAP;

WHEREAS, the Board approved a draft FFY 2019 LIHEAP Application and State Plan on April 26, 2018, which was then made available for public comment and that public comment is addressed below;

WHEREAS, the final FFY 2019 LIHEAP Application and State Plan includes the awards to subrecipients of FFY 2019 LIHEAP funds as approved by the Executive Award Review and Advisory Committee (“EARAC”); and

WHEREAS, the final FFY 2019 LIHEAP Application and State Plan also includes non-substantive corrections;

NOW, therefore, it is hereby

RESOLVED, that the final FFY 2019 LIHEAP Application and State Plan, and FFY 2019 LIHEAP awards, in the form presented to this meeting, are hereby approved for submission to the USHHS; and

FURTHER RESOLVED, that the Executive Director or his designee are hereby authorized, empowered, and directed, for and on behalf of this Board to contract for the awards represented in the Plan and in connection therewith to execute, deliver, and cause to be performed such amendments, documents, and other writings such as anticipated grant guidance on development of the Plan from USHHS as they or any of them may deem necessary or advisable to effectuate and in connection therewith, make such non-substantive technical corrections as they may deem necessary to effectuate the foregoing.

BACKGROUND

The Department develops and submits a LIHEAP Plan each year on or before September 1 to the USHHS. USHHS provides a model plan to guide the format and content. The draft, upon approval by the Board on April 26, 2018, was released for public comment. The public comment period was open from May 11, 2018, to June 4, 2018, and public hearings were held at several locations around the state. Four individuals commented on the draft; a summary with staff response follows.

The Previous Participation Rule (10 TAC, Chapter 1, Subchapter C, §1.302) requires a review of LIHEAP awards prior to recommendation to the Board. These LIHEAP awards are subject to this review. The review has been performed and the following entities have been recommended by EARAC for award with conditions:

Agency	Recommendation Status
City of Fort Worth (“CFW”)	Approved conditioned upon resolving the open finding identified during the February 28, 2018, Monitoring Report. To be considered resolved during the extended corrective action period the condition must be met by July 7, 2018, but in order for the Department to renew the contract it must be met no later than 90 days from Board approval. If CFW does not satisfactorily resolve the open monitoring finding identified during the February 28, 2018, Monitoring Report by the deadline noted, the Department will provide a written notice of contract non-renewal to CFW.
Economic Opportunities Advancement Corporation of Planning Region XI (“EOAC”)	Approved conditioned upon satisfactorily addressing the management review of the Fiscal Year End (“FYE”) April 30, 2017, Single Audit. The condition must be met prior to August 15, 2018. If EOAC does not satisfactorily address the management review of the FYE April 30, 2017, Single Audit prior to the deadline noted, the Department will provide a written notice of contract non-renewal to EOAC.

Attachment A: Summary of Public Comments and Staff Recommendations Related to FFY 2019 Low Income Home Energy Assistance Program (LIHEAP) Application and State Plan

The Department conducted public hearings on May 30, 2018, in Austin and Fort Worth, and on May 31, 2018, in Houston and Midland, to solicit public comment on the draft FFY 2019 LIHEAP State Plan. A summary of the public comment and the staff's recommendation is as follows:

SUMMARY OF PUBLIC COMMENT AND STAFF RECOMENDATION: The Department accepted public comment between May 11, 2018, and June 4, 2018. Comment was received from individuals representing four organizations, including the Texas Association of Community Action Agencies. Comments and responses are presented in the following list. Note that public comment numbers were assigned as noted to the left and used to identify who made comments.

#	Commenter	Organization
1	Stella Rodriguez, Executive Director	Texas Association of Community Action Agencies (represents 31 of 37 CEAP subrecipients and 21 of 22 WAP subrecipients)
2	Kelly Franke, Executive Director	Combined Community Action, Inc.
3	Henry Tarango, Community Services Director	South Plains Community Action Association, Inc.
4	Jenny Gibson, Executive Director	West Texas Opportunities, Inc.

Section 10 Program, Fiscal Monitoring, and Audit 2605 (b)(10) – Assurance 10

Section 10.3, Grantee Monitoring Assessments

COMMENT SUMMARY (1): Commenters state that the verbiage in the LIHEAP State Plan summarizing the finding for “Verification of Citizenship and Qualified Alien Status” does not match the verbiage of the USHHS Compliance Review Letter of January 2018. Additionally, commenters are not aware of a current TDHCA policy to not serve any non-legal residents as the LIHEAP Compliance Review Letter of January 2018 Issue Thirteen suggests. Commenters are also concerned that the required action of not serving non-legal residents may violate the Personal Responsibility and Work Opportunity Reconciliation Act (“PRWORA”).

STAFF RESPONSE: Staff concurs with the comment regarding the wording in the Plan not matching the language in the letter from USHHS and has revised the Plan so that the verbiage in the Plan matches that of the USHHS Compliance Review Letter. TDHCA’s current policy, referenced in the LIHEAP Compliance Review Letter of January 2018 regarding not serving non-legal residents, is contained within political subdivision subrecipients’ CEAP contract under Exhibit B. Finally, staff is working with the Department of Homeland Security to confirm that the future rule changes to the TAC, which will require each subrecipient to confirm that no unqualified aliens are receiving LIHEAP benefits, are not in violation of federal law, specifically the PRWORA.

General Comment

COMMENT SUMMARY (2-4): Three of the commenters thanked the Department for conducting the public hearings and indicated their support of the comments filed by TACAA (written above).

STAFF RESPONSE: Staff appreciates the feedback and recommends no change based on this comment.

FFY 2019 CEAP ALLOCATIONS

January 1, 2019 - December 31, 2019

	SUBRECIPIENT	ALLOCATION
1	Aspermont Small Business Development Center, Inc.	\$595,207
2	BakerRipley	\$10,954,688
2	Bexar County Community and Development Programs	\$5,623,557
3	Big Bend Community Action Committee, Inc.	\$696,436
4	Brazos Valley Community Action Agency	\$2,816,000
5	Central Texas Opportunities, Inc.	\$918,612
6	City of Fort Worth*	\$4,188,033
7	City of Lubbock Community Development Department	\$984,702
8	Combined Community Action, Inc.	\$621,604
9	Community Action Committee of Victoria, Texas	\$1,068,526
10	Community Action Corporation of South Texas	\$3,541,656
11	Community Action Inc. of Central Texas	\$586,770
12	Community Council of South Central Texas	\$3,540,860
13	Community Services Northeast Texas, Inc.	\$1,826,726
14	Concho Valley Community Action Agency	\$1,166,780
15	County of Hidalgo Community Services Agency	\$4,042,073
16	Dallas County Department of Health and Human Services	\$6,885,665
17	Economic Action Committee of the Gulf Coast	\$184,029
18	Economic Opportunities Advancement Corporation of Planning Region XI*	\$2,090,425
19	El Paso Community Action Program-Project BRAVO	\$3,890,770
20	Area currently served by Galveston County Community Action Council, Inc.**	\$2,155,531
21	Greater East Texas Community Action Program	\$5,877,559
22	Hill Country Community Action Association, Inc.	\$1,455,257
23	Kleberg County Human Services	\$468,619
25	Nueces County Community Action Agency	\$1,340,455
26	Panhandle Community Services	\$2,313,983
27	Pecos County Community Action Agency	\$457,235
28	Rolling Plains Manangement Corporation	\$1,911,380
29	South Plains Community Action Association, Inc.	\$1,107,579
30	South Texas Development Council	\$720,838
31	Texas Neighborhood Services	\$1,088,566
32	Texoma Council Of Governments	\$2,712,889
33	Travis County Health and Human Services	\$2,557,678
34	Tri-County Community Action, Inc.	\$1,389,453
35	Webb County Community Action Agency	\$1,144,925
36	West Texas Opportunities, Inc.	\$2,288,539
37	Williamson-Burnet Counties Opportunities, Inc.	\$591,204
	TOTAL	\$85,804,809

Note: All figures are based on FFY 2018 initial funding. Staff will proportionally revise the award amounts according to formula upon Congressional Approval and receipt of grant notifications from US Department of Health and Human Services.

* EARAC has placed conditions on these awards.

**EARAC has not yet made a recommendation for this award. This action will be taken at a subsequent meeting.

FFY 2019 LIHEAP WAP ALLOCATIONS

January 1, 2019 - December 31, 2019

Subrecipient		Allocation
1	Alamo Area Council of Governments	\$1,403,351
2	BakerRipley	\$2,149,315
3	Big Bend Community Action Committee, Inc.	\$227,694
4	Brazos Valley Community Action Agency	\$553,812
5	City of Fort Worth*	\$822,784
6	Combined Community Action, Inc.	\$358,475
7	Community Action Committee of Victoria	\$499,706
8	Community Action Corporation of South Texas	\$1,915,688
9	Community Council of South Central Texas	\$327,179
10	Concho Valley Community Action Agency	\$296,436
11	Dallas County Department of Human Services	\$1,351,626
12	Economic Opportunites Advancement Corporation of Planning Region XI*	\$470,022
13	El Paso Community Action Program-Project BRAVO	\$764,509
14	Area currently served by Greater East Texas Community Action Program**	\$1,574,864
15	Hill Country Community Action Association, Inc.	\$446,835
16	Nueces County Community Action Agency	\$264,547
17	Panhandle Community Services	\$455,397
18	Rolling Plains Management Corporation	\$717,428
19	South Plains Community Action Association, Inc.	\$411,699
20	Texoma Council of Governments	\$891,473
21	Travis County Health and Human Services Department	\$503,170
22	West Texas Opportunities, Inc.	\$450,409
TOTAL		\$16,856,419

Note: All figures are based on FFY 2018 initial funding. Staff will proportionally revise the award amounts according to formula upon Congressional Approval and receipt of grant notifications from US Department of Health and Human Services.

* EARAC has placed conditions on these awards.

**EARAC has not yet made a recommendation for this award. This action will be taken at a subsequent meeting.

LOW INCOME HOME ENERGY ASSISTANCE PROGRAM (LIHEAP)

MODEL PLAN

PUBLIC LAW 97-35, AS AMENDED

FEDERAL FISCAL YEAR 2019

GRANTEE: Texas Department of Housing and Community Affairs

EIN: 17426105429

**ADDRESS: P.O. Box 13941
Austin, Texas 78711-3941**

LIHEAP COORDINATOR: Michael DeYoung

EMAIL: michael.deyoung@tdhca.state.tx.us

TELEPHONE: (512) 475-2125 FAX: (512) 475-3935

CHECK ONE: TRIBE / TRIBAL ORGANIZATION _____ STATE X _____ INSULAR AREA _____

**Department of Health and Human Services
Administration for Children and Families
Office of Community Services
Washington, DC 20447**

August 1987, revised 05/92, 02/95, 03/96, 12/98, 11/01

OMB Approval No. 0970-0075

THE PAPERWORK REDUCTION ACT OF 1995 (Pub. L. 104-13)

Use of this model plan is optional. However, the information requested is required in order to receive a Low Income Home Energy Assistance Program (LIHEAP) grant in years in which the grantee is not permitted to file an abbreviated plan. Public reporting burden for this collection of information is estimated to average 1 hour per response, including the time for reviewing instructions, gathering and maintaining the data needed, and reviewing the collection of information. An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB control number.

Assurances

The Texas Department of Housing and Community Affairs agrees to:

(1) use the funds available under this title to--

(A) conduct outreach activities and provide assistance to low income households in meeting their home energy costs, particularly those with the lowest incomes that pay a high proportion of household income for home energy, consistent with paragraph (5);

(B) intervene in energy crisis situations;

(C) provide low-cost residential weatherization and other cost-effective energy-related home repair; and

(D) plan, develop, and administer the State's program under this title including leveraging programs, and the State agrees not to use such funds for any purposes other than those specified in this title;

(2) make payments under this title only with respect to--

(A) households in which one or more individuals are receiving--

(i) assistance under the State program funded under part A of title IV of the Social Security Act;

(ii) supplemental security income payments under title XVI of the Social Security Act;

(iii) food stamps under the Food Stamp Act of 1977; or

(iv) payments under section 415, 521, 541, or 542 of title 38, United States Code, or under section 306 of the Veterans' and Survivors' Pension Improvement Act of 1978; or

(B) households with incomes which do not exceed an amount equal to 150 percent of the poverty level for such State; or

(ii) an amount equal to 60 percent of the State median income;

except that a State may not exclude a household from eligibility in a Federal fiscal year solely on the basis of household income if such income is less than 110 percent of the poverty level for such State, but the State may give priority to those households with the highest home energy costs or needs in relation to household income.

(3) conduct outreach activities designed to assure that eligible households, especially households with elderly individuals or disabled individuals, or both, and households with high home energy burdens, are made aware of the assistance available under this title, and any similar energy-related assistance available under subtitle B of title VI (relating to community services block grant program) or under any other provision of law which carries out programs which were administered under the Economic Opportunity Act of 1964 before the date of the enactment of this Act;

(4) coordinate its activities under this title with similar and related programs administered by the Federal Government and such State, particularly low-income energy-related programs under subtitle B of title VI (relating to community services block grant program), under the supplemental security income program, under part A of title IV of the Social Security Act, under title XX of the Social Security Act, under the low-income weatherization assistance program under title IV of the Energy Conservation and Production Act, or under any other provision of law which carries out programs which were administered under the Economic Opportunity Act of 1964 before the date of the enactment of this Act;

(5) provide, in a timely manner, that the highest level of assistance will be furnished to those households which have the lowest incomes and the highest energy costs or needs in relation to income, taking into account family size, except that the State may not differentiate in implementing this section between the households described in clauses 2(A) and 2(B) of this subsection;

(6) to the extent it is necessary to designate local administrative agencies in order to carry out the purposes of this title, to give special consideration, in the designation of such agencies, to any local public or private nonprofit agency which was receiving Federal funds under any low-income energy assistance program or weatherization program under the Economic Opportunity Act of 1964 or any other provision of law on the day before the date of the enactment of this Act, except that--

(A) the State shall, before giving such special consideration, determine that the agency involved meets program and fiscal requirements established by the State; and

(B) if there is no such agency because of any change in the assistance furnished to programs for economically disadvantaged persons, then the State shall give special consideration in the designation of local administrative agencies to any successor agency which is operated in substantially the same manner as the predecessor agency which did receive funds for the Federal fiscal year preceding the Federal fiscal year for which the determination is made;

(7) if the State chooses to pay home energy suppliers directly, establish procedures to--

(A) notify each participating household of the amount of assistance paid on its behalf;

(B) assure that the home energy supplier will charge the eligible household, in the normal billing process, the difference between the actual cost of the home energy and the amount of the payment made by the State under this title;

(C) assure that the home energy supplier will provide assurances that any agreement entered into with a home energy supplier under this paragraph will contain provisions to assure that no household receiving assistance under this title will be treated adversely because of such assistance under applicable provisions of State law or public regulatory requirements; and

(D) ensure that the provision of vendor payments remains at the option of the State in consultation with local grantees and may be contingent on unregulated vendors taking appropriate measures to alleviate the energy burdens of eligible households, including providing for agreements between suppliers and individuals eligible for benefits under this Act that seek to reduce home energy costs, minimize the risks of home energy crisis, and

encourage regular payments by individuals receiving financial assistance for home energy costs;

(8) provide assurances that--

(A) the State will not exclude households described in clause (2)(B) of this subsection from receiving home energy assistance benefits under clause (2), and

(B) the State will treat owners and renters equitably under the program assisted under this title;

(9) provide that--

(A) the State may use for planning and administering the use of funds under this title an amount not to exceed 10 percent of the funds payable to such State under this title for a Federal fiscal year; and

(B) the State will pay from non-Federal sources the remaining costs of planning and administering the program assisted under this title and will not use Federal funds for such remaining cost (except for the costs of the activities described in paragraph (16));

(10) provide that such fiscal control and fund accounting procedures will be established as may be necessary to assure the proper disbursement of and accounting for Federal funds paid to the State under this title, including procedures for monitoring the assistance provided under this title, and provide that the State will comply with the provisions of chapter 75 of title 31, United States Code (commonly known as the "Single Audit Act");

(11) permit and cooperate with Federal investigations undertaken in accordance with section 2608;

(12) provide for timely and meaningful public participation in the development of the plan described in subsection (c);

(13) provide an opportunity for a fair administrative hearing to individuals whose claims for assistance under the plan described in subsection (c) are denied or are not acted upon with reasonable promptness; and

(14) cooperate with the Secretary with respect to data collecting and reporting under section 2610.

(15) beginning in Federal fiscal year 1992, provide, in addition to such services as may be offered by State Departments of Public Welfare at the local level, outreach and intake functions for crisis situations and heating and cooling assistance that is administered by additional State and local governmental entities or community-based organizations (such as community action agencies, area agencies on aging and not-for-profit neighborhood-based organizations), and in States where such organizations do not administer functions as of September 30, 1991, preference in awarding grants or contracts for intake services shall be provided to those agencies that administer the low-income weatherization or energy crisis intervention programs.

* This assurance is applicable only to States, and to territories whose annual regular LIHEAP allotments exceed \$200,000. Neither territories with annual allotments of \$200,000 or less nor Indian tribes/tribal organizations are subject to Assurance 15.

(16) use up to 5 percent of such funds, at its option, to provide services that encourage and enable households to reduce their home energy needs and thereby the need for energy assistance, including needs assessments, counseling, and assistance with energy vendors, and report to the Secretary concerning the impact of such activities on the number of households served, the level of direct benefits provided to those households, and the number of households that remain unserved.

Certification to the Assurances: As Chief Executive Officer, I agree to comply with the sixteen assurances contained in Title XXVI of the Omnibus Budget Reconciliation Act of 1981, as amended. By signing these assurances, I also agree to abide by the standard assurances on lobbying, debarment and suspension, and a drug-free workplace.

Signature of the Tribal or Board Chairperson or Chief Executive Officer of the State or Territory.

Signature: _____

Title: Executive Director, Texas Department of Housing and Community Affairs

Date: August, 2018

The Governor of Texas has delegated the responsibility of signing this document to the Executive Director of the Texas Department of Housing and Community Affairs. A copy of the letter is attached.

The EIN (Entity Identification Number) of the Texas Department of Housing & Community Affairs, which receives the grant funds, appears on the cover of this application.

In the above assurances which are quoted from the law, "State" means the 50 States, the District of Columbia, an Indian Tribe or Tribal Organization, or a Territory; "title" of the Act refers to Title XXVI of the Omnibus Budget Reconciliation Act of 1981 (OBRA), as amended, the "Low Income Home Energy Assistance Act"; "section" means Section 2605 of OBRA; and, "subsection" refers to Section 2605(b) of OBRA.

Section 1¹

Program Components, 2605(a), 2605(b)(1) – Assurance 1, 2605(c)(1)(C)

1.1 Check which components you will operate under the LIHEAP program. (Note: You must provide information for each component designated here as requested elsewhere in this plan.)

		<u>Dates of Operation</u> ²	
<input checked="" type="checkbox"/>	Heating assistance	Start date: 10/01/2018	End date: 09/30/2020
<input checked="" type="checkbox"/>	Cooling assistance	Start date: 10/01/2018	End date: 09/30/2020
<input checked="" type="checkbox"/>	Crisis assistance	Start date: 10/01/2018	End date: 09/30/2020
<input checked="" type="checkbox"/>	Weatherization assistance	Start date: 10/01/2018	End date: 09/30/2020

Estimated Funding Allocation, 2604(c), 2605(k)(1), 2605(b)(9), 2605(b)(16) – Assurances 9 and 16

1.2 Estimate what amount of available LIHEAP funds will be used for each component that you will operate: **The total of all percentages must add up to 100%.**

10% heating assistance

40% cooling assistance

25% crisis assistance

Up to 15% weatherization assistance³

0% carryover to the following Federal fiscal year

10% administrative and planning costs

0% services to reduce home energy needs including needs assessment (Assurance 16)

0% used to develop and implement leveraging activities

100% **TOTAL**

¹ Capitalized terms are defined in Title 10, Chapters 1, 2, or 6 (as applicable) of the Texas Administrative Code or by federal law.

² Dates of operation signify periods in which we most expect seasonal usage. Identification of these periods does not limit the payment of assistance on any “seasonal” basis.

³ If 15% is not used for weatherization assistance, the balance will be added to heating, cooling, or crisis assistance as needed.

Alternate Use of Crisis Assistance Funds, 2605(c)(1)(C)

1.3 The funds reserved for winter crisis assistance that have not been expended by March 15 will be reprogrammed to:

- Heating assistance
- Weatherization assistance
- Cooling assistance
- Other (specify): funds are utilized for all eligible components

Categorical Eligibility, 2605(b)(2)(A) – Assurance 2, 2605(c)(1)(A), 2605(b)(8A) – Assurance 8

1.4 Do you consider households categorically eligible if one household member receives one of the following categories of benefits in the left column below? Yes No

Program	Cooling	Heating	Crisis	Weatherization
Temporary Assistance for Needy Families	No	No	No	No
Supplemental Security Income	Yes	Yes	Yes	Yes
Supplemental Nutrition Assistance Program	No	No	No	No
Means-tested Veterans Programs	Yes	Yes	Yes	Yes

1.5 Do you automatically enroll households without a direct annual application?
 Yes No

1.6 How do you ensure there is no difference in the treatment of categorically eligible households from those not receiving other public assistance when determining eligibility and benefit amounts? Texas provides Categorical Eligibility for SSI and Means-Tested Veterans Programs into its program. State rules were amended to include a provision that there is to be no difference in the treatment of Categorically Eligible Households. The Department has a system for persons to submit complaints and the monitoring reviews would also note any differences in treatment of persons that are or are not Categorically Eligible.

SNAP Nominal Payments

1.7 Do you allocate LIHEAP funds toward a nominal payment for SNAP households? If you answered “yes” to question 1.71 you must provide a response to 1.7b, 1.7c, 1.7d.

a. Yes No

b. Amount of Nominal Assistance: \$ ___ NA _____

c. Frequency of Assistance:

Once per year

Once every five years

Other (describe): _____ NA _____

d. How do you confirm that the household receiving a nominal payment has an energy cost or need?

Determination of Eligibility – Countable Income

1.8 In determining a household's income eligibility for LIHEAP, do you use gross income or net income?

- Gross Income (except for self employment or farm income or gambling/lottery winnings) ⁴
 Net Income

1.9. Select all of the applicable forms of countable income used to determine a household's income eligibility for LIHEAP.

- Wages (except as prohibited by the Workforce Investment Act of 1998)
 Self-employment income
 Contract income
 Payments from mortgage or sales contracts
 Unemployment Insurance
 Strike pay
 Social Security Administration (SSA) benefits
 Including MediCare deduction Excluding MediCare deduction
 Supplemental Security Income (SSI)
 Retirement / pension benefits
 General Assistance benefits (except as excluded by federal law or 10 TAC §6.4-)
 Temporary Assistance for Needy Families (TANF) benefits (except for one-time payments)
 Supplemental Nutrition Assistance Program (SNAP) benefits
 Women, Infants, and Children Supplemental Nutrition Program (WIC) benefits
 Loans that need to be repaid
 Cash gifts
 Savings account balance
 One-time lump-sum payments, such as rebates/credits, refund deposits, etc.
 Jury duty compensation
 Rental income
 Income from employment through Workforce Investment Act (WIA)
 Income from work study programs
 Alimony
 Child support
 Interest, dividends, or royalties
 Commissions
 Legal settlements
 Insurance payments made directly to the insured
 Insurance payments made specifically for the repayment of a bill, debt, or estimate
 Veterans Administration (VA) benefits (Some types are excluded by other Federal law)
 Earned income of a child under the age of 18
 Balance of retirement, pension, or annuity accounts where funds cannot be withdrawn without a penalty.
 Income tax refunds
 Stipends from senior companion programs, such as VISTA
 Funds received by household for the care of a foster child
 AmeriCorps Program payments for living allowances, earnings, and in-kind aid.
 Reimbursements (for mileage, gas, lodging, meals, etc.)
 Other Any item not excluded in 10 TAC §6.4 or by other federal law

⁴ Exceptions on use of net income are provided for in 10 TAC §6.4 .

Section 2 - HEATING ASSISTANCE

Eligibility, 2605(b)(2) – Assurance 2

2.1 Designate The income eligibility threshold used for the heating component:

<i>Household Size</i>	<i>Eligibility Guidelines</i>	<i>Eligibility Threshold</i>
All Household Sizes	HHS Poverty Guidelines	150%
All Household Sizes	State Median Income	60% ⁵

2.2 Do you have additional eligibility requirements for **HEATING ASSISTANCE**?

Yes No ⁶

2.3 Check the appropriate boxes below and describe the policies for each.

- | | <u>Yes</u> | <u>No</u> |
|--|-------------------------------------|-------------------------------------|
| ● Do you require an assets test? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| ● Do you have additional/differing eligibility policies for: | | |
| ● Renters? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| ● Renters living in subsidized housing? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| ● Renters with utilities included in the rent? ⁷ | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| ● Do you give priority in eligibility to: | | |
| ● Elderly? | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| ● Disabled? | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| ● Young children? | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| ● Households with high energy burdens? | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| ● Other? | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Households with high energy consumption | | |

⁵ In the county of a major disaster or emergency designated by the Secretary of the Department of Health and Human Services or by the President under the Disaster Relief Act of 1974, Texas will use the highest of 150% of the poverty guidelines or 60% of the State’s median income (“SMI”). The State may also use this flexibility to set poverty guidelines in a local crisis as defined by the Department’s Executive Director. Texas will communicate this designation to affected Subrecipients through email and by website posting. Subrecipients must receive prior written approval before using 60% SMI. Place based assistance must be performed in the county, but person based assistance for those displaced by a disaster or emergency may be in other counties.

⁶ 10 TAC §6.307(e) states: “A Household unit cannot be served if the meter is utilized by another Household that is not part of the application for assistance. In instances where separate structures share a meter and the applicant is otherwise eligible for assistance, Subrecipient may provide services if: (1) the members of the separate structures that share a meter meet the definition of a Household per §6.2 of this Chapter; (2) the members of the separate structures that share a meter submit one application as one Household; and (3) all persons and applicable income from each structure are counted when determining eligibility.”

⁷ Per 10 TAC §6.309(g)(9), Subrecipient may make payments to landlords on behalf of eligible renters who pay their utility and/or fuel bills indirectly. Subrecipient shall notify each participating household of the amount of assistance paid on its behalf. Subrecipient shall document this notification. Subrecipient shall maintain proof of utility or fuel bill payment. Subrecipient shall ensure that amount of assistance paid on behalf of client is deducted from client's rent.

Determination of Benefits, 2605(b)(5) – Assurance 5, 2605(c)(1)(B)

2.4 Describe how you prioritize the provision of heating assistance to vulnerable households, e.g., benefit amounts, application period, etc.

Subrecipients use a rating system which determines priority based on persons in Households who are particularly vulnerable such as the Elderly, Persons with Disabilities, Households with Young Children, Households with High Energy Burden, and Households with High Energy Consumption. Benefit amounts are determined on a sliding scale based on the Household's income. The number of benefit payments is based on the presence of a vulnerable member such as the Elderly, Persons with Disabilities, and Households with Young Children. The maximum benefit amount is determined per program year based on Household need, is split between heating and cooling assistance, and is not required to be applied equally to heating and cooling costs.

2.5 Check the variables you use to determine your benefit levels. (Check all that apply):

- Income
- Family (household) size
- Home energy cost or need:
 - Fuel type
 - Climate/region
 - Individual bill
 - Dwelling type
 - Energy burden (% of income spent on home energy)
 - Energy need
 - Other (Describe: Alternative Billing Method)

Benefit Levels, 2605(b)(5) – Assurance 5, 2605(c)(1)(B)

2.6 Describe estimated benefit levels for FY 2019:

\$1 Minimum benefit \$5,400 Maximum benefit

Note: Households are eligible for up to \$1,200 under utility assistance component and up to \$1,200 under Crisis component and they may be eligible for an additional \$3,000 for heating and cooling repair under the Crisis component

2.7 Do you provide in-kind (e.g., blankets, space heaters) and/or other forms of benefits?

Yes No -- If yes, describe.

Under energy crisis, a non-vulnerable Household may receive service and repair of existing heating and cooling units not to exceed \$3,000 when Subrecipient has met local weather crisis criteria. Vulnerable Households that include at least one member that is Elderly, Disabled, or a Child age 5 or younger, may receive service and repair of existing heating and cooling units not to exceed \$3,000 or a portable air conditioning/evaporative coolers and heating units (portable electric heaters are allowable only as a last resort) regardless of local weather criteria.

Eligible Households may receive temporary shelter not to exceed the annual household expenditure limit for the duration of the contract period in the limited instances that supply of power to the dwelling is disrupted--causing temporary evacuation. Eligible Households may receive emergency deliveries of fuel up to 250 gallons per crisis per Household, at the prevailing

price. This benefit may include coverage for tank pressure testing. When natural disasters result in energy supply shortages or other energy-related emergencies, LIHEAP will allow home energy related expenditures as described in 10 TAC §6.310 (e).

Section 3: COOLING ASSISTANCE

Eligibility, 2605(c)(1)(A), 2605(b)(2) – Assurance 2

3.1 Designate the income eligibility threshold used for the cooling component:

	Household Size	Eligibility Guidelines	Eligibility Threshold
1	All Household Sizes	HHS Poverty Guidelines	150%
2	All Household Sizes	State Median Income	60% ⁸

3.2 Do you have additional eligibility requirements for **COOLING ASSISTANCE**

Yes No

3.3 Check the appropriate boxes below and describe the policies for each.

- | | <u>Yes</u> | <u>No</u> |
|--|-------------------------------------|-------------------------------------|
| ● Do you require an assets test? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| ● Do you have additional/differing eligibility policies for: | | |
| ● Renters? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| ● Renters living in subsidized housing? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| ● Renters with utilities included in the rent? ⁹ | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| ● Do you give priority in eligibility to: | | |
| ● Elderly? | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| ● Disabled? | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| ● Young children? | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| ● Households with high energy burdens? | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| ● Other? | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Households with high energy consumption | | |

3.3 (continued) Check the appropriate boxes below and describe the policies for each.

⁸ In the county of a major disaster or emergency designated by the Secretary of the Department of Health and Human Services or by the President under the Disaster Relief Act of 1974, Texas will use the highest of 150% of the poverty guidelines or 60% of the State’s median income. Texas may also use this flexibility to set poverty guidelines in a local crisis as defined by the Department’s Executive Director. The State will communicate this designation to affected Subrecipients through email and by website posting. Subrecipients must receive prior written approval before using 60% SMI. Place based assistance must be performed in the county, but person based assistance for those displaced by a disaster or emergency may be in other counties.

⁹ Per 10 TAC §6.309(g)(9), Subrecipient may make payments to landlords on behalf of eligible renters who pay their utility and/or fuel bills indirectly. Subrecipient shall notify each participating household of the amount of assistance paid on its behalf. Subrecipient shall document this notification. Subrecipient shall maintain proof of utility or fuel bill payment. Subrecipient shall ensure that amount of assistance paid on behalf of client is deducted from client's rent.

Explanations of policies for each “yes” checked above:

10 TAC §6.307 states “Subrecipients must establish a written procedure to serve Households that have a Vulnerable Population Household member, Households with High Energy Burden, and Households with High Energy Consumption. High Energy Burden shall be the highest rated item in sliding scale priority determinations. The Subrecipient must maintain documentation of the use of the criteria.”

Priority must be given to Elderly, Disabled, Households with Young Children, and Households with High Energy Burden and High Energy Consumption.

3.4 Describe how you prioritize the provision of cooling assistance to vulnerable households, e.g., benefit amounts, application periods, etc.

Subrecipients use a rating system which determines priority based on persons in Households who are particularly vulnerable such as the Elderly, Persons with Disabilities, Families with Young Children, Households with High Energy Burden, and Households with High Energy Consumption. Benefit amounts are determined on a sliding scale based on the Household’s income. The number of benefit payments is based on the presence of a vulnerable member such as the Elderly, Persons with Disabilities, and Households with Young Children. The maximum benefit amount is determined per-program year based on Household need, is split between heating and cooling assistance, and is not required to be applied equally to heating and cooling costs.

Determination of Benefits, 2605(b)(5) – Assurance 5, 2605(c)(1)(B)

3.5 Check the variables you use to determine your benefit levels. (Check all that apply):

- Income
- Family (household) size
- Home energy cost or need
 - Fuel type
 - Climate/region
 - Individual bill
 - Dwelling type
 - Energy burden (% of income spent on home energy)
 - Energy need
 - Other (describe)

Benefit Levels, 2605(b)(5) – Assurance 5, 2605(c)(1)(B)

3.6 Describe benefit levels:

\$1 Minimum benefit \$5,400 Maximum benefit

Note: Households are eligible for \$1,200 under utility assistance component and \$1,200 under Household Crisis component and they may be eligible for an additional \$3,000 for service and repair of existing heating and cooling units. If any component of the existing heating or cooling, or

heating and cooling system cannot be repaired using parts, Subrecipients can replace the component in order to repair the heating or cooling, or heating and cooling system under the Household Crisis component.

3.7 Do you provide in-kind (e.g., fans, air conditioners) and/or other forms of benefits?

Yes No -- If yes, describe.

Under energy crisis, a Household may receive repair of existing heating and cooling units not to exceed \$3,000. Households that include at least one member that is Elderly, Disabled, or a Child age 5 or younger, may receive either repair of existing heating and cooling units or crisis-related purchase of portable heating and cooling units not to exceed \$3,000.

Section 4: CRISIS ASSISTANCE,

Eligibility - 2604(c), 2605(c)(1)(A)

4.1 Designate the income eligibility threshold used for the crisis component:

	Household Size	Eligibility Guidelines	Eligibility Threshold
1	All Household Sizes	HHS Poverty Guidelines	150%
2	All Household Sizes	State Median Income	60% ¹⁰

4.2 Provide your LIHEAP program’s definition for determining a crisis.

A bona fide Household Crisis exists when extraordinary events or situations resulting from extreme weather conditions and/or fuel supply shortages have depleted or will deplete Household financial resources and/or have created problems in meeting basic Household expenses, particularly bills for energy so as to constitute a threat to the well-being of the Household, particularly Vulnerable Population Households (the Elderly, Persons with Disabilities, or Children age 5 and younger). A utility disconnection notice may constitute a Household energy crisis.

4.3 What constitutes a life-threatening crisis?

10 TAC §6.301(b)(3) defines a Life Threatening Crisis as: “A life threatening crisis exists when at least one person in the applicant Household would be adversely affected without the Subrecipient's utility assistance, because there is a shut-off notice or a delivered fuel source is below a ten (10) day supply (by customer report) to the degree that, in the opinion of a reasonable person, the effect could cause loss of life. Examples of life-sustaining equipment include but are not limited to kidney dialysis machines, oxygen concentrators, cardiac monitors, and in some cases heating and air conditioning when ambient temperature control is prescribed by a medical professional. Documentation must not be requested about the medical condition of the applicant/customer but must state that such a device is required in the Dwelling Unit to sustain life.”

¹⁰ In the county of a major disaster or emergency designated by the Secretary of the Department of Health and Human Services or by the President under the Disaster Relief Act of 1974, Texas will use the highest of 150% of the poverty guidelines or 60% of the State’s median income (“SMI”). Texas may also use this flexibility to set poverty guidelines in a local crisis as defined by the Department’s Executive Director. Texas will communicate this designation to affected Subrecipients through email and by website posting. Subrecipients must receive prior written approval before using 60% SMI. Place based assistance must be performed in the county, but person based assistance for those displaced by a disaster or emergency may be in other counties.

Crisis Requirements, 2604(c)

4.4 Within how many hours do you provide an intervention that will resolve the energy crisis for eligible households? 48 Hours

4.5 Within how many hours do you provide an intervention that will resolve the energy crisis for eligible households in life-threatening situations? 18 Hours¹¹

Crisis Eligibility, 2605(c)(1)(A)?

4.6 Do you have additional eligibility requirements for **CRISIS ASSISTANCE**?

Yes No

4.7 Check the appropriate boxes below and describe the policies for each.

- | | <u>Yes</u> | <u>No</u> |
|--|-------------------------------------|-------------------------------------|
| ● Do you require an assets test? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| ● Do you give priority in eligibility to: | | |
| ● Elderly? | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| ● Disabled? | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| ● Young children? | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| ● Households with high energy burdens? | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| ● Other? | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Households with high energy consumption | | |
| ● In order to receive crisis assistance: ¹² | | |
| ● Must the household have received a shut-off notice or have a near empty tank? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| ● Must the household have been shut off or have an empty tank? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| ● Must the household have exhausted their regular heating benefit? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| ● Must renters with heating costs included in their rent have received an eviction notice? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| ● Must heating/cooling be medically necessary? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| ● Must the household have non-working heating or cooling equipment? | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| ● Other? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

¹¹ Pursuant to §2604(c)(2) of the LIHEAP Statute, the Department provides “some form of assistance that will resolve the energy crisis” not later than 18 hours after a household applies for crisis benefits if such household is eligible to receive such benefits and is in a life-threatening situation.

¹² The program has different requirements depending on whether the household contains a member of a priority group.

4.7 (continued)

● Do you have additional/differing eligibility policies for:

- Renters?
- Renters living in subsidized housing?
- Renters with utilities included in the rent?¹³

Determination of Benefits

4.8 How do you handle crisis situations?

- Separate component
- Fast Track
- Other

4.9 If you have a separate component, how do you determine crisis assistance benefits?

- Amount to resolve crisis, up to a maximum of \$1200
- Other
Heating and cooling equipment repair or replace up to \$3,000

Crisis Requirements, 2604(c)

4.10 Do you accept applications for energy crisis assistance at sites that are geographically accessible to all households in the area to be served?

- Yes No

Explain: 10 TAC §6.313: "Subrecipients shall accept applications at sites that are geographically and physically accessible to all Households requesting assistance. If Subrecipient's office is not accessible, Subrecipient shall make Reasonable Accommodations to ensure that all Households can apply for assistance."

4.11 Do you provide individuals who have physical disabilities the means to:

■ Submit applications for crisis benefits without leaving their homes?

- Yes No If no, explain.

Applications can be mailed in. In some cases, applications may be completed online or the organization will go to the applicant's home to take the application.

■ Travel to the sites at which applications for crisis assistance are accepted?

- Yes No If yes, explain.

¹³ Per 10 TAC §6.309(g)(9), Subrecipient may make payments to landlords on behalf of eligible renters who pay their utility and/or fuel bills indirectly. Subrecipient shall notify each participating household of the amount of assistance paid on its behalf. Subrecipient shall document this notification. Subrecipient shall maintain proof of utility or fuel bill payment. Subrecipient shall ensure that amount of assistance paid on behalf of client is deducted from client's rent.

4.11 (continued)

If you answered “No” to both questions 4.11, please explain alternative means of intake to those who are homebound or physically disabled.

Benefit Levels, 2605(c)(1)(B)

4.12 Indicate the maximum benefit for each type of crisis assistance offered.

Winter Crisis \$_____0 maximum benefit

Summer Crisis \$_____0 maximum benefit

Year-round Crisis \$1200 maximum benefit

4.13 Do you provide in-kind (e.g., blankets, space heaters, fans) and/or other forms of benefits?

Yes No If yes, describe.

Repair of existing heating and cooling units, purchase of portable heating/cooling units. Only as a result of natural disasters, provision of temporary shelter, blankets, fans, costs for certain transportation, air conditioners, and generators is allowed under conditions specified in 10 TAC §6.309 and §6.310.

4.14 Do you provide for equipment repair or replacement using crisis funds?

Yes No

4.15 Check appropriate boxes below to indicate type(s) of assistance provided:

	Winter Crisis	Summer Crisis	Year-round Crisis
Heating system repair			X
Heating system replacement (only components of a central HVAC system)			X
Cooling system repair			X
Cooling system replacement (only components of a central HVAC system)			X
Wood stove purchase			
Pellet stove purchase			
Solar panel(s)			
Utility poles / Gas line hook-ups			
Other (Specify): For Households which include a member of a Vulnerable Population, service and repair or purchase of portable heating and cooling units can be provided if a system is non-existent up to \$3000.			X

4.16 Do any of the utility vendors you work with enforce a winter moratorium on shut offs? If you respond "Yes" to question 4.16, you must respond to question 4.17. Yes No

4.17 Describe the terms of the moratorium and any special dispensation received by LIHEAP clients during or after the moratorium period.

Pursuant to §25.483 relating to Disconnection of Service of the Texas Public Utilities Commission rules:

"An electric utility cannot disconnect a customer anywhere in its service territory on a day when: (1) the previous day's highest temperature did not exceed 32 degrees Fahrenheit, and the temperature is predicted to remain at or below that level for the next 24 hours, according to the nearest National Weather Service (NWS) reports; or (2) the NWS issues a heat advisory for any county in the electric utility's service territory, or when such advisory has been issued on any one of the preceding two calendar days in a county."

Section 5: WEATHERIZATION ASSISTANCE

Eligibility, 2605(c)(1)(A), 2605(b)(2) – Assurance 2

5.1 Designate the income eligibility threshold used for the weatherization component:

	Household Size	Eligibility Guidelines	Eligibility Threshold
1	All Household Sizes	HHS Poverty Guidelines	150%
2	All Household Sizes	State Median Income	60% ¹⁴

5.2 Do you enter into an interagency agreement to have another government agency administer a **WEATHERIZATION component**? Yes No

5.3 If yes, name the agency. NA

5.4 Is there a separate monitoring protocol for weatherization? Yes No

WEATHERIZATION - Types of Rules

5.5 Under what rules do you administer LIHEAP weatherization? (Check only one.)

Entirely under LIHEAP (not DOE) rules

Entirely under DOE WAP (not LIHEAP) rules

¹⁴ In the county of a major disaster or emergency designated by the Secretary of the Department of Health and Human Services or by the President under the Disaster Relief Act of 1974, Texas will use the highest of 150% of the poverty guidelines or 60% of the State's median income ("SMI"). Texas may also use this flexibility to set poverty guidelines in a local crisis as defined by the Department's Executive Director. TDHCA will communicate this designation to affected Subrecipients through email and by website posting. Subrecipients must receive prior written approval before using 60% SMI. Place based assistance must be performed in the county, but person based assistance for those displaced by a disaster or emergency may be in other counties.

5.5 (continued)

Mostly under LIHEAP rules with the following DOE WAP rule(s) where LIHEAP and WAP rules differ: (Check all that apply.)

- Income Threshold
- Weatherization of entire multi-family housing structure is permitted if at least 66% of units (50% in 2- & 4-unit buildings) are eligible units or will become eligible within 180 days.
- Weatherization of shelters temporarily housing primarily low income persons (excluding nursing homes, prisons, and similar institutional care facilities).
- Other (describe): TDHCA uses a priority list for LIHEAP households at 150% or below HHS poverty income level. Energy-related home repair: TDHCA will allow the use of LIHEAP weatherization funds for structural and ancillary repairs only if required to enable effective weatherization. If LIHEAP funds are included in a DOE unit, the SIR/audit must be used to justify all measures.

Under what rules do you administer LIHEAP weatherization? (Check only one.)

Mostly under DOE WAP rules, with the following LIHEAP rule(s) where LIHEAP and WAP rules differ: (Check all that apply.)

- Income Threshold.
- Weatherization not subject to DOE WAP maximum statewide average cost per dwelling unit.
- Weatherization measures are not subject to DOE Savings to Investment Ratio (SIR) standards.
- Other (describe)

Eligibility, 2605(b)(5) – Assurance 5

	Yes	No
5.6 Do you require an assets test?	<input type="checkbox"/>	<input checked="" type="checkbox"/>

5.7 Do you have additional/differing eligibility policies for:		
• Renters?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
• Renters living in subsidized housing?	<input type="checkbox"/>	<input checked="" type="checkbox"/>

5.8 Do you give priority in eligibility to:		
• Elderly?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
• Disabled?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
• Young children?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
• Households with high energy burdens?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
• Other?	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Explanation: Households with high energy consumption

Benefit Levels

5.9 Do you have a maximum LIHEAP weatherization benefit/expenditure per household?

5.10 If yes, what is the maximum amount? \$6,500

NOTE: unless additional expenditure is authorized in writing by the Department.

Types of Assistance, 2605(c)(1), (B) & (D)

5.11 What LIHEAP weatherization measures do you provide? (Check all categories that apply.)

- Weatherization needs/assessments/audits
- Caulking and insulation
- Storm windows
- Furnace/heating system modifications/repairs
- Furnace replacement
- Cooling system modifications/repairs
- Water conservation measures
- Compact fluorescent light bulbs
- Energy related roof repair
- Major appliance repairs
- Major appliance replacement
- Windows/sliding glass doors
- Doors
- Water Heater
- Cooling system replacement
- Other (describe)
Solar screens or window film. Smart thermostats, miscellaneous repairs up to \$500 for structural and ancillary only if required to enable effective weatherization; Window screens to help prevent exposure to the Zika virus for Households with pregnant women.

If any of the questions require further explanation or clarification that could not be made in the fields provided, attach a document with said explanation here.

Section 6: Outreach, 2605(b)(3) – Assurance 3, 2605(c)(3)(A)

6.1 Select all outreach activities that you conduct that are designed to assure that eligible households are made aware of all LIHEAP assistance available:

- Place posters/flyers in local and county social service offices, offices of aging, Social Security offices, VA, etc.
- Publish articles in local newspapers or broadcast media announcements.
- Include inserts in energy vendor billings to inform individuals of the availability of all types of LIHEAP assistance.
- Mass mailing(s) to prior-year LIHEAP recipients.
- Inform low income applicants of the availability of all types of LIHEAP assistance at application intake for other low-income programs.
- Execute interagency agreements with other low-income program offices to perform outreach to target groups.
- Other (specify):

Section 7: Coordination, 2605(b)(4) – Assurance 4

7.1 Describe how you will ensure that the LIHEAP program is coordinated with other programs available to low-income households (TANF, SSI, WAP, etc.)

- Joint application for multiple programs
- Intake referrals to/from other programs
- One-stop intake centers
- Other – describe:

Section 8: Agency Designation, 2605(b)(6) – Assurance 6

8.1 How would you categorize the primary responsibility of your State agency?

- Administration Agency
- Commerce Agency
- Community Services Agency
- Energy/Environment Agency
- Housing Agency
- Welfare Agency
- Other – describe:

Alternate Outreach and Intake, 2605(b)(15) – Assurance 15

8.2 How do you provide alternate outreach and intake for **HEATING ASSISTANCE**?

Report of available services at various workgroup meetings with community stakeholders (disability, health services, homeless, etc), presentation at area events organized by state representatives and other service providers.

8.3 How do you provide alternate outreach and intake for **COOLING ASSISTANCE**?

Report of available services at various workgroup meetings with community stakeholders (disability, health services, homeless, etc), presentation at area events organized by state representatives and other service providers.

8.4 How do you provide alternate outreach and intake for **CRISIS ASSISTANCE**?

In instances of natural disaster, Subrecipient coordinates with other assistance organizations (shelters, Red Cross, etc.). Report of available services at various workgroup meetings with community stakeholders (disability, health services, homeless, etc), presentation at area events organized by or at the direction or request of elected officials and other service providers.

8.5 LIHEAP Component Administration	<u>Heating</u>	<u>Cooling</u>	<u>Crisis</u>	<u>Weatherization</u>
8.5a. Who determines client eligibility?	Local governments, CAAs and Other Nonprofits			
	<u>Heating</u>	<u>Cooling</u>	<u>Crisis</u>	<u>Weatherization</u>
8.5b. Who processes benefit payments to gas and electric vendors?	Local governments, CAAs and Other Nonprofits	Local governments, CAAs and Other Nonprofits	Local governments, CAAs and Other Nonprofits	N/A
8.5c. Who processes benefit payments to bulk fuel vendors?	Local governments, CAAs and Other Nonprofits	Local governments, CAAs and Other Nonprofits	Local governments, CAAs and Other Nonprofits	N/A
8.5d. Who performs installation of weatherization measures?	N/A	N/A	N/A	Local governments, CAAs and Other Nonprofits most subcontracted with local contractors

Note for 8.5: In the USHHS-OLDC system where the State Plan is entered, it only allows states to select one type of entity. The Department will select Nonprofits; although we will also contract with Units of government and CAAs.

8.6 What is your process for selecting local administering agencies?

The Department ensures that to the extent it is necessary to designate local administrative agencies in order to carry out the purposes of Title 42 U.S.C. §§8621, et seq. special consideration is given to any local public or private nonprofit agency which was receiving CSBG or LIHEAP funds.

(1) The Department before giving such special consideration, determines that the agency involved meets program and fiscal requirements established by law and by the Department; and

8.6 (continued)

(2) if there is no such agency because of any change in the assistance furnished to programs for economically disadvantaged persons, then the Department gives special consideration in the designation of local administrative agencies to any successor agency which is operated in substantially the same manner as the predecessor agency which did receive funds for the fiscal year preceding the fiscal year for which the determination is made.

Currently, the Department administers all aspects of program delivery through Subrecipients that have demonstrated that they are operating the program in accordance with the Economic Opportunity Act of 1964, the Low-Income Home Energy Assistance Act of 1981, as amended (42 U.S.C. §§8621, et seq.), and the Department rules. If Subrecipients are successfully administering the program, the Department may offer to renew the contract.

Under this model, the Department determines that an organization is not administering the program satisfactorily; corrective actions are taken to remedy the problem. Thereafter, if Subrecipient fails to administer the program correctly, the Department will proceed with the process of removing funds and reassign the service area or a portion to another existing Subrecipient or conduct solicitation or selection of a new Subrecipient in accordance with the Low-Income Home Energy Assistance Act of 1981. The affected Subrecipient may request a hearing in accordance with §2105.204 of the Texas Government Code.

However, the Department retains the right to go through a procurement process for some or all aspects of the LIHEAP program.

8.7 How many local administering agencies do you use? 37

8.8 Have you changed any local administering agencies from last year?

Yes No

8.9 If so, why?

- Agency was in noncompliance with grantee requirements for LIHEAP
- Agency is under criminal investigation
- Added agency
- Agency closed
- Other – describe – voluntary relinquishment

Section 9: Energy Suppliers, 2605(b)(7) – Assurance 7

9.1 Do you make payments directly to home energy suppliers?

Heating Yes No

Cooling Yes No

Crisis Yes No

Are there exceptions? Yes No

If yes, describe:

9.2 How do you notify the client of the amount of assistance paid?

The administering agency informs them once the determination is made.

9.3 How do you assure that the home energy supplier will charge the eligible household, in the normal billing process, the difference between the actual cost of the home energy and the amount of the payment?

Vendor agreements are used in all components. The Department provides Subrecipients with a Department approved Vendor Agreements to utilize. The document can be found at the Department's website at <http://www.tdhca.state.tx.us/community-affairs/ceap/docs/17-CEAP-Vendor-Agreement.pdf>

9.4 How do you assure that no household receiving assistance under this title will be treated adversely because of their receipt of LIHEAP assistance?

Vendor Agreements are used in all components. The Department provides Subrecipients with a Department approved Vendor Agreements to utilize. The document can be found at the Department's website at <http://www.tdhca.state.tx.us/community-affairs/ceap/docs/17-CEAP-Vendor-Agreement.pdf>

9.5 Do you make payments contingent on unregulated vendors taking appropriate measures to alleviate the energy burdens of eligible households? Yes No. If so, describe the measures unregulated vendors may take.

Section 10: Program, Fiscal Monitoring, and Audit, 2605(b)(10) – Assurance 10

10.1. How do you ensure good fiscal accounting and tracking of LIHEAP funds?

1. Review annual audits
2. Monitor fiscal records
3. Review current and prior year monthly expenditure and performance reports

Audit Process

10.2. Is your LIHEAP program audited annually under the Single Audit Act and OMB Circular A-133? Yes No

10.3. Describe any audit findings rising to the level of material weakness or reportable condition cited in the A-133 audits, Grantee monitoring assessments, inspector general reviews, or other government agency reviews of the LIHEAP agency from the most recently audited federal fiscal year.

Finding ¹⁵	Type	Brief Summary	Resolved?	Action Taken
Monitoring must incorporate additional procedures to review and test selected expenditures for LIHEAP.	Non-Compliance	Implement additional monitoring procedures To assure proper disbursement of and accounting of LIHEAP funds.	Pending HHS response	Department has implemented significant improvements to monitoring procedures. Source documentation for expenditures are reviewed. Department provided updated monitoring tools and procedures to HHS.
Monitoring procedures need to ensure LIHEAP funds are allocated appropriately.	Non-Compliance	Revise monitoring procedures. Ensure that additional fiscal controls are needed to ensure LIHEAP funds are allocated appropriately at the state and sub-grantee level.	Pending HHS response	Department has implemented significant improvements to monitoring procedures and provided updated monitoring tools and procedures to HHS.
Additional controls needed for vendor refunds.	Non-Compliance	Incorporate into grant award agreements additional controls for vendor refunds.	Pending HHS response	Department revised the vendor refund requirements and incorporated into the grant award agreements.
Unclear definition of obligation.	Non-Compliance	Department must provide HHS – OCS with its written policies	Pending HHS response	Department developed written policy regarding obligation and is revising Texas Administrative Code to include

¹⁵ Based on USHHS-OCS LIHEAP Compliance Review Letter of January 2018.

		regarding the definition of obligation.		definition of obligation.
Inconsistent estimates and reporting of carry over funds	Non-Compliance	Department must ensure that the 10 percent carryover limit is not exceeded.	Pending HHS response	Department is working with a group of subrecipients to design a new deobligation/reobligation policy for use in FY 2019. At the end of each fiscal year any contracts with remaining funds will be extended until full expenditure. Subrecipients will not draw funds from the new contract until prior year funds are expended.
Additional fiscal controls needed to track various sources and applications of LIHEAP funds	Non-Compliance	Department must implement changes to record-keeping and/or accounting systems to implement fiscal controls to enable LIHEAP transactions to be readily differentiated and tracked, including Assurance 16 activities.	Pending HHS response	After the 2016 monitoring visit, the Department chose to no longer fund Assurance 16. The Community Affairs contract system is able to capture the following budget categories for each subrecipient contract: Administration, Program Services Support, Crisis and Utility Assistance (Heating and/or Cooling). The Financial Services Division has the same categories in the Accounting System and program staff reconciles monthly to ensure accuracy between the two systems.
Delays in releasing contracts to subgrantees	Non-Compliance	The Department has had delays in releasing contracts to subgrantees in time for the	Pending HHS response	HHS concern may be related to possible gaps in serve that have arisen during gaps in contract terms. This has been resolved by extending the contract until a

		January 1 st start date per LIHEAP Plan.		following year contract is in effect, ensuring no lapses in contract terms. 2017 and 2018 contracts were made available prior to January 1 st .
Inconsistent Fair Hearing Procedures	Non-Compliance	State must establish thorough written policies and procedures for providing an opportunity for a fair hearing, not only for applicants who are denied assistance.	Pending HHS response	Written policies responsive to the issue of fair hearing procedures were clarified in the Department's contracts with subrecipients.
Inaccurate Household Report	Non-Compliance	State must develop a system to collect unduplicated household data for reporting to HHS and implement the procedure.	Pending HHS response	Department began working with APRISE and Verve Associates LLC in 2016 to create a system that would enable Department to satisfy the unduplicated household reporting requirements. In 2017 the Department submitted the required documentation to HHS.
Inadequate information provided to HHS on LIHEAP funds being properly spent within federal obligation period	Non-Compliance	State must provide documentation to demonstrate that LIHEAP funds have been properly spent or repaid to the state and re-obligated timely by the state within the original	Pending HHS response	This finding relates to two subrecipients and the Department has pursued this matter through the State Attorney General's Office.

		federal obligation period. Absent such, HHS will pursue a disallowance of the state for full amount.		
State must implement policy and procedures to address ineligible use of LIHEAP funds	Non-Compliance	The State must implement policy and procedures to address ineligible benefits, such as water, waste water and solid water charges and that LIHEAP funds aren't used for such.	Pending HHS response	The Department will implement policies to ensure that LIHEAP funds aren't used for ineligible benefits, such as water, waste water and solid water charges and include these updates in the Texas Administrative Code this Fall.
Verification of Citizenship and Qualified Alien Status	Non-Compliance	State should develop and provide written policies and procedures on how to ensure unqualified individuals will not receive LIHEAP assistance, except in the case of a mixed status household.	Pending HHS response	The Department will update its rules and contracts to integrate the requirement that each subrecipient understands that no unqualified individuals are receiving benefits and have written policies to this effect. These requirements will be addressed in a revision to the Texas Administrative Code this Fall.

10.4. Audits of Local Administering Agencies

What types of annual audit requirements do you have in place for local administering agencies/district offices?

Local agencies/district offices are required to have an annual audit in compliance with 2 CFR 200 – Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance).¹⁶

Local agencies/district offices are required to have an annual audit (other than 2 CFR 200 – Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)).

10.4 (continued)

Local agencies/district offices 2 CFR 200 – Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) or other independent audits are reviewed by Grantee as part of compliance process.

Grantee conducts fiscal and program monitoring of local agencies/district offices.

Compliance Monitoring

10.5. Describe the Grantee’s strategies for monitoring compliance with the Grantee’s and Federal LIHEAP policies and procedures by:

Grantee employees:

Internal program review

Departmental oversight

Secondary review of invoices and payments

Other program review mechanisms are in place. Describe: Cross Division peer review of documents

Local Administering Agencies/District Offices:

On-site evaluation

Annual program review

Monitoring through Central Database

Desk reviews

Client File Testing/Sampling

Other program review mechanisms are in place. Describe: Desk review of 2 CFR 200 – Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance); A review of the Subrecipient’s resolution of prior monitoring or Single Audit reports is performed prior to awarding new contracts.

¹⁶ For 2018, Subrecipients will follow the audit requirements in 45 CFR 75 Subpart F, as applicable, and the requirements in the Texas Single Audit Act.

10.6. Explain, or attach a copy of, your local agency monitoring schedule and protocol.

See attached monitoring schedule and monitoring instruments.

Describe how you select local agencies for monitoring reviews?

On-site monitoring visits and desk reviews are mechanisms used for in-depth investigation and overall assessment, respectively. The Department will conduct on-site monitoring reviews and desk reviews of contracts based on an assessment of risk of non-compliance and failure to achieve performance outcomes. Subrecipient monitors review necessary program documents and financial records through desk reviews and on-site reviews to ascertain compliance with program requirements. Selection of contracts for monitoring is primarily based on risk assessment. LIHEAP Subrecipients are monitored at least once every three years. This is a component of the risk assessment score. If a Subrecipient also has Community Service Block Grant funds, the LIHEAP monitoring may be done at the same time. Subrecipients that leverage LIHEAP funds with DOE funds for weatherization are subject to an inspection review according to the DOE monitoring schedule (once a year). Contracts may also be selected for monitoring based on other factors, such as prior findings, complaints, or special requests.

10.7. Site Visits: Onsite monitoring visits are conducted at least once every three years. The Department will inspect a minimum of 5% of all LIHEAP weatherized units reported as complete.

Desk Reviews: Some materials are requested and reviewed at the Department's office prior to the onsite visit.

10.8. How often is each local agency monitored? At least once, every three years.

10.9. What is the combined error rate for eligibility determinations? (Optional question)
Optional

10.10. What is the combined error rate for benefit determinations? (Optional question)
Optional

10.11. How many local agencies are currently on corrective action plans for eligibility and/or benefit determination issues? (Number only) 0

10.12. How many local agencies are currently on corrective action plans for financial accounting or administrative issues? (Number only) 0

Section 11: Timely and Meaningful Public Participation, 2605(b)(12) – Assurance 12, 2605(c)(2)

11.1 How did you obtain input from the public in the development of your LIHEAP plan?

Check all that apply:

- Tribal Council meeting(s)
- Public Hearing(s)
- Draft Plan posted to website and available for comment
- Hard copy of plan is available for public view and comment
- Comments from applicants are recorded
- Request for comments on draft Plan is advertised
- Stakeholder consultation meeting(s)
- Comments are solicited during outreach activities
- Other, describe: Comments are solicited via on-line forums.

11.2 What changes did you make to your LIHEAP plan as a result of this participation?

Pending input to be received at public hearings.

Public Hearings, 2605(a)(2)

11.3 List the date(s) and location(s) that you held public hearing(s) on the proposed use and distribution of your LIHEAP funds?

Date	Event Description
Wednesday, May 30, 2018 from 5:30 p.m. - 6:30 p.m.	LIHEAP Plan Public Hearing – Rusk State Office Building, Room 320, 208 East 10 th Street, Austin, Texas 78701
Wednesday, May 30, 2018 from 1:00 -2:00 p.m.	LIHEAP Plan Public Hearing –959 E. Rosedale, Fort Worth, TX 76104
Thursday, May 31, 2018 from 5:30 p.m.-6:30 p.m.	LIHEAP Plan Public Hearing – 3838 Aberdeen Way, Houston, TX 77277
Thursday, May 31, 2018 form 2:00-3:00 p.m.	LIHEAP Plan Public Hearing – 1101 E. Garden Lane, Midland, TX 79701

11.4 How many parties commented on your plan at the hearing(s)?

Four

11.5 Summarize the comments you received at the hearing(s).

COMMENT SUMMARY #1: The Texas Association of Community Action Agencies (TACAA) commented that the verbiage in the LIHEAP State Plan in Section 10.3 summarizing the finding for “Verification of Citizenship and Qualified Alien Status” does not match the verbiage of the USHHS Compliance Review

Letter of January 2018. Additionally, commenters are not aware of a current TDHCA policy to not serve any non-legal residents as the LIHEAP Compliance Review Letter of January 2018 Issue Thirteen suggests. Commenters are also concerned that the required action of not serving non-legal residents may violate the Personal Responsibility and Work Opportunity Reconciliation Act ("PRWORA").

Three commenters agreed with TACAA's comment.

General Comments:

COMMENT SUMMARY #2-4: Three of the commenters thanked the Department for conducting the public hearings.

Section 12: Fair Hearings, 2605(b)(13) – Assurance 13

12.1 How many fair hearings did the grantee have in the prior Federal fiscal year?

None at this time.

12.2 How many of those fair hearings resulted in the initial decision being reversed?

N/A

12.3 Describe any policy and/or procedural changes made in the last Federal fiscal year as a result of fair hearings?

None

12.4 Describe your fair hearing procedures for **households whose applications are denied**.

Subrecipient contracts include the following section:

SECTION 39. APPEALS PROCESS

In compliance with the LIHEAP Act, Subrecipient must provide an opportunity for a fair administrative hearing to individuals whose application for assistance is denied, terminated or not acted upon in a timely manner. Subrecipient must establish a denial of service complaint procedure in accordance with Title 10, Part 1, Ch 6, Subch A, §6.8 of the State Rules. The rule states:

(a) Subrecipient shall establish a denial of service complaint procedure to address written complaints from program applicants/customers. At a minimum, the procedures described in paragraphs (a)(1) - (8) of this subsection shall be included:

(1) Subrecipients shall provide a written denial of assistance notice to applicant within ten (10) calendar days of the determination. Such a determination is defined as a denial of assistance, but does not include a level of assistance lower than the possible program limits or a reduction in assistance, as long as such process is in accordance with the Subrecipient's written policy. This notification shall include written notice of the right of a hearing and specific reasons for the denial by program. The applicant wishing to appeal a decision must provide written notice to Subrecipient within twenty (20) days of receipt of the denial notice.

(2) A Subrecipient must establish an appeals committee composed of at least three persons. Subrecipient shall maintain documentation of appeals in their customer files.

(3) Subrecipients shall hold a private appeal hearing (unless otherwise required by law) by phone or in person in an accessible location within ten (10) business days after the Subrecipient received the appeal request from the applicant and must provide the applicant notice in writing of the time/location of the hearing at least seven (7) calendar days before the appeal hearing.

(4) Subrecipient shall record the hearing.

(5) The hearing shall allow time for a statement by Subrecipient staff with knowledge of the case.

(6) The hearing shall allow the applicant at least equal time, if requested, to present relevant information contesting the decision.

(7) Subrecipient shall notify applicant of the decision in writing. The Subrecipient shall mail the notification by close of business on the third calendar day following the decision (three day turn-around).

(8) If the denial is solely based on income eligibility, the provisions described in paragraphs (2) - (7) of this subsection do not apply and the applicant may request a recertification of income eligibility based on initial documentation provided at the time of the original application. The recertification will be an analysis of the initial calculation based on the documentation received with the initial application for services and will be performed by an individual other than the person who performed the initial determination. If the recertification upholds the denial based on income eligibility documents provided at the initial application, the applicant is notified in writing.

(b) If the applicant is not satisfied, the applicant may further appeal the decision in writing to the Department within ten (10) days of notification of an adverse decision.

(c) Applicants/customers who allege that the Subrecipient has denied all or part of a service or benefit in a manner that is unjust, violates discrimination laws, or without reasonable basis in law or fact, may request a contested hearing under Tex. Gov't Code, Chapter 2001.

(d) The hearing under subsection (c) shall be conducted by the State Office of Administrative Hearings on behalf of the Department in the locality served by the Subrecipient.

(e) If the applicant/customer appeals to the Department, the funds should remain encumbered until the Department completes its decision.

12.5 When and how are applicants informed of these rights?

Within ten days of the determination the Subrecipient must provide written notification; can be made in person or by mail.

12.6 Describe your fair hearing procedures for **households whose applications are not acted on in a timely manner**.

Applicants are required to submit an application each program year. During the review of applications, applicants are assigned a priority rating based on indicators such as poverty level, energy burden and use, and the presence of vulnerable household members. The applicant is informed of their rating and informed whether their application will be acted on immediately or if higher priority applicants will be served first. If due to a low priority rating an applicant does not receive services during a program year, the applicant must re-apply the following year. This is a program requirement and is not subject to applicant appeal.

If an applicant is concerned that their application has been mishandled, the applicant may file a complaint with the Department. TDHCA has an online complaint system, and staff phone numbers are posted online. In general, applicants who have a complaint are given contact information for TDHCA at the time the complaint is received by the Subrecipient. Applicants who call are encouraged to use the online system, but rarely do. Staff records the complaint and proceeds as if the complaint were a denial of services appeal, as described in Section 12.4 above.

12.7 When and how are applicants informed of these rights?

Applicants who have a complaint are given contact information for TDHCA at the time the complaint is received by the Subrecipient.

Section 13: Reduction of home energy needs, 2605(b)(16) – Assurance 16

13.1 Describe how you use LIHEAP funds to provide services that encourage and enable households to reduce their home energy needs and thereby the need for energy assistance?

N/A- The State does not use funds under Assurance 16.

13.2 How do you ensure that you don't use more than 5% of your LIHEAP funds for these activities?

NA-The State does not use funds under Assurance 16.

13.3 Describe the impact of such activities on the number of households served in the previous Federal fiscal year.

NA-The State does not use funds under Assurance 16.

13.4 Describe the level of direct benefits provided to those households in the previous Federal fiscal year.

NA-The State does not use funds under Assurance 16.

13.5 How many households applied for these services?

NA-The State does not use funds under Assurance 16.

13.6 How many households received these services?

NA-The State does not use funds under Assurance 16.

Section 14: Leveraging Incentive Program, 2607A

14.1 Do you plan to submit an application for the leveraging incentive program?

Yes No

14.2 Describe instructions to any third parties and/or local agencies for submitting LIHEAP leveraging resource information and retaining records.

N/A

14.3 For each type of resource and/or benefit to be leveraged in the upcoming year that will meet the requirements of 45 C.F.R. § 96.87(d)(2)(iii), describe the following:

Resource	What is the type of resource or benefit?	What is the source(s) of the resource?	How will the resource be integrated and coordinated with LIHEAP?
NA			

Section 15: Training

15.1. Describe the training you provide for each of the following groups:

a. Grantee Staff:

Formal training on grantee policies and procedures

How often?

Annually

Biannually

As needed

Other – Describe:

Employees are provided with policy manual

Other – Describe:

The Department offers a manager training for newly hired managers or Executive Directors, as needed, which is then followed up with individualized technical assistance.

Employees are provided with a notebook with plans, rules, the contract, and budget.

b. Local Agencies:

Formal training conference

How often?

Annually

Biannually

As needed

Other – Describe: The Department provides training at an annual conference which is sponsored by the Texas Association of Community Action Agencies. The Department provides annual Energy Audit training for the Network. The Department provides a guide for developing the Annual Service Delivery Plan and a webinar on how to develop their Annual Service Delivery Plan.

On-site training

How often?

Annually

Biannually

As needed

Other –

As needed as determined either by the Department or by request of the agency. The Department identifies key areas for training needs based upon monitor reports and Sub-grantee requests that are addressed in quarterly calls and or webinars to provide program guidance.”

Employees are provided with policy manual

Other – Describe: the Department schedules a teleconference each quarter to provide information, training, and technical assistance to the local agencies. The Department hosts an additional WAP quarterly teleconference to provide updates on rules, regulations, and technical issues that are identified.

15.1 (continued)

c. Vendors

Formal training conference

How often?

Annually

Biannually

As needed

Other – Describe:

Policies communicated through vendor agreements

Policies are outlined in a vendor manual

Other – Describe:

15.2. Does your training program address fraud reporting and prevention?

Yes No

Section 16: Performance Goals and Measures, 2605(b)

16.1 Describe your progress toward meeting the data collection and reporting requirements of the four required LIHEAP performance measures. Include timeframes and plans for meeting these requirements and what you believe will be accomplished in the coming federal fiscal year.
The Department was able to meet the four LIHEAP performance measures.

Section 17: Program Integrity, 2605(b)(10)

17.1. Fraud Reporting Mechanisms

a. Describe all mechanisms available to the public for reporting cases of suspected waste, fraud, and abuse. Select all that apply.

Online Fraud Reporting

Dedicated Fraud Reporting Hotline

Report directly to local agency/district office or Grantee office

Report to State Inspector General or Attorney General

Forms and procedures in place for local agencies/district offices and vendors to report fraud, waste, and abuse.

Other – describe:

17.1 (continued)

b. Describe strategies in place for advertising the above-referenced resources. Select all that apply.

Printed outreach materials

Addressed on LIHEAP application

Website

Other – describe:

17.2. Identification Documentation Requirements

a. Indicate which of the following forms of identification are required or requested to be collected from LIHEAP applicants or their household members.

Type of Identification Collected	Collected from Whom?		
	Applicant Only	All Adults in HH	HH Members Seeking Assistance*
Social Security Card is photocopied and retained	Required <input type="checkbox"/>	Required <input type="checkbox"/>	Required <input type="checkbox"/>
	Requested <input type="checkbox"/>	Requested <input type="checkbox"/>	Requested <input type="checkbox"/>
Social Security Number (without actual card)	Required <input type="checkbox"/>	Required <input type="checkbox"/>	Required <input type="checkbox"/>
	Requested <input type="checkbox"/>	Requested <input type="checkbox"/>	Requested <input type="checkbox"/>
Government-issued identification card (i.e.,: driver's license, state ID, Tribal ID, passport, etc.)	Required <input type="checkbox"/>	Required <input type="checkbox"/>	Required <input type="checkbox"/>
	Requested <input type="checkbox"/>	Requested <input type="checkbox"/>	Requested <input type="checkbox"/>

	Other	Applicant Only Required	Applicant Only Requested	All Adults in House hold Required	All Adults in Household Requested	All Household Members Required	All Household Members Requested
1	Other: clients provide their identification to the Subrecipients at the time of application. See attachment.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

*Households may include members who are not seeking assistance and may not be included in the household count. A live in aide or attendant is not considered part of the Household for purposes of determining Household income, but is considered for a benefit based on the size of the Household.

b. Describe any exceptions to the above policies: NA

17.3. Identification Verification

Describe what methods are used to verify the authenticity of identification documents provided by clients or household members. Select all that apply.

- Verify SSNs with Social Security Administration
- Match SSNs with death records from Social Security Administration or state agency
- Match SSNs with state eligibility/management system (e.g., SNAP, TANF)
- Match with state Department of Labor system
- Match with state and/or federal corrections system
- Match with state child support system
- Verification using private software (e.g., The Work Number)
- In-person certification by staff (for tribal grantees only)
- Match SSN/Tribal ID number with tribal database or enrollment records (for tribal grantees only)
- Other – describe:

Public organization Subrecipients verify the authenticity of identification documents provided by clients who are not U.S. citizens or nationals. That verification is made through the Systematic Alien Verification for Entitlements (“SAVE”) system.

17.4. Citizenship/Legal Residency Verification

What are your procedures for ensuring that household members are U.S. citizens or aliens who are qualified to receive LIHEAP benefits?

- Clients sign an attestation of citizenship or legal residency
- Clients’ submission of Social Security cards is accepted as proof of legal residency
- Noncitizens must provide documentation of immigration status
- Citizens must provide a copy of their birth certificate, naturalization papers, or passport
- Noncitizens are verified through the SAVE system
- Tribal members are verified through Tribal database/Tribal ID card
- Other – describe: The SAVE requirement only applies to the public organizations whose benefit determinations are not completed by a private nonprofit organization.

17.5. Income Verification

What methods does your agency utilize to verify household income?

- Require documentation of income for all adult household members
 - Pay stubs
 - Social Security award letters
 - Bank statements
 - Tax statements
 - Zero-income statements
 - Unemployment Insurance letters
 - Other – describe: Court Documents or government benefit statements as applicable.

- Computer data matches:
 - Income information matched against state computer system (e.g., SNAP, TANF)
 - Proof of unemployment benefits verified with state Department of Labor
 - Social Security income verified with SSA
 - Utilize state directory of new hires

- Other – describe:

17.6. Protection of Privacy and Confidentiality

Describe the financial and operating controls in place to protect client information against improper use or disclosure.

- Policy in place prohibiting release of information without written consent
- Grantee LIHEAP database includes privacy/confidentiality safeguards
- Employee training on confidentiality for:
 - Grantee employees
 - local agencies/district offices
- Employees must sign confidentiality agreement
 - Grantee employees
 - local agencies/district offices
- Physical files are stored in a secure location
- Other – describe: Grantee contracts include the following section:

SECTION 9. RECORD KEEPING REQUIREMENTS

Subrecipient acknowledges that all information collected, assembled, or maintained by Subrecipient pertaining to this Contract, except records made confidential by law, is subject to the Texas Public Information Act (Chapter 552 of Texas Government Code) and must provide citizens, public agencies, and other interested parties with reasonable access to all records pertaining to this Contract subject to and in accordance with the Texas Public Information Act.

Texas Administrative Code, Title 10 Chapter1, Subchapter D §1.409 requires that:

(a) Client Records including Multifamily Development Owners. The Department requires Subrecipient organizations to document client services and assistance. Subrecipient organizations must arrange for the security of all program-related computer files through a remote, online, or managed backup service. Confidential client files must be maintained in a manner to protect the privacy of each client and to maintain the same for future reference. Subrecipient organizations must store physical client files in a

secure space in a manner that ensures confidentiality and in accordance with Subrecipient organization policies and procedures. To the extent that it is financially feasible, archived client files should be stored offsite from Subrecipient headquarters, in a secure space in a manner that ensures confidentiality and in accordance with organization policies and procedures.

(b) Records of client eligibility must be retained for five (5) years starting from the date the Household activity is completed, unless otherwise provided in federal regulations governing the program.

(c) Other records must be maintained as described in the Contract or the LURA, and in accordance with federal or state law for the programs described in the Chapters of this Part.

Texas Administrative Code, Title 10 Chapter 1, Subchapter D §1.401

The following words and terms, when used in this subchapter, shall have the following meanings, unless the context clearly indicates otherwise. Capitalized words used herein have the meaning assigned in the specific Chapters and Rules of this Title that govern the program associated with the request, or assigned by federal or state law.

(1) Affiliate--Shall have the meaning assigned by the specific program or programs described in this title.

(2) Department--The Texas Department of Housing and Community Affairs.

(3) Equipment--tangible personal property having a useful life of more than one year or a per-unit acquisition cost which equals or exceeds the lesser of the capitalization level established by entity for financial statement purposes, or \$5,000. Entities not subject to UGMS do not have to include information technology systems unless the item exceeds the lesser of the capitalization level established by entity for financial statement purposes, or \$5,000.

(4) Executive Award Review and Advisory Committee ("EARAC")--the Committee established in Tex. Gov't Code chapter 2306, that recommends the award or allocation of any Department funds.

(5) Professional services--for a unit of government is as defined by state law. For Private Nonprofit Organizations it means services:

(A) within the scope of the practice, as defined by state law, of:

- (i) accounting;
- (ii) architecture;
- (iii) landscape architecture;
- (iv) land surveying;
- (v) medicine;
- (vi) optometry;
- (vii) professional engineering;
- (viii) real estate appraising;
- (ix) professional nursing; or
- (x) legal services; or

(B) provided in connection with the professional employment or practice of a person who is licensed or registered as:

- (i) a certified public accountant;
- (ii) an architect;
- (iii) a landscape architect;
- (iv) a land surveyor;
- (v) a physician, including a surgeon;
- (vi) an optometrist;
- (vii) a professional engineer;
- (viii) a state certified or state licensed real estate appraiser;
- (ix) attorney; or

(x) a registered nurse.

(6) Single Audit--The audit required by Office of Management and Budget ("OMB"), 2 CFR Part 200, Subpart F, or Tex. Gov't Code, chapter 783, Uniform Grant and Contract Management, as reflected in an audit report.

(7) Single Audit Certification Form--A form that lists the source(s) and amount(s) of Federal funds and/or State funds expended by the Subrecipient during their fiscal year along with the outstanding balance of any loans made with federal or state funds if there are continuing compliance requirements other than repayment of the loan.

(8) Subrecipient--Includes any entity, or Administrator as defined under Chapter 20, receiving or applying for federal or state funds from the Department. Except as otherwise noted, the definition does not include Applicants/Owners in the Multifamily program, except for CHDO Operating funds.

(9) Supplies--means tangible personal property other than "Equipment" in this section.

(10) Uniform Grant Management Standards ("UGMS")--The standardized set of financial management procedures and definitions established by Tex. Gov't Code, chapter 783 to promote the efficient use of public funds by requiring consistency among grantor agencies in their dealings with grantees, and by ensuring accountability for the expenditure of public funds. State agencies are required to adhere to these standards when administering grants and other financial assistance agreements with cities, counties and other political subdivisions of the state. This includes all Public Organizations including public housing and housing finance agencies. In addition, Tex. Gov't Code Chapter 2105, subjects subrecipients of federal block grants (as defined therein) to the Uniform Grant and Contract Management Standards.

17.7. Verifying the Authenticity of Energy Vendors

What policies are in place for verifying vendor authenticity?

- All vendors must register with the State/Tribe
- All vendors must supply a valid SSN or TIN/W-9 form
- Vendors are verified through energy bills provided by the household
- Grantee and/or local agencies/district offices perform physical monitoring of vendors
- Other – describe, and note any exceptions to policies above:

17.8. Benefits Policy – Gas and Electric Utilities

What policies are in place to protect against fraud when making benefit payments to gas and electric utilities on behalf of clients? Select all that apply.

- Applicants required to submit proof of physical residency
- Applicants must submit current utility bill
- Data exchange with utilities that verifies:
 - Account ownership
 - Consumption
 - Balances
 - Payment history
 - Account is properly credited with benefit
 - Other – describe:
- Centralized computer system/database tracks payments to all utilities
- Centralized computer system automatically generates benefit level
- Separation of duties between intake and payment approval
- Payments coordinated among other heating assistance programs to avoid duplication of payments
- Payments to utilities and invoices from utilities are reviewed for accuracy

17.8 (continued)

- Computer databases are periodically reviewed to verify accuracy and timeliness of payments made to utilities
- Direct payment to households are made in limited cases only
- Procedures are in place to require prompt refunds from utilities in cases of account closure
- Vendor agreements specify requirements selected above, and provide enforcement mechanism
- Other – describe:

17.9. Benefits Policy — Bulk Fuel Vendors

What procedures are in place for averting fraud and improper payments when dealing with bulk fuel suppliers of heating oil, propane, wood, and other bulk fuel vendors? Select all that apply.

- Vendors are checked against an approved vendors list
- Centralized computer system/database is used to track payments to all vendors
- Clients are relied on for reports of non-delivery or partial delivery
- Two-party checks are issued naming client and vendor
- Direct payment to households are made in limited cases only
- Vendors are only paid once they provide a delivery receipt signed by the client
- Conduct monitoring of bulk fuel vendors
- Bulk fuel vendors are required to submit reports to the Grantee
- Vendor agreements specify requirements selected above, and provide enforcement mechanism
- Other – describe:

17.10. Investigations and Prosecutions

Describe the Grantee’s procedures for investigating and prosecuting reports of fraud, and any sanctions placed on clients/staff/vendors found to have committed fraud. Select all that apply.

- Refer to state Inspector General
- Refer to local prosecutor or state Attorney General
- Refer to US DHHS Inspector General (including referral to OIG hotline)
- Local agencies/district offices or Grantee conduct investigation of fraud complaints from public
- Grantee attempts collection of improper payments. If so, describe the recoupment process.
- Clients found to have committed fraud are banned from LIHEAP assistance. For how long is a household banned?
- Contracts with local agencies require that employees found to have committed fraud are reprimanded and/or terminated
- Vendors found to have committed fraud may no longer participate in LIHEAP
- Other — describe: A Subrecipient may be referred to the Department’s Enforcement Committee or proposed for debarment.

Section 18: Certification Regarding Debarment, Suspension, and Other Responsibility Matters

Certification Regarding Debarment, Suspension, and Other Responsibility Matters--Primary Covered Transactions

Instructions for Certification

1. By signing and submitting this proposal, the prospective primary participant is providing the

certification set out below.

2. The inability of a person to provide the certification required below will not necessarily result in denial of participation in this covered transaction. The prospective participant shall submit an explanation of why it cannot provide the certification set out below. The certification or explanation will be considered in connection with the department or agency's determination whether to enter into this transaction. However, failure of the prospective primary participant to furnish a certification or an explanation shall disqualify such person from participation in this transaction.

3. The certification in this clause is a material representation of fact upon which reliance was placed when the department or agency determined to enter into this transaction. If it is later determined that the prospective primary participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the department or agency may terminate this transaction for cause or default.

4. The prospective primary participant shall provide immediate written notice to the department or agency to which this proposal is submitted if at any time the prospective primary participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.

5. The terms covered transaction, debarred, suspended, ineligible, lower tier covered transaction, participant, person, primary covered transaction, principal, proposal, and voluntarily excluded, as used in this clause, have the meanings set out in the Definitions and Coverage sections of the rules implementing Executive Order 12549. You may contact the department or agency to which this proposal is being submitted for assistance in obtaining a copy of those regulations.

6. The prospective primary participant agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is proposed for debarment under 48 CFR part 9, subpart 9.4, debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency entering into this transaction.

7. The prospective primary participant further agrees by submitting this proposal that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion-Lower Tier Covered Transaction," provided by the department or agency entering into this covered transaction, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.

8. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not proposed for debarment under 48 CFR part 9, subpart 9.4, debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the List of Parties Excluded from Federal Procurement and Nonprocurement Programs.

9. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

10. Except for transactions authorized under paragraph 6 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is proposed for debarment under 48 CFR part 9, subpart 9.4, suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency may terminate this transaction for cause or default.

Certification Regarding Debarment, Suspension, and Other Responsibility Matters--Primary Covered Transactions

(1) The prospective primary participant certifies to the best of its knowledge and belief, that it and its principals:

(a) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any Federal department or agency;

(b) Have not within a three-year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;

(c) Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph (1)(b) of this certification; and

(d) Have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State or local) terminated for cause or default.

(2) Where the prospective primary participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion--Lower Tier Covered Transactions

Instructions for Certification

1. By signing and submitting this proposal, the prospective lower tier participant is providing the certification set out below.

2. The certification in this clause is a material representation of fact upon which reliance was placed when this transaction was entered into. If it is later determined that the prospective lower tier participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.

3. The prospective lower tier participant shall provide immediate written notice to the person to which this proposal is submitted if at any time the prospective lower tier participant learns that its certification was erroneous when submitted or had become erroneous by reason of changed circumstances.

4. The terms covered transaction, debarred, suspended, ineligible, lower tier covered transaction, participant, person, primary covered transaction, principal, proposal, and voluntarily excluded, as used in this clause, have the meaning set out in the Definitions and Coverage sections of rules implementing Executive Order 12549. You may contact the person to which this proposal is submitted for assistance in obtaining a copy of those regulations.

5. The prospective lower tier participant agrees by submitting this proposal that, [[Page 33043]] should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is proposed for debarment under 48 CFR part 9, subpart 9.4, debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency with which this transaction originated.

6. The prospective lower tier participant further agrees by submitting this proposal that it will include this clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion--Lower Tier Covered Transaction," without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.

7. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not proposed for debarment under 48 CFR part 9, subpart 9.4, debarred, suspended, ineligible, or voluntarily excluded from covered transactions, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the List of Parties Excluded from Federal Procurement and Nonprocurement Programs.

8. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

9. Except for transactions authorized under paragraph 5 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is proposed for debarment under 48 CFR part 9, subpart 9.4, suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.

Certification Regarding Debarment, Suspension, Ineligibility an Voluntary Exclusion--Lower Tier Covered Transactions

(1) The prospective lower tier participant certifies, by submission of this proposal, that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency.

(2) Where the prospective lower tier participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

By checking this box, the prospective primary participant is providing the certification set out above.

Section 19: Certification Regarding Drug-Free Workforce Requirements

This certification is required by the regulations implementing the Drug-Free Workplace Act of 1988: 45 CFR Part 76, Subpart, F. Sections 76.630(c) and (d)(2) and 76.645(a)(1) and (b) provide that a Federal agency may designate a central receipt point for STATE-WIDE AND STATE AGENCY-WIDE certifications, and for notification of criminal drug convictions. For the Department of Health and Human Services, the central point is: Division of Grants Management and Oversight, Office of Management and Acquisition, Department of Health and Human Services, Room 517-D, 200 Independence Avenue, SW Washington, DC 20201.

Certification Regarding Drug-Free Workplace Requirements (Instructions for Certification)

1. By signing and/or submitting this application or grant agreement, the grantee is providing the certification set out below.

2. The certification set out below is a material representation of fact upon which reliance is placed when

the agency awards the grant. If it is later determined that the grantee knowingly rendered a false certification, or otherwise violates the requirements of the Drug-Free Workplace Act, the agency, in addition to any other remedies available to the Federal Government, may take action authorized under the Drug-Free Workplace Act.

3. For grantees other than individuals, Alternate I applies.

4. For grantees who are individuals, Alternate II applies.

5. Workplaces under grants, for grantees other than individuals, need not be identified on the certification. If known, they may be identified in the grant application. If the grantee does not identify the workplaces at the time of application, or upon award, if there is no application, the grantee must keep the identity of the workplace(s) on file in its office and make the information available for Federal inspection. Failure to identify all known workplaces constitutes a violation of the grantee's drug-free workplace requirements.

6. Workplace identifications must include the actual address of buildings (or parts of buildings) or other sites where work under the grant takes place. Categorical descriptions may be used (e.g., all vehicles of a mass transit authority or State highway department while in operation, State employees in each local unemployment office, performers in concert halls or radio studios).

7. If the workplace identified to the agency changes during the performance of the grant, the grantee shall inform the agency of the change(s), if it previously identified the workplaces in question (see paragraph five).

8. Definitions of terms in the Nonprocurement Suspension and Debarment common rule and Drug-Free Workplace common rule apply to this certification. Grantees' attention is called, in particular, to the following definitions from these rules:

Controlled substance means a controlled substance in Schedules I through V of the Controlled Substances Act (21 U.S.C. 812) and as further defined by regulation (21 CFR 1308.11 through 1308.15);

Conviction means a finding of guilt (including a plea of nolo contendere) or imposition of sentence, or both, by any judicial body charged with the responsibility to determine violations of the Federal or State criminal drug statutes;

Criminal drug statute means a Federal or non-Federal criminal statute involving the manufacture, distribution, dispensing, use, or possession of any controlled substance;

Employee means the employee of a grantee directly engaged in the performance of work under a grant, including: (i) All direct charge employees; (ii) All indirect charge employees unless their impact or involvement is insignificant to the performance of the grant; and, (iii) Temporary personnel and consultants who are directly engaged in the performance of work under the grant and who are on the grantee's payroll. This definition does not include workers not on the payroll of the grantee (e.g., volunteers, even if used to meet a matching requirement; consultants or independent contractors not

on the grantee's payroll; or employees of Subrecipients or subcontractors in covered workplaces).

Certification Regarding Drug-Free Workplace Requirements

Alternate I. (Grantees Other Than Individuals)

The grantee certifies that it will or will continue to provide a drug-free workplace by:

- (a) Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the grantee's workplace and specifying the actions that will be taken against employees for violation of such prohibition;
- (b) Establishing an ongoing drug-free awareness program to inform employees about --(1)The dangers of drug abuse in the workplace;
 - (2) The grantee's policy of maintaining a drug-free workplace;
 - (3) Any available drug counseling, rehabilitation, and employee assistance programs; and
 - (4) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;
- c) Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph (a);
- (d) Notifying the employee in the statement required by paragraph (a) that, as a condition of employment under the grant, the employee will --
 - (1) Abide by the terms of the statement; and
 - (2) Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;
- (e) Notifying the agency in writing, within ten calendar days after receiving notice under paragraph (d)(2) from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant officer or other designee on whose grant activity the convicted employee was working, unless the Federal agency has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;
- (f) Taking one of the following actions, within 30 calendar days of receiving notice under paragraph (d)(2), with respect to any employee who is so convicted -
 - (1) Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or
 - (2) Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;
- (g) Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs (a), (b), (c), (d), (e) and (f).
- (B) The grantee may insert in the space provided below the site(s) for the performance of work done in connection with the specific grant:

Place of Performance (Street address, city, county, state, zip code)

221 East 11th Street

Austin, Travis County, Texas, 78701

Check if there are workplaces on file that are not identified here.

Alternate II. (Grantees Who Are Individuals)

(a) The grantee certifies that, as a condition of the grant, he or she will not engage in the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance in conducting any activity with the grant;

(b) If convicted of a criminal drug offense resulting from a violation occurring during the conduct of any grant activity, he or she will report the conviction, in writing, within 10 calendar days of the conviction, to every grant officer or other designee, unless the Federal agency designates a central point for the receipt of such notices. When notice is made to such a central point, it shall include the identification number(s) of each affected grant.

[55 FR 21690, 21702, May 25, 1990]

By checking this box, the prospective primary participant is providing the certification set out above.

Section 20: Certification Regarding Lobbying

The submitter of this application certifies, to the best of his or her knowledge and belief, that:

(1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

(3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all Subrecipients shall certify and disclose accordingly. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

Statement for Loan Guarantees and Loan Insurance

The undersigned states, to the best of his or her knowledge and belief, that:

If any funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this commitment providing for the United States to insure or guarantee a loan, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions. Submission of this statement is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required statement shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

By checking this box, the prospective primary participant is providing the certification set out above.

REQUIRED ATTACHMENTS

The following documents must be attached to this application:

- Assurances signature page
- Designation letter for signature to Assurances is required if someone other than the Governor or Tribal Chairperson signs the Assurances.
- Heating component benefit matrix. (Attachment 3)
- Cooling component benefit matrix. (Attachment 3)
- Local Agency Monitoring Schedule (Attachment 4)

Attachment 3

Benefit Matrix

Program rules found at 10 Texas Administrative Code, §6.309(d). All benefits are determined based on a sliding scale:

(d) Benefit determinations for the Utility Payment Assistance Component and the household Crisis Component cannot exceed the sliding scale described in paragraphs (1) - (3) of this paragraph:

- (1) Households with Incomes of 0 to 50% of Federal Poverty Guidelines may receive an amount not to exceed \$1,200 per Component;
- (2) Households with Incomes of 51% to 75% of Federal Poverty Guidelines may receive an amount not to exceed \$1,100 per Component; and
- (3) Households with Incomes of 76% to at or below 150% of Federal Poverty Guidelines may receive an amount not to exceed \$1,000 per Component.

Attachment 4

Monitoring Schedule for FY 2019

LIHEAP Entity	Review Type	Date of Last Full Onsite Review (if applicable)
El Paso Community Action program, Project BRAVO, Inc.	Full on-site	FY18 – Q2
Panhandle Community Services	Full on-site	FY18 – Q1
Brazos Valley Community Programs	Full on-site	FY18 – Q1
Rolling Plains Management Corp.	Full on-site	FY18 – Q1
Combined Community Action, Inc.	Full on-site	FY18 – Q2
Hidalgo County Community Services Agency	Full on-site	FY15 – Q1
South Texas Development Council	Full on-site	FY18 – Q3
Community Action Committee of Victoria Texas	Full on-site	FY18 – Q3
Tri-County Community Action, Inc.	Full on-site	FY15 – Q4
Pecos County Community Action Agency	Full on-site	FY18 – Q2
Economic Opportunities Advancement Corp of PR XI	Full on-site	FY15 – Q1
Texas Neighborhood Services	Full on-site	FY16 – Q1
Aspermont Small Business Development Center, Inc.	Full on-site	FY16 – Q4
West Texas Opportunities, Inc.	Full on-site	FY18 – Q3
Greater East Texas Community Action Program	Full on-site	FY18 – Q3
Central Texas Opportunities	Full on-site	FY18 – Q3
Concho Valley	Full On-site	FY15 – Q3

LIHEAP Entity	Review Type	Date of Last Full Onsite Review (if applicable)
Community Action Agency		
Community Action Inc. of Central Texas	Full On-site	FY15 – Q4
Community Services of Northeast Texas, Inc.	Full On-site	FY18 – Q3
South Plains Community Action Association	Full on-site	FY18 – Q3
City of Fort Worth	Full On-site	FY18 – Q2

1c

BOARD ACTION REQUEST

HOME AND HOMELESSNESS PROGRAMS DIVISION

JULY 12, 2018

Presentation, discussion, and possible action on awards for the 2017 HOME Investment Partnerships Program Single Family Programs Homebuyer Assistance and Tenant-Based Rental Assistance Notice of Funding Availability

RECOMMENDED ACTION

WHEREAS, through Board action on January 18, 2018, the Texas Department of Housing and Community Affairs (“TDHCA” or the “Department”) made available approximately \$6,407,742 in the 2017 HOME Single Family Programs Homebuyer Assistance (“HBA”) and Tenant-Based Rental Assistance (“TBRA”) Notice of Funding Availability (“NOFA”);

WHEREAS, the NOFA allows awards to be made on an Open Cycle, subject to available funding in the region and subregion in accordance with the RAF on a first-come, first-served basis until May 15, 2018;

WHEREAS, two applicants requesting four contract awards totaling \$675,337 have been awarded funds and \$5,732,405 remains available to be awarded;

WHEREAS, one applicant requesting one contract award totaling \$204,100 has received review for compliance with program and previous participation requirements;

WHEREAS, the Executive Award and Review Advisory Committee (“EARAC”) approved the compliance history of the application; and

WHEREAS, following Board approval of the application presented herein, funding remaining under the NOFA will total \$5,528,305;

NOW, therefore, it is hereby

RESOLVED, that an award of HOME funding from the 2017 Single Family Programs HBA and TBRA NOFA of \$204,100 is hereby approved in the form presented at this meeting, and as may be amended by the Board.

BACKGROUND

On October 30, 2017, the Department received the U.S. Department of Housing and Urban Development’s (“HUD”) State of Texas 2017 for the HOME Program for approximately \$23,199,182. TDHCA has programmed the funds for various uses in accordance with the HUD-approved 2017 Consolidated Plan One-Year Action Plan (“OYAP”). The Board approved at the meeting of January 18, 2018, to release the 2017 HOME Single Family Programs Homebuyer

Assistance (“HBA”) and Tenant-Based Rental Assistance (“TBRA”) NOFA which includes \$6,407,742 of the 2017 HOME allocation for contracts for HBA and TBRA under the general set aside. These set-aside funds are awarded on a first-come, first-served basis to eligible applicants subject to the Regional Allocation Formula.

HBA provides assistance to homebuyers at 80% or less of the Area Median Family Income (“AMFI”), as defined by HUD, for downpayment and closing costs assistance. The amount of HOME HBA funds provided to any household shall not exceed the lesser of \$20,000 or the amount of funds required to make the home affordable to the household. Assistance will be provided to the family in the form of a deferred forgivable loan.

TBRA provides eligible households rental subsidies, including security and utility deposits to tenants earning 80% or less of the AMFI, as defined by HUD, for up to 24 months. Tenants must also participate in a self sufficiency program. Although self sufficiency is not a requirement within the federal regulations, it is allowable and the Department has adopted rules to require all TBRA program participants to participate in a self sufficiency plan as a condition of rental assistance. The self sufficiency plan is designed to facilitate the assisted family’s transition from temporary rental assistance to permanent housing, since TBRA assistance under a contract may not exceed 24 months. Self sufficiency plans range in design because they are tailored to the populations being served. At a minimum, specific goals relating to paying for housing, either through other assistance programs or earned income, must be included in the plan.

The NOFA is structured according to activity type under the general set-aside. Applications for award were accepted beginning March 13, 2018, and will end July 10, 2018, or when all funds are awarded, whichever comes earlier. Funds in an amount not to exceed \$150,000 in project funds per application may be awarded under this NOFA for provision of HBA. Funds in an amount not to exceed \$350,000 in project funds per application may be awarded under this NOFA for provision of TBRA. Applicants may apply for more than one award under the NOFA, with a maximum of two contracts per program activity type. Applicants requesting more than one award must submit a separate application for each request, and the service areas for each award per program activity must be mutually exclusive.

A total of seven applications have been submitted under the NOFA by three applicants. Two applications have been withdrawn, four applications have been awarded, and the remaining application has been reviewed and determined to be eligible for consideration for award. Staff recommends the following administrator to receive an award to administer TBRA activities.

\$204,100 in project funds will be awarded from the balance of HOME funds available for programming if the recommended award is approved.

Award Recommendation Log

App #	HOME Applicant	Activity	Award	Region / Subregion	Area Served
2018-1007	Rolling Plains Management Corporation	TBRA	\$204,100	2/Rural	Archer, Baylor, Clay, Cottle, Foard, Hardeman, Jack, Montague, Shackelford, Stephens, Taylor, Wilbarger, Wichita, and Young counties
		Total	\$204,100		

1d

BOARD ACTION REQUEST
MULTIFAMILY FINANCE DIVISION
JULY 12, 2018

Presentation, discussion, and possible action on the Second Amendment to the 2018-1 Multifamily Direct Loan Notice of Funding Availability

RECOMMENDED ACTION

WHEREAS, the Board previously approved the 2018-1 Multifamily Direct Loan Notice of Funding Availability (“2018-1 NOFA”), which included \$12,746,231 million in Tax Credit Assistance Program loan repayments (“TCAP RF”), \$11,116,514 in HOME funds, and \$5 million in NSP Round 1 Program Income (“NSP1 PI”)

WHEREAS, the Board also previously approved the First Amendment to the 2018-1 NOFA which added \$7,972,864 in National Housing Trust Fund (“NHTF”) from Program Year 2017 and \$1,169,554 in HOME Program Income;

WHEREAS, the Department has received notification from the Department of Housing and Urban Development (“HUD”) regarding Program Year 2018 allocations for Community Planning and Development programs, which includes HOME and NHTF, but has not yet signed the 2018 grant agreements;

WHEREAS, \$31,487,617 in non-administrative HOME funds and \$11,051,177 in non-administrative NHTF funds will be allocated to the Department for Program Year 2018 upon execution of the grant agreements, which is expected to occur within the next several months;

WHEREAS, staff recommends making \$9,247,936 of the Program Year 2018 HOME funds and all \$11,051,177 of the Program Year 2018 NHTF funds available for multifamily activities under the 2018-1 NOFA with the understanding that only those amounts previously programmed in the 2018-1 NOFA may be awarded or committed until after execution of the grant agreements;

WHEREAS, staff also recommends that the application submission deadline be extended to November 30, 2018, and, for Applications submitted July 27, 2018, through November 30, 2018, increasing the maximum application requests under the General Set-Aside to \$4,000,000 for new construction and \$3,000,000 for rehabilitation, \$4,000,000 under the Community Housing Development Organization (“CHDO”) Set-Aside regardless of whether an Application is proposing new construction or rehabilitation, and \$2,000,000 for requests under the Supportive Housing/ Soft Repayment (“SH/SR”) Set-Aside regardless of whether an Application is proposing new construction or rehabilitation;

WHEREAS, staff recommends that \$4,000,000 of the 2018 allocation of HOME be available within the General Set-Aside, \$5,247,936 of the 2018 allocation of HOME be

available within the CHDO Set-Aside, and all of the 2018 allocation of NHTF be available within the SH/SR Set-Aside in the 2018-1 NOFA;

WHEREAS, the \$9,247,936 in non-administrative HOME and \$11,051,177 in non-administrative NHTF will be subject to the Regional Allocation Formulas as outlined in Attachment D to the 2018-1 NOFA July 27, 2018 until August 27, 2018; and

WHEREAS, adding \$9,247,936 in HOME and \$11,051,177 in NHTF to the 2018-1 NOFA may help the Department to more quickly meet the commitment deadlines that these sources of funds are bound by;

NOW, therefore, it is hereby

RESOLVED, that \$9,247,936 in HOME and \$11,051,177 in NHTF be added to the 2018-1 NOFA effective July 27, 2018, along with the conforming amendments reflected in the proposed amendment; and

FURTHER RESOLVED, the Executive Director and staff as designated by the Executive Director are authorized, empowered, and directed, for and on behalf of the Department to execute such documents, instruments, and writings and perform such acts and deeds as may be necessary to effectuate the foregoing.

BACKGROUND

On December 14, 2017, the Board approved the 2018-1 NOFA which was subsequently published in the *Texas Register* on December 29, 2017, announcing the availability of up to \$28,862,745, composed of \$11,116,514 in HOME funds, \$12,746,231 in TCAP RF, and \$5 million in NSP1 PI – for the development of affordable multifamily rental housing. The \$12,746,231 in TCAP RF was derived from principal (\$9,446,231) and interest (\$3,300,000) payments received on TCAP loans through November 2017.

On March 22, 2018, the Board approved the First Amendment to the 2018-1 NOFA, which was subsequently published in the *Texas Register* on April 6, 2018, announcing the availability of an additional \$7,972,864 in NHTF and \$1,169,554 in HOME funds. 14 Applications to date have requested \$23,155,000 in Direct Loan funds.

With this addition of \$9,247,936 in HOME funds and \$11,051,177 in NHTF, staff anticipates being able to make several more awards of Direct Loan funds under the General, CHDO, and Supportive Housing/Soft Repayment Set-Asides. The maximum per application requests within the SH/SR Set-Aside will increase to \$2 million regardless of the construction activity proposed, while the maximum per application requests within the General Set-Aside will increase to \$3 million for rehabilitation and \$4 million for new construction. The maximum per application requests within the CHDO Set-Aside will increase to \$4 million regardless of the construction activity proposed.

While the priority for Harvey-impacted Applications expired as contemplated in the First Amendment to the 2018-1 NOFA on June 29, 2018, the Department retains the ability to utilize HOME funds for Applications with Development Sites in Participating Jurisdictions within counties declared by the Federal Emergency Management Agency to be eligible for individual assistance until the suspension of Tex. Gov't

Code §2305.111(c)(1) is terminated by the Office of the Governor or until the Tropical Depression Harvey disaster declaration is lifted or expires.

HOME and NHTF will be subject to the attached Regional Allocation Formula (Attachments D and E in the Second Amendment to the 2018-1 NOFA), which identify maximum amounts available on a regional basis, through August 27, 2018, and then available statewide through November 30, 2018.

Staff will continue to monitor the demand for Direct Loan funds and may recommend further amendments to the NOFA if necessary.



TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS
MULTIFAMILY DIRECT LOAN
2018-1 NOTICE OF FUNDING AVAILABILITY (NOFA)
SECOND AMENDMENT
EFFECTIVE JULY 27, 2018

THIS AMENDMENT ADDS TEXAS' 2018 ALLOCATION OF NATIONAL HOUSING TRUST FUND ("NHTF") TO THE SUPPORTIVE HOUSING/ SOFT REPAYMENT SET-ASIDE AND \$9,427,936 OF TEXAS' 2018 ALLOCATION OF HOME FUNDS TO THE COMMUNITY HOUSING DEVELOPMENT ORGANIZATION ("CHDO") AND GENERAL SET-ASIDES. IT ALSO EXTENDS THE APPLICATION SUBMISSION DEADLINE TO NOVEMBER 30, 2018, AND INCREASES THE MAXIMUM FUNDING REQUESTS. THIS AMENDMENT REPLACES IN ITS ENTIRETY SECTIONS 1, 2, 3, 6 AND 8. ALL OTHER SECTIONS OF THE 2018-1 NOFA REMAIN AS ORIGINALLY PUBLISHED.

- 1) **Summary.** The Texas Department of Housing and Community Affairs (the "Department") announces the availability of up to **\$58,304,276** in Multifamily Direct Loan funding for the development of affordable multifamily rental housing for low-income Texans. The availability and use of these funds are subject to 10 TAC Chapters 1 ("Administration"), 2 ("Enforcement"), 10 ("Uniform Multifamily Rules"), 13 ("Multifamily Direct Loan Rule"), and Chapters 11 ("Qualified Allocation Plan") and 12 ("Multifamily Housing Revenue Bonds") as applicable, as well as Chapter 2306 of the Texas Government Code. Applications proposing development of affordable multifamily rental housing will be subject to the Department of Housing and Urban Development ("HUD") HOME regulations governing the HOME program found at 24 CFR Part 92 ("HOME Final Rule") and/or National Housing Trust Fund ("NHTF") regulations governing the NHTF program found at 24 CFR Part 93. Other Federal regulations that apply to HOME and NHTF funds include, but are not limited to fair housing (42 U.S.C. 3601-3619), environmental requirements (42 U.S.C. 4321; and 24 CFR part 50 or part 58 depending on the type of activity), Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 and HUD Handbook 1378, Section 104(d) of Housing and Community Development Act of 1974. HOME funds are further regulated by Davis-Bacon and Related Labor Acts for labor standards (40 U.S.C. §3141-3144 and 3146-3148, 24 CFR §92.354, and HUD Handbook Federal Labor Standards Compliance in Housing and Community Development Programs). HOME-funded developments must comply with HUD Section 3 requirements (24 CFR Part 135). Section 3 requires HOME and NHTF funded housing and community development activities to give, to the greatest extent feasible (and consistent with existing Federal, State and local laws and regulations) job training, employment, contracting and other economic opportunities to Section 3 residents and business concerns.

Except as otherwise noted in this NOFA, Applicants proposing development of affordable multifamily rental housing should assume that HOME, NSP and/or NHTF funds will be awarded and should likewise be prepared to comply with the applicable regulations. Applicants are encouraged to familiarize themselves with all of the applicable state and federal rules that govern the program. If HOME, NSP and/or NHTF funds are used and Federal regulations or subsequent guidance imposes additional requirements, such Federal regulations or guidance shall govern.

All Applicants proposing refinance *without* rehabilitation, or supplemental funds for Applications that have received funding or allocation in a previous year, generally will only receive Tax Credit Assistance Program Repayment Funds (“TCAP RF”), but, except as otherwise noted in this NOFA, may receive HOME, NSP and/or NHTF funds if it is an eligible activity. Awards to refinance or of supplemental financing will not exceed an amount necessary to replace lost funding or maintain original anticipated levels of feasibility as determined by staff.

- 2) **Sources of Multifamily Direct Loan Funds.** Multifamily Direct Loan funds are made available through program income generated from prior year HOME allocations, de-obligated funds from prior HOME allocations, the 2016, 2017, and 2018 Grant Year HOME allocations, the 2017 and 2018 Grant Year NHTF allocation, loan repayments from the Tax Credit Assistance Program (“TCAP Repayment funds” or “TCAP RF”), and program income generated by NSP1 loan repayments. The Department may amend this NOFA or the Department may release a new NOFA upon receiving its 2018 HOME or 2018 NHTF allocation from HUD, or additional TCAP or NSP loan repayments

- 3) **Set-Asides.** HOME, TCAP RF, and NSP1 PI will be subject to the first Regional Allocation Formula (“RAF,” located in Attachment A) until 5:00 pm February 9, 2018, and then available on a statewide basis within each set-aside. The 2018 Grant Year HOME allocation being added to this NOFA as a result of this Second Amendment will be subject to the second Regional Allocation Formula (“RAF,” located in Attachment D) from July 27, 2018, until 5:00 pm August 27, 2018, and then be available on a statewide basis within each set-aside. NHTF funds will be subject to the RAF located in Attachment B until May 7, 2018. The 2018 Grant Year NHTF allocation being added to this NOFA as a result of this Second Amendment will be subject to the Regional Allocation Formula (“RAF,” located in Attachment E) from July 27, 2018, until 5:00 pm August 27, 2018, and then be available on a statewide basis within the Supportive Housing/ Soft Repayment set-aside. Applications under any and all set-asides may or may not be layered with 9% or 4% Housing Tax Credits (“HTC”). Within each set-aside, Applications not layered with 9% HTC in counties designated for Individual Assistance as a result of Hurricane Harvey will be prioritized after the RAF collapses until February 28, 2018, and then again from April 3, 2018, through June 29, 2018. Except for Applications proposing rehabilitation submitted under the Supportive Housing/Soft Repayment Set-Aside, all Applications in any Set-Aside submitted between July 27, 2018 through August 27, 2018, that are above the amounts available in region or subregion (as applicable) will get a date of receipt of August 28, 2018. The funds made available under this NOFA are available under three set-asides:

Set-Aside	Amount Available	Maximum Request**
CHDO (HOME only)	\$8,215,058	\$4,000,000

Supportive Housing/ Soft Repayment	TCAP RF	\$3,300,000	\$2,000,000
	NHTF	\$19,024,041	
General	\$27,765,177		
	New Construction		\$4,000,000
	Rehabilitation		\$3,000,000
	Harvey Rehabilitation*		\$3,000,000
	Harvey Reconstruction*		\$4,000,000

* For Applications received on or after April 3, 2018, through June 29, 2018.

** The maximum request is inclusive of any prior awarded TDHCA Direct Loan funds that have not yet closed or that are outstanding loans.

- a. **CHDO Set-Aside.** At least \$8,215,058 in HOME funds are set aside for eligible Community Housing Development Organizations (“CHDO”).
- b. **Supportive Housing/ Soft Repayment Set-Aside.** Up to \$22,324,041 (\$3,300,000 in TCAP RF and \$19,024,041 in NHTF) is available in this set-aside. Applicants proposing new construction within this set-aside must restrict all Direct Loan-assisted units to 30% AMI. An Applicant that was previously awarded funds under this NOFA within this set-aside for new construction that qualified under 10 TAC §13.4(a)(1)(A)(i) with some Direct Loan units targeted for households above 30% AMI may apply for additional Direct Loan funds within this set-aside only if the Applicant proposes additional Direct Loan units and agrees to convert those Direct Loan units previously awarded but targeted for households above 30% AMI to 30% AMI or below with the corresponding at or below NHTF rent limit.
- c. **General Set-Aside.** All remaining TCAP RF, HOME, and NSP1 PI funds available, currently anticipated to be \$27,765,177.
- d. **Harvey Priority** - After the first Regional Allocation Formula collapses until February 28, 2018, and then again from April 3, 2018, until June 29, 2018, Applications received in all set asides for rehabilitation or reconstruction of properties damaged by Hurricane Harvey and related severe weather and flooding in a county declared by the Federal Emergency Management Agency to be eligible for individual assistance, will take priority over applications from other parts of the State. Such Applications will be considered to be received first and will receive first consideration for award of MFDL funds.

6) Maximum Funding Requests

- a. **CHDO Set-Aside:** The maximum funding request for all applications received under this set-aside, regardless of whether the application is proposing new construction or rehabilitation, shall be \$4,000,000. In the event that the CHDO Set-Aside amount is subscribed by two or more eligible applications, the Department will award excess requested funds from the General Set-Aside with HOME funds until all eligible CHDO applications that fully deplete the CHDO Set-Aside are funded.
- b. **Supportive Housing/ Soft Repayment Set-Aside:** This Set-Aside has two fund sources, TCAP RF and NHTF, which carry different requirements. The maximum funding request for applications received under this set-aside, regardless of fund source, is \$2,000,000.
 - i. TCAP RF funds may be awarded to Applications proposing new construction or, rehabilitation, that fit the definition of Supportive Housing at 10 TAC

- §10.3(29) or agree to restrict TCAP RF units to 30% of AMI for a 30-year affordability period.
- ii. NHTF funds may be awarded to Applications proposing new construction that agree to restrict the NHTF units to 30% of NHTF AMI for a 30-year affordability period.
- c. **General:** The maximum funding request for applications proposing new construction under this set-aside is \$4,000,000. The maximum funding request for applications proposing rehabilitation under this set-aside is \$3,000,000. Starting April 3, 2018, the maximum funding request for properties damaged by Hurricane Harvey and related severe weather and flooding in a county declared by the Federal Emergency Management Agency to be eligible for individual assistance will be \$3,000,000 for rehabilitation and \$4,000,000 for reconstruction.

8) Application Submission Requirements

- a. **Applications under this NOFA will be accepted starting January 4, 2018.**
- b. All Application materials including manuals, NOFAs, program guidelines, and rules will be available on the Department's website at www.tdhca.state.tx.us. Applications will be required to adhere to the requirements in effect at the time of the Application submission including any requirements of federal rules that may apply and subsequent guidance provided by HUD.
- c. An Applicant may have only one active Application per Development at a time and may only apply under one set-aside at a time.
- d. Applications must be on forms provided by the Department, and cannot be altered or modified and must be in final form before submitting them to the Department. Applicants must submit the Application materials as detailed in the Multifamily Programs Procedures Manual ("MPPM") in effect at the time the Application is submitted. All scanned copies must be scanned in accordance with the guidance provided in the MPPM in effect at the time the Application is submitted. **If an Applicant has an active Application (i.e. the Board has not made a Direct Loan Award), but wishes to apply for additional funds, it must withdraw that Application and submit a new Application.**
- e. The 2018 CHDO Certification Packet must be submitted with the 2018 Uniform Multifamily Application for Applicants applying under the CHDO Set-Aside.
- f. All 4% HTC-layered applications must provide evidence of a Reservation within 30 days of MFDL Application submission.
- g. Based on the availability of funds, Applications may be accepted until 5pm Austin Local Time on **November 30**, 2018.
- h. The request for project funds may not be less than \$300,000, unless during the RAF period the amount available in the applicable region or subregion is less than \$300,000, regardless of the set-aside under which an application is being submitted. However, if the underwriting report indicates that the Development will be feasible with an award of less than \$300,000, staff may recommend a lower award.
- i. All Applicants must provide Match in the amount of at least 5 percent of the Direct Loan funds requested. Match must be documented with a letter from the anticipated provider of Match indicating the provider's willingness and ability to make a financial commitment should the Development receive an award of Direct Loan funds.
- j. Each CHDO that is awarded HOME funds may also be eligible to receive a CHDO operating grant of up to \$50,000 for CHDO Operating Expenses, which are defined in 24

CFR §92.208 as including salaries, wages, and other employee compensation and benefits; employee education, training, and travel; rent; utilities; communication costs; taxes; insurance; and equipment, materials, and supplies.

- k.** Applicants who are not also **simultaneously** applying for 2018 9% or 4% Housing Tax Credits are required to remit a non-refundable Application fee payable to the Texas Department of Housing and Community Affairs in the amount of \$1,000.00 per Application. Payment must be in the form of a check, cashier's check or money order. Do not send cash. Tex. Gov't Code §2306.147(b) requires the Department to waive Application fees for private nonprofit organizations that offer expanded services such as child care, nutrition programs, job training assistance, health services, or human services. These organizations must include proof of their exempt status and a description of their supportive services in lieu of the Application fee. The Application fee is not a reimbursable cost under the Multifamily Direct Loan Program.
- l.** Applications must be uploaded to the Department's secure web transfer server in accordance with 10 TAC §10.201(1)(C).

Attachment D

**Combined General and CHDO Set-Asides (2018 Grant Year HOME Allocation)
Available from July 27, 2018, until 5pm Austin Local Time on August 27, 2018**

Urban Sub-Regions	Regional Allocation
Region 1	\$98,722
Region 2	\$40,749
Region 3	\$1,671,476
Region 4	\$344,159
Region 5	\$184,724
Region 6	\$360,893
Region 7	\$899,250
Region 8	\$247,834
Region 9	\$299,346
Region 10	\$262,145
Region 11	\$275,288
Region 12	\$213,219
Region 13	\$338,055
Total	\$5,235,860

Rural Sub-Regions	Regional Allocation
Region 1	\$362,922
Region 2	\$256,895
Region 3	\$315,886
Region 4	\$806,097
Region 5	\$490,246
Region 6	\$214,677
Region 7	\$190,226
Region 8	\$296,284
Region 9	\$248,901
Region 10	\$328,271
Region 11	\$443,711
Region 12	\$213,009
Region 13	\$24,951
Total	\$4,192,076

Attachment E

**Supportive Housing/Soft Repayment Set-Aside (2018 Grant Year NHTF Allocation)
Available from July 27, 2018, until 5pm Austin Local Time on August 27, 2018**

Region (Urban/Rural Combined)	Regional Allocation
Region 1	\$359,354
Region 2	\$212,012
Region 3	\$3,121,759
Region 4	\$398,995
Region 5	\$290,283
Region 6	\$2,793,891
Region 7	\$928,099
Region 8	\$515,960
Region 9	\$963,687
Region 10	\$316,841
Region 11	\$602,116
Region 12	\$214,366
Region 13	\$333,813
Total	\$11,051,076

1e

BOARD ACTION REQUEST
HOUSING RESOURCE CENTER
JULY 12, 2018

Presentation, discussion, and possible action on the 2019 Regional Allocation Formula Methodology

RECOMMENDED ACTION

WHEREAS, Tex. Gov't Code §§2306.1115 and 2306.111(d) require that the Texas Department of Housing and Community Affairs ("TDHCA" or the "Department") use a Regional Allocation Formula ("RAF") to allocate its HOME Investment Partnerships Program ("HOME"), Housing Tax Credit ("HTC") Program, and under certain circumstances, State Housing Trust Fund ("SHTF") Program funding;

WHEREAS, the proposed RAF Methodology utilizes appropriate statistical data to measure affordable housing needs, available housing resources, and other factors determined by the Department to be relevant to the equitable distribution of housing funds in the urban and rural areas of the 13 State Service Regions used for planning purposes; and

WHEREAS, the proposed RAF Methodology was approved by the Governing Board of the Department at the meeting of May 24, 2018, and was available for public comment through June 15, 2018; no public comment was received and therefore no revisions are being made in response to public comment;

NOW, therefore, it is hereby

RESOLVED, that the 2019 RAF Methodology for the HOME Investment Partnerships Program, HTC, and, as applicable, SHTF programs, in the form presented at this meeting, are hereby approved.

BACKGROUND

The RAF utilizes appropriate statistical data to measure the affordable housing need and available resources in the 13 State Service Regions that are used for planning purposes. It also allocates funding to rural and urban areas within each region. The Department has flexibility in determining variables to be used in the RAF, per Tex. Gov't Code §2306.1115(a)(3), "the department shall develop a formula that...includes other factors determined by the department to be relevant to the equitable distribution of housing funds..."

The RAF is revised annually to reflect current data, respond to public comment, and better assess regional housing needs and available resources. Most notably, in 2013 after careful and thorough analysis and much public participation, staff recommended substantial changes to increase accuracy and transparency in the RAF by using a methodology called the Compounded Need Model. The changes resulted in the increased ability for developers and community members to predict funding availability, the elimination of large

swings in funding from one region to another each year, and a simplified process that is easier to explain to the Legislature, the Board, and the public.

The RAF Methodology was updated in the 2014 RAF cycle to refine the use of Metropolitan Statistical Areas (“MSAs”) by using “MSA counties with urban places” and “Non-MSA counties or counties with only rural places” instead of using just MSA and Non-MSA counties to allocate between urban and rural areas. This accounts for the fact that even though a county may be a part of an MSA, all the places within that county may meet the definition of rural per Tex. Gov’t Code §2306.004(28-a). Based on public comment received in the 2015 RAF cycle, factors for lack of kitchen and plumbing facilities were added to the RAF Methodology to measure housing need for Single Family activities. Similarly in the 2016 RAF cycle, a new factor called the Regional Coverage Factor was added to the RAF Methodology for Single Family activities. The Regional Coverage Factor takes into account the smaller populations of rural areas as well as scattered locations of single family projects, instead of relying solely on population as an absolute.

The 2019 RAF Methodology explains the use of factors, in keeping with the statutory requirements, which include the need for housing assistance, the availability of housing resources, and other factors relevant to the equitable distribution of housing funds in urban and rural areas of the state.

The Single Family HOME, Multifamily HOME, HTC, and SHTF program RAFs each use slightly different formulas because the programs have different eligible activities, households, and geographical service areas. For example, Tex. Gov’t Code §2306.111(c) requires that 95% of HOME funding be set aside for non-participating jurisdictions (“non-PJs”). Therefore, the Single Family and Multifamily HOME RAFs only use need and available resource data for non-PJs.

The Draft 2019 RAF Methodology was made available for official public comment from Friday, May 25, 2018, through Friday June 15, 2018, at 6:00 p.m. Austin local time. A public hearing was held on Thursday, June 7, 2018, at 2:00 p.m. in the Stephen F. Austin Building, Room 172, 1700 North Congress Avenue, Austin, TX 78701. No public comment was received, and no changes have been made as a result of the public comment period.

The following Attachments are provided:

- A. 2019 RAF Methodology
- B. Sample 2019 HTC RAF
- C. Sample 2019 HOME MF RAF
- D. Sample 2019 SHTF RAF
- E. Sample 2019 HOME SF RAF

Staff recommends approving the final 2019 RAF Methodology as presented at the July 12, 2018, board meeting. Once approved, the 2019 RAF Methodology will be published on the Department’s website. It should be noted with this action that the Board is approving the publication of the final methodology, not specific allocation amounts. To the extent funds received/proposed to be used fall below the statutory minimum for any program/activity, or if the proposed activities fall into a statutory exception, the RAF will not be used.

2019 Regional Allocation Formula Methodology

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Introduction

Since 2000, the Texas Department of Housing and Community Affairs (“TDHCA” or “the Department”) has used a Regional Allocation Formula (“RAF”) as required by Tex. Gov’t Code §§2306.111 and 2306.1115. The RAF analyzes housing need, availability, and other relevant factors in the State’s urban and rural areas. Using formula components based on this analysis, the RAF has been used to allocate funding and certain other assistance for multifamily and single family activities for the following programs:

- Multifamily Activities:
 - Housing Tax Credit (“HTC”) Program
 - HOME Investment Partnerships Program (“HOME”) Multifamily (“MF”)
- Single Family Activities:
 - State Housing Trust Fund (“SHTF”) Program*
 - HOME Single Family (“SF”)

*It should be noted that based on the current program activities of SHTF, the RAF is not utilized for SHTF as authorized by Tex. Gov’t Code §2306.111(d-1). SHTF is funded through state general revenue and is not to be confused with the federally-funded National Housing Trust Fund (“NHTF”).

The Methodology presented in this document explains the use of factors in conformity with statutory requirements including the need for housing assistance, the availability of housing resources, and other factors relevant to the equitable distribution of housing funds in urban and rural areas of the state.

Also provided with the Methodology is an example allocation spreadsheet for each of the four programs to show how the methodologies affect each program. The spreadsheets provided are based on the following example allocations:

Program	Example Allocation
HTC	\$65,000,000
HOME Multifamily	\$12,500,000
SHTF	\$3,000,000
HOME Single Family	\$15,000,000

These allocation amounts are only examples. The final allocation amounts are calculated by program area staff following approval of the RAF Methodology by the TDHCA Governing Board and are based on the latest available information on the amount available to be allocated under each program or activity. Even when final allocation amounts are made available, other planning considerations may alter the applicability of the RAF and/or allocation amounts. For example, the funding activity type for HOME SF may further affect how and whether or not funds are released regionally. In addition, per Tex. Gov’t Code §2306.111(d-1)(3), if SHTF funds administered by the Department (and not otherwise set aside) do not exceed \$3 million, then SHTF funds are not required to be allocated using the formula-based RAF discussed here, although other policies dictate the geographic dispersal of funds.

The Draft 2019 RAF Methodology was presented at the May 24, 2018, TDHCA Board meeting for approval to be released for public comment. A public comment period was open from Friday, May 25, 2018, through Friday, June 15, 2018, with a public hearing on Thursday, June 7, 2018. No public comment was received and no changes were made. The Final 2019 RAF Methodology was presented for approval at the Board meeting of July 12, 2018.

Statutory Requirement

Tex. Gov't Code §§2306.111 and 2306.1115 require that TDHCA use a RAF for HOME, SHTF, and HTC Programs.

Tex. Gov't Code §2306.1115 states:

(a) To allocate housing funds under Section 2306.111(d), the department shall develop a formula that:

(1) includes as a factor the need for housing assistance and the availability of housing resources in an urban area or rural area;

(2) provides for allocations that are consistent with applicable federal and state requirements and limitations; and

(3) includes other factors determined by the department to be relevant to the equitable distribution of housing funds under Section 2306.111(d).

(b) The department shall use information contained in its annual state low income housing plan and other appropriate data to develop the formula under this section.

The methodology detailed in this document takes into account the need for housing assistance and the availability of housing in urban and rural areas in keeping with the statutory requirements for the HOME SF, HOME MF, SHTF, and HTC programs. The methodology also includes a regional coverage factor for single family programs that measures inverse population density in keeping with the statutory requirements to include other factors necessary for the equitable distribution of funding.

Urban and Rural Areas

Tex. Gov't Code §2306.004 states:

(28-a) "Rural area" means an area that is located:

(A) outside the boundaries of a primary metropolitan statistical area or a metropolitan statistical area; or

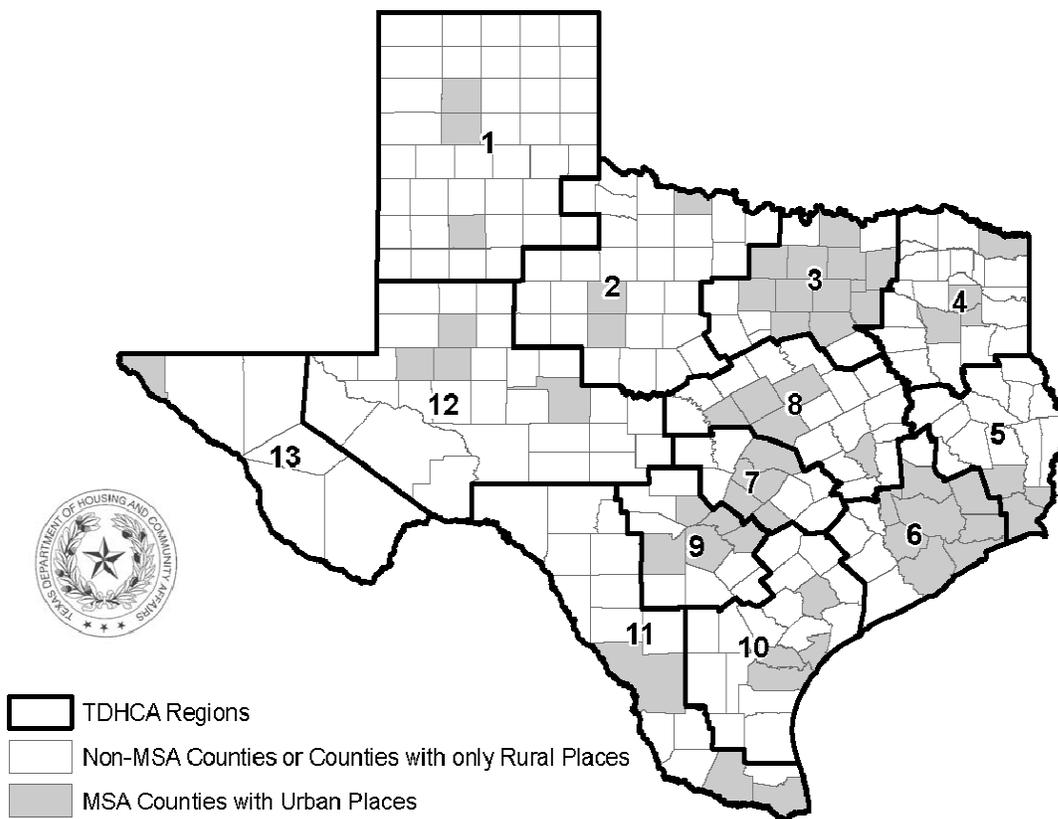
(B) within the boundaries of a primary metropolitan statistical area or a metropolitan statistical area, if the statistical area has a population of 25,000 or less and does not share a boundary with an urban area.

Tex. Gov't Code §2306.004(28-a)(B) is applied to incorporated places and census-designated places (collectively "places") that correlate to cities, towns, and similar geographies as designated by the U.S. Census Bureau. The requirement regarding "a population of 25,000" and the requirement regarding boundaries are applied at the place level. Prior to the development of the RAF each year, these parameters are used to determine which places are urban and which are rural. Organizations applying for certain TDHCA administered funds may use the urban and rural place designation to determine which subregional allocation they are eligible to apply for. The RAF methodology does not override the urban or rural designations of specific places. The rural and urban designation for site-specific applications is made at the place level.

However, the RAF is a macro view compared to place-level analysis, so in order to measure housing need across the State of Texas for the purpose of subregional allocations only county-level data are used. County data are more complete than combining place-level data. If the RAF only combined data from places, unincorporated parts of the state would not be considered. Using place-level data to create the RAF would be incomplete and substantially hinder its utility as an equitable allocation tool. Alternatively, using county-level data to determine need and availability factors allows for a more complete picture of the State’s demographics.

Even though a county may be part of a Metropolitan Statistical Area (“MSA”) per the U.S. Office of Management and Budget (“OMB”) definitions, all of the places within that county may meet the definition of a rural area per Tex. Gov’t Code §2306.004(28-a). If an MSA county has no places designated as urban, the need and availability of the whole county will be counted toward the rural allocation (*i.e.*, the MSA county had no places with a population over 25,000 or touching a boundary of a place with a population over 25,000). The allocation process outlined in this document refers to “MSA counties with urban places” as “urban counties” and “Non-MSA counties and counties with only rural places” as “rural counties.” The need and availability of “MSA counties with urban places” directs the allocation toward the urban places, and the need and availability of “Non-MSA counties and counties with only rural places” directs the allocation toward the rural places.

Map of Urban and Rural Counties in Texas by Region



Sources: U.S. Census Bureau, 2011-2015 American Community Survey 5-Year Estimates, Table B01003.
 U.S. Census Bureau, Jul. 2015, CBSAs, metropolitan divisions, and CSAs.
 TIGER data 2015.

Disclaimer: This map is not a survey product; boundaries, distances, and scale are approximate only.

Methodology

Affordable Housing Need

For the purposes of developing an allocation formula, affordable housing need is measured by variables that relate to the types of assistance available through TDHCA programs. Despite SHTF not currently utilizing the RAF, SHTF is included in the RAF methodology description in the event that funding or programmatic changes require the RAF to be utilized for this program.

Income

Income is the primary measurement of eligibility for housing assistance through TDHCA. HOME and SHTF serve households that earn less than or equal to 80% Area Median Family Income (“AMFI”) and HTC serves households that earn less than or equal to 60% AMFI. While eligibility for housing assistance is measured by AMFI, datasets showing how many households are in each AMFI category lag behind by a full year from the datasets used to calculate poverty. In order to use the most up-to-date data, the measurement of individuals in poverty will be used to measure eligible populations. The percentage of individuals at or below 200% of the poverty level is strongly linked with the percentage of individuals earning less than or equal to 80% AMFI. Individuals at or below 200% of the poverty level will qualify for a majority of the housing assistance options offered through TDHCA’s HOME, HTC, and SHTF programs. In order for *individuals* in poverty to be combined with cost burdened and overcrowded *households*, the number of individuals at or below 200% poverty is divided by the average size of a household in Texas. The number of individuals at or below 200% poverty is included as a variable in all four program RAFs.

Cost Burden and Overcrowding

Renter and owner need for housing assistance is measured through cost burden and overcrowding conditions. The count of cost burdened renter and owner households used in the RAF measures the number of households in Texas that pay more than 30% of their income on rent or homeowner costs (for homeowners with a mortgage), which is a common measure of unaffordable housing. The count of overcrowded renters and owners measures the number of housing units with more than one person per room, including the kitchen and bathroom. Areas with high cost burden or overcrowding may signify a need for assistance.

HTC and HOME MF both offer assistance for reduced-rent apartments. HOME SF offers Tenant-Based Rental Assistance, which pays a portion of a recipient’s rent to the landlord. SHTF offers the Amy Young Barrier Removal Program, which can serve both renters and homeowners. Therefore, variables representing renters who need assistance are included in the analysis for all four program RAFs.

HOME SF offers homebuyer assistance, home repair assistance, and single family development programs. For home repair, HOME SF offers grants and no-interest loans to homeowners to rehabilitate or reconstruct their homes. For single family development, typically the homes are built by Community Housing Development Organizations (“CHDOs”) and the homes are purchased by low-income homeowners. SHTF offers the Amy Young Barrier Removal Program, which can be used for homeowners as mentioned above, and the Bootstrap Loan Program for potential homeowners who use “sweat equity” and low- to no-interest loans to build and secure ownership of their homes. Therefore, variables representing homeowners who need assistance are included in the HOME SF and SHTF RAFs.

Lack of Kitchen and Plumbing Facilities

HOME SF offers homeowner rehabilitation or reconstruction assistance, and SHTF has activities involving rehabilitation such as the Amy Young Barrier Removal Program. Because TDHCA programs fund rehabilitation, substandard housing units should be included in the RAF. Common definitions of substandard housing include lack of operable indoor plumbing, usable flush toilets, usable bathtub or shower, safe electricity, safe or adequate source of heat, or kitchen facilities. Data regarding units lacking kitchen facilities or plumbing are the only data available on both an annual basis and at a county level. The count of occupied and unoccupied units lacking kitchen facilities and the count of occupied and unoccupied units lacking plumbing are utilized in the HOME SF and SHTF RAFs.

Summary of Affordable Housing Need for Multifamily and Single Family Activities

The extent of Texans needing affordable housing is measured using five variables for single family activities:

1. Cost burdened renter and owner households;
2. Overcrowded renter and owner households;
3. Housing units lacking kitchen facilities;
4. Housing units lacking plumbing; and
5. Individuals at or below 200% of the poverty rate.

The extent of Texans needing affordable housing is measured using three variables for multifamily activities:

1. Cost burdened renter households;
2. Overcrowded renter households; and
3. Individuals at or below 200% of the poverty rate.

Housing Availability

Housing availability is measured by variables that relate directly to housing resources. In order to take into account both market-rate and subsidized units, vacancies will be used. A high number of vacancies indicate that a market has an adequate or potentially abundant supply of housing. Both vacant units for sale and vacant units for rent will be included in the HOME SF and SHTF RAFs, while vacant units for rent alone are included in the HOME MF and HTC RAFs.

Regional Coverage Factor

Population density is the number of people divided by the area of land in which they live. A high population density means that more people are living in a given land area compared to other equally-sized pieces of land. Inverse population density, which divides the land area by the number of people that live in that area, gives the amount of land per person. A high inverse population density means that fewer people are living in a given land area compared to other equally-sized pieces of land, and may indicate a challenge in reaching and serving Texans in that area.

Inverse population density is included in the HOME SF and SHTF RAFs as a Regional Coverage Factor to take into account the distance between scattered-site single family activities and the dispersed population within the predominantly rural areas where HOME SF and SHTF administrators provide assistance. TDHCA's multifamily programs generally focus development to a single site, so the Regional Coverage Factor is not as pertinent to multifamily program allocation. The Regional Coverage Factor assists in redistributing single family program funding from urban areas to more rural parts of the state, better aligning funding goals with the statutory

requirement that 95% of HOME funds be allocated for the benefit of those areas of the state that do not receive HOME funds directly from the U.S. Department of Housing and Urban Development (“HUD”), chiefly smaller cities and rural areas (per Tex. Gov’t Code §2306.111).

Summary of Variables

The following chart shows which need, availability, and other variables are used in the RAF Methodology for each of the four applicable programs.

		Multifamily Programs		Single Family Programs	
		HTC	HOME MF	SHTF	HOME SF
Need Variables	<i>Cost Burdened Renter Households</i>	✓	✓	✓	✓
	<i>Cost Burdened Owner Households</i>			✓	✓
	<i>Overcrowded Renter Households</i>	✓	✓	✓	✓
	<i>Overcrowded Owner Households</i>			✓	✓
	<i>Units Lacking Kitchen Facilities</i>			✓	✓
	<i>Units Lacking Plumbing Facilities</i>			✓	✓
	<i>Individuals at or Below 200% of Poverty</i>	✓	✓	✓	✓
Availability Variables	<i>Vacant Units for Rent</i>	✓	✓	✓	✓
	<i>Vacant Units for Sale</i>			✓	✓
Other	<i>Regional Coverage Factor</i>			✓	✓

Exceptions to the RAF

Per Tex. Gov’t Code §2306.111, there are certain instances in which the RAF requirement does not apply to HOME MF, HOME SF, HTC, or SHTF funds.

Set-Asides

Specific set-asides will not be subject to the RAF per Tex. Gov’t Code §2306.111(d-1), including set-asides for contract-for-deed activities and set-asides mandated by state or federal law, if these set-asides are less than 10% of the total allocation of funds or credits. Set-asides for funds allocated to serve persons with disabilities will not be subject to the RAF. The total amount available through the RAF will not include funds for at-risk development for the HTC Program, with instances mentioned in this paragraph. Also pursuant to Tex. Gov’t Code §2306.111(d-1), programmed activities for SHTF that do not exceed \$3 million are not subject to the RAF. It is due to these exceptions that the SHTF funds as currently programmed do not utilize the RAF.

In addition, per Tex. Gov’t Code §2306.111(c)(1), 5% of State HOME funds must be spent on activities that serve people with disabilities in any area of the State; this portion of HOME is not subject to the RAF because it is set-aside for persons with disabilities.

In Tex. Gov't Code §2306.111(d-2), 5% of HTC funds must be allocated to developments that receive federal assistance through USDA. Any developments that receive federal assistance through USDA and HTC for rehabilitation may compete for funding separately under the "USDA Set-Aside." This funding is taken from the total tax credit ceiling prior to applying the RAF to allocate funds between each subregion.

Participating Jurisdictions ("PJs")

In accordance with Tex. Gov't Code §§2306.111(c)(1) and (2), 95% of the funds for HOME must be spent outside PJs. PJs are areas that receive funding directly from HUD. Because 95% of funds cannot be spent within a PJ, the housing need factors, housing availability factors, and Regional Coverage Factor in the PJs are not counted in the HOME MF or HOME SF RAF.

The PJ designations are subject to change annually depending on HUD funding. According to HUD's 2017 HOME allocation, 33 of the PJs are cities and eight of the PJs are counties. Five PJ cities fell completely within PJ counties, resulting in a total of 28 PJ cities and eight PJ counties that will be subtracted from the HOME SF and HOME MF versions for the 2018 RAF.

Allocation Adjustments

The HOME SF and HTC RAFs have subregional allocation adjustments under certain conditions. Tex. Gov't Code §2306.111(d-3) requires that at least \$500,000 in housing tax credits be allocated to each urban and rural subregion. In a further effort to meet Tex. Gov't Code §§2306.111(c)(1) and (2), the HOME SF RAF has a minimum subregional allocation of \$100,000. Additional detail regarding the processes used to adjust allocations for the HOME SF RAF and the HTC RAF can be found in the single family and multifamily RAF examples.

Single Family RAF Example

Tables 1, 2, and 3 show the need variables, availability variables, and regional coverage factor used in the HOME SF RAF. The SHTF RAF is very similar to the HOME SF RAF with the exception that the SHTF RAF includes PJs. Example numbers are used for clarity.

Table 1: Example of Need Variables Used for HOME SF, by Subregion

MSA Counties with Urban Places	Region	Column A: Individuals at or below 200% Poverty without PJs	Column B: Households (“HH”) at or below 200% Poverty without PJs	Column C: Cost Burdened Owners without PJs	Column D: Cost Burdened Renters without PJs	Column E: Overcrowded Owners without PJs	Column F: Overcrowded Renters without PJs	Column G: Units Lacking Plumbing without PJs	Column H: Units Lacking Kitchen without PJs	Column I: Total Need Variables
	1	150,000	53,191	1,500	15,000	3,000	2,000	4,000	6,000	84,691
	2	100,000	35,461	2,500	16,000	3,500	2,500	3,000	5,000	67,961
	3	150,000	53,191	1,500	15,000	3,000	2,000	4,000	6,000	84,691
	4	100,000	35,461	2,500	16,000	3,500	2,500	3,000	5,000	67,961
	5	150,000	53,191	1,500	15,000	3,000	2,000	4,000	6,000	84,691
	6	100,000	35,461	2,500	16,000	3,500	2,500	3,000	5,000	67,961
	7	150,000	53,191	1,500	15,000	3,000	2,000	4,000	6,000	84,691
	8	100,000	35,461	2,500	16,000	3,500	2,500	3,000	5,000	67,961
	9	150,000	53,191	1,500	15,000	3,000	2,000	4,000	6,000	84,691
	10	100,000	35,461	2,500	16,000	3,500	2,500	3,000	5,000	67,961
	11	150,000	53,191	1,500	15,000	3,000	2,000	4,000	6,000	84,691
	12	100,000	35,461	2,500	16,000	3,500	2,500	3,000	5,000	67,961
13	150,000	53,191	1,500	15,000	3,000	2,000	4,000	6,000	84,691	
Non-MSA counties and counties with only rural	Region	Column A: Individuals at or below 200% Poverty without PJs	Column B: HH at or below 200% Poverty without PJs	Column C: Cost Burdened Owners without PJs	Column D: Cost Burdened Renters without PJs	Column E: Overcrowded Owners without PJs	Column F: Overcrowded Renters without PJs	Column G: Units Lacking Plumbing without PJs	Column H: Units Lacking Kitchen without PJs	Column I: Total Need Variables
	1	80,000	28,369	6,000	8,000	2,000	2,000	5,000	5,000	56,369
	2	60,000	21,277	9,000	5,000	1,000	1,000	7,000	7,000	51,277
	3	80,000	28,369	6,000	8,000	2,000	2,000	5,000	5,000	56,369
	4	60,000	21,277	9,000	5,000	1,000	1,000	7,000	7,000	51,277
	5	80,000	28,369	6,000	8,000	2,000	2,000	5,000	5,000	56,369
	6	60,000	21,277	9,000	5,000	1,000	1,000	7,000	7,000	51,277
	7	80,000	28,369	6,000	8,000	2,000	2,000	5,000	5,000	56,369
	8	60,000	21,277	9,000	5,000	1,000	1,000	7,000	7,000	51,277
	9	80,000	28,369	6,000	8,000	2,000	2,000	5,000	5,000	56,369
	10	60,000	21,277	9,000	5,000	1,000	1,000	7,000	7,000	51,277
	11	80,000	28,369	6,000	8,000	2,000	2,000	5,000	5,000	56,369
	12	60,000	21,277	9,000	5,000	1,000	1,000	7,000	7,000	51,277
13	80,000	28,369	6,000	8,000	2,000	2,000	5,000	5,000	56,369	
	Col A Total	Col B Total	Col C Total	Col D Total	Col E Total	Col F Total	Col G Total	Col H Total	Col I Total	
Total	2,570,000	911,348	121,500	287,000	62,000	49,000	123,000	149,000	1,702,848	

Table 2: Example of Availability Variables Used for HOME SF, by Subregion

MSA Counties with urban places	Region	Column J: Vacant Units For Sale without PJs	Column K: Vacant Units For Rent without PJs	Column L: Total Availability Variables
	1	1,500	2,000	3,500
	2	1,000	3,000	4,000
	3	1,500	2,000	3,500
	4	1,000	3,000	4,000
	5	1,500	2,000	3,500
	6	1,000	3,000	4,000
	7	1,500	2,000	3,500
	8	1,000	3,000	4,000
	9	1,500	2,000	3,500
	10	1,000	3,000	4,000
	11	1,500	2,000	3,500
	12	1,000	3,000	4,000
	13	1,500	2,000	3,500
		Column J Total	Column K Total	Column L Total
Total		39,000	61,000	100,000

Table 3: Example of Regional Coverage Factor used for HOME SF, by Subregion

MSA Counties with urban places	Region	Column M: Land area without PJs	Column N: Total Population without PJs	Column O: Regional Coverage Factor
	1	3,000	350,000	0.009
	2	2,000	250,000	0.008
	3	3,000	350,000	0.009
	4	2,000	250,000	0.008
	5	3,000	350,000	0.009
	6	2,000	250,000	0.008
	7	3,000	350,000	0.009
	8	2,000	250,000	0.008
	9	3,000	350,000	0.009
	10	2,000	250,000	0.008
	11	3,000	350,000	0.009
	12	2,000	250,000	0.008
	13	3,000	350,000	0.009
		Column M Total	Column N Total	Column O Total
Total		216,000	7,150,000	0.893

Non-MSA counties and counties with only rural places	Region	Column J: Vacant Units For Sale without PJs	Column K: Vacant Units For Rent without PJs	Column L: Total Availability Variables
	1	1,500	2,000	3,500
	2	2,000	2,500	4,500
	3	1,500	2,000	3,500
	4	2,000	2,500	4,500
	5	1,500	2,000	3,500
	6	2,000	2,500	4,500
	7	1,500	2,000	3,500
	8	2,000	2,500	4,500
	9	1,500	2,000	3,500
	10	2,000	2,500	4,500
	11	1,500	2,000	3,500
	12	2,000	2,500	4,500
	13	1,500	2,000	3,500

Non-MSA counties and counties with only rural places	Region	Column M: Land area without PJs	Column N: Total Population without PJs	Column O: Regional Coverage Factor
	1	15,000	200,000	0.075
	2	13,000	300,000	0.043
	3	15,000	200,000	0.075
	4	13,000	300,000	0.043
	5	15,000	200,000	0.075
	6	13,000	300,000	0.043
	7	15,000	200,000	0.075
	8	13,000	300,000	0.043
	9	15,000	200,000	0.075
	10	13,000	300,000	0.043
	11	15,000	200,000	0.075
	12	13,000	300,000	0.043
	13	15,000	200,000	0.075

Compounded Need

To allocate funds, the RAF uses each subregion's ratios of the State's total. All of the variables that measure need will be added together before taking the percentage of each subregion's need over the amount of the total need in the State. Table 1, Column I, illustrates how the Total Need Variables are derived: Households at 200% of poverty, cost-burdened owner and renter households, over-crowded owner and renter households, and units lacking kitchen facilities and plumbing facilities are added together, thereby compounding the need.

This compounding balances the relative importance of the variables; variables with very high or very small numbers are combined with the overall total of need, preventing these variables from having a disproportionate or arbitrary amount of weight for their size.

Weights

Examples of how the weights work in the RAF are in Tables 4 through 6. The column header letters (A, B, C, etc.) will build off the previous table, so if the letters are not in alphabetical order, the column header letter refers to a previous table. For the sake of simplification, for the remainder of the example "MSA Counties with Urban Places" will be referred to as "Urban Counties," and "Non-MSA Counties and Counties with Only Rural Places" will be referred to as "Rural Counties."

In order to apply weights, percentages of need, availability, and inverse population density, variables must be taken from the state as a whole. These percentages illustrate the relative need of the subregion. Table 4 demonstrates how the percentages are derived. Table 4 shows only the urban counties of Region 1 and the total of all the regions, in order to simplify the example.

Table 4: Percentages Taken

Area	Column I: Total Need Variables	Column P: Percent of State's Total Need	Column L: Total Availability Variables	Column Q: Percent of State's Total Availability	Column O: Regional Coverage Factor	Column R: Percent of State's Total Regional Coverage Factor
Urban Region 1	84,691	5.0%	3,500	3.5%	0.075	8.4%
Total	1,702,848		100,000		0.893	

Note: Column I is from Table 1, Column L is from Table 2, and Column O is from Table 3.

A successful allocation formula will provide more funding for areas with high housing need and reduce funding for areas with an abundance of housing resources. In order to get the right relationship between housing and need, the housing availability variables will have negative weight, while the need variables and regional coverage factor will have positive weight. All variables added together must equal 100%, so the formulas to determine variable weight for the Single Family RAF are as follows:

- Total Need Variables = HH at or below 200% poverty + Cost Burden + Overcrowding + Units Lacking Plumbing + Units Lacking Kitchen
- Total Availability Variables = Unoccupied Units for Sale + Unoccupied Units for Rent
- Regional Coverage Factor = Inverse Population Density
- Total Need Variables – Total Availability Variables + Regional Coverage Factor = 100%

To put it simply (with x representing the weight of each variable): $5x - x + x = 100\%$

As a result, each variable is weighted at 20% for Single Family programs, giving the appropriate relationship between funding and current availability of resources. The compounded need variables will receive 100% weight. Table 5 shows the application of the weights based on a hypothetical statewide availability of \$2,500,000 to more clearly emphasize how a Minimum Subregional Allocation Adjustment is made when initial HOME SF subregion allocations fall under \$100,000.

Table 5: Weight Application

Area	Column P: Percent of State's Total Need	Column S: Weight of Need Variables	Column T: Need Variable Allocation*	Column Q: Percent of State's Total Availability	Column U: Weight of Availability Variable	Column V: Availability Variable Allocation ~	Column R: Percent of State's Total Regional Coverage Factor	Column W: Weight of Availability Variable	Column X: Availability Variable Allocation^	Column Y: Total Allocation+
Urban Region 1	5.0%	100.0%	\$ 124,338	3.5%	-20%	\$ (17,500)	1.0%	20%	\$4,799	\$ 111,637

Note: Column P, Q and R taken from Table 4.

*Column T is calculated as follows: Column P x Column S x statewide availability of funds.

~Column V is calculated as follows: Column Q x Column U x statewide availability of funds.

^ Column X is calculated as follows: Column W x Column R x statewide availability of funds.

+Column Y is calculated as follows: Column T + Column V + Column X.

Minimum Subregional Allocation Adjustment

A floor was added to the HOME SF RAF in order to allow sufficient funding to award at least one contract in each sub region. If the RAF results in a subregional funding amount that is less than \$100,000, that subregion’s amount of funding is adjusted to provide for at least a minimum of \$100,000. The process does not reallocate funds from subregions with initial funding amounts in excess of \$100,000 to those subregions with initial funding amounts that are less than \$100,000. Funds used to enable the floor are not subject to RAF requirements and so are added as a final adjustment to the subregional allocation amounts available for award. The final adjustment simply adds a supplemental allocation to bring all subregions to a minimum of \$100,000. The process is complete when each subregion has at least \$100,000.

Table 6 shows the process of supplementing funds to subregions that have initial funding amounts that are less than \$100,000. This table builds from the previous tables included in this methodology and the Urban Counties of Regions 1 and 2 are included. The column header letters build off previous tables, so if the letters are not in alphabetical order, the column letter refers to previous tables.

Table 6: Subregion amount under \$100,000

Area	Column Y: Initial Subregion amount	Column Z: Amount needed to reach \$100,000	Column AA: Final Subregion Allocation
Urban Region 1	\$111,637	\$-	\$111,637
Urban Region 2	\$84,255	\$15,745	\$100,000
Total	\$195,892	\$15,745	\$211,637

Note: Column Y is from Table 5.

Since the Urban Region 1 initial Subregion amount exceeds \$100,000, no adjustment is made to this sub-allocation. However, because the Urban Region 2 initial Subregion amount is less than \$100,000, a supplemental allocation amount is added to bring the subregion allocation up to the final allocation amount of \$100,000.

Multifamily RAF Example

Table 7 shows the need and availability variables used in the HTC RAF. The HTC RAF is very similar to the HOME MF RAF with the exception that the HTC RAF includes PJs. Example numbers are used for clarity.

Table 7: Example of Need and Availability Variables used for HTC, by Subregion

MSA Counties with urban places	Region	Column BB: Individuals at or below 200% Poverty	Column CC: HH at or below 200% Poverty	Column DD: Cost Burdened Renters	Column EE: Overcrowded Renters	Column FF: Vacant Units for Rent
	1	150,000	53,571	25,000	4,000	6,000
	2	100,000	35,714	20,000	2,000	4,000
	3	150,000	53,571	25,000	4,000	6,000
	4	100,000	35,714	20,000	2,000	4,000
	5	150,000	53,571	25,000	4,000	6,000
	6	100,000	35,714	20,000	2,000	4,000
	7	150,000	53,571	25,000	4,000	6,000
	8	100,000	35,714	20,000	2,000	4,000
	9	150,000	53,571	25,000	4,000	6,000
	10	100,000	35,714	20,000	2,000	4,000
	11	150,000	53,571	25,000	4,000	6,000
	12	100,000	35,714	20,000	2,000	4,000
	13	150,000	53,571	25,000	4,000	6,000

Non-MSA counties and counties with only rural places	Region	Column BB: Individuals at or below 200% Poverty	Column CC: HH at or below 200% Poverty	Column DD: Cost Burdened Renters	Column EE: Overcrowded Renters	Column FF: Vacant Units for Rent
	1	40,000	14,286	7,000	700	700
	2	25,000	8,929	2,000	400	500
	3	40,000	14,286	7,000	700	700
	4	25,000	8,929	2,000	400	500
	5	40,000	14,286	7,000	700	700
	6	25,000	8,929	2,000	400	500
	7	40,000	14,286	7,000	700	700
	8	25,000	8,929	2,000	400	500
	9	40,000	14,286	7,000	700	700
	10	25,000	8,929	2,000	400	500
	11	40,000	14,286	7,000	700	700
	12	25,000	8,929	2,000	400	500
	13	40,000	14,286	7,000	700	700

	Column BB Total	Column CC Total	Column DD Total	Column EE Total	Column FF Total
Total	2,080,000	742,857	356,000	47,300	73,900

Weights

To allocate funds, the RAF will use each subregion’s ratios of the State’s total. In order to account for the amount of population that the variables affect, all the variables that measure need will be added together (i.e., compounded) before taking the percentage of each subregion’s need over the amount of the total need in the State.

Examples of how the weights work in the RAF are in Tables 8 through 10. If the letters are not in alphabetical order, the column header letter refers to a previous table. For the sake of simplification, for the remainder of the example “MSA Counties with Urban Places” will be referred to as “Urban Counties,” and “Non-MSA Counties and Counties with Only Rural Places” will be referred to as “Rural Counties.”

Table 8 shows only the Urban Counties of Region 1 and the total of all the regions. Table 8 illustrates how the Total Need Variables are derived: Households at or below 200% of poverty, cost-burdened renter households, and over-crowded renter households are added together, thereby compounding the need. This compounding balances the relative importance of the variables; variables with very high or very small numbers are combined with the overall total of need, preventing these variables from having a disproportionate or arbitrary amount of weight for their size.

Table 8: Total Need Variables

Area	Column CC: HH at or below 200% Poverty	Column DD: Cost Burdened Renters	Column EE: Overcrowded Renters	Column GG: Total Need Variables
Urban Region 1	53,571	25,000	4,000	82,571
Total	742,857	356,000	47,300	1,146,157

Note: Columns CC, DD and EE are from Table 7.

In order to apply weights, percentages of need and availability variables must be taken from the state as a whole. These percentages illustrate the relative need of the subregion. Table 9 demonstrates how the percentages are derived.

Table 9: Percentages Taken

Area	Column GG: Total Need Variables	Column HH: Percent of State's Total Need	Column II: Vacant Units for Rent	Column JJ: Percent of State's Total Availability
Urban Region 1	82,571	7.2%	6,000	8.1%
Total	1,146,157		73,900	

Note: Column GG is from Table 8.

A successful allocation formula will provide more funding for areas with high housing need and reduce funding for areas with an abundance of housing resources. In order to get the right relationship between housing and need, the housing availability variable will have negative weight. All variables added together must equal 100%, so the formulas to determine variable weight for the Multifamily RAF are as follows:

- Total Need Variables = HH at or below 200% poverty + Renter Cost Burden + Renter Overcrowding
- Availability Variable = Unoccupied Units for Rent
- Total Need Variables – Availability Variable = 100%

To put it simply (with x representing the weight of each variable): $3x-x=100\%$

As a result, each variable is weighted at 50% for multifamily programs, giving the appropriate relationship between funding and current availability of resources. The compounded need variables will receive 150% weight. Table 10 shows the application of the weights based on a statewide availability of \$40,000,000 to emphasize how a proportional adjustment is made when initial HTC allocations fall under \$500,000.

Table 10: Weight Application

Area	Column HH: Percent of State's Total Need	Column KK: Weight of Need Variables	Column LL: Need Variable Allocation*	Column JJ: Percent of State's Total Availability	Column MM: Weight of Availability Variable	Column NN: Availability Variable Allocation~	Column OO: Total Allocation+
Urban Region 1	7.2%	150.0%	\$ 4,322,519	8.1%	-50%	\$ (1,623,816)	\$ 2,698,703

Note: Column HH and JJ taken from Table 9.

*Column LL is calculated as follows: Column HH x Column KK x statewide availability of funds.

~Column NN is calculated as follows: Column JJ x Column MM x statewide availability of funds.

+Column OO is calculated as follows: Column LL + Column NN.

HTC \$500,000 Adjustment

Tex. Gov't Code §2306.111(d-3) is a special requirement regarding funding and the RAF that applies only to HTC. This provision requires that TDHCA allocate at least 20% of housing tax credits to rural areas and that \$500,000 be available for each of the 26 urban subregions and rural subregions. The overall state rural percentage of the total tax credit ceiling amount will be adjusted to a minimum of 20% only at the time of actual award, if needed. Usually, the 20% allocation to rural areas occurs through the competitive process, but, if not, one more deal for rural areas will be awarded from the statewide collapse of the RAF to ensure the requirement is met.

For the HTC RAF, the regional amount of rural and urban funding is adjusted to a minimum of \$500,000 if needed. This is done as a final adjustment to the subregional allocation amounts available for award. The process proportionately takes funds from subregions with initial funding amounts in excess of \$500,000 and reallocates those funds to those subregions with initial funding amounts that are less than \$500,000. The process is complete when each subregion has at least \$500,000.

Tables 11 through 12 show the process of determining the amount to adjust from subregions with more than \$500,000. These tables build from the previous tables included in this methodology and Urban Region 1 and 2 and Rural Region 1 and 2 are included. The column header letters build off previous tables, so if the letters are not in alphabetical order, the column letter refers to previous tables.

These four subregions are examined because the most common movement for funds during the \$500,000 adjustment is from Urban Counties to Rural Counties. The first step in the \$500,000 adjustment process is to determine the amount over or under \$500,000 for each subregion. This is illustrated in Table 11.

Table 11: Subregion amount over/under \$500,000

Area	Column OO: Initial Subregion amount	Column PP: Amount needed to reach \$500,000	Column QQ: Amount over \$500,000 that can be reallocated
Urban Region 1	\$2,698,703	\$-	\$2,198,703
Urban Region 2	\$1,938,732	\$-	\$1,438,732
Rural Region 1	\$961,482	\$-	\$461,482
Rural Region 2	\$457,720	\$42,280	\$-

Note: Column OO is from Table 10.

Column QQ in Table 11 is the amount in Column OO minus \$500,000 if the amount in Column OO is over \$500,000. At least \$500,000 is maintained in each subregion before the adjustment process. Next the amounts in Column PP are totaled for the entire state and the amounts in Column QQ are totaled for the entire state. In this simplified example, the Column PP's total would be \$42,280. The Column QQ total would be \$4,098,917.

The next step in the adjustment process is to determine the percentage to be reallocated. Following the example in Table 11, if only Region 1 and 2 were used in the RAF, the percentages would be seen in Column RR in Table 12. The proportion of the total amount to be reallocated is in Column SS. Finally, Column OO is adjusted by Column SS to equal the final Sub-Amount in Column TT.

Table 12: Proportional adjustment

Area	Column RR: Amount that can be reallocated*	Column SS: Amount to be reallocated~	Column TT: Final Subregion Allocation+
Urban Region 1	54%	\$ (22,679)	\$ 2,676,024
Urban Region 2	35%	\$ (14,840)	\$ 1,923,892
Rural Region 1	11%	\$ (4,760)	\$ 956,722
Rural Region 2	-%	\$ 42,280	\$ 500,000

*Column RR is calculated as follows: if Column OO is over \$500,000, then $((\text{Column OO} - \$500,000) / \$4,098,917)$

~Column SS is calculated as followed: if Column RR is a percentage, then $(\text{Column RR} * \$42,280)$; if Column RR is "%", then Column SS equals Column PP.

+Column TT is calculated as follows: $\text{Column OO} + \text{Column SS}$.

Texas Department of Housing and Community Affairs
Example 2019 HTC Regional Allocation Formula

Table 1 - Raw Data

	Region	Individuals at or Below 200% Poverty	HH at or Below 200% Poverty	Cost-Burdened Renters	Overcrowded Renters	Vacant Units For Rent
MSA Counties with Urban Places	1	202,603	71,339	37,697	4,207	7,602
	2	103,106	36,305	17,976	1,492	4,373
	3	2,301,829	810,503	443,579	76,356	78,072
	4	187,699	66,091	27,968	2,662	5,771
	5	139,863	49,248	20,497	1,673	4,739
	6	2,194,388	772,672	400,064	70,609	76,386
	7	529,552	186,462	136,749	18,840	17,291
	8	339,161	119,423	66,956	5,894	15,281
	9	796,872	280,589	129,581	18,785	23,163
	10	198,757	69,985	32,946	5,613	5,664
	11	886,586	312,178	66,416	25,237	12,034
	12	127,971	45,060	20,853	4,155	3,591
	13	409,531	144,201	45,218	8,090	10,306
		Subtotal	8,417,918	2,964,056	1,446,500	243,613
Non-MSA Counties and Counties with Only Rural Places	1	127,694	44,963	9,559	2,704	3,114
	2	99,330	34,975	8,192	1,145	2,942
	3	95,934	33,780	11,850	1,580	2,418
	4	259,746	91,460	23,420	3,666	5,558
	5	158,920	55,958	16,542	2,019	3,406
	6	71,324	25,114	8,979	953	1,675
	7	66,691	23,483	6,278	942	1,384
	8	105,582	37,177	9,064	1,259	2,144
	9	75,885	26,720	6,744	1,634	1,363
	10	96,505	33,981	9,534	2,283	1,929
	11	152,795	53,801	8,194	3,207	2,609
	12	62,243	21,917	4,990	1,077	998
	13	11,953	4,209	1,018	170	431
		Subtotal	1,384,602	487,536	124,364	22,639
	Total	9,802,520	3,451,592	1,570,864	266,252	294,244

Texas Average HH Size: 2.84

Texas Department of Housing and Community Affairs
Example 2019 HTC Regional Allocation Formula

Table 2 - Weights

	Region	Total Need Variables	% of Total Need Variables	Weighted	Total Availability Variable	% of Total Availability Variable	Weighted	Initial Subregion Allocation	% of Total Award
MSA Counties with Urban Places	1	113,243	2.1%	\$ 2,087,694	7,602	2.6%	\$ (839,660)	\$ 1,248,033.29	1.92%
	2	55,773	1.1%	\$ 1,028,202	4,373	1.5%	\$ (483,009)	\$ 545,193.18	0.84%
	3	1,330,438	25.2%	\$ 24,527,301	78,072	26.5%	\$ (8,623,251)	\$ 15,904,049.46	24.47%
	4	96,721	1.8%	\$ 1,783,104	5,771	2.0%	\$ (637,422)	\$ 1,145,682.55	1.76%
	5	71,418	1.4%	\$ 1,316,618	4,739	1.6%	\$ (523,435)	\$ 793,183.77	1.22%
	6	1,243,345	23.5%	\$ 22,921,691	76,386	26.0%	\$ (8,437,028)	\$ 14,484,662.70	22.28%
	7	342,051	6.5%	\$ 6,305,883	17,291	5.9%	\$ (1,909,835)	\$ 4,396,047.72	6.76%
	8	192,273	3.6%	\$ 3,544,648	15,281	5.2%	\$ (1,687,825)	\$ 1,856,822.57	2.86%
	9	428,955	8.1%	\$ 7,907,998	23,163	7.9%	\$ (2,558,412)	\$ 5,349,585.16	8.23%
	10	108,544	2.1%	\$ 2,001,061	5,664	1.9%	\$ (625,603)	\$ 1,375,457.73	2.12%
	11	403,831	7.6%	\$ 7,444,832	12,034	4.1%	\$ (1,329,186)	\$ 6,115,645.98	9.41%
	12	70,068	1.3%	\$ 1,291,743	3,591	1.2%	\$ (396,635)	\$ 895,107.83	1.38%
	13	197,509	3.7%	\$ 3,641,179	10,306	3.5%	\$ (1,138,324)	\$ 2,502,855.43	3.85%
		Subtotal	4,654,169	88.0%	\$ 85,801,954	264,273	89.8%	\$ (29,189,627)	\$ 56,612,327.35
Non-MSA Counties and Counties with Only Rural Places	1	57,226	1.1%	\$ 1,054,984	3,114	1.1%	\$ (343,949)	\$ 711,035.06	1.09%
	2	44,312	0.8%	\$ 816,921	2,942	1.0%	\$ (324,951)	\$ 491,969.23	0.76%
	3	47,210	0.9%	\$ 870,332	2,418	0.8%	\$ (267,074)	\$ 603,258.19	0.93%
	4	118,546	2.2%	\$ 2,185,453	5,558	1.9%	\$ (613,895)	\$ 1,571,557.63	2.42%
	5	74,519	1.4%	\$ 1,373,791	3,406	1.2%	\$ (376,201)	\$ 997,589.42	1.53%
	6	35,046	0.7%	\$ 646,092	1,675	0.6%	\$ (185,008)	\$ 461,084.28	0.71%
	7	30,703	0.6%	\$ 566,021	1,384	0.5%	\$ (152,866)	\$ 413,154.34	0.64%
	8	47,500	0.9%	\$ 875,682	2,144	0.7%	\$ (236,810)	\$ 638,871.86	0.98%
	9	35,098	0.7%	\$ 647,051	1,363	0.5%	\$ (150,547)	\$ 496,503.86	0.76%
	10	45,798	0.9%	\$ 844,303	1,929	0.7%	\$ (213,063)	\$ 631,239.59	0.97%
	11	65,202	1.2%	\$ 1,202,033	2,609	0.9%	\$ (288,171)	\$ 913,862.20	1.41%
	12	27,984	0.5%	\$ 515,891	998	0.3%	\$ (110,232)	\$ 405,659.25	0.62%
	13	5,397	0.1%	\$ 99,493	431	0.1%	\$ (47,605)	\$ 51,887.74	0.08%
		Subtotal	634,539	12.0%	\$ 11,698,046	29,971	10.2%	\$ (3,310,373)	\$ 8,387,672.65
	Total	5,288,708	100%	\$ 97,500,000	294,244	100%	\$ (32,500,000)	\$ 65,000,000.00	100.00%

Total Sample Allocation: \$65,000,000
Weight of Need Variables: 150%
Weight of Availability Variables: -50%

Texas Department of Housing and Community Affairs
Example 2019 HTC Regional Allocation Formula

Table 3 - Reallocation

	Region	Initial Subregion Amount	Amount Needed to Reach Subregion Floor	Amount that can be Reallocated	% of Total Amount that can be Reallocated	Amount to be Reallocated	Final Subregion Allocation	% of Total Award
MSA Counties with Urban Places	1	\$ 1,248,033.29	\$ -	\$ 748,033.29	1.42%	\$ (9,652.08)	\$ 1,238,381.21	1.91%
	2	\$ 545,193.18	\$ -	\$ 45,193.18	0.09%	\$ (583.14)	\$ 544,610.04	0.84%
	3	\$ 15,904,049.46	\$ -	\$ 15,404,049.46	29.24%	\$ (198,762.72)	\$ 15,705,286.74	24.16%
	4	\$ 1,145,682.55	\$ -	\$ 645,682.55	1.23%	\$ (8,331.42)	\$ 1,137,351.13	1.75%
	5	\$ 793,183.77	\$ -	\$ 293,183.77	0.56%	\$ (3,783.03)	\$ 789,400.74	1.21%
	6	\$ 14,484,662.70	\$ -	\$ 13,984,662.70	26.55%	\$ (180,447.98)	\$ 14,304,214.72	22.01%
	7	\$ 4,396,047.72	\$ -	\$ 3,896,047.72	7.40%	\$ (50,271.78)	\$ 4,345,775.94	6.69%
	8	\$ 1,856,822.57	\$ -	\$ 1,356,822.57	2.58%	\$ (17,507.46)	\$ 1,839,315.11	2.83%
	9	\$ 5,349,585.16	\$ -	\$ 4,849,585.16	9.21%	\$ (62,575.54)	\$ 5,287,009.62	8.13%
	10	\$ 1,375,457.73	\$ -	\$ 875,457.73	1.66%	\$ (11,296.27)	\$ 1,364,161.46	2.10%
	11	\$ 6,115,645.98	\$ -	\$ 5,615,645.98	10.66%	\$ (72,460.24)	\$ 6,043,185.74	9.30%
	12	\$ 895,107.83	\$ -	\$ 395,107.83	0.75%	\$ (5,098.19)	\$ 890,009.64	1.37%
	13	\$ 2,502,855.43	\$ -	\$ 2,002,855.43	3.80%	\$ (25,843.40)	\$ 2,477,012.03	3.81%
	Subtotal	\$ 56,612,327.35	\$ -	\$ 50,112,327.35	95.13%	\$ (646,613.24)	\$ 55,965,714.11	86.10%
Non-MSA Counties and Counties with Only Rural Places	1	\$ 711,035.06	\$ -	\$ 211,035.06	0.40%	\$ (2,723.04)	\$ 708,312.01	1.09%
	2	\$ 491,969.23	\$ 8,030.77	\$ -	0.00%	\$ 8,030.77	\$ 500,000.00	0.77%
	3	\$ 603,258.19	\$ -	\$ 103,258.19	0.20%	\$ (1,332.37)	\$ 601,925.82	0.93%
	4	\$ 1,571,557.63	\$ -	\$ 1,071,557.63	2.03%	\$ (13,826.60)	\$ 1,557,731.03	2.40%
	5	\$ 997,589.42	\$ -	\$ 497,589.42	0.94%	\$ (6,420.53)	\$ 991,168.88	1.52%
	6	\$ 461,084.28	\$ 38,915.72	\$ -	0.00%	\$ 38,915.72	\$ 500,000.00	0.77%
	7	\$ 413,154.34	\$ 86,845.66	\$ -	0.00%	\$ 86,845.66	\$ 500,000.00	0.77%
	8	\$ 638,871.86	\$ -	\$ 138,871.86	0.26%	\$ (1,791.90)	\$ 637,079.95	0.98%
	9	\$ 496,503.86	\$ 3,496.14	\$ -	0.00%	\$ 3,496.14	\$ 500,000.00	0.77%
	10	\$ 631,239.59	\$ -	\$ 131,239.59	0.25%	\$ (1,693.42)	\$ 629,546.17	0.97%
	11	\$ 913,862.20	\$ -	\$ 413,862.20	0.79%	\$ (5,340.18)	\$ 908,522.02	1.40%
	12	\$ 405,659.25	\$ 94,340.75	\$ -	0.00%	\$ 94,340.75	\$ 500,000.00	0.77%
	13	\$ 51,887.74	\$ 448,112.26	\$ -	0.00%	\$ 448,112.26	\$ 500,000.00	0.77%
	Subtotal	\$ 8,387,672.65	\$ 679,741.29	\$ 2,567,413.94	4.87%	\$ 646,613.24	\$ 9,034,285.89	13.90%
Total	\$ 65,000,000.00	\$ 679,741.29	\$ 52,679,741.29	100.00%	\$ -	\$ 65,000,000.00	100.00%	

Subregion Allocation Floor: \$500,000.00

Texas Department of Housing and Community Affairs
 Example 2019 HOME MF Regional Allocation Formula

Table 1 - Raw Data

	Region	Individuals at or Below 200% Poverty	HH at or Below 200% Poverty	Cost-Burdened Renters	Overcrowded Renters	Vacant Units For Rent
MSA Counties with Urban Places	1	29,020	10,218	3,233	532	680
	2	17,689	6,229	1,685	142	497
	3	479,987	169,010	78,902	10,129	10,998
	4	108,717	38,281	12,345	1,519	2,191
	5	60,739	21,387	6,791	736	1,648
	6	125,832	44,307	17,391	2,030	3,560
	7	230,395	81,125	44,096	5,188	5,670
	8	133,986	47,178	19,109	2,269	5,180
	9	90,925	32,016	11,644	1,830	2,399
	10	81,508	28,700	10,272	2,335	2,380
	11	113,095	39,822	5,330	3,034	2,862
	12	56,925	20,044	8,332	2,528	1,189
	13	92,350	32,518	4,567	1,415	580
	Subtotal	1,621,168	570,834	223,697	33,687	39,834
Non-MSA Counties and Counties with Only Rural Places	1	127,694	44,963	9,559	2,704	3,114
	2	99,330	34,975	8,192	1,145	2,942
	3	95,934	33,780	11,850	1,580	2,418
	4	259,236	91,280	23,340	3,666	5,532
	5	158,920	55,958	16,542	2,019	3,406
	6	71,324	25,114	8,979	953	1,675
	7	66,691	23,483	6,278	942	1,384
	8	105,582	37,177	9,064	1,259	2,144
	9	75,885	26,720	6,744	1,634	1,363
	10	96,505	33,981	9,534	2,283	1,929
	11	152,795	53,801	8,194	3,207	2,609
	12	62,243	21,917	4,990	1,077	998
	13	11,953	4,209	1,018	170	431
	Subtotal	1,384,092	487,356	124,284	22,639	29,945
Total	3,005,260	1,058,190	347,981	56,326	69,779	

Variables from Participating Jurisdictions (PJs) are not counted for HOME Program RAFs.

Texas Average HH Size: 2.84

Texas Department of Housing and Community Affairs
Example 2019 HOME MF Regional Allocation Formula

Table 2 - Weights

	Region	Total Need Variables	% of Total Need Variables	Weighted	Total Availability Variable	% of Total Availability Variable	Weighted	Final Subregion Allocation	% of Total Award
MSA Counties with Urban Places	1	13,983	1.0%	\$ 179,274	680	1.0%	\$ (60,907)	\$ 118,366.98	0.95%
	2	8,056	0.6%	\$ 103,276	497	0.7%	\$ (44,516)	\$ 58,760.57	0.47%
	3	258,041	17.6%	\$ 3,308,218	10,998	15.8%	\$ (985,074)	\$ 2,323,143.79	18.59%
	4	52,145	3.6%	\$ 668,522	2,191	3.1%	\$ (196,245)	\$ 472,277.68	3.78%
	5	28,914	2.0%	\$ 370,693	1,648	2.4%	\$ (147,609)	\$ 223,083.79	1.78%
	6	63,728	4.4%	\$ 817,028	3,560	5.1%	\$ (318,864)	\$ 498,163.94	3.99%
	7	130,409	8.9%	\$ 1,671,914	5,670	8.1%	\$ (507,853)	\$ 1,164,060.16	9.31%
	8	68,556	4.7%	\$ 878,927	5,180	7.4%	\$ (463,965)	\$ 414,962.16	3.32%
	9	45,490	3.1%	\$ 583,204	2,399	3.4%	\$ (214,875)	\$ 368,329.46	2.95%
	10	41,307	2.8%	\$ 529,578	2,380	3.4%	\$ (213,173)	\$ 316,404.94	2.53%
	11	48,186	3.3%	\$ 617,773	2,862	4.1%	\$ (256,345)	\$ 361,427.75	2.89%
	12	30,904	2.1%	\$ 396,206	1,189	1.7%	\$ (106,497)	\$ 289,709.14	2.32%
	13	38,500	2.6%	\$ 493,586	580	0.8%	\$ (51,950)	\$ 441,635.93	3.53%
		Subtotal	828,218	56.6%	\$ 10,618,198	39,834	57.1%	\$ (3,567,871)	\$ 7,050,326.29
Non-MSA Counties and Counties with Only Rural Places	1	57,226	3.9%	\$ 733,664	3,114	4.5%	\$ (278,916)	\$ 454,747.65	3.64%
	2	44,312	3.0%	\$ 568,108	2,942	4.2%	\$ (263,511)	\$ 304,597.68	2.44%
	3	47,210	3.2%	\$ 605,252	2,418	3.5%	\$ (216,577)	\$ 388,675.56	3.11%
	4	118,286	8.1%	\$ 1,516,494	5,532	7.9%	\$ (495,493)	\$ 1,021,000.84	8.17%
	5	74,519	5.1%	\$ 955,370	3,406	4.9%	\$ (305,070)	\$ 650,300.12	5.20%
	6	35,046	2.4%	\$ 449,310	1,675	2.4%	\$ (150,027)	\$ 299,282.43	2.39%
	7	30,703	2.1%	\$ 393,626	1,384	2.0%	\$ (123,963)	\$ 269,662.93	2.16%
	8	47,500	3.2%	\$ 608,972	2,144	3.1%	\$ (192,035)	\$ 416,937.63	3.34%
	9	35,098	2.4%	\$ 449,976	1,363	2.0%	\$ (122,082)	\$ 327,894.28	2.62%
	10	45,798	3.1%	\$ 587,150	1,929	2.8%	\$ (172,778)	\$ 414,372.67	3.31%
	11	65,202	4.5%	\$ 835,925	2,609	3.7%	\$ (233,684)	\$ 602,241.23	4.82%
	12	27,984	1.9%	\$ 358,764	998	1.4%	\$ (89,389)	\$ 269,374.80	2.15%
	13	5,397	0.4%	\$ 69,190	431	0.6%	\$ (38,604)	\$ 30,585.89	0.24%
		Subtotal	634,279	43.4%	\$ 8,131,802	29,945	42.9%	\$ (2,682,129)	\$ 5,449,673.71
	Total	1,462,497	100%	\$ 18,750,000	69,779	100%	\$ (6,250,000)	\$ 12,500,000.00	100.00%

Variables from Participating Jurisdictions (PJs) are not counted for HOME Program RAFs.

Total Sample Allocation: \$12,500,000
Weight of Need Variables: 150%
Weight of Availability Variables: -50%

Texas Department of Housing and Community Affairs
Example 2019 SHTF Regional Allocation Formula

Table 1 - Raw Data

	Region	Individuals at or Below 200% Poverty	HH at or Below 200% Poverty	Cost-Burdened Owners	Cost-Burdened Renters	Over-crowded Owners	Over-crowded Renters	Total Units Lacking Plumbing	Total Units Lacking Kitchen	Vacant Units For Sale	Vacant Units For Rent	Land Area	Total Population	Inverse Population Density
MSA Counties with Urban Places	1	202,603	71,339	15,909	37,697	2,979	4,207	3,652	7,223	1,825	7,602	2,716	545,168	0.005
	2	103,106	36,305	7,626	17,976	1,067	1,492	4,700	5,746	1,678	4,373	2,472	287,326	0.009
	3	2,301,829	810,503	265,443	443,579	39,247	76,356	27,166	56,854	18,111	78,072	9,603	7,018,464	0.001
	4	187,699	66,091	15,077	27,968	3,148	2,662	5,928	7,950	2,605	5,771	2,663	476,806	0.006
	5	139,863	49,248	11,207	20,497	2,116	1,673	6,777	6,215	1,698	4,739	2,101	392,368	0.005
	6	2,194,388	772,672	229,351	400,064	40,675	70,609	37,129	55,387	19,968	76,386	7,612	6,453,485	0.001
	7	529,552	186,462	76,234	136,749	8,139	18,840	5,447	10,643	5,797	17,291	3,332	1,864,329	0.002
	8	339,161	119,423	26,269	66,956	3,653	5,894	6,845	12,073	3,975	15,281	4,438	880,216	0.005
	9	796,872	280,589	77,418	129,581	12,888	18,785	14,329	22,609	7,171	23,163	4,498	2,217,176	0.002
	10	198,757	69,985	16,097	32,946	3,913	5,613	6,829	10,246	1,865	5,664	2,666	538,091	0.005
	11	886,586	312,178	45,613	66,416	28,697	25,237	20,346	15,599	4,305	12,034	5,823	1,513,125	0.004
	12	127,971	45,060	11,681	20,853	3,294	4,155	4,668	5,886	1,097	3,591	4,235	430,709	0.010
	13	409,531	144,201	29,537	45,218	7,194	8,090	3,342	7,444	3,117	10,306	1,013	833,592	0.001
		Subtotal	8,417,918	2,964,056	827,462	1,446,500	157,010	243,613	147,158	223,875	73,212	264,273	53,171	23,450,855
Non-MSA Counties and Counties with Only Rural Places	1	127,694	44,963	6,256	9,559	2,822	2,704	8,256	11,868	1,405	3,114	36,633	317,381	0.115
	2	99,330	34,975	6,897	8,192	1,372	1,145	10,752	11,627	2,037	2,942	24,831	262,672	0.095
	3	95,934	33,780	8,357	11,850	1,908	1,580	3,837	5,952	2,363	2,418	5,417	252,265	0.021
	4	259,746	91,460	21,019	23,420	4,661	3,666	12,378	16,395	3,710	5,558	12,756	651,131	0.020
	5	158,920	55,958	9,914	16,542	2,521	2,019	10,442	11,517	2,627	3,406	9,910	379,907	0.026
	6	71,324	25,114	4,802	8,979	1,526	953	4,299	3,783	972	1,675	4,577	197,921	0.023
	7	66,691	23,483	8,441	6,278	1,423	942	3,529	4,976	1,351	1,384	5,105	195,075	0.026
	8	105,582	37,177	8,450	9,064	2,306	1,259	8,119	9,309	2,168	2,144	12,672	282,933	0.045
	9	75,885	26,720	7,251	6,744	2,298	1,634	4,324	4,946	1,504	1,363	6,857	224,932	0.030
	10	96,505	33,981	4,850	9,534	2,783	2,283	7,552	7,455	856	1,929	14,905	249,946	0.060
	11	152,795	53,801	5,883	8,194	4,600	3,207	7,232	6,387	846	2,609	18,214	276,474	0.066
	12	62,243	21,917	2,999	4,990	1,369	1,077	5,517	6,327	943	998	35,496	190,650	0.186
	13	11,953	4,209	524	1,018	284	170	1,070	1,359	295	431	20,687	24,293	0.852
		Subtotal	1,384,602	487,536	95,643	124,364	29,873	22,639	87,307	101,901	21,077	29,971	208,060	3,505,580
	Total	9,802,520	3,451,592	923,105	1,570,864	186,883	266,252	234,465	325,776	94,289	294,244	261,232	26,956,435	1.621

Texas Average HH Size: 2.84

Texas Department of Housing and Community Affairs
Example 2019 SHTF Regional Allocation Formula

Table 2 - Weights

	Region	Total Need Variables	% of Total Need Variables	Weighted	Total Availability Variables	% of Total Availability Variables	Weighted	Regional Coverage Factor	% of Total Regional Coverage Factor	Weighted	Final Subregion Allocation	% of Total Award
MSA Counties with Urban Places	1	143,006	2.1%	\$ 61,650	9,427	2.4%	\$ (14,558)	0.005	0.3%	\$ 1,844	\$ 48,936	1.63%
	2	74,912	1.1%	\$ 32,295	6,051	1.6%	\$ (9,344)	0.009	0.5%	\$ 3,185	\$ 26,135	0.87%
	3	1,719,148	24.7%	\$ 741,125	96,183	24.8%	\$ (148,533)	0.001	0.1%	\$ 507	\$ 593,099	19.77%
	4	128,824	1.9%	\$ 55,536	8,376	2.2%	\$ (12,935)	0.006	0.3%	\$ 2,067	\$ 44,669	1.49%
	5	97,733	1.4%	\$ 42,133	6,437	1.7%	\$ (9,940)	0.005	0.3%	\$ 1,982	\$ 34,174	1.14%
	6	1,605,887	23.1%	\$ 692,298	96,354	24.8%	\$ (148,797)	0.001	0.1%	\$ 437	\$ 543,938	18.13%
	7	442,514	6.4%	\$ 190,768	23,088	5.9%	\$ (35,654)	0.002	0.1%	\$ 662	\$ 155,775	5.19%
	8	241,113	3.5%	\$ 103,944	19,256	5.0%	\$ (29,736)	0.005	0.3%	\$ 1,867	\$ 76,074	2.54%
	9	556,199	8.0%	\$ 239,777	30,334	7.8%	\$ (46,844)	0.002	0.1%	\$ 751	\$ 193,685	6.46%
	10	145,629	2.1%	\$ 62,781	7,529	1.9%	\$ (11,627)	0.005	0.3%	\$ 1,834	\$ 52,988	1.77%
	11	514,086	7.4%	\$ 221,623	16,339	4.2%	\$ (25,232)	0.004	0.2%	\$ 1,425	\$ 197,816	6.59%
	12	95,597	1.4%	\$ 41,212	4,688	1.2%	\$ (7,240)	0.010	0.6%	\$ 3,640	\$ 37,612	1.25%
	13	245,026	3.5%	\$ 105,631	13,423	3.5%	\$ (20,729)	0.001	0.1%	\$ 450	\$ 85,352	2.85%
	Subtotal	6,009,674	86.4%	\$ 2,590,772	337,485	86.9%	\$ (521,168)	0.056	3.4%	\$ 20,650	\$ 2,090,254	69.68%
Non-MSA Counties and Counties with Only Rural Places	1	86,428	1.2%	\$ 37,259	4,519	1.2%	\$ (6,979)	0.115	7.1%	\$ 42,730	\$ 73,010	2.43%
	2	74,960	1.1%	\$ 32,315	4,979	1.3%	\$ (7,689)	0.095	5.8%	\$ 34,996	\$ 59,623	1.99%
	3	67,264	1.0%	\$ 28,997	4,781	1.2%	\$ (7,383)	0.021	1.3%	\$ 7,950	\$ 29,564	0.99%
	4	172,999	2.5%	\$ 74,580	9,268	2.4%	\$ (14,312)	0.020	1.2%	\$ 7,253	\$ 67,520	2.25%
	5	108,913	1.6%	\$ 46,952	6,033	1.6%	\$ (9,317)	0.026	1.6%	\$ 9,657	\$ 47,292	1.58%
	6	49,456	0.7%	\$ 21,321	2,647	0.7%	\$ (4,088)	0.023	1.4%	\$ 8,562	\$ 25,795	0.86%
	7	49,072	0.7%	\$ 21,155	2,735	0.7%	\$ (4,224)	0.026	1.6%	\$ 9,688	\$ 26,619	0.89%
	8	75,684	1.1%	\$ 32,627	4,312	1.1%	\$ (6,659)	0.045	2.8%	\$ 16,581	\$ 42,549	1.42%
	9	53,917	0.8%	\$ 23,244	2,867	0.7%	\$ (4,427)	0.030	1.9%	\$ 11,285	\$ 30,102	1.00%
	10	68,438	1.0%	\$ 29,503	2,785	0.7%	\$ (4,301)	0.060	3.7%	\$ 22,076	\$ 47,279	1.58%
	11	89,304	1.3%	\$ 38,499	3,455	0.9%	\$ (5,335)	0.066	4.1%	\$ 24,389	\$ 57,553	1.92%
	12	44,196	0.6%	\$ 19,053	1,941	0.5%	\$ (2,997)	0.186	11.5%	\$ 68,926	\$ 84,982	2.83%
	13	8,634	0.1%	\$ 3,722	726	0.2%	\$ (1,121)	0.852	52.5%	\$ 315,258	\$ 317,858	10.60%
	Subtotal	949,263	13.6%	\$ 409,228	51,048	13.1%	\$ (78,832)	1.565	96.6%	\$ 579,350	\$ 909,746	30.32%
	Total	6,958,937	100%	\$ 3,000,000	388,533	100%	\$ (600,000)	1.621	200.0%	\$ 600,000	\$ 3,000,000	100.00%

Total Sample Allocation: \$3,000,000

Weight of Need Variables: 100%

Weight of Availability Variables: -20%

Weight of Regional Coverage Factor: 20%

Texas Department of Housing and Community Affairs
Example 2019 HOME SF Regional Allocation Formula

Table 1 - Raw Data

	Region	Individuals at or Below 200% Poverty	HH at or Below 200% Poverty	Cost-Burdened Owners	Cost-Burdened Renters	Over-crowded Owners	Over-crowded Renters	Total Units Lacking Plumbing	Total Units Lacking Kitchen	Vacant Units For Sale	Vacant Units For Rent	Land Area	Total Population	Inverse Population Density
MSA Counties with Urban Places	1	29,020	10,218	2,757	3,233	401	532	1,134	1,601	324	680	2,494	103,091	0.024
	2	17,689	6,229	1,976	1,685	229	142	1,710	1,827	435	497	2,293	59,701	0.038
	3	479,987	169,010	86,106	78,902	8,956	10,129	9,472	18,301	5,830	10,998	7,665	2,062,220	0.004
	4	108,717	38,281	9,975	12,345	1,876	1,519	5,272	5,928	1,554	2,191	2,557	295,211	0.009
	5	60,739	21,387	6,453	6,791	1,104	736	3,235	3,155	963	1,648	1,941	219,726	0.009
	6	125,832	44,307	14,219	17,391	2,772	2,030	3,923	4,435	2,066	3,560	2,606	428,761	0.006
	7	230,395	81,125	44,118	44,096	4,693	5,188	2,636	5,327	3,925	5,670	3,034	956,550	0.003
	8	133,986	47,178	12,668	19,109	1,799	2,269	3,955	7,086	2,002	5,180	4,202	425,576	0.010
	9	90,925	32,016	13,884	11,644	1,957	1,830	2,697	3,459	1,064	2,399	3,258	358,410	0.009
	10	81,508	28,700	6,351	10,272	1,656	2,335	3,816	5,321	734	2,380	2,508	218,041	0.012
	11	113,095	39,822	4,715	5,330	3,819	3,034	4,085	2,762	632	2,862	3,991	185,376	0.022
	12	56,925	20,044	6,222	8,332	1,859	2,528	2,384	2,964	539	1,189	4,136	217,757	0.019
	13	92,350	32,518	5,544	4,567	2,739	1,415	1,074	1,856	492	580	757	155,534	0.005
		Subtotal	1,621,168	570,834	214,988	223,697	33,860	33,687	45,393	64,022	20,560	39,834	41,442	5,685,954
Non-MSA Counties and Counties with Only Rural Places	1	127,694	44,963	6,256	9,559	2,822	2,704	8,256	11,868	1,405	3,114	36,633	317,381	0.115
	2	99,330	34,975	6,897	8,192	1,372	1,145	10,752	11,627	2,037	2,942	24,831	262,672	0.095
	3	95,934	33,780	8,357	11,850	1,908	1,580	3,837	5,952	2,363	2,418	5,417	252,265	0.021
	4	259,236	91,280	20,963	23,340	4,661	3,666	12,353	16,370	3,710	5,532	12,753	648,596	0.020
	5	158,920	55,958	9,914	16,542	2,521	2,019	10,442	11,517	2,627	3,406	9,910	379,907	0.026
	6	71,324	25,114	4,802	8,979	1,526	953	4,299	3,783	972	1,675	4,577	197,921	0.023
	7	66,691	23,483	8,441	6,278	1,423	942	3,529	4,976	1,351	1,384	5,105	195,075	0.026
	8	105,582	37,177	8,450	9,064	2,306	1,259	8,119	9,309	2,168	2,144	12,672	282,933	0.045
	9	75,885	26,720	7,251	6,744	2,298	1,634	4,324	4,946	1,504	1,363	6,857	224,932	0.030
	10	96,505	33,981	4,850	9,534	2,783	2,283	7,552	7,455	856	1,929	14,903	249,946	0.060
	11	152,795	53,801	5,883	8,194	4,600	3,207	7,232	6,387	846	2,609	18,214	276,474	0.066
	12	62,243	21,917	2,999	4,990	1,369	1,077	5,517	6,327	943	998	35,496	190,650	0.186
	13	11,953	4,209	524	1,018	284	170	1,070	1,359	295	431	20,687	24,293	0.852
		Subtotal	1,384,092	487,356	95,587	124,284	29,873	22,639	87,282	101,876	21,077	29,945	208,054	3,503,045
	Total	3,005,260	1,058,190	310,575	347,981	63,733	56,326	132,675	165,898	41,637	69,779	249,496	9,188,999	1.734

Variables from Participating Jurisdictions (PJs) are not counted for HOME Program RAFs.

Texas Average HH Size: 2.84

Texas Department of Housing and Community Affairs
 Example 2019 HOME SF Regional Allocation Formula

Table 2 - Weights

	Region	Total Need Variables	% of Total Need Variables	Weighted	Total Availability Variables	% of Total Availability Variables	Weighted	Regional Coverage Factor	% of Total Regional Coverage Factor	Weighted	Initial Subregion Allocation	% of Total Award
MSA Counties with Urban Places	1	19,876	0.9%	\$ 139,621	1,004	0.9%	\$ (27,034)	0.024	1.4%	\$ 41,851	\$ 154,438	1.03%
	2	13,798	0.6%	\$ 96,921	932	0.8%	\$ (25,095)	0.038	2.2%	\$ 66,451	\$ 138,277	0.92%
	3	380,876	17.8%	\$ 2,675,466	16,828	15.1%	\$ (453,113)	0.004	0.2%	\$ 6,431	\$ 2,228,785	14.86%
	4	75,196	3.5%	\$ 528,213	3,745	3.4%	\$ (100,838)	0.009	0.5%	\$ 14,984	\$ 442,358	2.95%
	5	42,861	2.0%	\$ 301,078	2,611	2.3%	\$ (70,304)	0.009	0.5%	\$ 15,283	\$ 246,056	1.64%
	6	89,077	4.2%	\$ 625,723	5,626	5.0%	\$ (151,486)	0.006	0.4%	\$ 10,516	\$ 484,753	3.23%
	7	187,183	8.8%	\$ 1,314,870	9,595	8.6%	\$ (258,356)	0.003	0.2%	\$ 5,488	\$ 1,062,002	7.08%
	8	94,064	4.4%	\$ 660,755	7,182	6.4%	\$ (193,383)	0.010	0.6%	\$ 17,084	\$ 484,456	3.23%
	9	67,487	3.2%	\$ 474,062	3,463	3.1%	\$ (93,245)	0.009	0.5%	\$ 15,729	\$ 396,546	2.64%
	10	58,451	2.7%	\$ 410,590	3,114	2.8%	\$ (83,848)	0.012	0.7%	\$ 19,901	\$ 346,643	2.31%
	11	63,567	3.0%	\$ 446,529	3,494	3.1%	\$ (94,080)	0.022	1.2%	\$ 37,253	\$ 389,702	2.60%
	12	44,333	2.1%	\$ 311,418	1,728	1.6%	\$ (46,528)	0.019	1.1%	\$ 32,863	\$ 297,753	1.99%
	13	49,713	2.3%	\$ 349,207	1,072	1.0%	\$ (28,865)	0.005	0.3%	\$ 8,426	\$ 328,768	2.19%
	Subtotal	1,186,481	55.6%	\$ 8,334,455	60,394	54.2%	\$ (1,626,176)	0.169	9.7%	\$ 292,258	\$ 7,000,537	46.67%
Non-MSA Counties and Counties with Only Rural Places	1	86,428	4.0%	\$ 607,113	4,519	4.1%	\$ (121,679)	0.115	6.7%	\$ 199,701	\$ 685,135	4.57%
	2	74,960	3.5%	\$ 526,560	4,979	4.5%	\$ (134,065)	0.095	5.5%	\$ 163,557	\$ 556,052	3.71%
	3	67,264	3.1%	\$ 472,494	4,781	4.3%	\$ (128,734)	0.021	1.2%	\$ 37,154	\$ 380,915	2.54%
	4	172,633	8.1%	\$ 1,212,665	9,242	8.3%	\$ (248,851)	0.020	1.1%	\$ 34,019	\$ 997,833	6.65%
	5	108,913	5.1%	\$ 765,059	6,033	5.4%	\$ (162,445)	0.026	1.5%	\$ 45,132	\$ 647,746	4.32%
	6	49,456	2.3%	\$ 347,405	2,647	2.4%	\$ (71,273)	0.023	1.3%	\$ 40,014	\$ 316,146	2.11%
	7	49,072	2.3%	\$ 344,705	2,735	2.5%	\$ (73,643)	0.026	1.5%	\$ 45,275	\$ 316,338	2.11%
	8	75,684	3.5%	\$ 531,642	4,312	3.9%	\$ (116,105)	0.045	2.6%	\$ 77,492	\$ 493,028	3.29%
	9	53,917	2.5%	\$ 378,741	2,867	2.6%	\$ (77,197)	0.030	1.8%	\$ 52,743	\$ 354,287	2.36%
	10	68,438	3.2%	\$ 480,741	2,785	2.5%	\$ (74,989)	0.060	3.4%	\$ 103,159	\$ 508,911	3.39%
	11	89,304	4.2%	\$ 627,318	3,455	3.1%	\$ (93,030)	0.066	3.8%	\$ 113,986	\$ 648,274	4.32%
	12	44,196	2.1%	\$ 310,452	1,941	1.7%	\$ (52,264)	0.186	10.7%	\$ 322,132	\$ 580,321	3.87%
	13	8,634	0.4%	\$ 60,648	726	0.7%	\$ (19,548)	0.852	49.1%	\$ 1,473,379	\$ 1,514,479	10.10%
	Subtotal	948,897	44.4%	\$ 6,665,545	51,022	45.8%	\$ (1,373,824)	1.565	90.3%	\$ 2,707,742	\$ 7,999,463	53.33%
	Total	2,135,378	100%	\$ 15,000,000	111,416	100%	\$ (3,000,000)	1.734	200.0%	\$ 3,000,000	\$ 15,000,000	100.00%

Variables from Participating Jurisdictions (PJs) are not counted for HOME Program RAFs.

Total Sample Allocation: \$15,000,000
 Weight of Need Variables: 100%
 Weight of Availability Variables: -20%
 Weight of Regional Coverage Factor: 20%

Texas Department of Housing and Community Affairs
Example 2019 HOME SF Regional Allocation Formula

Table 3 - Supplemental Allocation

	Region	Initial Subregion Amount	Supplemental Amount Needed to Reach Subregion Floor	Final Subregion Allocation	% of Total Award
MSA Counties with Urban Places	1	\$ 154,438.31	\$ -	\$ 154,438.31	1.03%
	2	\$ 138,277.23	\$ -	\$ 138,277.23	0.92%
	3	\$ 2,228,784.52	\$ -	\$ 2,228,784.52	14.86%
	4	\$ 442,358.40	\$ -	\$ 442,358.40	2.95%
	5	\$ 246,056.14	\$ -	\$ 246,056.14	1.64%
	6	\$ 484,753.37	\$ -	\$ 484,753.37	3.23%
	7	\$ 1,062,001.62	\$ -	\$ 1,062,001.62	7.08%
	8	\$ 484,455.53	\$ -	\$ 484,455.53	3.23%
	9	\$ 396,546.15	\$ -	\$ 396,546.15	2.64%
	10	\$ 346,642.64	\$ -	\$ 346,642.64	2.31%
	11	\$ 389,701.72	\$ -	\$ 389,701.72	2.60%
	12	\$ 297,752.80	\$ -	\$ 297,752.80	1.99%
	13	\$ 328,768.31	\$ -	\$ 328,768.31	2.19%
	Subtotal	\$ 7,000,536.73	\$ -	\$ 7,000,536.73	46.67%
Non-MSA Counties and Counties with Only Rural Places	1	\$ 685,134.52	\$ -	\$ 685,134.52	4.57%
	2	\$ 556,051.94	\$ -	\$ 556,051.94	3.71%
	3	\$ 380,914.65	\$ -	\$ 380,914.65	2.54%
	4	\$ 997,833.03	\$ -	\$ 997,833.03	6.65%
	5	\$ 647,745.72	\$ -	\$ 647,745.72	4.32%
	6	\$ 316,146.08	\$ -	\$ 316,146.08	2.11%
	7	\$ 316,337.73	\$ -	\$ 316,337.73	2.11%
	8	\$ 493,028.35	\$ -	\$ 493,028.35	3.29%
	9	\$ 354,287.03	\$ -	\$ 354,287.03	2.36%
	10	\$ 508,910.80	\$ -	\$ 508,910.80	3.39%
	11	\$ 648,273.83	\$ -	\$ 648,273.83	4.32%
	12	\$ 580,321.07	\$ -	\$ 580,321.07	3.87%
	13	\$ 1,514,478.52	\$ -	\$ 1,514,478.52	10.10%
	Subtotal	\$ 7,999,463.27	\$ -	\$ 7,999,463.27	53.33%
Total	\$ 15,000,000.00	\$ -	\$ 15,000,000.00	100.00%	

Variables from Participating Jurisdictions (PJs) are not counted for HOME Program RAFs.

Subregion Allocation Floor: \$100,000.00

ACTION ITEMS

2a

BOARD REPORT ITEM
AUDIT AND FINANCE COMMITTEE
JULY 12, 2018

Report on the meeting of the Audit and Finance Committee and action on recommendations of that committee:

- i. Approval of the items for inclusion in the Legislative Appropriations Request for fiscal years 2020-21

AUDIT AND FINANCE COMMITTEE ACTION ITEM

EXTERNAL AFFAIRS

JULY 12, 2018

Presentation, discussion, and possible action regarding items for inclusion in Legislative Appropriations Request (“LAR”) for fiscal years 2020-21

RECOMMENDED ACTION

WHEREAS, the Texas Department of Housing and Community Affairs (“TDHCA” or “the Department” or “the agency”) must submit to the Office of the Governor (“OOG”) and the Legislative Budget Board (“LBB”) an LAR identifying its funding needs for the 2020-21 biennium;

WHEREAS, on June 25, 2018, the OOG and the LBB jointly released instructions for the 2020-21 LAR and issued a policy letter calling on state agencies to include within their 2020-21 LAR a supplemental schedule detailing options for a 10% reduction in each agency’s baseline General Revenue in 2.5% increments;

WHEREAS, Financial Administration has developed and the Board has approved an Operating Budget for State Fiscal Year 2019 that will serve as the basis of the 2020-21 LAR;

WHEREAS, on May 24, 2018, the Board approved changes in TDHCA budget riders and a capital budget to include in the 2020-21 LAR; and

WHEREAS Executive Staff has reviewed anticipated needs and resources and made appropriate recommendations;

NOW, therefore, it is hereby

RESOLVED, that the policy elements for inclusion in the Department’s LAR for fiscal years 2020-21, as presented to this meeting, are hereby approved; and

FURTHER RESOLVED, staff is authorized to submit the LAR for 2020-21 with policy elements as presented and approved in this meeting to the OOG and the LBB no later than August 3, 2018, the date provided in the instructions posted on the LBB website on June 25, 2018, and in connection therewith to make any changes necessitated by additional direction or guidance from the OOG or the LBB to report such changes to the Board.

BACKGROUND

During the Board meeting of May 24, 2018, staff provided background on the LAR process and timeline and requested Board approval of TDHCA budget rider changes and the 2020-21 Capital

Budget for inclusion in the 2020-21 LAR. On June 25, 2018, the OOG and LBB released a policy letter to state agencies along with the LAR instructions. The policy letter directed agencies to include within their 2020-21 LAR a supplemental schedule detailing options for a 10% reduction in each agency's baseline General Revenue using 2.5% reduction increments. The submission date for TDHCA as found in the instructions is August 3, 2018. TDHCA is seeking approval of the 10% reduction options schedule and the administrative statement that serves as an introduction to the LAR and which explains the Department's approach in developing the schedule.

Policy Elements for Board Approval During Meeting of July 12, 2018

Administrator's Statement

The Administrator's Statement serves as an introduction to the agency for policymakers. It provides an overview of the Department's programs and services, identifies significant externalities and challenges affecting the Department, and provides additional explanation of changes or requests contained in the LAR. As required in the LAR instructions, the Administrator's Statement explains the Department's approach to the 10% reduction options schedule and addresses specific considerations such as the Department's participation in the Centralized Accounting and Payroll/Personnel System ("CAPPS").

Ten Percent Reduction Options Schedule

The basis for an agency's General Revenue reduction is the amount of General Revenue that the agency would receive if its funding for the coming biennium were level with actual funding utilized during the previous biennium; this is determined through the OOG and LBB's Base Reconciliation process. TDHCA submitted its Base Reconciliation on May 19, 2018, to the OOG and the LBB for approval. The Department's base General Revenue is \$24.4 million over the biennium. The majority of this funding is associated with the Housing Trust Fund (\$10.4 million) and the Homeless Housing and Services Program (\$9.9 million). The next largest source of General Revenue is Earned Federal Funds (\$3.7 million), which are those federal funds that can be applied to indirect administrative services in support of federal activities. These are regarded as state General Revenue under the General Appropriations Act. The remaining funds include support for the Housing and Health Services Coordination Council (approximately \$168,600 over the biennium), appropriation authority for fees collected in association with licensing and inspection of migrant labor housing facilities (up to \$20,500), and appropriation authority for Texas Online fees (an estimated \$38,240).

The TDHCA 10% reduction target for the biennium will be \$2.4 million; this will be presented as four separate increments of \$608,850 each. In developing the recommended schedule, staff sought to reduce impact on families and individuals benefitting from TDHCA programs while ensuring that statutorily required activities as well as activities critical to the agency's effectively carrying out its mission are preserved. Areas excluded from reductions in order to maintain sufficient funds for continuity of services included the Housing and Health Services Coordination Council funding (which had been reduced in the previous session and now provides only sufficient

funding for staff support and Council travel), migrant labor housing facility licensing and inspection fees, and Earned Federal Funds applied to Information Resource Technology and Operating Support. It was also estimated that Earned Federal Funds applied to Central Administration could be reduced and still provide sufficient support for federal funds. Other considerations included a statutory requirement to provide at least \$3 million per year for the Texas Bootstrap Program, which effectively precludes the program from reductions, and the recognition that the Texas Bootstrap Program and the Homeless Housing and Services Program (“HHSP”) are both statutorily authorized and therefore recognized by staff as a higher priority than activities permitted but not required by statute.

In light of these considerations, staff recommends making a \$98,878 reduction to Central Administration costs funded through Earned Federal Funds before making any program funding reductions. This would reduce funds budgeted for professional fees, travel, and other administrative costs. TDHCA believes that the remaining Earned Federal Funds would be adequate to provide indirect administrative support to TDHCA’s federal funds. As this figure does not allow the agency to achieve the full \$608,850 needed to meet the first 2.5% percent reduction increment, staff recommends splitting the remaining needed reduction between the Amy Young Barrier Removal Program (“AYBR”), which is funded through the Housing Trust Fund (“HTF”), and HHSP on a pro-rata basis, i.e., the reduction for each program will be based on the proportion each program reflects of their combined total funding. This results in a 28% of the reduction being taken from AYBR and a 72% of the reduction being taken from HHSP. Because AYBR is an HTF activity rather than a statutory program, the first reduction would be taken from AYBR. It is estimated that that resulting \$142,792 reduction in AYBR would result in approximately six fewer households receiving barrier removal assistance while the \$367,180 reduction in HHSP would result in approximately 471 persons not receiving homelessness or homelessness prevention services. Staff recommends that the remaining three 2.5% increments be taken from AYBR and HHSP on the same pro-rata basis. It is estimated that the \$170,478 reduction to AYBR would result in seven fewer households served through that program and the \$438,372 reduction from HHSP would result in 562 fewer persons receiving homelessness or homelessness prevention assistance for each additional 2.5% increment. (Note: For the fourth increment, HHSP would be reduced by a slightly lower figure, \$438,370, in order to achieve the Department’s specific GR target of \$2,435,397.) The program impact of the full 10% reduction would be 27 fewer households served through AYBR and 2,157 fewer persons served through HHSP. As requested in the Instructions, each reduction is listed by priority in the reduction schedule resulting in nine total items. Each of these reductions is spread evenly between each year of the biennium. (See attached “Recommended 10 Percent Biennial Base Reduction Options Schedule.”)

Key Milestones in 2020-21 LAR Development, Budget Process

TDHCA Budget Structure and Performance Measure Change Request	<i>Submitted to OOG and LBB on March 29, 2018</i>
TDHCA Base Reconciliation (Determines amount of General Revenue that would constitute level funding from current biennium)	<i>Submitted to OOG and LBB on May 17, 2018</i>
Board approval of Strategic Plan	<i>May 24, 2018</i>
Board approval of TDHCA Budget Rider Changes and Capital Budget for inclusion in 2020-21 LAR	<i>May 24, 2018</i>

TDHCA Customer Service Report	<i>Submitted to OOG and LBB on June 1, 2018</i>
Strategic Plan	<i>Submitted to OOG and LBB on June 8, 2018</i>
Release of SFY 2018-19 LAR Instructions and issuance of Policy Letter	<i>June 25, 2018</i>
Board approval of 2019 Operating Budget (Serves as basis for 2020-21 budget reflected in LAR)	<i>June 28, 2018</i>
Submission Date for TDHCA Fiscal Years (“FY”) 2020-21 LAR and Biennial Operating Plan (“BOP”)	<i>August 3, 2019</i>
OOG and LBB hearings on TDHCA budget	<i>August or September</i>

Attachments:

- OOG and LBB Policy Letter
- Proposed Administrator’s Statement
- Proposed 10% Biennial Base Reduction Options Schedule



Legislative Budget Board
Robert E. Johnson Bldg.
1501 N. Congress Avenue, 5th Floor
Austin, TX 78701
(512) 463-1200

**Governor's Office of
Budget and Policy**
1100 San Jacinto, 4th Floor
Austin, TX 78701
(512) 463-1778

MEMORANDUM

June 22, 2018

TO: State Agency Board/Commission Chairs
State Agency Heads/Executive Directors
Appellate Court Justices and Judges
Chancellors, Presidents, and Directors of Institutions and Agencies of Higher Education

An initial step in developing the 2020-21 biennial budget for the State of Texas is submission of agency and institution Legislative Appropriations Requests. Detailed instructions for the submission are posted on the websites of the Legislative Budget Board and the Office of the Governor, including a staggered schedule of submission dates.

It is imperative that every state agency engage in a thorough review of each program and budget strategy and determine the value of each dollar spent. As a starting point for budget deliberations, an agency's baseline request for General Revenue Funds and General Revenue-Dedicated Funds may not exceed the sum of amounts expended in fiscal year 2018 and budgeted in fiscal year 2019. While the state's economic landscape is positive and a balance is projected to accrue in the treasury, agencies are directed to be vigilant in their spending and continue to be responsible stewards of state resources. Agencies must also submit a supplemental schedule detailing how they would reduce the baseline request by an additional 10 percent (in 2.5 percent increments) in General Revenue and General Revenue Dedicated Funds.

Exceptions to the baseline request limitation include amounts necessary to:

- maintain funding for Foundation School Program under current law;
- maintain public safety resources in the border region to help secure Texas;
- satisfy debt service requirements for bond authorizations;
- maintain funding at fiscal year 2019 budgeted levels plus amounts necessary to cover the impact of payroll growth for state pension systems and employee group benefits (not including payroll contributions made by state agencies and institutions of higher education)

June 22, 2018

Page 2

for retirement and group health insurance), though group benefit modifications may be considered;

- maintain funding for Child Protective Services;
- maintain funding for behavioral health services programs; and
- maintain current benefits and eligibility in Medicaid programs, the Children's Health Insurance Program, the foster care programs, the adoption subsidies programs and the permanency care assistance program. Baseline requests for these programs should include amounts sufficient for projected caseload growth.

Specific questions with respect to the treatment of the above items should be directed via email to both your Governor's Office and LBB analyst.

Essential funding requests that exceed the baseline spending level may not be included in the baseline request, but these additional funding requests may be submitted as Exceptional Items. Agencies that request Exceptional Items should be prepared to identify lower-priority programs or other cost savings to help offset the increased costs associated with their requests.

Each LAR is required to include information providing the budget request by program, as outlined in the instructions, and agencies shall continue to provide information for the State Budget by Program application. Additionally, at the direction of either the Legislative Budget Board or the Governor's Office, you are required to submit additional agency detail as that office deems necessary to conduct its analysis, including any requested zero-based budget information.

Thank you for your service to the state of Texas, and we look forward to working with you in preparation for the 86th Legislative Session.

Sincerely,



Ursula Parks
Director
Legislative Budget Board



Sarah Hicks
Budget Director
Governor's Office, Budget and Policy Division

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Administrator's Statement

The Texas Department of Housing and Community Affairs ("TDHCA") administers funding or other assistance for affordable housing development, homeownership opportunities, rental assistance, weatherization, and community-based services with the help of for-profits, nonprofits, and local governments. This Legislative Appropriations Request ("LAR") involves no significant change in the way TDHCA carries out its assigned duties. TDHCA has instituted a rigorous review process for use in rule development to ensure that its rules comply fully with applicable state and federal statutes and federal regulations but that they do not exceed those requirements. TDHCA is also undergoing a focused process to make its rules and programs more readily accessible and less burdensome to the private sector. The scope of TDHCA's services and those they serve have not materially changed over the course of the 2018-2019 biennium, but demand for those services generally exceeds available resources. In order to maximize the impact of its resources, therefore, TDHCA has developed strong public-private partnerships to leverage private sector expertise and funding. When pursuit of such partnerships implicates procurement requirements, TDHCA uses a meticulous "no exceptions" approach to procurement. TDHCA is currently undergoing efforts to harden its information security and to enhance key systems to provide for detailed and current benefit tracking at the client level as well as the subrecipient level. Recent federal legislation has expanded the resources TDHCA has to allocate under the low income housing tax credit program. TDHCA also has in its 2018 qualified application plan incentives for developments that are "ready to proceed" in the coastal areas impacted by Hurricane Harvey.

TDHCA Programs and Services

TDHCA administers a variety of housing assistance programs to serve Texans with incomes ranging from extremely low to moderate, community based programs serving primarily Texans with extremely low to low incomes, and the licensing, inspection, and enforcement activity relating to migrant labor housing. TDHCA currently relies on its Manufactured Housing Division to provide for the required inspections and issuance of licenses under that program, but TDHCA is working to broaden the reach of that program and enhance efforts to protect migrant farmworkers' living conditions. It is also working closely with the Texas Workforce Commission to coordinate these efforts with the Workforce Commission's administration of the federal H2-A visa program, under which it inspects living quarters for farmworkers coming to Texas under federal visas. The majority of programs the Department administers are federal, but it administers two activities funded with appropriated General Revenue: a housing trust fund that supports self-help housing and making homes accessible for persons with disabilities and a homeless housing and services program which addresses issues of homelessness in large Texas cities. The primary bodies of state law governing the Department's housing and community services activities are Texas Government Code, Chapters 2306, 2105, and 1372.

The provision of housing related assistance is carried out through a variety of financing mechanisms, including the issuance of federal tax credits which are, through a process commonly referred to as syndication, converted to cash to be used in developing affordable housing; issuance of tax exempt private activity bonds; awards of funds through loans or grants; origination and sale of single family home loans; and the provision of rental assistance or vouchers. TDHCA assistance in the financing of multifamily development is typically leveraged with private sector financing, and the equity provided by tax credits promotes creation of prudent lending opportunities for Texas financial institutions. New home ownership has historically been financed chiefly through issuance of tax exempt bonds, but in recent years the Department has diversified its strategy to utilize bonds, packaging and sale of mortgage backed securities, and the issuance of mortgage credit certificates. In close coordination with the Texas Comptroller of Public Accounts, the Department continues to work aggressively to reduce variable rate debt and its attendant need for liquidity support, currently provided by the Comptroller. Other entities created or authorized by state law provide localized and statewide first time homebuyer mortgage loan products as well.

The provision of community based assistance is accomplished through distribution of funds, chiefly via formula, to a statewide network of entities that administer the Community Services Block Grant ("CSBG"), the Low Income Home Energy Assistance Program ("LIHEAP"), the Department of Energy Weatherization Assistance Program ("DOE WAP"), and, through competitive awards, the Emergency Solutions Grant ("ESG"). LIHEAP is used for two primary activities, providing utility bill assistance and providing weatherization. CSBG recipients typically leverage their CSBG funds to help access other funding sources and provide a range of services; this leveraging commonly includes such programs as Head Start, school lunch programs, medical service programs, and transportation programs. Many CSBG providers provide LIHEAP and DOE WAP. The General Revenue-funded Homeless Housing and Services Program is provided, again by formula, to the eight largest cities in

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Administrator's Statement

Texas to develop and run programs that they believe will be the most effective way for them to address local issues of homelessness. ESG is a federal program to prevent and address homelessness and is competitively awarded to local providers, often operating in groups of local partnerships and forming a part of the HUD-funded continuum of care.

Programmatic activities of the Department are monitored for compliance, including physical condition and regulatory compliance, by its Compliance Division. The scope of monitoring activity increases as new development occurs. For example the Department monitors more than 263,000 units of affordable housing and in recent years has added approximately 8,000 units each year. The complexity of the Compliance Division's duties has increased as well with the federal adoption of a comprehensive federal regulation on OMB requirements, the so-called Omniscircular, and expanded oversight requirements from different federal funding sources.

TDHCA staff may add language related to redirection of FTEs or Methods of Finance as warranted.

Increased Federal Funding, Federal Grant Management Protocols

Federal funding reflected in this LAR assumes that an almost 25 percent increase in federal funds which occurred between 2017 and 2018 as a result of the federal Consolidated Appropriations Act, 2018, will continue into the future biennium. The overall increase was approximately \$49 million, most of which derived from increases to the Low Income Home Energy Assistance Program funding (a \$38.2M increase) and the HOME Investment Partnerships ("HOME") Program (an \$11.7M increase). It should be noted that in previous years, HOME funding had decreased over 40 percent. In light of this, it is possible that federal funding levels will return to 2017 levels or otherwise decrease. The fluctuation in funds primarily affects pass-through funding TDHCA provides to local government and nonprofits as TDHCA administrative costs have not been greatly affected.

Current federal grant management protocols (20 CFR 200) restrict the amount of time by which funds must be spent by tying expenditures to specific federal appropriations years. These protocols continue to present the risk that small amounts of the Department's federal funds may not be timely used and may be subject to federal recapture. This is especially true for housing activities given the difficulty of precisely estimating costs and construction timelines, especially HOME funds reserved by federal law for Community Housing Development Organizations ("CHDOs"). TDHCA HOME funds by state statute serve primarily rural communities, where there are limited CHDOs with capacity to administer these funds. TDHCA has made adjustments to its programs to minimize such potential losses, including performance benchmarks that will allow for rapid recommitment and expenditure of unutilized funds.

Changes to Budget Structure, Rider Changes

TDHCA requested a change to its budget structure in order to make its appropriations more transparent. The previous Housing Trust Fund ("HTF") strategy has been replaced by the new Texas Bootstrap Program – HTF Strategy and the Amy Young Barrier Removal – HTF Strategy. The Texas Bootstrap Program and the Amy Young Barrier Removal Program, both funded through the HTF, have strong stakeholder support. However, as they were both reflected in the HTF Strategy, policy-makers and stakeholders alike were not able to determine funding for each program based on the Department's appropriations. The new strategies address this issue.

Consistent with the budget structure changes, the Department has requested changes to HTF Riders 8 and 9 to ensure that current flow of HTF project funds to the HTF accounts within the Texas Treasury Safekeeping Trust continue as this has allowed for efficient administration of the both the Bootstrap and the Amy Young programs. TDHCA is requesting additional changes to Rider 9 to harmonize this with House Bill 1512, 85th Texas Legislature, Regular Session. TDHCA is also requesting a change to Rider 15 related to migrant labor housing facilities. The requested change would allow TDHCA to utilize all related inspection and licensing fees collected for the administration of this activity. This would afford the Department greater flexibility as it works with stakeholders to provide efficient oversight for this activity.

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Administrator's Statement

Currently TDHCA can utilize no more than \$10,250 of these fees per year. Although current fees collections are of this order, it is possible that additional facilities requiring licensing will be identified, resulting in a need for increased inspection activity and related funding.

TDHCA General Revenue and Approach to Ten Percent Reduction Options Schedule

The basis for an agency's General Revenue ("GR") reduction is the amount of GR that the agency would receive if its funding for the coming biennium were level with actual funding utilized during the previous biennium; this is determined through the OOG and LBB's Base Reconciliation process. The Department's base GR is approximately \$24.4 million over the 2020-21 biennium. The majority of this funding is associated with the Housing Trust Fund (\$10.4 million) and the Homeless Housing and Services Program (\$9.9 million). The next largest source of GR is Earned Federal Funds (\$3.7 million), which are those federal funds that can be applied to indirect administrative services in support of federal activities. These are regarded as state GR under the General Appropriations Act. The remaining funds include support for the Housing and Health Services Coordination Council (approximately \$168,600 over the biennium), appropriation authority for fees collected in association with licensing and inspection of migrant labor housing facilities (up to \$20,500 over the biennium), and appropriation authority for Texas Online fees (an estimated \$38,240 over the biennium).

The TDHCA 10% reduction target for the biennium will be \$2.4 million; this will be presented as four separate increments of \$608,850 each. In developing the recommended schedule, staff sought to reduce impact on families and individuals benefitting from TDHCA programs while ensuring that statutorily required activities as well as activities critical to the agency's effectively carrying out its mission are preserved. Areas excluded from reductions in order to maintain sufficient funds for continuity of services included the Housing and Health Services Coordination Council funding, that had been reduced in the previous session and now provides only sufficient funding for staff support and Council travel, migrant labor housing facility licensing and inspection fees, and Earned Federal Funds applied to Information Resource Technology and Operating Support. It was also estimated that Earned Federal Funds applied to Central Administration could be reduced and still provide sufficient support for federal funds. Other considerations included a statutory requirement to provide at least \$3 million per year for the Texas Bootstrap Program, which effectively precludes the program from reductions, and the recognition that the Texas Bootstrap Program and the Homeless Housing and Services Program ("HHSP") are both statutorily authorized and therefore recognized by staff as a higher priority than activities permitted but not required by statute.

In light of these considerations, staff recommends making a \$98,878 reduction to Central Administration costs funded through Earned Federal Funds before making any program funding reductions. This would reduce funds budgeted for professional fees, travel, and other administrative costs. TDHCA believes that the remaining Earned Federal Funds would be adequate to provide indirect administrative support to TDHCA's federal funds. As this figure does not allow the agency to achieve the full \$608,850 needed to meet the first 2.5% percent reduction increment, staff recommends splitting the remaining needed reduction between the Amy Young Barrier Removal Program ("AYBR"), which is funded through the Housing Trust Fund ("HTF"), and HHSP on a pro-rata basis, i.e., the reduction for each program will be based on the proportion each program reflects of their combined total funding. This results in a 28% of the reduction being taken from AYBR and a 72% of the reduction being taken from HHSP. Because AYBR is an HTF activity rather than a statutory program, the first reduction would be taken from AYBR. It is estimated that that resulting \$142,792 reduction in AYBR would result in approximately six fewer households receiving barrier removal assistance while the \$367,180 reduction in HHSP would result in approximately 471 persons not receiving homelessness or homelessness prevention services. Staff recommends that the remaining three 2.5% increments be taken from AYBR and HHSP on the same pro-rata basis. It is estimated that the \$170,478 reduction to AYBR would result in seven fewer households served through that program and the \$438,372 reduction from HHSP would result in 562 fewer persons receiving homelessness or homelessness prevention assistance for each additional 2.5% increment. (Note: For the fourth increment, HHSP would be reduced by a slightly lower figure, \$438,370, in order to achieve the Department's specific GR target

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Administrator's Statement

of \$2,435,397.) The program impact of the full 10% reduction would be 27 fewer households served through AYBR and 2,157 fewer persons served through HHSP. As requested in the Instructions, each reduction is listed by priority in the reduction schedule resulting in nine total items. Each of these reductions is spread evenly between each year of the biennium.

TDHCA Participation in Centralized Accounting and Payroll/Personnel System (CAPPS)

In the FY 2016-2017 biennium, TDHCA worked with the Office of the Comptroller of Public Accounts ("CPA") to complete a transition to CAPPS Human Resources as a CAPPS Central agency. TDHCA and CPA are currently engaged in a project to implement the latest version of CAPPS Financials at TDHCA, under the CAPPS Hub model. This project is the PeopleSoft Financials Upgrade project in TDHCA's FY 2018-2019 capital budget and is scheduled to be completed in April 2019.

Language regarding TDHCA's background check authority will be placed here

Texas Department of Housing and Community Affairs Governing Board

J.B. Goodwin, Chair (Austin) Term expires January 31, 2021.

Leslie Bingham-Escareño, Vice Chair (Brownsville) Term expires January 31, 2019.

Paul Braden (Dallas) Term expires January 31, 23

Asusena Reséndiz (Petersburg) Term expires January 31, 2019

Sharon Thomason (Wofforth) Term expires January 31, 2021

Leo Vasquez, III (Houston) Term expires January 31, 2023

The Manufactured Housing Division Administrative Statement will be added here.

6.I. Percent Biennial Base Reduction Options

10 % REDUCTION

86th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

Date: 7/5/2018
Time: 10:06:37AM

Agency code: **332** Agency name: **Department of Housing and Community Affairs**

Item Priority and Name/ <u>Method of Financing</u>	REVENUE LOSS			REDUCTION AMOUNT			PROGRAM AMOUNT		TARGET
	2020	2021	Biennial Total	2020	2021	Biennial Total	2020	2021	Biennial Total

1 Central Admin

Category: Administrative - Operating Expenses

Item Comment: Indirect administrative expenses in support of federal programs would be reduced such as Professional Services, Travel, and Other Expenses.
(Reflects Earned Federal Funds)

Strategy: 6-1-1 Central Administration

General Revenue Funds

1 General Revenue Fund	\$0	\$0	\$0	\$49,439	\$49,439	\$98,878			
General Revenue Funds Total	\$0	\$0	\$0	\$49,439	\$49,439	\$98,878			
Item Total	\$0	\$0	\$0	\$49,439	\$49,439	\$98,878			

FTE Reductions (From FY 2020 and FY 2021 Base Request)

2 Housing Trust Fund-Amy Young

Category: Programs - Service Reductions (Contracted)

Item Comment: 5.8 fewer households served

Strategy: 1-1-4 Provide Funding through the Amy Young Barrier Removal (AYBR) - HTF

General Revenue Funds

1 General Revenue Fund	\$0	\$0	\$0	\$71,396	\$71,396	\$142,792			
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6.I. Percent Biennial Base Reduction Options

10 % REDUCTION

86th Regular Session, Agency Submission, Version 1
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Date: 7/5/2018
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Item Priority and Name/ Method of Financing	REVENUE LOSS			REDUCTION AMOUNT			PROGRAM AMOUNT		TARGET
	2020	2021	Biennial Total	2020	2021	Biennial Total	2020	2021	Biennial Total
General Revenue Funds Total	\$0	\$0	\$0	\$71,396	\$71,396	\$142,792			
Item Total	\$0	\$0	\$0	\$71,396	\$71,396	\$142,792			

FTE Reductions (From FY 2020 and FY 2021 Base Request)

3 Poverty Related Funds-HHSP

Category: Programs - Service Reductions (Contracted)
Item Comment: 470.7 fewer persons served with Homeless Housing and Services Program

 Strategy: 3-1-1 Administer Poverty-related Funds through a Network of Agencies

General Revenue Funds

1 General Revenue Fund	\$0	\$0	\$0	\$183,590	\$183,590	\$367,180			
General Revenue Funds Total	\$0	\$0	\$0	\$183,590	\$183,590	\$367,180			
Item Total	\$0	\$0	\$0	\$183,590	\$183,590	\$367,180			

FTE Reductions (From FY 2020 and FY 2021 Base Request)

4 Housing Trust Fund-Amy Young

Category: Programs - Service Reductions (Contracted)
Item Comment: 7.0 fewer households served

Strategy: 1-1-4 Provide Funding through the Amy Young Barrier Removal (AYBR) - HTF

6.I. Percent Biennial Base Reduction Options

10 % REDUCTION

86th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

Date: 7/5/2018
Time: 10:06:37AM

Agency code: 332 Agency name: Department of Housing and Community Affairs

Item Priority and Name/ Method of Financing	REVENUE LOSS			REDUCTION AMOUNT			PROGRAM AMOUNT		TARGET
	2020	2021	Biennial Total	2020	2021	Biennial Total	2020	2021	Biennial Total

General Revenue Funds

1 General Revenue Fund	\$0	\$0	\$0	\$85,239	\$85,239	\$170,478			
General Revenue Funds Total	\$0	\$0	\$0	\$85,239	\$85,239	\$170,478			
Item Total	\$0	\$0	\$0	\$85,239	\$85,239	\$170,478			

FTE Reductions (From FY 2020 and FY 2021 Base Request)

5 Poverty Related Funds/HHSP

Category: Programs - Service Reductions (Contracted)

Item Comment: 562.0 fewer persons served with Homeless Housing and Services Program

Strategy: 3-1-1 Administer Poverty-related Funds through a Network of Agencies

General Revenue Funds

1 General Revenue Fund	\$0	\$0	\$0	\$219,186	\$219,186	\$438,372			
General Revenue Funds Total	\$0	\$0	\$0	\$219,186	\$219,186	\$438,372			
Item Total	\$0	\$0	\$0	\$219,186	\$219,186	\$438,372			

FTE Reductions (From FY 2020 and FY 2021 Base Request)

6 Housing Trust Fund-Amy Young

Category: Programs - Service Reductions (Contracted)

6.I. Percent Biennial Base Reduction Options

10 % REDUCTION

86th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

Date: 7/5/2018
Time: 10:06:37AM

Agency code: **332** Agency name: **Department of Housing and Community Affairs**

Item Priority and Name/ <u>Method of Financing</u>	REVENUE LOSS			REDUCTION AMOUNT			PROGRAM AMOUNT		TARGET
	2020	2021	Biennial Total	2020	2021	Biennial Total	2020	2021	Biennial Total

Item Comment: 7.0 fewer households served

Strategy: 1-1-4 Provide Funding through the Amy Young Barrier Removal (AYBR) - HTF

General Revenue Funds

1 General Revenue Fund	\$0	\$0	\$0	\$85,239	\$85,239	\$170,478			
General Revenue Funds Total	\$0	\$0	\$0	\$85,239	\$85,239	\$170,478			
Item Total	\$0	\$0	\$0	\$85,239	\$85,239	\$170,478			

FTE Reductions (From FY 2020 and FY 2021 Base Request)

7 Poverty Related Funds/HHSP

Category: Programs - Service Reductions (Contracted)

Item Comment: 562.0 fewer persons served with Homeless Housing and Services Program

Strategy: 3-1-1 Administer Poverty-related Funds through a Network of Agencies

General Revenue Funds

1 General Revenue Fund	\$0	\$0	\$0	\$219,186	\$219,186	\$438,372			
General Revenue Funds Total	\$0	\$0	\$0	\$219,186	\$219,186	\$438,372			
Item Total	\$0	\$0	\$0	\$219,186	\$219,186	\$438,372			

FTE Reductions (From FY 2020 and FY 2021 Base Request)

6.I. Percent Biennial Base Reduction Options

10 % REDUCTION

86th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

Date: 7/5/2018
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Item Priority and Name/ <u>Method of Financing</u>	REVENUE LOSS			REDUCTION AMOUNT			PROGRAM AMOUNT		TARGET
	2020	2021	Biennial Total	2020	2021	Biennial Total	2020	2021	Biennial Total

8 Housing Trust Fund-Amy Young

Category: Programs - Service Reductions (Contracted)

Item Comment: 7.0 fewer households served

Strategy: 1-1-4 Provide Funding through the Amy Young Barrier Removal (AYBR) - HTF

General Revenue Funds

1 General Revenue Fund	\$0	\$0	\$0	\$85,239	\$85,238	\$170,477			
General Revenue Funds Total	\$0	\$0	\$0	\$85,239	\$85,238	\$170,477			
Item Total	\$0	\$0	\$0	\$85,239	\$85,238	\$170,477			

FTE Reductions (From FY 2020 and FY 2021 Base Request)

9 Poverty Related Funds/HHSP

Category: Programs - Service Reductions (Contracted)

Item Comment: 562.0 fewer persons served with Homeless Housing and Services Program

Strategy: 3-1-1 Administer Poverty-related Funds through a Network of Agencies

General Revenue Funds

1 General Revenue Fund	\$0	\$0	\$0	\$219,185	\$219,185	\$438,370			
General Revenue Funds Total	\$0	\$0	\$0	\$219,185	\$219,185	\$438,370			

6.I. Percent Biennial Base Reduction Options

10 % REDUCTION

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Automated Budget and Evaluation System of Texas (ABEST)

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Agency code: 332 Agency name: Department of Housing and Community Affairs

Item Priority and Name/ <u>Method of Financing</u>	REVENUE LOSS			REDUCTION AMOUNT			PROGRAM AMOUNT		TARGET
	2020	2021	Biennial Total	2020	2021	Biennial Total	2020	2021	Biennial Total
Item Total	\$0	\$0	\$0	\$219,185	\$219,185	\$438,370			
FTE Reductions (From FY 2020 and FY 2021 Base Request)									
AGENCY TOTALS									
General Revenue Total				\$1,217,699	\$1,217,698	\$2,435,397			\$2,435,397
Agency Grand Total	\$0	\$0	\$0	\$1,217,699	\$1,217,698	\$2,435,397			\$2,435,397
Difference, Options Total Less Target									
Agency FTE Reductions (From FY 2020 and FY 2021 Base Request)									
Article Total				\$1,217,699	\$1,217,698	\$2,435,397			
Statewide Total				\$1,217,699	\$1,217,698	\$2,435,397			

2b

BOARD REPORT ITEM

MULTIFAMILY DIVISION

JULY 12, 2018

Report regarding schedule and proposed changes for 2019 QAP and Multifamily Rules submission

BACKGROUND

The proposed Qualified Allocation Plan (“QAP”) is required by Tex. Gov’t Code §2306.6724 to be approved by the Board prior to September 30th, and sent to the Governor no later than November 15th for his approval, rejection, or modification. TDHCA anticipates posting a staff draft of the QAP on its website in August, and soliciting input from stakeholders and having an open meeting of the Rules Committee of the Board soon thereafter, before presenting the proposed version of the QAP to the Governing Board for their consideration at the September 6, 2018, meeting.

Tex. Gov’t Code §2306.67024 describes the QAP as “setting criteria and priorities for the allocation of tax credits” and §2306.6722 says that the QAP provides “information regarding the administration of and eligibility for low income housing tax credits.” Staff believes that compiling all requirements applicable to the 9% round – site requirements, application requirements, scoring, threshold, certification, etc. – will make the rules more readily useable and more clearly comply with statutory requirements. Therefore, staff will be re-incorporating parts of Chapter 10 into the draft QAP. Because Chapter 10 will no longer exist in its current form, corresponding changes will be made to Chapter 12, the Multifamily Housing Revenue Bond Rules, and Chapter 13, the Multifamily Direct Loan Rule.

3a

**TO BE POSTED
NOT LATER THAN
THE THIRD DAY
BEFORE THE
DATE OF THE
MEETING**

3b

**TO BE POSTED
NOT LATER THAN
THE THIRD DAY
BEFORE THE
DATE OF THE
MEETING**

3c

PULLED FROM THE AGENDA

APPENDIX



2018-1 Multifamily Direct Loan Program - Application Log - July 5, 2018

Per 2018-1 Multifamily Direct Loan Notice of Funding Availability published in the *Texas Register* on 12/29/2017 and First Amendment to NOFA published in the *Texas Register* on 4/6/2018

The following data was compiled using information submitted by each applicant. While this data has been reviewed or verified by the Department, errors may still be present. Those reviewing the log are advised to use caution in reaching any definitive conclusions based on this information alone. Where Applications are layered with 9% or 4% Tax credits, the Applications are also subject to evaluation under the Department criteria for those fund sources. Applicants are encouraged to review 10 TAC §§11.1(b) and 10.2(a) concerning Due Diligence and Applicant Responsibility, along with 10 TAC Subchapter C related to Application Submission Requirements, Ineligibility Criteria, Board Decisions and Waiver of Rules for Applications. This log will be updated periodically as staff completes application reviews and as more applications are received. The Multifamily Direct Loan Program - Application Log is presented for informational use only, and does not represent a conclusion or judgment by TDHCA, its staff or Board. Applicants that identify an error in the log should contact Andrew Sinnott at andrew.sinnott@tdhca.state.tx.us as soon as possible. Identification of an error early does not guarantee that the error can be addressed administratively.

Applications sorted by date received within each set-aside.

TCAP RF \$3,300,000
NHIF \$7,972,864

Supportive Housing/ Soft Repayment (SH/SR)

Total Set Aside Funding Level: **\$11,272,864**

TDHCA Application #	Property Name	Property City	Property County	Region	Housing Activity ¹	Multifamily Direct Loan Request/Award	Target Population	Total Units	MF Direct Loan Units	Layering ²	Date Received ³	Comments
18502	Arlinda Gardens Supportive Housing	Bryan	Brazos	8	NC	\$ 1,000,000	Supportive Housing	29	13		3/1/2018	
18099	Waters Park Studios	Austin	Travis	7	NC	\$ 1,000,000	Supportive Housing	132	10	9%	4/2/2018	
Total Amount Requested Under SH/SR Set Aside						\$ 2,000,000	Total Units	161	23			
Total Amount Awarded Under SH/SR Set Aside						\$ -	Total Units					
Total Amount Remaining Under SH/SR Set Aside						\$ 11,272,864						

CHDO (HOME funds only)

Total Set Aside Funding Level: **\$2,967,122**

TDHCA#	Property Name	Property City	Property County	Region	Housing Activity ¹	Multifamily Direct Loan Request/Award	Target Population	Total Units	MF Direct Loan Units	Layering ²	Date Received ³	Comments
18322	Las Casitas de Azucar	Santa Rosa	Cameron	11	NC	\$ 1,600,000	General	50	14	9%	4/2/2018	
18391	Merritt Manor	Manor	Travis	7	NC	\$ 2,000,000	Elderly Limitation	146	30	9%	4/2/2018	
Total Amount Requested Under CHDO Set Aside						\$ 3,600,000	Total Units	196	44			
Total Amount Awarded Under CHDO Set Aside						\$ -	Total Units					
Total Amount Remaining Under CHDO Set Aside						\$ 2,967,122						

HOME (limited availability statewide) \$9,318,946
NSPI PI (available statewide) \$5,000,000
TCAP RF (available statewide) \$9,446,231
NSPI PI and TCAP RF Total \$14,446,231

General

Total Set Aside Funding Level: **\$23,765,177**

TDHCA#	Property Name	Property City	Property County	Region	Housing Activity ¹	Multifamily Direct Loan Request/Award	Target Population	Total Units	MF Direct Loan Units	Layering ²	Date Received ³	Comments
18500	Rio Lofts	San Antonio	Bexar	9	NC	\$ -	General	81	36	9%	1/11/2018	Application withdrawn 4/11/18
18501	Secretariat Apartments	Arlington	Tarrant	3	NC	\$ -	Elderly Limitation	74	29	9%	1/11/2018	Application withdrawn 4/30/18
18412	Lord Road Apartments	San Antonio	Bexar	9	NC	\$ -	General	324	50	4%	1/18/2018	\$2,975,000 Direct Loan award returned after 4/26/18 Board approval
18417	Sphinx at Throckmorton Villas	McKinney	Collin	3	NC	\$ 3,000,000	General	220	18	4%	2/15/2018	
18000	Evergreen at Garland Senior Community	Garland	Dallas	3	NC	\$ 1,500,000	Elderly Limitation	105	25	9%	4/2/2018	
18002	Evergreen at Basswood Senior Community	Garland	Dallas	3	NC	\$ 2,000,000	Elderly Limitation	116	34	9%	4/2/2018	
18036	Clyde Ranch	Clyde	Callahan	2	NC	\$ 660,000	General	40	11	9%	4/2/2018	
18040	Farmhouse Row	Slaton	Lubbock	1	NC	\$ 660,000	General	48	11	9%	4/2/2018	
18052	Nacogdoches Lofts	San Antonio	Bexar	9	NC	\$ 2,025,000	Elderly Limitation	102	35	9%	4/2/2018	
18053	Alazan Lofts	San Antonio	Bexar	9	NC	\$ 1,300,000	General	88	24	9%	4/2/2018	
18054	Piedmont Lofts	San Antonio	Bexar	9	NC	\$ 2,350,000	General	55	41	9%	4/2/2018	Requested CHDO set-aside, which is unavailable for this application
18369	The Residences at Canyon Lake	Canyon Lake	Comal	9	NC	\$ 1,060,000	Elderly Limitation	35	11	9%	4/2/2018	
18421	Travis Flats	Austin	Travis	7	NC	\$ 3,000,000	General	146	50	4%	4/4/2018	
Total Amount Requested Under General Set Aside: Development Sites in non-PJs						\$ 5,380,000	Total Units	343	51			
Total Amount Requested Under General Set Aside: Development Sites in PJs						\$ 12,175,000	Total Units	1,010	324			
Total Amount Requested Under General Set Aside: TOTAL						\$ 17,555,000	Total Units	1,353	375			
Total Amount Awarded Under General Set Aside (HOME)						\$ -	Total Units					
Total Amount Awarded Under General Set Aside (TCAP RF)						\$ -	Total Units					
Total Amount Awarded Under General Set Aside (NSPI PI)						\$ -	Total Units					
Total Amount Remaining Under General Set Aside (HOME)						\$ 9,318,946						
Total Amount Remaining Under General Set Aside (TCAP RF)						\$ 9,446,231						
Total Amount Remaining Under General Set Aside (NSPI PI)						\$ 5,000,000						

1 = Housing Activity: New Construction=NC, Rehabilitation=R, ADR = Adaptive Reuse

2= Layering of Other Department Funds: 9%≠9% Competitive Tax Credits, 4%≠4% Tax Credit Program

3 = Date Received: The date that the application, all required 3rd Party Reports, Application Fees (if applicable), and Certificate of Reservation (if applicable) were received.



Texas Department of Housing and Community Affairs
 Non-Competitive (4%) Housing Tax Credit (HTC) Program
 2017 Application Status Log - Local Bond Issuer

Updated as of April 12, 2018

TDHCA #	Previous TDHCA#	Application Status	4% HTC Board Meeting Date	Development Name	Development Address	City	County	ZIP Code	Region	Construction Type	Total Units	Target Population	Requested HTC Amount	Recommended HTC Amount	Bond Issuer	Bond Issuer Contact	Bond Issuer Phone	Bond Reservation Date	Bond Expiration Date	Bond Reservation Amount	Bond Priority Designation	Applicant	Applicant Contact	Applicant Phone	Applicant Email							
17429	16456	Approved	12/14/2017	Canyons at 45 West	4101 SW 45th Avenue	Amarillo	Randall	79109	1	Acq/Rehab	328	General	\$1,505,159	\$1,404,800	Panhandle Regional HFC	Michael Carr	(806) 310-5800	11/15/2017	4/14/2018	\$20,000,000	3	Canyons TC, LLC	Scott Pickett	(310) 788-3445	scott@postinvestmentgroup.com							
Total Units:											328	Total HTC:		\$1,505,159	\$1,404,800																	
17418	16444	Approved	5/25/2017	Alton Park	5608 and 5650 Azle Avenue	Fort Worth	Tarrant	76106	3	NC	195	General	\$1,226,649	\$1,226,649	Trinity River Public Facility Corporation	Brian Demission	(817) 333-3400	3/21/2017	8/18/2017	\$20,000,000	3	FW Alton Park, LP	Lisa Davis	(818) 706-0694	ldavis@amealhousing.com							
17415	16445	Approved	5/25/2017	Campus Apartments	4651-4701 Campus Drive	Fort Worth	Tarrant	76119	3	NC	224	General	\$1,254,609	\$1,254,609	Trinity River Public Facility Corporation	Brian Demission	(817) 333-3400	3/21/2017	8/18/2017	\$20,000,000	3	FW Campus Apartments, LP	Lisa Davis	(818) 706-0694	ldavis@amealhousing.com							
17413		Withdrawn	9/7/2017	Flora Lofts	2121 Flora Street	Dallas	Dallas	75201	3	NC	52	General	\$673,756	\$673,756	City of Dallas HFC	Karen Schaffner	(214) 670-5396	11/17/2017	4/6/2018	\$15,000,000	3	Flora Street Lofts, Ltd.	Graham Greene	(214) 954-0430	ggreene@ogdsbygreene.com							
17419	16448	Withdrawn	7/27/2017	Sphinx at Sierra Vista	2942 South Riverside Drive	Fort Worth	Tarrant	76119	3	NC	272	Elderly Limitation	\$1,504,374	\$1,504,374	Tarrant County HFC	Patricia Ward	(817) 850-7940	4/21/2017	9/18/2017	\$20,000,000	3	Riverside Senior Investments, LP	Jay Oji	(214) 342-1400	jvo@sdcus.com							
17414		Approved	9/7/2017	Silver Gardens	2620 Ruidosa Avenue	Dallas	Dallas	75228	3	Acq/Rehab	202	Preference	\$790,787	\$790,787	City of Dallas HFC	Karen Schaffner	(214) 670-5396	6/9/2017	11/6/2017	\$15,000,000	3	Dallas Leased Housing Associates IV, LLP	Owen Metz	(763) 354-5500	ometz@dominiuminc.com							
17423		Approved	9/7/2017	Palladium Glenn Heights	Northeast Quadrant of Hampton and Ovilla Road	Glenn Heights	Ellis	75154	3	NC	270	General	\$1,104,990	\$1,104,990	TSAHC	David Danenfelzer	(512) 477-3562	7/19/2017	12/16/2017	\$18,500,000	3	Palladium Glenn Heights, Ltd.	Thomas E. Huth	(972) 774-4400	tom@palladiumusa.com							
17426		Withdrawn	N/A	Spring Gardens	4540 Lasater Road	Balch Springs	Dallas	75181	3	NC	172	Elderly Limitation	\$1,213,624	\$0	TSAHC	David Danenfelzer	(512) 477-3562	7/14/2017	12/10/2017	\$14,000,000	3	LDG Spring Gardens, LP	Justin Hartz	(512) 351-9352	jhartz@ldgdevelopment.com							
17435		Approved	12/14/2017	Lakeview Senior Living	5314 Chiesa Road	Rowlett	Dallas	75088	3	NC	272	Elderly Limitation	\$1,611,156	\$1,484,250	City of Rowlett HFC	Mark Malveaux	(214) 754-9221	8/18/2017	1/15/2018	\$25,000,000	3	TX Lakeview Seniors, LP	Melissa Fisher	(972) 701-5558	mfisher@rise-residential.com							
17444		Approved	1/18/2018	Sabine Place	1215 Terminal Road	Fort Worth	Tarrant	76106	3	Acq/Rehab	71	General	\$341,364	\$341,364	Trinity River Public Facility Corporation	Brian Demission	(817) 333-3400	10/6/2017	3/5/2018	\$8,000,000	3	FW Steele Sabine Place, LLC	Paul Moore	(303) 226-9111	pmoore@steelellc.com							
Total Units:											1,730	Total HTC:		\$9,721,309	\$8,380,779																	
17417	16407	Approved	4/27/2017	Fenix Estates	Corner of Hussion Street and Winchester Street	Houston	Harris	77003	6	NC	200	Supportive Housing	\$1,201,176	\$1,110,268	Harris County HFC	Horace Allison	(713) 689-9586	3/29/2017	8/26/2017	\$20,000,000	3	Fenix Estates I, LP	Horace Allison	(713) 689-9580	horace.allison@hchattexas.org							
17410		Approved	5/25/2017	Lakecrest Village	9393 Tidwell Road	Houston	Harris	77078	6	Acq/Rehab	224	General	\$985,684	\$985,684	Houston HFC	Jeff Smith	(713) 461-2749	3/29/2017	8/26/2017	\$16,500,000	3	Houston Leased Housing Associates V, LLP	Ryan Landervy	(763) 354-5634	rlandervy@dominiuminc.com							
17408		Approved	6/29/2017	Brooks Manor Apartments	444 Jefferson Street	West Columbia	Brazoria	77486	6	Acq/Rehab	50	Elderly Limitation	\$178,510	\$178,510	TSAHC	David Danenfelzer	(512) 477-3562	3/23/2017	8/20/2017	\$5,000,000	3	Steele Brooks LLC	Paul Moore	(303) 226-9111	pmoore@steelellc.com							
17411		Approved	12/14/2017	Villa Americana	5901 Selinsky Street	Houston	Harris	77048	6	Acq/Rehab	258	General	\$1,733,914	\$1,733,914	Houston HFC	Jeff Smith	(713) 461-2749	1/12/2017	12/31/2019*	\$31,000,000	N/A	Villa Americana Housing Partners, LP	Melissa Giacoma	(832) 941-5341	apgs@vaxgpm.com							
17447	16601	Withdrawn	N/A	Sunrise Orchard Apartments	5300 Sunrise Road	Houston	Harris	77021	6	NC	52	Supportive Housing	\$365,723	\$0	Houston HFC	Jeff Smith	(713) 461-2749	10/6/2017	3/5/2018	\$8,000,000	3	Sunrise Orchard, LP	Dr. Adriana Tamez	(713) 640-3789	adriana.tamez@tcjanocenter.org							
Total Units:											784	Total HTC:		\$4,465,007	\$4,008,376																	
17402		Approved	5/25/2017	Harris Ridge Apartments	SW Corner of Howard Lane and Dessau	Austin	Travis	78754	7	NC	324	General	\$1,344,750	\$1,344,750	Austin Affordable PFC, Inc.	Ron Kowal	(512) 767-7792	1/11/2017	12/31/2019*	\$38,000,000	N/A	Harris Ridge Apartments, Ltd.	Ron Kowal	(512) 767-7792	ronk@hacanet.org							
17405	16446	Approved	10/12/2017	Bridges at Cameron	9201 Cameron Road	Austin	Travis	78754	7	NC	263	General	\$1,276,816	\$1,276,816	Austin Affordable PFC, Inc.	Ron Kowal	(512) 767-7792	8/21/2017	1/18/2018	\$25,000,000	3	LDG Bridges at Cameron, LP	Justin Hartz	(512) 351-9352	jhartz@ldgdevelopment.com							
17409	16449	Withdrawn	N/A	Bridges at Canyon View	4506 East William Cannon	Austin	Travis	78744	7	NC	264	Elderly Limitation	\$1,784,696	\$0	Austin Affordable PFC, Inc.	Ron Kowal	(512) 767-7792	1/11/2017	12/31/2019*	\$25,000,000	N/A	Bridges at Canyon View, LP	Justin Hartz	(512) 351-9352	jhartz@ldgdevelopment.com							
17412	16417	Approved	4/27/2017	Pathways at Gaston Place	1941 Gaston Place	Austin	Travis	78723	7	Acq/Rehab	100	Elderly Preference	\$637,283	\$637,283	Austin Affordable PFC, Inc.	Ron Kowal	(512) 767-7792	3/9/2017	8/6/2017	\$20,000,000	3	Pathways at Gaston Place, LP	Ron Kowal	(512) 767-7792	ronk@hacanet.org							
17404		Approved	12/14/2017	Commons at Goodnight	Nuekols Crossing at Slaughter Lane	Austin	Travis	78747	7	NC	304	General	\$1,425,942	\$1,425,942	Austin Affordable PFC, Inc.	Ron Kowal	(512) 767-7792	1/11/2017	12/31/2019*	\$26,000,000	N/A	LDG Bridges at Cameron, LP	Justin Hartz	(512) 351-9352	jhartz@ldgdevelopment.com							
17406		Approved	5/25/2017	Heights on Parmer II	1524 East Parmer Lane	Austin	Travis	78753	7	NC	80	General	\$448,636	\$448,636	Strategic HFC of Travis County	Robert Onion	(512) 854-1888	3/6/2017	8/3/2017	\$11,500,000	3	Pedcor Investments 2016-CLVIII, LP	Craig Lintner	(317) 208-3769	clintner@pedcor.net							
17416		Withdrawn	N/A	Manchaca Commons	12940 Manchaca Road	Austin	Travis	78748	7	NC	240	General	\$1,217,043	\$0	Strategic HFC of Travis County	Robert Onion	(512) 854-1888	TBD	TBD	TBD	TBD	LDG Manchaca Commons, LP	Justin Hartz	(512) 351-9352	jhartz@ldgdevelopment.com							
17424	16458	Approved	5/25/2017	Creekview Apartment Homes	Old Manor Road and Cranway Drive	Austin	Travis	78724	7	NC	264	General	\$1,596,600	\$1,559,882	Strategic HFC of Travis County	Robert Onion	(512) 480-8245	4/18/2017	9/15/2017	\$20,000,000	3	TX Creekview Apartments, LP	Melissa Adams	(972) 701-5558	Madam@rise-residential.com							
17427	16453	Approved	10/12/2017	Housing First Oaks Springs	3000 Oaks Springs	Austin	Travis	78702	7	NC	50	Supportive Housing	\$832,549	\$832,549	Austin HFC	David Potter	(512) 974-3192	8/15/2017	1/12/2018	\$13,000,000	3	Housing First Oak Springs, LP	David Evans	(512) 440-4031	david.evans@atec.org							
17420		Approved	12/14/2017	Dal Valle 969	14011 FM 1969	Austin	Travis	78725	7	NC	302	General	\$1,645,713	\$1,645,713	Strategic HFC of Travis County	Robert Onion	(512) 480-8245	1/10/2017	12/31/2019*	\$38,000,000	N/A	Dal Valle 969 Apartments, Ltd.	Patrick Howard	(512) 480-8245	patrick.howard@traviscountytx.gov							
17436		Approved	12/14/2017	Boyce Lane	Parmer Lane at Boyce Lane	Austin ETJ	Travis	78653	7	NC	280	General	\$2,023,785	\$1,908,329	Strategic HFC of Travis County	Robert Onion	(512) 480-8245	8/16/2017	1/13/2018	\$37,000,000	3	TX Parmer Austin CCF, LP	Melissa Fisher	(972) 701-5558	mfisher@rise-residential.com							
17438		Approved	2/22/2018	McKinney Falls	6609 McKinney Falls Parkway	Austin ETJ	Travis	78744	7	NC	312	General	\$1,909,145	\$1,909,145	Travis County HFC	Andrea Shields	(512) 854-9116	11/9/2017	4/8/2018	\$30,000,000	3	AMTEX McKinney Fund, LP	David Yarden	(818) 706-0694	dyarden@amealhousing.com							
17443		Withdrawn	N/A	Commons at Manor Village	U.S Hwy 290 and Loop 212	Manor	Travis	78653	7	NC	172	Elderly	\$1,041,652	\$0	Strategic HFC of Travis County	Robert Onion	(512) 480-8245	8/22/2017	1/19/2018	\$20,000,000	3	LDG Commons at Manor Village, LP	Justin Hartz	(512) 351-9352	jhartz@ldgdevelopment.com							
17446		Withdrawn	N/A	Hills at Leander	NW of Woodview Drive and 183A Frontage Road	Leander	Williamson	78641	7	NC	228	Elderly Limitation	\$1,039,334	\$0	Capital Area HFC	Jim Shaw	(512) 347-9903	N/A	N/A	N/A	3	Hills at Leander, LP	Ina Spokas	(512) 689-3343	ina.spokas@egdevelopment.com							
17445		Approved	1/18/2018	The Nightingale at Goodnight Ranch	5900 Charles Merle Drive	Austin	Travis	78747	7	NC	174	Elderly	\$598,253	\$598,253	Austin HFC	David Potter	(512) 974-3192	10/18/2017	3/17/2018	\$16,000,000	3	Austin DMA Housing III, LLC	Janine Sisak	(512) 328-3232	janines@dmacompanies.com							
Total Units:											3,357	Total HTC:		\$18,819,997	\$13,585,098																	
17442	17403	Terminated	4/27/2017	Lord Road Apartments	4843 Lord Road	San Antonio	Besaw	78220	9	NC	324	General	\$1,654,897	\$0	San Antonio Housing Trust Public Finance Corporation	John Kenny	(210) 735-2772	1/10/2017	12/31/2019*	\$24,000,000	N/A	Lord Road Apartments, Ltd.	John Kenny	(210) 735-2772	johnk@shousingtrust.org							

17421	16436	Approved	1/18/2018	The Brookwood	SW Corner Richland Hills Dr & Ingram Rd	San Antonio	Bexar	78245	9	NC	197	Elderly Limitation	\$692,123	\$673,644	San Antonio Housing Trust Public Finance Corporation	John Kenny	(210) 735-2772	1/12/2017	12/31/2019*	\$25,000,000	N/A	Westover Senior P3, LP	Joel Pollack	(210) 354-3705	joel@210dg.com
17422		Withdrawn	3/22/2018	St. Johns Apartments	222 East Mitchell Street	San Antonio	Bexar	78210	9	NC and Adaptive Reuse	228	General	\$996,630	\$0	San Antonio Housing Trust Public Finance Corporation	John Kenny	(210) 735-2772	1/12/2017	12/31/2019*	\$22,000,000	N/A	222 Mitchell Redevelopment, LP	Joel Pollack	(210) 354-3705	joel@210dg.com
17425		Approved	10/12/2017	Medio Springs Ranch	1530 Marbach Oaks	San Antonio	Bexar	78245	9	NC	348	General	\$1,929,222	\$1,929,222	Bexar County HFC	Tina Smith Dean	(210) 335-2455	1/12/2017	12/31/2019*	\$26,500,000	N/A	Medio Springs, LP	Mike Hogan	(210) 682-1500	mhogan@hoganre.com
17437		Approved	12/14/2017	Trails at Leon Creek	7615 Bandera Road	San Antonio	Bexar	78238	9	NC	296	General	\$2,170,261	\$2,170,261	San Antonio Housing Trust Public Finance Corporation	John Kenny	(210) 735-2772	1/10/2017	12/31/2019*	\$35,000,000	N/A	Pedcor Investments - 2016- CLVI, LP	Jean Laisha	(317) 208-3767	latsha@pedcor.net

Total Units: 1,393 Total HTC: \$7,443,133 \$4,773,127

17400		Approved	3/23/2017	Casas Del Rio/Villa Hermosa	700 East Rodriguez Street	Del Rio	Val Verde	78840	11	Acq/Rehab	170	General	\$766,636	\$735,267	Del Rio Housing Facility Corporation	Cynthia de Lana	(830) 774-6506	1/11/2017	12/31/2019*	\$13,000,000	N/A	Del Rio Casa Hermosa, LP	Michelle Grandt	(512) 637-1278	Michelle@delphihousing.com
17401	16441	Approved	10/12/2017	Primrose Village	Northeast Corner of East Sugar Cane Drive and Mile 3 1/2 Road West	Weslaco	Hidalgo	78509	11	NC	242	General	\$1,160,605	\$1,160,605	Weslaco Housing Opportunities Corporation	Ruben Villarreal	(956) 969-1538	1/12/2017	12/31/2019*	\$20,000,000	N/A	Primrose Village, L.P.	Ruben Villarreal	(956) 969-1538	ruben.villarreal@cowha.org

Total Units: 412 Total HTC: \$1,927,241 \$1,895,872

17430	16455	Approved	9/7/2017	Chelsea Apartments	600 Chelsea	El Paso	El Paso	79903	13	Acq/Rehab	330	General	\$1,777,003	\$1,777,003	Alamito Public Facilities Corp.	Art Provenghi	(915) 849-3709	8/16/2017	1/13/2018	\$30,000,000	3	EP Chelsea, LP	Tom Delove	(915) 849-3813	tdelove@hacep.org
17431	16352	Approved	9/7/2017	Commissioner's Corner II	Southern part of 10700 Montana Avenue	El Paso	El Paso	79935	13	NC	92	General	\$538,417	\$538,417	Alamito Public Facilities Corp.	Art Provenghi	(915) 849-3709	7/20/2017	12/17/2017	\$15,000,000	3	EP Commissioner's Corner II, LP	Tom Delove	(915) 849-3813	tdelove@hacep.org
17432		Approved	12/14/2017	Valle Verde	224 S. Ascarate Street	El Paso	El Paso	79905	13	Acq/Rehab	50	General	\$394,248	\$394,248	Alamito Public Facilities Corp.	Art Provenghi	(915) 849-3709	11/7/2017	4/6/2018	\$25,300,000	3	EP Sandoval Two, LP	Tom Delove	(915) 849-3813	tdelove@hacep.org
17433		Approved	12/14/2017	Sandoval	5353 Ridge Street	El Paso	El Paso	79932	13	Acq/Rehab	224	General	\$1,378,977	\$1,373,973	Alamito Public Facilities Corp.	Art Provenghi	(915) 849-3709	11/7/2017	4/6/2018	\$25,300,000	3	EP Sandoval Two, LP	Tom Delove	(915) 849-3813	tdelove@hacep.org
17448		Approved	2/22/2018	Sun Plaza Apartments	1221 E San Antonio Avenue	El Paso	El Paso	79901	13	Acq/Rehab	330	General	\$1,697,972	\$1,697,972	Alamito Public Facilities Corp.	Art Provenghi	(915) 849-3709	10/23/2017	3/22/2018	\$40,000,000	3	EP Sun Plaza, LP	Tom Delove	(915) 849-3813	tdelove@hacep.org

Total Units: 1,026 Total HTC: \$5,786,617 \$5,781,613

Total Units: 9,030 Total HTC: 49,668,463 39,829,665

Total Bonds Reserved: \$876,600,000

*Application received Traditional Carryforward from Bond Review Board



Texas Department of Housing and Community Affairs
 Non-Competitive (4%) Housing Tax Credit (HTC) Program
 2017 Application Status Log - TDHCA as Bond Issuer

Updated as of April 12, 2018

TDHCA #	Previous TDHCA#	Application Status	Board Meeting Date	Development Name	Development Address	City	County	ZIP Code	Region	Construction Type	Total Units	Target Population	Requested HTC Amount	Recommended HTC Amount	Recommended Bond Amount	Bond Reservation Date	Bond Expiration Date	Bond Reservation Amount	Bond Priority Designation	Applicant	Applicant Contact	Phone	Email										
17607		Withdrawn	6/29/2017*	Albany Village	325 S Hwy 6	Albany	Shackelford	76430	2	Acq/Rehab	40	General	\$120,887	\$0	\$0	TBD	TBD	TBD	TBD	THF Albany Village, LLC	Wes Larmore	(213) 634-1566	Wlarmore@Related.com										
17610		Pre-Application	6/29/2017*	Burk Village	716 Park Street	Burk Burnett	Wichita	76354	2	Acq/Rehab	40	General	\$100,341	\$0	\$0	TBD	TBD	TBD	TBD	THF Burk Village, LLC	Wes Larmore	(213) 634-1566	Wlarmore@Related.com										
17612		Withdrawn	6/29/2017*	Electra Village	100 South Prairie Circle	Electra	Wichita	76360	2	Acq/Rehab	48	General	\$150,431	\$0	\$0	TBD	TBD	TBD	TBD	THF Electra Village, LLC	Wes Larmore	(213) 634-1566	Wlarmore@Related.com										
Total Units:											128	Total HTC/Bonds:		\$371,659	\$0	\$0																	
17600	16606	Closed	10/12/2017	Emli at Liberty Crossing	Approximately 307 South Goodie Road	Wilmer	Dallas	75172	3	NC	240	General	\$1,230,776	\$1,230,776	\$17,600,000	8/23/2017	1/20/2018	\$18,000,000	3	Liberty Crossing TC I, L.P.	Richard Ashton	(940) 427-1166	ashton@liberty42.com										
17602		Withdrawn	10/12/2017	Springs Apartments	4702 Ambassador Way	Balch Springs	Dallas	75180	3	NC	221	General	\$1,314,707	\$1,314,707	\$20,000,000	7/27/2017	12/24/2017	20,000,000	3	LDG Springs Apartments, LP	Justin Hartz	(512) 351-9333	jhartz@ldgdevelopment.com										
17604		Closed	9/7/2017	Casa Brendan	1300 W. Hyman St.	Stephenville	Erath	76401	3	Acq/Rehab	86	Elderly Preference	\$305,948	\$305,948	\$5,000,000	8/18/2017	1/15/2018	\$6,000,000	3	CB Affordable Preservation, L.P.	Wes Larmore	(213) 634-1566	Wlarmore@Related.com										
17605		Closed	9/7/2017	Nuestro Hogar	709 Magnolia St.	Arlington	Tarrant	76102	3	Acq/Rehab	65	Elderly Preference	\$225,078	\$194,510	\$5,700,000	8/18/2017	1/15/2018	\$6,000,000	3	NH Affordable Preservation, L.P.	Wes Larmore	(213) 634-1566	Wlarmore@Related.com										
17606		Closed	9/7/2017	Casa Inc.	3201 Sondra Dr.	Fort Worth	Tarrant	76107	3	Acq/Rehab	200	Elderly Preference	\$1,027,697	\$993,773	\$24,000,000	8/18/2017	1/15/2018	\$25,000,000	3	CA Affordable Preservation, L.P.	Wes Larmore	(213) 634-1566	Wlarmore@Related.com										
Total Units:											812	Total HTC/Bonds:		\$4,104,236	\$4,039,714	\$72,300,000																	
17603		Withdrawn	11/9/2017	Crosby Plaza	6616 FM 2100	Crosby	Harris	77532	6	Acq/Rehab	86	General	\$408,430	\$0	\$0	8/29/2017	1/26/2018	\$8,800,000	3	Crosby Plaza 34 LLC	Christian Szymczak	(310) 698-0739	christian@thinkhousingdev.com										
17609		Pre-Application	6/29/2017*	Bay City	3301 Royal Street	Bahtown	Harris	77521	6	Acq/Rehab	62	General	\$129,008	\$0	\$0	TBD	TBD	TBD	TBD	THF Bay City Village, LLC	Wes Larmore	(213) 634-1566	Wlarmore@Related.com										
17618		Pre-Application	6/29/2017*	Lantana Apartments	2200 North Adams Street	Beeville	Bee	78102	6	Acq/Rehab	92	General	\$393,144	\$0	\$0	TBD	TBD	TBD	TBD	THF Lantana Apartments, LLC	Wes Larmore	(213) 634-1566	Wlarmore@Related.com										
17624		Closed	12/14/2017	Vista on Gessner	6005-6525 S. Gessner Road	Houston	Harris	77036	6	Acq/Rehab	805	General	\$3,373,736	\$3,499,967	\$50,000,000	9/25/2017	2/28/2018	\$50,000,000	3	Dalcor Gessner, Ltd.	Dale Dodson	(972) 769-2002	ddodson@dalcorcompanies.com										
Total Units:											1,045	Total HTC/Bonds:		\$4,414,318	\$3,499,967	\$50,000,000																	
17608		Pre-Application	6/29/2017*	Bastrop Oak Grove	1910 Wilson Street	Bastrop	Bastrop	78602	7	Acq/Rehab	48	General	\$131,395	\$0	\$0	TBD	TBD	TBD	TBD	THF Bastrop Oak Grove, LLC	Wes Larmore	(213) 634-1566	Wlarmore@Related.com										
17613		Pre-Application	6/29/2017*	Elgin Meadowpark	401 N. Highway 95	Elgin	Bastrop	78621	7	Acq/Rehab	28	General	\$67,346	\$0	\$0	TBD	TBD	TBD	TBD	THF Elgin Meadowpark, LLC	Wes Larmore	(213) 634-1566	Wlarmore@Related.com										
17619		Withdrawn	6/29/2017*	Pflugerville Meadows	201 Meadow Lane	Pflugerville	Travis	78660	7	Acq/Rehab	20	General	\$66,105	\$0	\$0	TBD	TBD	TBD	TBD	THF Pflugerville Meadows, LLC	Wes Larmore	(213) 634-1566	Wlarmore@Related.com										
17620		Withdrawn	6/29/2017*	Round Rock Oak Grove	900 Westwood Drive	Round Rock	Williamson	78681	7	Acq/Rehab	24	General	\$87,922	\$0	\$0	TBD	TBD	TBD	TBD	THF Round Rock Oak Grove, LLC	Wes Larmore	(213) 634-1566	Wlarmore@Related.com										
17625		Withdrawn	2/22/2018	The Preserve at Hunters Crossing	200 block of Hunters Crossing Blvd.	Bastrop	Bastrop	78602	7	New Construction	140	General	\$845,800	\$0	\$0	11/14/2017	4/13/2018	\$13,000,000	2	The Preserve at Hunters Crossing, L.P.	Lucille Jones	(830) 257-5323	ljones@macdonald-companies.com										
Total Units:											260	Total HTC/Bonds:		\$1,198,768	\$0	\$0																	
17614		Pre-Application	6/29/2017*	Evant Tom Sawyer Place	411 Tom Sawyer Street	Evant	Corvell	76525	8	Acq/Rehab	18	General	\$47,191	\$0	\$0	TBD	TBD	TBD	TBD	THF Evant Tom Sawyer Place, LLC	Wes Larmore	(213) 634-1566	Wlarmore@Related.com										
17617		Pre-Application	6/29/2017*	Lampasas Gardens	1311 Plum Street	Lampasas	Lampasas	76550	8	Acq/Rehab	24	General	\$93,708	\$0	\$0	TBD	TBD	TBD	TBD	THF Lampasas Gardens, LLC	Wes Larmore	(213) 634-1566	Wlarmore@Related.com										
Total Units:											42	Total HTC/Bonds:		\$140,899	\$0	\$0																	
17601	16609	Withdrawn	9/7/2017	Robert E. Lee Apartments	111 W. Travis Street	San Antonio	Bexar	78205	9	Acq/Rehab	72	General	\$231,195	\$0	\$0	TBD	TBD	TBD	TBD	RELEE Preservation Associates, LLC	Todd McClatchy	(203) 348-2644	todd@groupplm.com										
17611		Withdrawn	6/29/2017*	Castroville Village	1410 Naples Street	Castroville	Medina	78009	9	Acq/Rehab	40	General	\$116,653	\$0	\$0	TBD	TBD	TBD	TBD	THF Castroville Village, LLC	Wes Larmore	(213) 634-1566	Wlarmore@Related.com										
17615		Pre-Application	6/29/2017*	Hondo Brian	231 Stage Coach Drive	Hondo	Medina	78861	9	Acq/Rehab	40	General	\$118,156	\$0	\$0	TBD	TBD	TBD	TBD	THF Hondo Brian Place, LLC	Wes Larmore	(213) 634-1566	Wlarmore@Related.com										
17616		Pre-Application	6/29/2017*	Hondo Gardens	3100 Avenue Q	Hondo	Medina	78861	9	Acq/Rehab	32	General	\$91,714	\$0	\$0	TBD	TBD	TBD	TBD	THF Hondo Gardens, LLC	Wes Larmore	(213) 634-1566	Wlarmore@Related.com										
17622		Withdrawn	Was not induced	Woodland Apartments	150 / 170 Medical Drive	Boerne	Kendall	78006	9	NC and Acq/Rehab	184	General	\$839,454	\$0	\$0	TBD	TBD	TBD	TBD	Woodland Redevelopment, LP	Joel Pollack	(210) 354-3703	jpoll@210dg.com										
17623		Withdrawn	Was not induced	Liv at Boerne	3 Shooting Club Drive	Boerne	Kendall	78006	9	New Construction	168	Elderly Limitation	\$543,116	\$0	\$0	TBD	TBD	TBD	TBD	LIV Boerne Hills, LP	Joel Pollack	(210) 354-3703	jpoll@210dg.com										
Total Units:											536	Total HTC/Bonds:		\$1,940,290	\$0	\$0																	
17621		Pre-Application	6/29/2017*	Saltgrass Landing	1602 South Church Street	Rockport	Aranas	78382	10	Acq/Rehab	56	General	\$172,397	\$0	\$0	TBD	TBD	TBD	TBD	THF Saltgrass Landing, LLC	Wes Larmore	(213) 634-1566	Wlarmore@Related.com										
Total Units:											56	Total HTC/Bonds:		\$172,397	\$0	\$0																	
Total Units:											2,879	Total HTC/Bonds:		\$12,342,537	\$7,539,681	\$122,300,000	\$126,800,000																

*Pre-Applications being presented to the Board for consideration of an Inducement Resolution.

Application Number	Development Name	Development Address	City	ETJ	ZIP Code	County	Region	Urban/Rural	At-Risk	USDA	Nonprofit	Construction Type	Low-Income Units	Market Rate Units	Total Units	Target Population (Supp. Hsg. = Supp Hsg)	HTC Request	MF Direct Loan Section 811	Applicant Primary Contact	Points Requested / Awarded	Readiness to Proceed (\$1.9(c)(8))	Gov't Support (\$1.9(d)(1))	QCP (\$1.9(d)(4))	State Rep (\$1.9(d)(5))	Comm Orgs (\$1.9(d)(6))	CRP (\$1.9(d)(7))	Best Possible Score	Review Status	Underwriting Status	Census Tract(s)	Scored on Proximity	OI or CRP	HTC per Capita	Poverty Rate (%)	Distance from Nearest HTC (in miles)																			
Region 5/Rural																				18371	Diboll Pioneer Crossing	~SEC of Devereaux and Lum Diboll		75941	Angelina	5	Rural			NC	75	5	80	General	848,813		Noorallah Jooma	120	0	17	4	8	4	0	153	C	UR	48005001002						
18283	Pines at Allen Street	NEQ Allen St. and Tubb St.	Kountze	x	77625	Hardin	5	Rural			x	NC	68	12	80	General	979,220	x	Miranda Sprague	113	5	17	4	8	4	0	151	C	C	48199030400																								
Estimated Allocation Amount		\$1,013,151															Total HTCs Requested		1,828,033																																			
Region 5/Urban																				18095	Retreat West Beaumont	SWC College St and Wendelin Beaumont		77707	Jefferson	5	Urban			NC	74	24	98	Elderly Limit	1,070,525		Melissa Giacona	114	5	17	4	8	4	0	152	C	C	48245001302						
Estimated Allocation Amount		\$816,566															Total HTCs Requested		1,070,525																																			
Region 6/Rural																				18305	Star of Texas Seniors	Lone Star Parkway	Montgomery	77356	Montgomery	6	Rural			0	NC	32	0	32	Elderly Limit	600,327	x	Emanuel H. Gloel	117	5	17	4	8	4	0	155	C	C	48339694600					
18353	Heritage Seniors	325 Flagship Blvd.	Montgomery		77356	Montgomery	6	Rural			X	NC	64	16	80	Elderly Limit	750,000	x	Nathan Kelley	116	5	17	4	8	4	0	154	C	UR	48339694500																								
Estimated Allocation Amount		\$500,000															Total HTCs Requested		1,350,327																																			
Region 6/Urban																				18020	St. Elizabeth Place	4514 Lyons Avenue	Houston	77020	Harris	6	Urban			x	NC/Adr	98	12	110	General	1,500,000	x	Jessica Thompson	121	5	17	8	8	0	7	166	C	UR	48201211300					Pending Termination Appeal
18243	2222 Cleburne	2222 Cleburne	Houston		77004	Harris	6	Urban			x	NC	112	0	112	Elderly Limit	1,500,000		Ann J. Robison	120	5	17	4	8	4	7	165	C	UR	48201312700																								
18333	Fulton Lofts	5200-5500 Fulton Street	Houston		77009	Harris	6	Urban				NC	76	4	80	General	1,459,230	x	David Mark Koog	118	5	17	4	8	4	7	163	C	UR	48201210600	5	7	0.0161	19.2																				
18137	New Hope Housing Dale Carnegie	SEC Dale Carnegie Ln and Re	Houston		77036	Harris	6	Urban			x	NC	170	0	170	Supportive H	1,500,000		Joy Horak-Brown	116	5	17	4	8	4	7	161	C	UR	48201432801	0	7	0.0161	31.8																				
18254	Somerset Lofts	8506 Hempstead Rd.	Houston		77008	Harris	6	Urban				NC	120	0	120	General	1,500,000	x	Donna Rickenbacl	122	5	17	4	8	4	0	160	C	UR	48201510900	0	7	0.0161	17.5																				
18138	Lancaster Senior Village	NEC Lancaster St & Bellfort	Houston		77087	Harris	6	Urban				NC	115	29	144	Elderly Limit	1,500,000		Doak Brown	115	5	17	4	8	4	7	160	C	UR	48201332600	0	7	0.0161	34.4																				
18320	Seaside Lodge at Chesapeake Bay	NEC Elam St and Larabee St	Seabrook		77586	Harris	6	Urban				NC	92	0	92	Elderly Limit	1,500,000	x	David Mark Koog	120	5	17	4	8	4	0	158	C	UR	48201341502	0	7	0.0	11.8																				
18033	The Miramonte	Moore Rd b/t Court Rd & 5th Fifth Street		x	77477	Fort Bend	6	Urban				NC	87	37	124	General	1,286,253	x	Mark Musemeche	120	5	17	4	8	4	0	158	C	UR	48157671100	0	7	0.0036	17.7	0.9799																			
18047	Miramonte Single Living	Moore Rd b/t Court Rd & 5th Fifth Street		x	77477	Fort Bend	6	Urban				NC	55	13	68	General	1,500,000		Mark Musemeche	120	5	17	4	8	4	0	158	C	C	48157671100	0	7	0.0036	17.7	0.9791																			
18043	Huntington at Miramonte	Moore Rd b/t Court Rd & 5th Fifth Street		x	77477	Fort Bend	6	Urban				NC	95	29	124	Elderly Limit	1,500,000	x	Hunter Goodwin	120	5	17	4	8	4	0	158	UR	48157671100	0	7	0.0036	17.7	0.9785																				
18159	Rutherford Park	~NWC of Tidwell & C.E. Kir	Houston	x	77044	Harris	6	Urban				NC	91	23	114	General	1,500,000	x	J. Steve Ford	120	5	17	4	8	4	0	158	UR	48201232302	0	7	0.0111	12.3																					
18339	Fairmont Seniors	NWC of Fairmont and Red Bl	Pasadena		77505	Harris	6	Urban			x	NC	115	53	168	Elderly Limit	1,500,000	x	Nathan Kelley	120	5	17	4	8	4	0	158		48201342100	0	7	0.0116	11.8																					
18009	Rosemount Estates	~4800 block of Airport, W of Rosenberg			77471	Fort Bend	6	Urban				NC	112	26	138	Elderly Limit	1,499,877	x	Ryan Hettig	120	5	17	4	8	4	0	158		48157675200	0	7	0.01238	19.6																					
18161	Monroe Crossing	NEC Fuqua St and Monroe B	Houston		77075	Harris	6	Urban				NC	90	24	114	Elderly Limit	1,500,000	x	William D. Hense	120	5	17	4	8	4	0	158		48201333901	0	7	0.0161	10.2																					
18355	W. Little York Apartments	W. Little York, W of Hollister	Houston		77040	Harris	6	Urban			x	NC	115	35	150	General	1,500,000	x	Nathan Kelley	120	5	17	4	8	4	0	158		48201532300	0	7	0.0161	16.3	1.98																				
18093	Green Oaks Apartments	1475 Gears Road	Houston		77067	Harris	6	Urban				NC	90	36	126	General	1,500,000	x	David Yarden	120	5	17	4	8	4	0	158		48201550500	0	7	0.0161	18.2																					
18383	Provision at Lake Houston	Hwy 90 at S. Lake Houston Pl	Houston		77049	Harris	6	Urban				NC	96	24	120	General	1,500,000	x	Ruben Esqueda	120	5	17	4	8	4	0	158		48201232401	0	7	0.0161	18.4																					
18382	Provision at Synott	Synott Rd, N of W. Bellfort Bl	Houston		77498	Fort Bend	6	Urban				NC	96	24	120	General	1,500,000	x	Ruben Esqueda	120	5	17	4	8	4	0	158		48157672400	0	7	0.0161	19.1																					
18338	The Greenery	~18000 blk of Imperial Valley	Houston		77060	Harris	6	Urban				NC	102	18	120	General	1,500,000	x	Val DeLeon	113	5	17	4	8	4	7	158		48201240600	0	7	0.0161	43.4																					
18218	Cypress Creek Apartment Homes a	~10500 blk of FM 1960 W	Houston	x	77064	Harris	6	Urban				NC	119	101	220	General	1,500,000		Victoria Winters S	118	0	0	4	8	0	0	130		48201552500																									
18306	Campanile on Commerce	2800 Commerce	Houston		77003	Harris	6	Urban				NC	105	15	120	Elderly Limit	1,500,000		Les Kilday	116	5	17	4	8	4	7	161		2 mile same year conflict with 18020																									
18327	Scott Street Lofts	1320 Scott Street	Houston		77003	Harris	6	Urban				NC	76	4	80	General	1,500,000	x	David Mark Koog	122	5	17	4	8	4	0	160		2 mile same year conflict with 18243, 306																									
18354	Flintlock Apartments	SEC W. Little York Rd & Flin	Houston		77040	Harris	6	Urban			x	NC	115	35	150	General	1,500,000	x	Nathan Kelley	120	5	17	4	8	4	0	158		2 mile same year conflict with 18355																									
18337	Fulton on the Rail	5009 Fulton Street	Houston		77009	Harris	6	Urban				NC	90	56	146	General	1,500,000	x	Miranda Sprague	118	5	17	4	8	4	0	156		2 mile same year conflict with 18333																									
18217	Cypress Creek Apartment Homes a	~4100 Block of FM 1764	Santa Fe		77517	Galveston	6	Urban				NC	110	90	200	General	-		Donald Sampley	117	5	17	4	8	4	0	155		Withdrawn																									
Estimated Allocation Amount		\$13,587,011															Total HTCs Requested		35,745,360																																			

2018 Tie-Breaker Status

Scores for Opportunity Index, Proximity to the Urban Core, and Concerted Revitalization Plan are based on information submitted in the Application and have not been confirmed.

Where the greatest linear distance from the nearest Housing Tax Credit assisted Development is used as a tie-breaker, distances noted are approximate.

TDHC A #	Development Name	Proximity Score	Opportunity or CRP Score	HTC per Capita	Poverty Rate	Distance from Nearest HTC	Notes
At-Risk							
18039	Orchid Circle Homes & L	0	7	0.0304	24		Lower per capita rate
18013	Dayton Retirement Cente	0	7	0.0379	9.6		
Region 2-Rural							
18259	Cannon Courts	0	7	0	8.5		Lower poverty rate
18036	Clyde Ranch	0	7	0	18.1		OI/CRP Score
18372	Iowa Park Pioneer Crossir	0	0	0.0038	7.6		
Region 3-Urban							
18368	The Reserves at Merriwooc	0	7	0.0055	4.6		Lower poverty rate
18376	Lakeview Pointe Apartme	0	7	0.0055	7		Lower per capita rate
18214	Mariposa Apartment Horr	0	7	0.0077	3		
18096	Patriot Park Family	5	5	0.0043	26.7		Scored on Proximity
18024	Palladium Celina Senior L	0	7	0	12		Lower per capita rate
18298	Heritage at Wylie	0	7	0.0020	4.8		Lower per capita rate
18220	Mariposa Apartment Horr	0	7	0.0177	17.4		
18067	Palladium Crowley	0	7	0.0037	15.6		Lower per capita rate
18068	Palladium Teasley Lane	0	7	0.0179	2.5		
Region 4-Rural							
18268	Saline Creek Senior Villag	0	7	0	4		Lower poverty rate
18106	Hallsville Estates	0	7	0	14.6		Lower per capita rate
18152	SilverLeaf at Marshall	0	7	0.0133	14.6		
Region 6-Urban							
18254	Somerset Lofts	0	7	0.0161	17.5		Lower poverty rate
18138	Lancaster Senior Village	0	7	0.0161	34.4		
18320	Seaside Lodge at Chesape:	0	7	0	11.8		Lower poverty rate
18033	The Miramonte	0	7	0	17.7	0.9802	#99017 The Park at Fort Bend
18047	Miramonte Single Living	0	7	0	17.7	0.9793	3001 Dove Country Dr, Stafford
18043	Huntington at Miramonte	0	7	0	17.7	0.9787	Lower per capita rate
18159	Rutherford Park	0	7	0.0111	12.3		Lower per capita rate
18339	Fairmont Seniors	0	7	0.0116	11.8		Lower per capita rate
18009	Rosemount Estates	0	7	0.0124	19.6		Lower per capita rate
18161	Monroe Crossing	0	7	0.0161	10.2		Lower per capita rate
18355	W. Little York Apartment:	0	7	0.0161	16.3	1.98	#94030 Sterling Grove 6420 Antione
18093	Green Oaks Apartments	0	7	0.0161	18.2		Lower poverty rate
18383	Provision at Lake Houston	0	7	0.0161	18.4		Lower poverty rate
18382	Provision at Synott	0	7	0.0161	19.1		Lower poverty rate
18338	The Greenery	0	7	0.0161	43.4		

TDHC A #	Development Name	Proximity Score	Opportunity or CRP Score	HTC per Capita	Poverty Rate	Distance from Nearest HTC	Notes
Region		7-Rural					
18245	Lockhart Springs	0	7	0.013444	12.5	2.76	#96116 Southpark Village
18026	Maple Park Sr Village	0	7	0.013444	12.5	1.95	1817 S Colorado
Region		7-Urban					
18335	Travis Flats	5	7	0.0186	27.7		Lower poverty rate
18081	Pathways at Chalmers Cou	5	7	0.0186	39.3		
Region		9-Rural					
18369	The Residences at Canyon	0	7	0	6.2		Lower poverty rate
18019	Highlander Senior Village	0	7	0	9.5		
Region		9-Urban					
18273	Museum Reach Lofts	5	7	0.0122	20.4		Lower poverty rate
18084	Artisan at Ruiz	5	7	0.0122	50.1		
18086	The Village at Overlook P	0	7	0.0122	1.3		Lower poverty rate
18142	San Juan Mission Villas	0	7	0.0122	11.7		
Region		10-Urban					
18261	Fish Pond at Portland	0	7	0.0000	8.9		Lower per capita rate
18186	Avanti at Greenwood	0	7	0.0099	6.4	2.08	#14066 Lexington Manor
18288	Village at Greenwood	0	7	0.0099	6.4	2.04	#14066 Lexington Manor
Region		11-Urban					
18358	Ovation Senior Living	0	7	0	21.3	4.4	Lower poverty rate
18357	Capella	0	7	0	21.3	4.41	#12388 Paseo Point
18188	Avanti at Sienna Palms	0	7	0	24.6	1.97	#09357 Weslaco Hills
18208	Midway Villas	0	7	0	24.6	0.81	Lower poverty rate
18294	The Legacy	0	7	0	29.5	2.46	#13100 Villas of Penitas
18293	Silver Spur Apartments	0	7	0	29.5	2.44	1703 Gardner Road
18148	Palmview Village	0	7	0	29.5	2.07	Penitas
18190	NORTH ADAMO HEIGHTS	0	7	0	30.2		Lower per capita rate
18206	Ridge Villas	0	7	0.0024	25.8		Lower per capita rate
18255	Pendleton Square	0	7	0.0074	5.4		Lower per capita rate