



# **Texas General Land Office**

**Community Development and Revitalization (GLO-CDR)**

**Texas Homeowner Assistance and  
Reimbursement Programs**

# Welcome and Introductions



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# Agenda Review



- Welcome and Introductions, Meeting Logistics
- What are the Homeowner Assistance and Reimbursement Programs (HARP)?
- Where can HARP funds be used?
- Regional Needs Assessment
- Affirmative Marketing and Outreach Plan
  - HARP Applicant Eligibility
  - HARP Eligible Activities
  - What to Expect: Homeowners
  - Timeline
  - Questions and Answers

# What are the Homeowner Assistance and Reimbursement Programs (HARP)?



- Homeowner Assistance and Reimbursement Programs are funded through HUD's Community Development Block Grant Disaster Recovery (CDBG-DR) program. HARP assistance can help homeowners recover up to \$50,000 in out-of-pocket expenses or be used for SBA loan repayment for home repairs within the eligible counties and can also provide repair or reconstruction assistance.
- These funds are administered by the Community Development and Revitalization (CDR) division of the Texas General Land Office (GLO).
- The Community Development Block Grant Disaster Recovery (CDBG-DR) program allows the GLO to work with local leadership on long-term housing that not only helps to rebuild a community, but lessens the cost and impact of future disasters.

# What are the Homeowner Assistance and Reimbursement Programs (HARP)?



- The HARP allows for the rehabilitation, reconstruction, and/or elevation of single-family, owner-occupied homes damaged by 2018-2019 Floods. Additionally, reimbursement funds up to \$50,000, may be available for out of pocket expenses for storm related repairs. These funds are administered by the Community Development and Revitalization (CDR) division of the Texas General Land Office (GLO).
- In addition to all local building codes, the following standards must be met at a minimum (as applicable) for all HARP activities:
  - HUD's Lead-Based Paint Standards and GLO's Habitability Standards
  - Green Building Standards
  - Resiliency Standards
  - Elevation Standards
  - HUD Accessibility/GLO-CDR Visitability Standards



# Where can HARP Funds Be Used?

2018: Cameron, Jim Wells, Hidalgo

2019: Cameron, Hidalgo, Willacy

2018/2019 HAP and HRP - Valley	HUD MID	State MID	Total Allocation
<b>Homeowner Assistance Program</b>	<b>\$47,760,000</b>	<b>\$11,940,000</b>	<b>\$59,700,000</b>
2018 HAP	\$25,360,000	\$6,340,000	\$31,700,000
2019 HAP	\$22,400,000	\$5,600,000	\$28,000,000
<b>Homeowner Reimbursement Program</b>	<b>\$5,176,000</b>	<b>\$1,320,000</b>	<b>\$6,496,000</b>
2018 HRP	\$2,776,000	\$694,000	\$3,470,000
2019 HRP	\$2,400,000	\$626,000	\$3,026,000
	<b>\$52,936,000</b>	<b>\$13,260,000</b>	<b>\$66,196,000</b>



# Regional Needs Assessment: Purpose

- The Regional Needs Assessment is utilized to set funding goals, determine program activities, identify how to best conduct targeted outreach and marketing and establish program selection criteria (informing the program design in the Regional Housing Guidelines).
- The Regional Needs Assessment identifies unmet need at the geographic level and at the demographic level (areas of concentration of vulnerable populations):
  - Analysis of HARP funding targets by income category
  - Analysis of the location and extent of housing damage incurred by homeowners
  - Demographic analysis of most affected block groups

# Regional Needs Assessment: Unmet Need Calculation



- Unmet Need calculations are based on individual household level data from FEMA's Individual Assistance data set, with a FEMA Verified Loss (FVL) of \$8,000 or more:
  - Major – Low: \$8,000 to \$14,999 FVL
  - Major - High: \$15,000 to \$28,800 FVL
  - Severe: Greater than \$28,800 FVL
- Total estimated cost of repair is calculated utilizing a HUD multiplier (*based on the SBA median repair cost for the specific disaster category, less the weighted average of expected SBA and FEMA repair costs*):
  - Major – Low: \$56,342
  - Major - High: \$75,414
  - Severe: \$101,390



# Regional Needs Assessment: Funding Allocation Based on Statewide Numbers



	Funding Allocation (based on Statewide numbers)	Affected Areas
<b>2018 South Texas Floods HUD-identified Most Impacted and Distressed Areas (HUD MIDs)</b>	\$28,136,000	Hidalgo County
<b>2018 South Texas Floods State Most Impacted and Distressed Areas (State MIDs)</b>	\$7,034,000	Cameron and Jim Wells Counties
<b>2019 Lower Rio Grande Valley Floods HUD-identified Most Impacted and Distressed Areas (HUD MIDs)</b>	\$24,853,000	Cameron County and zip code 78570 (Hidalgo)
<b>2019 Lower Rio Grande Valley Floods State Most Impacted and Distressed Areas (State MIDs)</b>	\$6,213,000	Willacy County

# Regional Needs Assessment: Marketing and Outreach



General marketing and outreach efforts will utilize a combination of the following channels:

- Radio
- Local television news outlets
- Cable access channels
- Print media, including newspapers, magazines and/or newsletters
- Public service announcements/211 announcements
- Direct mailings
- Take-home flyers/Newsletters
- Field office locations and online application



# Regional Needs Assessment: Targeted M&O

- Targeted marketing and outreach must be conducted to reach the most vulnerable and hard-to-reach households.
- These households may include:
  - Low income residents
  - Racial and ethnic minorities living in poverty
  - Limited English proficiency (identified as primarily Spanish speakers)
  - Persons with special access and functional needs, including hearing, vision, cognitive, ambulatory, self-care and/or independent living difficulties
  - Elderly persons
  - Households with children under 18
  - Female heads of household
  - Veterans
  - Displaced homeowners
  - Homeowners within a FEMA-designated flood hazard zone



# Regional Needs Assessment: Targeted M&O

- Additional resources will be made available for vulnerable populations to ensure equitable availability, including:
  - making documents available in dual languages and/or large font
  - translation services
  - intake sessions scheduled outside of normal working hours
  - online application
- These efforts will be most successful if made in coordination with local social service organizations, schools and childcare providers, non-profits, faith-based groups and other local resources.



# Regional Needs Assessment: Targeted M&O

## Examples of targeted outreach:

- Distributing take-home flyers at area churches and places of worship, grocery and convenience stores, local schools and daycares, community events
- In-home and/or population-based intake session locations (VFWs, elementary schools, places of worship etc.)
- Public utility inserts and direct mailings, printed in dual languages and/or large font (vision impaired) with website address (hearing impaired) and phone numbers for interpreter services (limited English proficiency)
- Door-to-door canvassing and door hangers
- Analysis of tax records for displaced homeowners
- Partnering with local organizations to obtain referrals of people who may be in need of assistance



# Affirmative Marketing & Outreach Plan

The Affirmative Marketing and Outreach Plan will be informed by several key items prior to its formalization:

- Regional Needs Assessment
- Public comment received on the Regional Housing Guidelines, available to view here: <http://recovery.texas.gov/harp>
- Feedback received during one-on-one calls/emails and open meetings



# Affirmative Marketing & Outreach Plan

The Affirmative Marketing and Outreach Plan must be finalized before applications can be accepted:

- Plan is anticipated to be finalized by April 23, 2021
- Applications made online or in-person (by appointment) will be accepted as soon as the intake window opens (following acceptance of Plan)
- Community application intake sessions will be scheduled throughout the region, generally starting in areas with the highest losses following the first phase of general/targeted marketing and outreach



# HARP Applicant Eligibility

Vital documentation\* must be collected, including proof of the following items:

- Identity (EXAMPLE: driver's license, passport, state-issued ID)
- Income (EXAMPLE: latest tax return)
- Ownership (EXAMPLE: property tax records, deed, title)
- Damage (EXAMPLE: FEMA, SBA or insurance award letters)
- Residency on June 18-21, 2018 or June 24 & 25, 2019 (EXAMPLE: homestead tax exemption, utility bill, bank statement)
- Taxes (must be current)
- Child Support (current for all adult household members)



# HARP Applicant Eligibility



## Potential stumbling blocks:

- Must be current on child support and property taxes (or provide evidence of an approved payment plan)
- If the property owner previously received assistance for 2108/2019 Floods damages, information/receipts must be provided for a duplication of benefits review
  - Duplicative benefits include funds received for the same purpose from FEMA, USDA, SBA, National Flood Insurance Program, private insurance and/or other funds (e.g. private institutions and non-profits)

# HARP Eligible Activities



Potential stumbling blocks, continued:

- If the home is in a floodplain:
  - If the property owner has received prior federal assistance conditioned on maintaining flood insurance, proof of flood insurance must be collected. If the property owner did not obtain and maintain flood insurance, they are ineligible to receive HARP funds.
  - If the combined household income is >120% AMI and the property owner did not maintain flood insurance (even if not otherwise required by a mortgage, etc.), the use of CDBG-DR funds is prohibited.
- Only LMI applicants can receive reimbursement funds for the first 6 months of the program.



# HARP Eligible Activities

- Applicants may apply for both HAP and HRP funds in one application.
- HARP may be used for reimbursement of out of pocket expenses or repayment of SBA loans up to \$50,000. For a more detailed list of eligible items, see slide 21.
- The reconstruction of owner-occupied, primary residences is anticipated to be the most common use of HARP funds.
- Rehabilitation may also be completed with HARP funds.
  - Rehabilitation caps of \$65,000/unit will apply
  - Rehabilitation funds must cover all expenses necessary to bring the home up to code, including any necessary elevation for residences in a floodplain, as well as lead-based paint abatement if the home was built prior to 1978



# HARP Eligible Activities

HARP funds may also be used for the following activities:

- Replacement of manufactured housing with site-built home
- Elevation
- Water Well
- Septic
- Accessibility
- Abatement

**INELIGIBLE HARP Activities:** Food, clothing, household items; rebuilding on a different property; rental/second/vacation homes; garage door openers, security systems, swimming pools, fences, satellite dishes; repair of structures not attached to the home\*; mortgage or utility expenses

*\*unless otherwise required by local code, on a case-by-case basis*

# HARP Eligible Activities



<b>Eligible Expenditures for Reimbursement Include:</b>	<b>Examples of Costs That Are Not Eligible:</b>
Essential appliances (e.g., refrigerator, stove/oven, dishwasher)	Food, clothing, household goods
Permits and inspection fees	Fences or sheds
Removal of construction debris	Day labor paid by cash with no receipt
Utilities (plumbing, electrical and gas systems)	Tools
Structural repairs	Flatbed trailers
Heating, venting, and air conditioning systems	Mortgage payments
Septic or sewer system repair	Insurance premiums
Well or water system repair	Temporary housing (only offsets FEMA funds)
Entrance and exit doors	
SBA loan repayment up to \$50,000	



# What to Expect: Homeowners

- HARP applicants will be required to provide receipts or statements of work performed which will be verified via an inspection if requesting reimbursement
- Contractors will be assigned by the GLO, from a pool of pre-approved builders.
- Homes will be built according to a small selection of regional floor plans, and Homeowners will have a limited degree of choice of interior finishes (interior/exterior paint colors, carpet/resilient flooring color choices, etc).
- A workmanship warranty will be provided by every contractor for a period of one year; Homeowners will receive manufacturers' warranties at construction completion. Builders will also pay for the first year of homeowners/hazard insurance.
- The size of the home must be based on HUD's determination of two persons per bedroom as reasonable (with exceptions). This means a person with a 3- or 4- bedroom home may not have the same number of bedrooms following reconstruction.



# What to Expect: Homeowners

HARP participants will be required to sign a 1 or 3 year promissory note, during which time Homeowners must:

- Maintain home as primary residence
- Not obtain cash out refinancing, home equity loans or home collateral loans
- Maintain timely payment of property taxes (which will most likely increase)
- Maintain hazard insurance, along with windstorm and/or flood insurance if applicable (which may increase)
  - If property is in floodplain, homeowner must maintain flood insurance in perpetuity and notify future homeowners



# What to Expect: Homeowners

- HARP participants will be required to relocate themselves AND their possessions for approximately 90 - 120 days during the rehabilitation/reconstruction period in most cases (this can be longer if construction is delayed). Limited Temporary Relocation Assistance is available to LMI applicants.
- Prior to the construction period, damage assessments and inspections will be performed; homeowners must allow access to their home at pre-scheduled times.
- Approval of an applicant is based on a two-phase system: primary document/income approval and damage/environmental assessments. If a homeowner is preliminarily approved during the documentation and income review, they may be found to be ineligible during the damage assessment and/or environmental review.
- Applicants will have real-time access to their application status through the following:
  - the application website (Texas Integrated Grant Reporting, or TIGR)
  - GLO customer service phone number (to be released)
  - their assigned Applicant Coordinator (assigned once application is received by GrantWorks)



# Timeline



1. Program Design (Current Phase)
2. Field Offices open, website with regional web pages available
3. Application Acceptance Period opens April 24, 2021, documentation is gathered and preliminary approvals are scheduled for damage 0+assessments/environmental clearance reviews
4. Preconstruction/Pre-Award Conferences (between owner, builder and applicant coordinator as applicable)
5. Construction (expected to take 90-120 days)
6. Close-out and monitoring (promissory note requirements)

*A single application can be submitted for reimbursement and repair assistance. An application must be submitted along with required documents for consideration. HARP is a first-come, first-served basis and all homeowners are encouraged to apply as soon as the application opens. Households applying for reimbursement that do not meet the low-to moderate-income (LMI) threshold will be processed after the first six months from application opening, but may receive construction assistance prior to then, based on their application date. HARP is only available for a main home (primary residence).*



# Questions?

*"The GLO stands ready to help our state maximize the use of this disaster recovery funding to build back stronger and more resilient communities."*

***George P. Bush, Commissioner***