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### **Comments on GLO Draft Housing Guidelines**

Texas Appleseed appreciates the opportunity to comment on the Draft Housing Guidelines for Hurricane Harvey CDBG-DR programs. We are submitting an initial set of comments highlighting the most critical issues we have identified, and will submit supplemental comprehensive comments.

The publication of draft housing guidelines that create standardized housing programs across the disaster-affected region reflects best practices and lessons learned from the State's previous experience with Hurricanes Rita, Ike, and Dolly, and ensures that Texans will not be treated differently in disaster recovery programs based solely on where they live. We also appreciate the continued emphasis on the State's commitment and its Subrecipients' obligations to affirmatively further fair housing (AFFH) and ensure that disaster recovery does not leave some families and communities out, or lock them into flood hazard areas. We would strongly encourage GLO to clarify the definition of AFFH and to provide training and technical assistance to Subrecipients. This was a frequent request from Subrecipients in the wake of Hurricane Ike.

1. The section on the Needs Assessment should refer specifically to the requirements laid out in the Action Plan and Federal Register Notice, and should provide a data methodology that accounts for the flaws in HUD, FEMA, and SBA data laid out in Action Plan Comments submitted by Texas Housers and Texas Appleseed. Given these data flaws, as well as numerous problems with the FEMA eligibility process itself, the Guidelines appropriately do not base eligibility for CDBG-DR programs on FEMA eligibility. As we stated in our Action Plan comments, failure to conduct an accurate and comprehensive Needs Assessment places the State's certifications that it is prioritizing LMI households and affirmatively furthering fair housing at risk.
2. As laid out in our Action Plan comments, we are extremely concerned about equity and fair housing in buyout programs. The Housing Guidelines raise additional concerns.

- a. There is no mobility program for homeowners in floodways or floodplains unless the Subrecipient designates these areas for buyouts.
  - b. The formula used to calculate both the value of the house subject to the buyout and relocation assistance for LMI homeowners will likely have a disparate impact on protected classes under the Fair Housing Act. Relocation assistance is only available to homeowners if the Subrecipient uses the post-disaster FMV of a home, but in addition to not being required by the Federal Register, this cap will not provide sufficient funding for LMI households to move to safer areas. The relocation assistance also needs to be calculated based on the housing market realities for different areas of the state to ensure that adequate funding can be made available to homeowners in lower-value housing markets to move out of high-risk areas.
  - c. The requirement that even the lowest income applicants must have had flood insurance at the time of the event contradicts the Action Plan, which limits this requirement to families over 120% of AMI.
  - d. The relocation funding and/or downpayment assistance is not only inadequate, the Guidelines' requirement that families have already purchased a lot or a home before they are eligible for this assistance will completely exclude LMI families from buyout programs and relocation assistance. We hope that the issue here is drafting, and that GLO intends these programs to help LMI families move.
3. The Multifamily Rental Program does not include a proportionality requirement. For the reasons laid out in our Action Plan comments, and Texas Housers' comments on the Housing Guidelines, replacement housing must be rebuilt to be affordable to all renters, particularly those most disproportionately affected by the loss of affordable housing.
  4. We applaud the important and appropriate requirement that rebuilt rental housing, both single- and multi-family, must accept Housing Choice Voucher holders. This is critical to giving the lowest-income families access to safe and affordable housing, and affirmatively furthers fair housing.
  5. As the Housing Guidelines state, projects must AFFH by addressing "identified impediments to fair housing choice." However, it is not clear where these impediments are to be identified. This should be part of the Needs Assessment given that the disaster itself may have created or exacerbated impediments to fair housing choice, and that, as a 2012 study by the General Accountability Office (and the State's own experience) show, many jurisdictions have inadequate and outdated Analyses of Impediments to Fair Housing Choice that are not a reliable source of impediments. GLO's AFFH assessment should also address these issues.

Thank you for your consideration, and we look forward to working with GLO to produce model Housing Guidelines.

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