



NEWS

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

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State housing agency awards \$675,000 to Hale Center farmworker housing

(AUSTIN) — The Texas Department of Housing and Community Affairs (TDHCA) today announced two funding awards totaling \$675,000 to help a regional nonprofit organization increase its ability to develop affordable rental housing serving farm workers in Hale Center. The awards were among the first through two newly created programs funded through TDHCA's Housing Trust Fund designed to expand affordable housing in rural portions of the state and increase the capacity of nonprofit housing providers.

The Department announced the funding awards to Motivation, Education & Training, Inc. (MET), a nonprofit agency headquartered in New Caney, Texas, which provides a wide range of services to low income clients in Texas and other areas. MET will utilize funds to construct 16 multifamily units in Hale Center layered with \$1.8 million in funds it hopes to receive from the U.S. Department of Agriculture's Farm Labor Housing Program. The award could potentially help leverage a total of \$2.5 million from all funding sources.

"TDHCA is committed to increasing housing choices in rural Texas," said Michael Gerber, TDHCA Executive Director, "and we are excited about the potential of these new funding programs to expand housing opportunities in small towns across the state. We are providing rural Texas and their housing partners the tools to increase affordable workforce housing, maintaining the economic health of these communities while creating numerous construction jobs and related services."

Although MET has been active in the rehabilitation of single family homes, with an emphasis on farm labor housing, the organization has never developed multifamily housing. This award will significantly further MET's efforts to increase capacity in this type of housing.

\$125,000 of the award came through the Affordable Housing Match Program, a new initiative that is part of TDHCA's Housing Trust Fund. The programs' mission is to provide Texas-based nonprofit organizations, Community Development Financial Institutions, and rural cities and counties the direct match funds needed to apply for other sources of housing funds that, without the required direct match, may otherwise not be obtained.

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The balance of the awards was made through the Rural Housing Expansion Program, another new Housing Trust Fund program through TDHCA. The goal of the program is to increase the capacity of rural Texas communities to develop affordable housing by providing qualifying applicants capacity building resources and funds for direct housing delivery. By having a commitment of direct delivery funds, TDHCA believes the recipients would be better positioned to develop capacity through training, technical assistance, and hands-on experience.

Each organization receiving funds through the Rural Housing Expansion Program must undergo an intensive capacity assessment performed by a third-party technical assistance provider to be determined by TDHCA. Based on the assessment, the technical assistance provider will identify a plan for each organization that covers what their capacity needs are and how to achieve them, and will provide some of the technical assistance skills to enhance capacity.

The Housing Trust Fund is Texas' only state-funded program for the acquisition, rehabilitation, and new construction of affordable housing. Funds are awarded to rural cities and counties, nonprofits serving rural cities and counties, or consortia of several such entities.

The Department places a strong emphasis on allocating Housing Trust Fund awards to properties catering to rural communities, elderly individuals, persons with disabilities, and extremely low income households. Rural Housing Expansion Program is designed to serve households earning no more than 80 percent of the area median family income which for Hale County equals an annual income of \$41,280 for a family of four.

About The Texas Department of Housing and Community Affairs

The Texas Department of Housing and Community Affairs is the state agency responsible for affordable housing, community services, energy assistance, colonia housing programs, and disaster recovery housing programs. It currently administers over \$2 billion through for-profit, nonprofit, and local government partnerships to deliver local housing and community-based opportunities and assistance to Texans in need.