

# 2010 State of Texas Low Income Housing Plan and Annual Report



**TEXAS DEPARTMENT OF  
HOUSING & COMMUNITY AFFAIRS**  
*Building Homes. Strengthening Communities.*

Cover (left to right): (1) Texas Department of Housing and Community Affairs' staff measures the depth of insulation in an attic, (2) a blower door measures how airtight a home is and helps locate air leaks; (3) a weatherization specialist with Houston's Sheltering Arms, funded through the Texas Department of Housing and Community Affairs, applies weather stripping to a door.

# **2010 STATE OF TEXAS LOW INCOME HOUSING PLAN AND ANNUAL REPORT**

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## **SECTION 1: INTRODUCTION**

The Texas Department of Housing and Community Affairs (TDHCA, Department) is the State's lead agency responsible for affordable housing. TDHCA offers a Housing Support Continuum for low- to moderate-income Texans with services ranging from poverty and homelessness prevention to homeownership to disaster recovery.

### **INSTITUTIONAL STRUCTURE**

In 1991, the 72nd Texas Legislature created the Texas Department of Housing and Community Affairs. The Department's enabling legislation, Texas Government Code Chapter 2306, combined programs from the Texas Housing Agency, the Texas Department of Community Affairs, and the Community Development Block Grant Program from the Texas Department of Commerce.

On September 1, 1992, two programs were transferred to TDHCA from the Texas Department of Human Services: the Low Income Home Energy Assistance Program (LIHEAP) and the Emergency Nutrition and Temporary Emergency Relief Program (ENTERP). Effective September 1, 1995, in accordance with House Bill 785, regulation of manufactured housing was transferred to the Department. In accordance with House Bill 7, effective September 1, 2002, the Community Development Block Grant (CDBG) and Local Government Services programs were transferred to the newly-created Office of Rural Community Affairs, now called the Texas Department of Rural Affairs (TDRA). However, TDHCA, through an interagency contract with TDRA, administers 2.5 percent of the CDBG funds used for the Self-Help Centers along the Texas-Mexico border and collaborates with TDRA on disaster recovery and Neighborhood Stabilization Program administration. Effective September 1, 2002, in accordance with Senate Bill 322, the Manufactured Housing Division became an independent entity administratively attached to TDHCA.

### **AGENCY MISSION AND CHARGE**

TDHCA's mission is "to help Texans achieve an improved quality of life through the development of better communities."

TDHCA accomplishes this mission by administering a variety of housing and community affairs programs primarily for households whose incomes are low to moderate as determined by the Area Family Median Income (AMFI) or the poverty level. A primary function of TDHCA is to act as a conduit for federal grant funds for housing and community services. Additionally, because several major housing programs require the participation of private investors and private lenders, TDHCA also operates as a housing finance agency.

More specific policy guidelines are provided in §2306.002 of TDHCA's enabling legislation:

*(a) The legislature finds that:*

*(1) every resident of this state should have a decent, safe and affordable living environment;*

*(2) government at all levels should be involved in assisting individuals and families of low income in obtaining a decent, safe and affordable living environment; and*

*(3) the development and diversification of the economy, the elimination of unemployment or underemployment and the development or expansion of commerce in this state should be encouraged.*

*(b) The highest priority of the department is to provide assistance to individuals and families of low and very low income who are not assisted by private enterprise or other governmental programs so that they may obtain affordable housing or other services and programs offered by the department.*

Funding sources to meet the legislative goals include the U.S. Department of Housing and Urban Development, U.S. Treasury Department, U.S. Department of Health and Human Services, U.S. Department of Energy and State of Texas general revenue funds. With this funding, TDHCA strives to promote sound housing policies; promote leveraging of state and local resources; prevent discrimination; and ensure the stability and continuity of services through a fair, nondiscriminatory and open process. Because of the great amount of need in proportion to the federal and state funding available, the Department strives to provide the most benefit by managing these limited resources to have the greatest impact.

TDHCA is one organization in a network of housing and community services providers located throughout the state. This document focuses on programs within TDHCA's jurisdiction, which are intended to either work in cooperation with or as complements to the services provided by other organizations.

## **HOUSING SUPPORT CONTINUUM ACTIVITIES CHART**

TDHCA's Housing Support Continuum can be divided into six categories. It should be noted that, with the exception of the Section 8 Housing Choice Voucher Program, TDHCA administers its programs and services through a network of organizations across Texas and does not fund individuals directly.

The TDHCA Housing Support Continuum includes (1) Poverty and Homelessness Prevention, (2) Rental Assistance and Multifamily Development, (3) Homebuyer Assistance and Single-Family Development, (4) Rehabilitation and Weatherization, (5) Foreclosure Relief, and (6) Disaster Recovery and Relief.

The following table outlines TDHCA's programs. When a program has "Recovery Act" after its name, it has been created as a result of the American Recovery and Reinvestment Act of 2009 (Recovery Act). For more detailed program information, please see "TDHCA Programs" in *Section 4: Action Plan*.

Continuum	Program/Activities	Description	Eligible Households	
(1) Poverty and Homelessness Prevention	(A) Poverty Prevention	Community Services Block Grant and Community Services Block Grant (Recovery Act)	Funds local community action agencies to provide essential services and poverty programs	<200% poverty
		Comprehensive Energy Assistance	Funds local agencies to offer energy education, financial assistance and Heating, Ventilating and Air Conditioning (HVAC) replacement	<200% poverty
	(B) Homelessness Prevention	Emergency Shelter Grant Program	Funds entities to provide shelter and related services to the homeless	<50% AMFI (Homeless)
		Homelessness Prevention and Rapid Re-Housing Program (Recovery Act)	Funds qualifying entities to provide homelessness prevention assistance and rapidly re-house persons who are homeless	<50% AMFI (Homeless)
		Homeless Housing and Services Program	Funds the eight largest Texas cities to provide services or facilities to homeless individuals and families	<50% AMFI (Homeless)
(2) Rental Assistance and Multifamily Development	(A) Rental Assistance	Section 8 Housing Choice Vouchers	Acts as a public housing authority to offer tenant-based rental assistance vouchers in certain rural areas	<50% AMFI
		Tenant-Based Rental Assistance (Home Program)	Grants for entities to provide tenant-based rental assistance for up to two years	<80% AMFI
		TX Veterans Housing Assistance Program – Rental Assistance (Housing Trust Fund)	Provides rental subsidies for Veterans for a maximum of two years	<80% AMFI
	(B) Multifamily Development	Affordable Housing Match Program (Housing Trust Fund)	Provides funding to Nonprofit Organizations to attract or meet requirements for affordable housing grants or government programs	<80% AMFI
		Community Housing Development Organization Set-aside (HOME Program)	These organizations can apply for loans to develop or preserve affordable rental housing	<80% AMFI
		Rental Housing Development (HOME Program)	Loans or grants to develop or preserve affordable rental housing	<80% AMFI
		Housing Tax Credit Program	Tax credits to developers for the creation or preservation of affordable rental housing	<60% AMFI
		Multifamily Bond Program	Loans to develop or preserve affordable rental housing	<60% AMFI
		Rural Housing Expansion Program (Housing Trust Fund)	Awards eligible applicants for enhancing capacity and preserving rural affordable housing	<80% AMFI
		Tax Credit Assistance Program (Home Program) (Recovery Act)	Allows HOME fund awards to housing tax credit developments affected by the tax credit devaluation	<60% AMFI
Texas Tax Credit Exchange Program (Recovery Act)	Allows developments affected by the housing tax credit devaluation to return their credits and potentially receive a cash grant in its place	<60% AMFI		

Continuum	Program/Activities	Description	Eligible Households	
(3) Homebuyer Education, Assistance and Single-Family Development	(A) Homebuyer Education	Colonia Self-Help Center Program	Homebuyer education offered through Colonia Self-Help Centers and Office of Colonia Initiatives (OCI) field offices	<115% AMFI (All)
		Texas Statewide Homebuyer Education	Training for nonprofits to provide homebuyer education	<115% AMFI (All)
	(B) Homebuyer Assistance	90-Day Down Payment Assistance (Recovery Act) and Mortgage Advantage Program (Recovery Act)	Provides 5 percent of the first lien mortgage amount up to a maximum of \$6,000 or \$7,000 for down payment and/or closing costs at 0 percent interest for 90 or 120 days, depending on program	<115% AMFI
		Affordable Housing Match Program	Provides funding to Nonprofit Organizations to attract or meet requirements for affordable housing grants or government programs	<80% AMFI
		First Time Homebuyer Program – Non-targeted funds	Low-interest loans and/or down payment and closing costs for first time homebuyers	<115% AMFI
		First Time Homebuyer Program – Targeted funds	Low-interest loans and/or down payment and closing costs for first time homebuyers in areas of chronic economic distress	<140% AMFI
		Homeownership Assistance - Contract For Deed Conversion (HOME Program)	Stabilizes colonia resident ownership by converting contract for deeds into traditional mortgages	<60% AMFI
		Homeownership Assistance (HOME Program)	Loan and grants for entities to offer down payment and closing cost assistance	<80% AMFI
		Homeownership Assistance Program – Homebuyer Assistance (Housing Trust Fund)	Loan and grants for entities to offer down payment and closing cost assistance	<80% AMFI
		Mortgage Credit Certificate Program	Annual tax credit for qualified homebuyers based on the interest paid on the homebuyer's mortgage loan	<115% AMFI
		TX Veterans Housing Assistance Program – Homeownership Assistance (Housing Trust Fund)	Funds eligible applicants to provide low-income veterans up to \$35,000 for down payment assistance, closing costs, and accessibility modifications	<80% AMFI
		(C) Single-family Development	Community Housing Development Organization Set-aside (HOME Program)	These organizations can apply for loans to assist in the acquisition, rehabilitation, or new construction of single-family housing
	Rural Housing Expansion Program (Housing Trust Fund)		Awards eligible applicants for enhancing capacity and preserving rural affordable housing	<80% AMFI
	Texas Bootstrap Loan Program		Funds entities to offer owner-builder loans programs	<60% AMFI
(4) Rehabilitation and Weatherization	(A) Rehabilitation	Home Free Barrier Removal and Rehabilitation Program (Housing Trust Fund)	Grants for entities to provide home modifications needed for accessibility for persons with disabilities	<80% AMFI
		Homeownership Assistance Program - Homeowner Rehabilitation (Housing Trust Fund)	Provides loans to homeowners for innovative homeownership initiatives, including barrier removal	<80% AMFI
		Homeowner Rehabilitation (HOME Program)	Loans and grants for entities to provide home repair assistance	<80% AMFI
	(B) Weatherization	Weatherization Assistance Program and Weatherization Assistance Program (Recovery Act)	Funds local agencies to provide minor home repairs to increase energy efficiency	<200% poverty

Continuum	Program/Activities	Description	Eligible Households
(5) Foreclosure Relief	(A) Foreclosure Prevention National Foreclosure Mitigation Counseling	Fund Foreclosure Counselors to assist households avoid foreclosure	None required
	(B) Post-Foreclosure Mitigation Neighborhood Stabilization Program	Purchase foreclosed properties to demolish or create affordable housing and stabilize existing neighborhoods	<120% AMFI
(6) Disaster Recovery and Relief	Community Development Block Grant – Hurricanes Dolly and Ike	Funds for disaster relief, long-term recovery and restoration of infrastructure, housing and economic revitalization	50% of the funds used for <80% AMFI
	Community Services Block Grant – Emergency Disaster Relief	Provide persons with emergency shelter, food, clothing, and other essentials, such as appliances and hygiene items	<200% Poverty
	Community Development Block Grant Program – Round One	Targeted disaster recovery funding to provide home repair assistance and preserve affordable rental housing	<80% AMFI
	Community Development Block Grant – Round Two	Targeted disaster recovery funding to provide home repair assistance, preserve affordable rental housing, provide infrastructure repairs and provide community services for areas with evacuees	<80-150% AMFI
	Disaster Recovery Homeowner Repair (Housing Trust Fund)	Assists households who are lacking only a small portion of funds to fulfill their full cost of construction	<80% AMFI
	Disaster Relief Homeowner Rehabilitation Assistance (HOME Program)	Deobligated HOME funds may be used in non-Participating Jurisdictions to assist with home repair, rehabilitation and reconstruction of homes affected by a disaster	<80% AMFI
	Housing Tax Credit – Disaster Relief	Tax credits to develop or preserve affordable rental housing for the Gulf Coast Opportunity Zone and counties affected by Hurricane Ike	<60% AMFI
	Texas First Time Homebuyer – Targeted Funds	Assist those affected by natural disasters by improving existing residential housing through self-help construction	<60% AMFI

## **ADMINISTRATIVE STRUCTURE**

Agency programs are grouped into the following divisions: Community Affairs, Disaster Recovery, HOME, Housing Trust Fund, Multifamily Finance, Neighborhood Stabilization Program, Office of Colonia Initiatives, and Texas Homeownership. The Manufactured Housing Division is administratively attached to TDHCA, though it is an independent entity with its own governing board.

Additionally, there are several Divisions within TDHCA which are involved in the administration of the agency as a whole but which do not administer specific programs. The Program Services Division is responsible for adherence, processing and completion of cross-cutting federal and departmental requirements for housing programs administered by the Department, including the processing and issuance of environmental clearances, labor standards requirements, loan closings and the commitment and disbursements of federal funds. The Office of Recovery Act Accountability and Oversight is responsible for identifying and mitigating risk in program development and operation and for issues that cut across all Recovery Act programs, such as reporting and federal guidance. The Department of Policy and Public Affairs disseminates information and is a liaison between TDHCA and industry stakeholders, advocacy groups and the executive and legislative branches of state and Federal government. The Housing Resource Center acts as a central clearinghouse for information and research regarding TDHCA programs and general housing-related issues. The Real Estate Analysis Division provides TDHCA with analytical reports necessary to make well-informed financial decisions about funding affordable housing developments. The Compliance and Asset Oversight Division ensures housing program and financial compliance with federal and state regulations by using various oversight measures including onsite monitoring visits and desk reviews. Other divisions that are involved in TDHCA's internal management include Administrative Support, Bond Finance, Financial Administration, Information Systems, Internal Audit, and Legal Services.

## **2009 STATE OF TEXAS LOW INCOME HOUSING PLAN AND ANNUAL REPORT**

The *2009 State of Texas Low Income Housing Plan and Annual Report* (SLIHP, Plan) is prepared annually in accordance with §2306.072–2306.0724 of the Texas Government Code. This statute requires that TDHCA provide a comprehensive statement of activities in the preceding year, an overview of statewide housing needs and a resource allocation plan to meet the state's housing needs. It offers policy makers, affordable housing providers and local communities a comprehensive reference on statewide housing need, housing resources and performance-based funding allocations. The format is intended to help these entities measure housing needs, understand general housing issues, formulate policies and identify available resources. As such, the Plan is a working document and its annual changes reflect changes in programs or funding amounts, policy changes, statutory guidance and input received throughout the year.

The Plan is organized into eight sections:

- *Introduction*: An overview of TDHCA and the Plan
- *Housing Analysis*: An analysis of statewide and regional demographic information, housing characteristics and housing needs
- *Annual Report*: A comprehensive statement of activities for 2009, including performance measures, actual numbers served and a discussion of TDHCA's Strategic Plan goals
- *TDHCA Action Plan*: A description of TDHCA's program descriptions, initiatives, resource allocation plans, and goals
- *Recovery Act*: A program description, implementation and allocation and additional resources for the programs offered through TDHCA created as a result of the American Recovery and Reinvestment Act of 2009 (Recovery Act)
- *Public Participation*: Information on the Plan preparation and a summary of public comment

- *Colonia Action Plan*: A revised biennial plan for 2009–2010, which discusses housing and community development needs in the colonias, describes TDHCA’s policy goals, summarizes the strategies and programs designed to meet these goals and describes projected outcomes to support the improvement of living conditions of colonia residents
- *Texas State Affordable Housing Corporation (TSAHC) Plan*: This section outlines TSAHC’s plans and programs for 2009 and is included in accordance with legislation
- *Appendix*: Includes TDHCA’s enabling legislation

Because the Plan’s legislative requirements are rather extensive, TDHCA has prepared a collection of publications in order to fulfill these requirements. TDHCA produces the following publications in compliance with §2306.072–2306.0724 of the Texas Government Code:

- *State of Texas Low Income Housing Plan and Annual Report* (this document)
- *Basic Financial Statements and Operating Budget*: Produced by TDHCA’s Financial Administration Division, which fulfills §2306.072(c)(1)
- *TDHCA Program Guide*: A description of TDHCA’s housing programs and other state and federal housing and housing-related programs, which fulfills §2306.0721(c)(4) and §2306.0721(c)(10)
- *TDHCA Housing Sponsor Report*: A report that provides property and occupant profiles of developments that have received assistance from TDHCA, which fulfills §2306.072(c)(6), §2306.072(c)(8) and §2306.0724.



## **SECTION 2: HOUSING ANALYSIS**

This section of the Plan contains an overview of the affordable housing needs in the state and an estimate and analysis of the housing needs in each region.

### **DATA SOURCES AND LIMITATIONS**

The information provided in this section should be considered within the context of its limitations. The Department recognizes that the truest assessment of housing need can best be found only at the local level based on the direct experience of local households. Alternative methods, such as detailed on-location assessments by professionals skilled at reviewing such matters and local surveys might be utilized, but the Department lacks the resources to obtain such data through third parties or, confronted with a state covering over 265,000 square miles, to compile it directly. The following issues should be considered when reviewing the information contained in this report:

- Many nuances of housing need are lost when data is aggregated into regional, county and statewide totals. For example, housing needs in rural communities are often distorted when reported at the county level because housing needs are often very different in rural and urban areas. The large population of urban metropolitan areas can skew the data and mask the needs of the rural areas.
- Reliable data available on the condition of the housing stock, the homeless population and the housing needs of special needs populations is very limited.

2000 Census and 2000 Comprehensive Housing Affordability Strategy (CHAS) data is primarily used in this report. Data presented for 2009 was calculated by applying the percentage population change from HISTA data to the 2000 CHAS data. HISTA data is a four-way cross tabulation of household data built by a demographic data provider and made available for purchase from Ribbon Demographics. The Department purchased 2009 and 2014 population projections from Ribbon Demographics during the summer of 2009. Other data sources include the American Community Survey Estimates from the Census and projections from the State of Texas Demographer.

The content and format of the Census-based tables, graphs and maps provided in this section were derived, in part, from a methodology for housing needs assessment in the *National Analysis of Housing Affordability, Adequacy and Availability: A Framework for Local Housing Strategies*. The Urban Institute prepared this document for the U.S. Department of Housing and Urban Development (HUD). It provides a methodology with which to describe and analyze local housing markets in order to develop strategies for addressing housing problems and needs. The document served as a guide for the preparation of CHAS reports. As such, it provides a systematic framework for housing market analysis. HUD collaborated with the U.S. Census Bureau to develop special tabulations of the 2000 Census data.

The CHAS database classifies households into five relative income categories based on reported household income, the number of people in the household and geographic location. These income categories are used to reflect income limits that define eligibility for HUD's major assistance programs, as well as for other housing programs, such as the Housing Tax Credit Program. Households are classified into income groups by comparing reported household income to HUD-Adjusted Median Family Income (HAMFI). The income limits are calculated by household size for each metropolitan area and non-metropolitan county in the United States and its territories. They are based on HUD estimates of median family income with several adjustments as required by statute. The income classifications are 0-30 percent of HAMFI (extremely low income), 31-50 percent of HAMFI (very low income), 51-80 percent (low income), 81-95 percent of HAMFI (moderate income) and above 95 percent of HAMFI.<sup>1</sup>

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<sup>1</sup> The CHAS figures for moderate and higher income households in Region 11 indicate that there are only 199 persons with incomes between 80-95 percent of the AMFI. TDHCA has been unable to get more accurate information for this segment of the

The income limits for metropolitan areas may not be less than limits based on the state non-metropolitan median family income level and must be adjusted accordingly. Income limits must also be adjusted for family size and may be adjusted for areas with unusually high or low family income or housing-cost-to-income relationships.

Unit affordability compares housing cost to local area HAMFI. Affordable units are defined as units for which a household would pay no more than 30 percent of its income for rent and no more than two and one-half times its annual income to purchase. Since HUD's adjusted median family incomes are estimated for a family of four, affordability levels are also adjusted to control for various-sized units based on the number of people that could occupy a unit without overcrowding. This adjustment is made by multiplying the threshold described above by 75 percent for a zero-to-one-bedroom unit, 90 percent for a two-bedroom unit and 104 percent for a three-or-more-bedroom unit.

Homeless figures are taken from 2000 Census group quarters population and type tables, contained in Census 2000 Summary File 1. Group quarters type designations include institutional quarters, such as correctional facilities, hospitals and juvenile institutions, as well as noninstitutional quarters, such as military quarters, group homes, dormitories and other situations. Based on the Definitions of Subject Characteristics contained in the Technical Documentation for Summary File 1: 2000 Census of Population and Housing published by the U.S. Census Bureau, this report uses "other noninstitutional group quarters" and "other nonhousehold living situations" census figures to represent the homeless population in each region. "Other noninstitutional group quarters" counts individuals in shelters for abused women, soup kitchens, mobile food vans and other targeted nonsheltered outdoor locations where there is evidence of human occupation. "Other nonhousehold living situations" counts individuals with no usual home residing in hostels and YMCAs who were not counted in other tabulations.

The U.S. Census also completed a special tabulation, Emergency and Transitional Shelter Population: 2000, based on metropolitan areas with 100 or more people in emergency and transitional shelters. It must be noted that this data only refers to metropolitan areas with 100 or more people in shelters, so is not a comprehensive picture of the total population living in shelters. In the region sections of this document, if the Census counted individuals living in emergency shelters in a metropolitan area that is located in the region, those figures are provided.

It must be emphasized that the regional estimates of the homeless populations are not comprehensive. The various definitions of homeless and methods in counting the homelessness make definitive tabulations difficult. The Texas Interagency Council for the Homeless estimates that about 200,000 people, or 1 percent of the state's population, are homeless.<sup>2</sup> The 2000 Census figures for individuals living in "other noninstitutional group quarters" and "other nonhousehold living situations" count only 28,377 individuals statewide.

The needs assessment data is augmented with additional information from the perspective of local officials, where available. In March 2006, TDHCA conducted the 2006 State of Texas Community Needs Survey. This survey was designed to obtain a better understanding of housing and community development needs, issues and problems at the state, regional and local levels. The survey gave local officials, who are most familiar with the unique characteristics of their communities, a voice in determining how Texas's affordable housing, supportive service and community development needs can be most effectively addressed.

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population. However, the planning impact for the SLIHP is relatively low because, except for the first time homebuyer program which is done through a network of participating lenders, TDHCA programs serve persons below 80 percent AMFI.

<sup>2</sup> Texas Interagency Council for the Homeless. (n.d.) "Key Facts," Retrieved from <http://www.tich.state.tx.us/facts.htm>.

## **STATE OF TEXAS**

The state-level housing analysis includes information on demographics, special-needs populations and affordable-housing need indicators. Department plans reflect this statewide information as well as the consideration of affordable housing assistance from various sources.

### **DEMOGRAPHIC CHARACTERISTICS**

Texas has grown in population faster than the national average. Between 2002 and 2008, Texas' population increased approximately 14.6 percent, compared to 8.3 percent nationwide. Approximately 3,111,480 people were added to Texas during this time. More than one of every seven persons added to the population of the United States from 2002 to 2008 was added in Texas. This growth estimate is according to the American Community Survey 1-Year Estimate for 2002<sup>3</sup> (the first year nation-wide data was available) and 2008 (the most recent year for the survey).<sup>4</sup> Total population estimate for January 1, 2009 according to Census data updated by HISTA data is approximately 23,705,962.

### ***PROJECTED POPULATION CHANGE AND IMPLICATIONS FOR HOUSING NEED\****

- Demand for affordable and subsidized housing will increase in the coming years: Long-term demographic projections show growth in total population and minority and older populations, indicating an increase in total need.
- The state's total population will grow: State population is projected to increase to 35.7 million by 2040.
- The Anglo percentage of the total population will decrease: The Anglo population makes up approximately 47.9 percent of the total population in 2009 and is projected to make up 32.2 percent of the total population in 2040.
- The Anglo population will not increase as fast as other races or ethnicities: Anglo population is projected to increase by 0.2 percent between 2009 and 2040, while Blacks are expected to increase by 20.0 percent and Hispanics by 53.1 percent.
- The population is becoming older: The percentage of the population that was 65 or older was 10.3 percent in 2009 but will increase to 18.0 percent by 2040. In contrast, the percentage of the population that was 18 or younger was 26.8 percent in 2009 but will decrease to 22.0 percent by 2040.<sup>5</sup>

\*These projections assume the One-Half 1990-2000 Migration (0.5) Scenario. According to the State Demographer:

This scenario has been prepared as an approximate average of the zero (0.0) and 1990-2000 (1.0) scenarios. It assumes rates of net migration one-half of those of the 1990s. The reason for including this scenario is that many counties in the State are unlikely to continue to experience the overall levels of relative extensive growth of the 1990s. A scenario which projects rates of population growth that are approximately an average of the zero and the 1990-2000 scenarios is one that suggests slower than 1990-2000 but steady growth.<sup>6</sup>

<sup>3</sup> U.S. Census Bureau, 2002 American Community Survey. (n.d.). Subject tables. Retrieved from <http://factfinder.census.gov>.

<sup>4</sup> Ibid.

<sup>5</sup> Texas State Data Center and Office of the State Demographer. (2009, November 4). Texas Population Projections Program. Retrieved from <http://txsdc.utsa.edu/tpepp/2008projections/>.

<sup>6</sup> Ibid.

Expected housing demand is directly linked to projected changes in population characteristics. The current racial and ethnic shift is significant because of the substantial differences between the race and ethnicities in terms of income level. According to American Community Survey 3-Year Estimates, the difference in median household income between Anglos and Blacks was \$17,621 during 2006 and 2008; and the Anglo-Hispanic difference was \$16,521 during 2006 to 2008. Generally Anglos made more than both these populations during this time period. Similarly, the poverty rates of 24.7 percent for Blacks and 21.2 percent for Hispanics was still more than two times as high as the 10.5 percent of persons in poverty among Anglos from 2006 to 2008. Because of these disparities, households in Texas will become poorer over the coming decades unless the relationship between ethnicity and income changes.<sup>7</sup>

### ***SPECIAL NEEDS***

A correlation also exists between age and income and home modifications. A 2008 survey of older Texans for Aging Texas Well, an advisory committee headed by the Texas Department of Aging and Disability Services, found that 56 percent of older Texan respondents spend more than 30 percent of their income on housing.<sup>8</sup> Furthermore, disability rates are often related to age, necessitating home modifications. The 2005 to 2007 American Community Survey finds that 45.3 percent of the population 65 years and older had a disability during this time period. This is compared with 6.6 percent of the population aged 5 to 15 years and 11.8 percent of the population aged 16 to 64 years during the same time period.<sup>9</sup> The survey for Aging Texas Well survey found that 14 percent of older Texans reported that their home's doorways, hallways, kitchen, bathroom, and closets needed substantial accessibility modifications. In addition, 15 percent of older Texans reported that their home's structure, heating and cooling systems, or electricity or plumbing needed substantial repair.<sup>10</sup> These needed accessibility modifications or repairs may prevent elderly households from aging in place, necessitating an earlier move to costly nursing homes or other supportive housing.

### ***POVERTY AND INCOME***

According to census data updated by HISTA projections, approximately 3,585,250 people in Texas lived below the poverty line in 2009. According to the American Community Survey for 2006 to 2008, Texas had a poverty rate of 16.3 percent during this time period compared to the national poverty rate of 13.2 percent. Poverty conditions along the Texas-Mexico border warrant special attention. Parts of the region, like McAllen-Edinburg-Mission, suffered from unemployment rates higher than the state's (11.4 percent vs. 8.0 percent in August 2009<sup>11</sup>) and its residents made approximately 62 percent the state's median income.<sup>12</sup> This trend continues for counties along the border. Conditions are particularly acute in the colonias, unincorporated areas along the Texas-Mexico border lacking infrastructure and decent housing.

Minority populations continue to be overrepresented in the Texas population under the poverty level (see Table: Annual Poverty Estimates by Race and Latino Origin – Texas, 2006-2008). According to the 2006 to 2008 American Community Survey, during that three-year period the percent of Black or African American and Some Other Race populations under the poverty level were 23.9 to 24.10 percent,

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<sup>7</sup> Murdock, S. H. et al., (2002, December), Texas challenge in the twenty-first century: Implications of population change for the future of Texas. Retrieved from <http://txsdc.utsa.edu/download/pdf/TxChall2002.pdf>.

<sup>8</sup> Texas Department of Aging and Disability Services. (2009, April). Aging Texas well: Indicators survey overview report 2009. Retrieved from [http://www.dads.state.tx.us/news\\_info/publications/studies/ATWIndicators2009.pdf](http://www.dads.state.tx.us/news_info/publications/studies/ATWIndicators2009.pdf).

<sup>9</sup> U.S. Census Bureau, 2005-2007 American Community Survey. (n.d.). Subject tables. Retrieved from <http://factfinder.census.gov>.

<sup>10</sup> Texas Department of Aging and Disability Services. (2009, April). Aging Texas well: Indicators survey overview report 2009. Retrieved from [http://www.dads.state.tx.us/news\\_info/publications/studies/ATWIndicators2009.pdf](http://www.dads.state.tx.us/news_info/publications/studies/ATWIndicators2009.pdf).

<sup>11</sup> U.S. Bureau of Labor Statistics. (2009, November 5). Economy at a glance. Retrieved from <http://www.bls.gov/eag/eag.tx.htm>.

<sup>12</sup> U.S. Census Bureau, 2006-2008 American Community Survey. (n.d.). Subject tables. Retrieved from <http://factfinder.census.gov>.

respectively. Other recorded races show a much lower poverty rate ranging from 14.10 percent to 17.8 percent. Similarly, the Hispanic population in poverty was 16.2 percent higher than white alone.<sup>13</sup>

### Annual Poverty Estimates by Race and Latino Origin – Texas, 2006 to 2008

	Total	Below poverty level	Percent below poverty level
<b>One race</b>	<b>22,798,691</b>	<b>3,721,271</b>	<b>16.30%</b>
White	16,637,808	2,352,590	14.10%
Black or African American	2,597,993	620,334	23.90%
American Indian and Alaska Native	114,474	20,355	17.80%
Asian	796,800	91,128	11.40%
Native Hawaiian and Other Pacific Islander	17,365	2,885	16.60%
Some other race	2,634,251	633,979	24.10%
<b>Two or more races</b>	<b>433,501</b>	<b>70,817</b>	<b>16.30%</b>
<b>Hispanic or Latino origin (of any race)</b>	<b>8,397,171</b>	<b>2,086,053</b>	<b>24.80%</b>
White alone, not Hispanic or Latino	11,113,284	952,621	8.60%

Source: 2006 to 2008 American Community Survey 3-Year Estimates

Many families who rely on low-wage occupations for a living find it difficult to cover all essential expenses. According to a study by the Center for Public Policy Priorities, “a significant proportion of families throughout the state struggle paycheck-to-paycheck to make ends meet.” The study examined a typical family’s fundamental expenses, such as housing, food, child care, medical costs, transportation, taxes, etc., and compared the total bill to typical wages earned in the 27 Texas Metropolitan Statistical Areas. The study asserts that a family of four in Texas requires a household hourly income of \$18 to \$22 per hour (depending on the metro area in which the family lives) to simply meet its most basic needs. In a majority of Texas metro areas, however, half of the total employment is in occupations with a median wage under \$10 per hour.<sup>14</sup>

In addition, expected economic growth will not necessarily lift the lowest-income groups. The Texas Comptroller’s Biennial Revenue Estimate predicts that the fastest growing sector of the state economy for 2010-2011 will be the professional and business services. This sector was also the fastest growing in 2008-2009 and it requires specialized education and skills.<sup>15</sup> While this growth may buoy the state economy, it may not raise many low-income families, who may not have the necessary education or training, from their current positions.

To provide a more detailed breakdown of the population by income level, this report will use the five income groups designated by HUD. Households are classified into these groups by comparing reported

<sup>13</sup> U.S. Census Bureau, 2006-2008 American Community Survey. (n.d.). Subject tables. Retrieved from <http://factfinder.census.gov>.

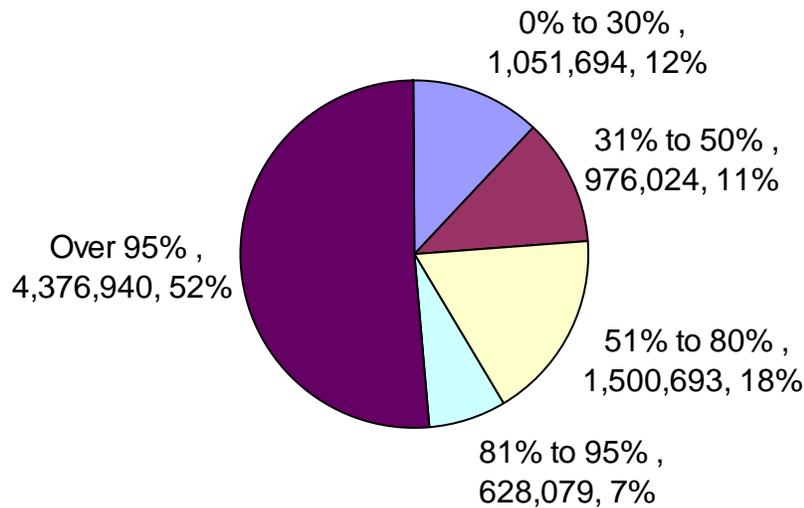
<sup>14</sup> Center for Public Policy Priorities. (2002, September 1). Making it: what it really takes to live in Texas. Retrieved from <http://www.cppp.org/research.php?aid=120>.

<sup>15</sup> Texas Comptroller of Public Accounts. (2009, January). Biennial revenue estimate: 2010-2011. Retrieved from <http://www.window.state.tx.us/taxbud/bre2010/outlook.html>.

household incomes to HUD-Adjusted Median Family Incomes (HAMFI). The income level definitions are as follows:

- Extremely Low Income: At or below 30 percent of HAMFI
- Very Low Income: Between 31 percent and 50 percent of HAMFI
- Low Income: Between 51 percent and 80 percent of HAMFI
- Moderate Income: Between 81 percent and 95 percent of HAMFI
- Above 95 percent of HAMFI

**Households by Income Group – Texas, 2009**



Source: CHAS 2000 with projections based on HISTA data.

The chart above indicates the 2009 projected distribution of households by income group across Texas by number and percentage. A total of 48 percent of all households are in the low income range (0 to 80 percent of HAMFI). Meeting the needs of this large portion of the state’s households is TDHCA’s primary focus.

**AFFORDABLE HOUSING NEED**

When analyzing local housing markets and developing strategies for meeting housing problems, HUD suggests the consideration of several factors. These factors include how much a household spends on housing costs (also called Housing Burden), the physical condition of the housing and whether or not the household is overcrowded. The following table reveals the number and percentage of households with at least one housing need by income category and household type.

Households with One or More Housing Problems - Texas, 2009

		Renter Households			Owner Households			Total Households
		At Least One Problem	Total Households	Percent with At Least One Problem	At Least One Problem	Total Households	Percent with At Least One Problem	
0-30% AMFI	Elderly Households	67,925	109,400	62.1%	117,016	175,853	66.5%	184,941
	Small Related Households	186,654	235,214	79.4%	88,731	118,834	74.7%	275,385
	Large Related Households	73,461	79,887	92.0%	45,537	51,417	88.6%	118,998
	Other Households	153,443	210,593	72.9%	45,667	68,579	66.6%	199,110
	<b>Total Households</b>	<b>481,483</b>	<b>635,093</b>	<b>75.8%</b>	<b>296,951</b>	<b>414,683</b>	<b>71.6%</b>	<b>778,434</b>
31-50% AMFI	Elderly Households	42,065	70,501	59.7%	72,987	194,982	37.4%	115,052
	Small Related Households	153,646	207,834	73.9%	91,647	278,560	32.9%	245,293
	Large Related Households	66,852	77,365	86.4%	62,532	121,022	51.7%	129,384
	Other Households	117,404	146,135	80.3%	28,305	79,216	35.7%	145,709
	<b>Total Households</b>	<b>379,966</b>	<b>501,835</b>	<b>75.7%</b>	<b>255,471</b>	<b>673,780</b>	<b>37.9%</b>	<b>635,437</b>
51-80% AMFI	Elderly Households	22,924	54,656	41.9%	47,761	244,435	19.5%	70,685
	Small Related Households	112,716	287,855	39.2%	140,597	327,510	42.9%	253,313
	Large Related Households	66,685	94,163	70.8%	94,937	153,426	61.9%	161,622
	Other Households	91,019	242,223	37.6%	41,734	92,646	45.0%	132,754
	<b>Total Households</b>	<b>293,344</b>	<b>678,898</b>	<b>43.2%</b>	<b>325,029</b>	<b>818,017</b>	<b>39.7%</b>	<b>618,373</b>
81-95% AMFI	Elderly Households	4,184	15,825	26.4%	11,464	91,545	12.5%	15,648
	Small Related Households	21,057	105,448	20.0%	46,574	171,542	27.2%	67,631
	Large Related Households	16,263	28,655	56.8%	29,629	62,440	47.5%	45,892
	Other Households	13,552	103,756	13.1%	16,297	47,030	34.7%	29,848
	<b>Total Households</b>	<b>55,055</b>	<b>253,684</b>	<b>21.7%</b>	<b>103,964</b>	<b>372,557</b>	<b>27.9%</b>	<b>159,019</b>
More Than 95% AMFI	Elderly Households	9,394	62,264	15.1%	27,207	577,016	4.7%	36,601
	Small Related Households	50,431	460,030	11.0%	153,049	2,029,389	7.5%	203,480
	Large Related Households	40,814	85,861	47.5%	106,986	418,592	25.6%	147,799
	Other Households	19,619	389,239	5.0%	40,506	351,997	11.5%	60,125
	<b>Total Households</b>	<b>120,258</b>	<b>997,395</b>	<b>12.1%</b>	<b>327,748</b>	<b>3,376,994</b>	<b>9.7%</b>	<b>448,005</b>
Total Households	Elderly Households	146,492	312,646	46.9%	276,435	1,283,831	21.5%	422,927
	Small Related Households	524,504	1,296,381	40.5%	520,598	2,925,834	17.8%	1,045,101
	Large Related Households	264,075	365,931	72.2%	339,620	806,897	42.1%	603,695
	Other Households	395,037	1,091,947	36.2%	172,509	639,469	27.0%	567,546
	<b>Total Households</b>	<b>1,330,106</b>	<b>3,066,905</b>	<b>43.4%</b>	<b>1,309,162</b>	<b>5,656,031</b>	<b>23.1%</b>	<b>2,639,268</b>

Source: CHAS 2000 with projections based on HISTA data.

**PHYSICAL INADEQUACY (LACK OF KITCHEN AND PLUMBING FACILITIES)**

The measure of physical inadequacy available from the CHAS database tabulation is the number of units lacking complete kitchen and/or plumbing facilities. While this is not a complete measure of physical inadequacy, the lack of plumbing and/or kitchen facilities can serve as a strong indication of one type of housing inadequacy. The following figure demonstrates that among the physically inadequate housing units, 31 percent are occupied by extremely low-income households.

**Number of Units Lacking Kitchen and/or Plumbing by Affordability Category – Texas, 2009**

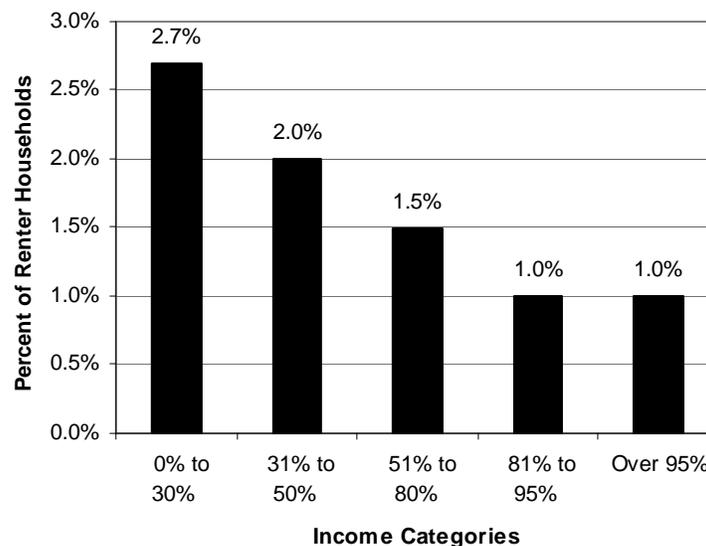
Income Group	Units	Percent
0% to 30%	29,690	31%
31% to 50%	18,293	19%
51% to 80%	18,792	20%
80% to 95%	4,838	5%
Over 95%	22,778	24%
Total	94,391	

Source: CHAS Database with projections based on HISTA data.

The state defines “standard condition” of housing as properties that meet the federal Housing Quality Standards, or the state Colonia Housing Standards, as applicable. “Substandard condition but suitable for rehabilitation” refers to properties that do not meet the above standards but are not sufficiently deteriorated to justify demolition or replacement. These definitions refer to the condition of properties prior to the receipt of assistance.

The following bar chart shows the distribution of this problem by income group. Households in the lowest income group earning 30 percent HAMFI or less have the highest incidence of physically inadequate rental housing.

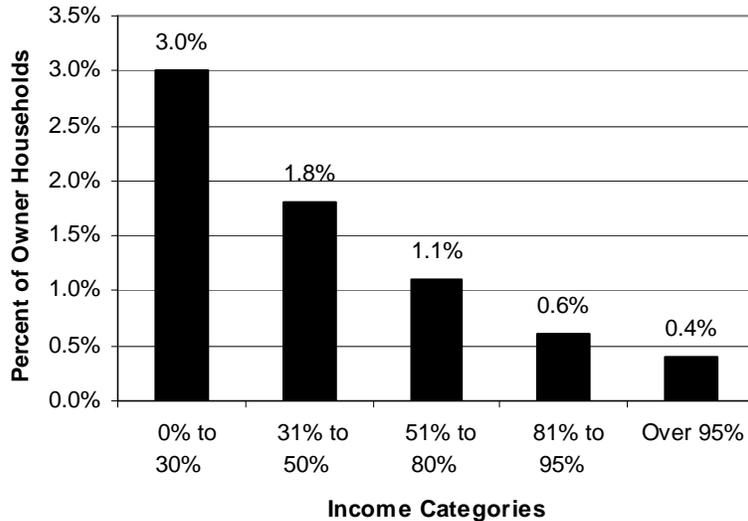
**Renter Households with Substandard Housing by Percent – Texas, 2009**



Source: CHAS Database with projections based on HISTA data.

Following the same trend as renter households, owner households in the lowest-income category have more incidents of substandard housing. Approximately three percent of owner households earning 30 percent HAMFI or less have substandard housing.

**Owner Households with Substandard Housing Percent – Texas, 2009**

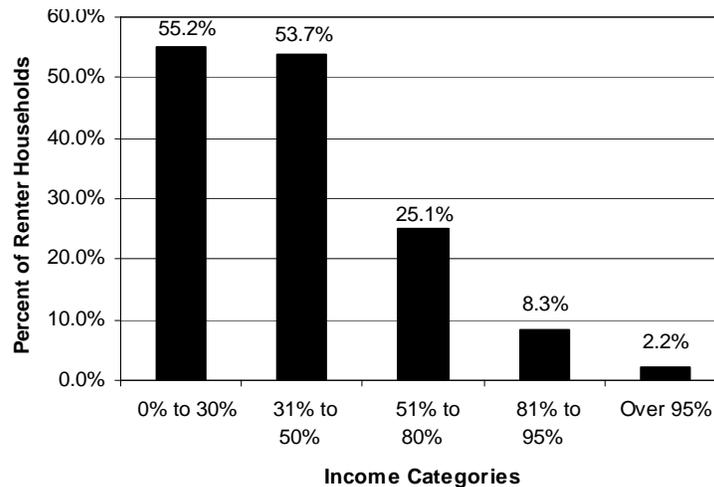


Source: CHAS Database with projections based on HISTA data

***EXTREME HOUSING COST BURDEN***

An excess cost burden is identified when a household pays more than 30 percent of its gross income for housing costs. When so much is spent on housing, other basic household needs may suffer. As the following graph shows, a majority of renter households in the lowest two income categories, totaling more than 621,200 households, is burdened by paying an excess portion of income toward housing. This is much greater than in the highest income category, above 95 percent HAMFI, where only 2.2 percent of households, or 22,005 households, experience the problem.

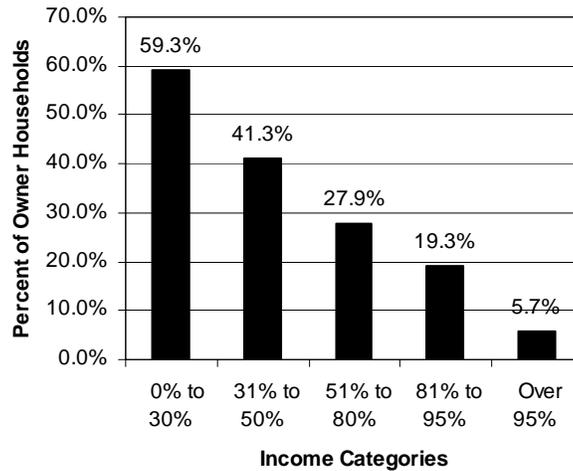
**Renter Households with Extreme Housing Cost Burden (>30% of Income) by Percent – Texas, 2009**



Source: CHAS Database with projections based on HISTA data

As shown in the following graph, excess housing cost burden affects 59.3 percent of owner households in the lowest income category. This figure, representing a majority, is much higher than the 5.7 percent of households affected in the highest income category. The graph illustrates the direct correlation between an owner household’s income category and an owner household’s likelihood of experiencing this problem.

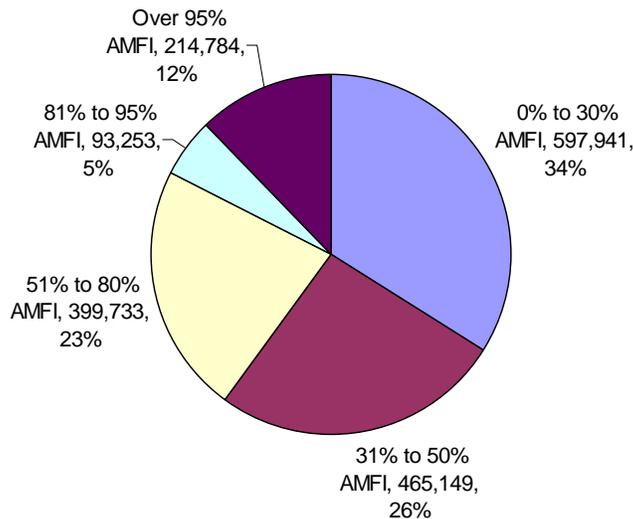
**Owner Households with Excess Housing Cost Burden (>30% of Income) by Percent – Texas 2009**



Source: CHAS Database with projections based on HISTA data

The chart below shows the total number and percentage of households with excess housing cost burden by income group.

**Excess Housing Cost Burden by Income Group – Texas, 2009**



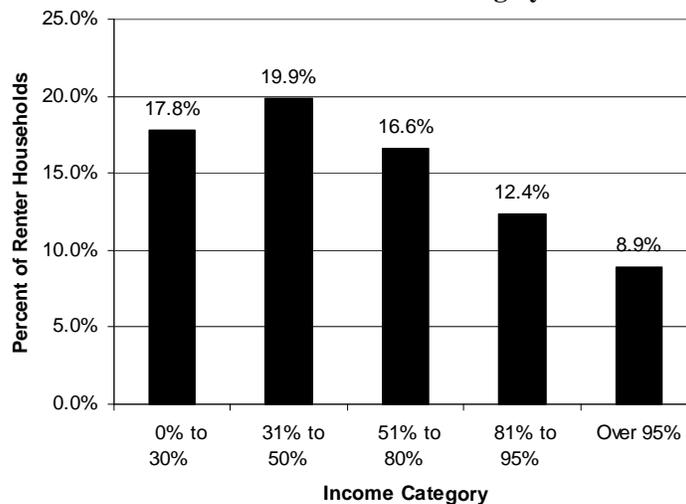
Source: CHAS Database with projections based on HISTA data

**OVERCROWDING**

Overcrowded housing conditions occur when a residence accommodates more than one person per each room in the dwelling. Overcrowding may indicate a general lack of affordable housing in a community where households have been forced to share space, either because other housing units are not available or because the units available are too expensive.

Lower income renter households experience overcrowded conditions more frequently than higher income households. Almost 18 percent of renter households in the extremely low income category and 19.9 percent of renter households in the low income category are afflicted by overcrowding.

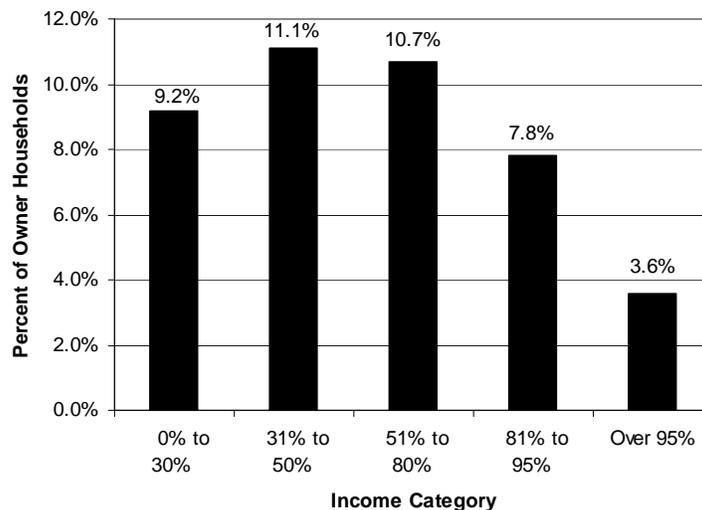
**Renter Households with Incidence of Overcrowding by Percent – Texas, 2009**



Source: CHAS Database with projections based on HISTA data

Lower income owner households also experience overcrowded conditions more frequently than higher income owner households. More than 21 percent of owner households earning less than 50 percent HAMFI live in overcrowded conditions compared to 11.4 percent of owner households over 80 percent HAMFI.

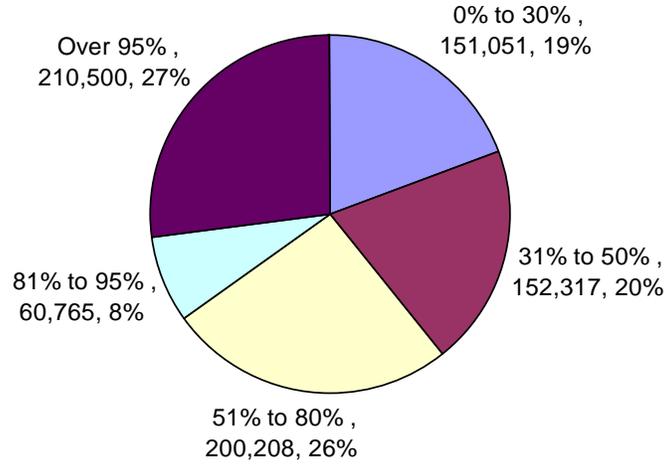
**Owner Households with Incidence of Overcrowding by percent**



Source: CHAS Database with projections based on HISTA data

The chart below shows the total incidence of overcrowded households by income group.

**Overcrowded Households by Income Group – Texas, 2009**



Source: CHAS Database with projections based on HISTA data

## **HOUSING AVAILABILITY AND AFFORDABILITY**

The following figures compare demand and supply of affordable housing by looking at the number of households and housing units in different affordability categories. Because higher income households often reside in units that could be affordable to the lowest income households, there are fewer units available at a cost that is affordable to lower income households. For example, 1.4 million households that have incomes greater than 80 percent AMFI occupy units that would be affordable to households at 0-50 percent AMFI (see table below). Households in this category can afford units in any of the defined affordability categories. Therefore, households that are not low-income often limit the supply of affordable housing units available to low-income households.

The table below describes the housing market interaction of various income groups and housing costs. The table shows the income classifications of the occupants of housing units. The table also illustrates the housing market mismatch between housing units and income groups. For example, very low-income households (0-50 percent of HAMFI) account for only about one-third of all the occupants of housing that is affordable to them. All low-income households (0-80 percent of HAMFI) make up only 48 percent of all households occupying housing affordable to them. This table illustrates housing market mismatches as well as an implicit excessive cost burden for those households that are residing in units beyond their affordability category.

**Occupied Affordable Housing Units by Income Group of Occupant, 2000,  
by percentage of HAMFI**

Number of Renter units	Total	50% or less	51-80%	Above 80%
Affordable to 0-50% HAMFI	1,112,083	588,198	246,476	277,409
Affordable to 51-80% HAMFI	1,245,842	346,703	301,491	597,648
Affordable to >80% HAMFI	305,135	52,391	41,485	211,259

Percent of Renter units	Total	50% or less	51-80%	Above 80%
Affordable to 0-50% HAMFI	100.0%	52.9%	22.2%	24.9%
Affordable to 51-80% HAMFI	100.0%	27.8%	24.2%	48.0%
Affordable to >80% HAMFI	100.0%	17.2%	13.6%	69.2%

Number of Owner units	Total	50% or less	51-80%	Above 80%
Affordable to 0-50% HAMFI	2,099,253	549,469	458,002	1,091,782
Affordable to 51-80% HAMFI	1,331,792	136,016	165,496	1,030,280
Affordable to >80% HAMFI	1,266,738	78,725	81,390	1,106,623

Percent of Owner units	Total	50% or less	51-80%	Above 80%
Affordable to 0-50% HAMFI	100.0%	26.2%	21.8%	52.0%
Affordable to 51-80% HAMFI	100.0%	10.2%	12.4%	77.4%
Affordable to >80% HAMFI	100.0%	6.2%	6.4%	87.4%

Number of Total units	Total	50% or less	51-80%	Above 80%
Affordable to 0-50% HAMFI	3,211,336	1,137,667	704,478	1,369,191
Affordable to 51-80% HAMFI	2,577,634	482,719	466,987	1,627,928
Affordable to >80% HAMFI	1,571,873	131,116	122,875	1,317,882

Percent of Total units	Total	50% or less	51-80%	Above 80%
Affordable to 0-50% HAMFI	100.0%	35.4%	21.9%	42.6%
Affordable to 51-80% HAMFI	100.0%	18.7%	18.1%	63.2%
Affordable to >80% HAMFI	100.0%	8.3%	7.8%	83.8%

Source: 2000 CHAS data

## **LOCAL ASSESSMENT OF NEED**

TDHCA acknowledges that the greatest understanding of housing needs is found at the local level. TDHCA continuously strives to improve the methods used to identify regional affordable housing needs.

### ***STATE OF TEXAS COMMUNITY NEEDS SURVEY***

Beginning in March 2006 and ending May 2006, the Department conducted the 2006 Community Needs Survey (CNS) online to examine housing and community service needs at the local level. The survey contained 18 questions regarding housing, community affairs, and community development needs and was distributed to state representatives, state senators, mayors, county judges, city managers, housing/planning departments, USDA local offices, public housing authorities, councils of governments, community action agencies and Housing Opportunities for Persons with AIDS (HOPWA) agencies—a total of 2,529 individuals and entities. There was a 17.2 percent response rate for the survey.

Analysis of the 2006 CNS demonstrates a strong need for a wide range of housing and energy assistance. Of those respondents ranking their community's need for general assistance, approximately 31 percent indicated that housing assistance (including down payment assistance, home repair and rental payment assistance) was their first or second priority need. Approximately 28 percent of question respondents ranked energy assistance activities as their first or second priority need. Approximately 18 percent of respondents indicated that the development of apartments was the priority need, 15 percent chose capacity building assistance, and 7 percent chose assistance in addressing homelessness.

A significant 49 percent indicated that home repair assistance was the greatest need when compared to home purchase assistance and rental payment assistance. Only 8 percent stated that there was a minimal need for these housing activities in their communities. Regarding rental development activities, 35 percent indicated that their community's greatest need was the construction of new rental units, while approximately 33 percent indicated that both rental construction and rehabilitation activities were the same priority. Only 13 percent identified rehabilitation of existing units as their priority need, which is the same percentage of respondents who stated that there was a minimal need for rental development in their areas.

When considering energy assistance activities, 43 percent indicated that utility payment assistance was the greatest need followed by weatherization and minor home repairs. For homeless assistance activities, a majority 48 percent indicated that there was a minimal need for this type of assistance in their communities and 16 percent did not have an opinion on the subject. Of respondents that indicated a needed activity, homeless prevention services received the highest response with 12 percent indicating that it was their priority need.

The regional results from the CNS are incorporated into the regional plans in the next section of this report. A final report on the survey, the Report on the *2006 State of Texas Community Needs Survey*, is available online from the TDHCA Housing Resource Center at <http://www.tdhca.state.tx.us/ppa/housing-center/pubs.htm#reports>. When programming funds, TDHCA strongly encourages local and recipient participation.

## **STATE HOUSING SUPPLY**

The 2000 U.S. Census reported that 90.6 percent of the housing units in Texas were occupied. The number of housing units increased 16 percent from units that were on the ground in 1990. The 2006-2008 American Community Survey estimates that there were approximately 5,378,160 owner-occupied units (65 percent) and 2,879,934 renter-occupied units (35 percent) during that time period. More renter households consist of one-person households (35.8 percent) compared to owner-occupied households (19.3 percent). Owner-households had the highest percentage of two-person households at 34.0 percent.

Approximately 70.3 percent of the housing units in Texas were one-unit structures, such as single-family homes, during this time period. Approximately 22 percent of housing units were within multifamily structures: 2 percent were in developments up to 2 units; 3.1 percent were in developments with 3 or 4 units; 4.7 percent were within 5 to 9 units; and 12 percent were in developments with or more 10 units. The remaining 7.3 percent of housing units were mobile homes, RVs or boats.<sup>16</sup>

**Physical Housing Characteristics for Occupied Units – Texas, 2006-2008**

	Total Occupied Units	Percent of Total Occupied Units	Renter Households	Owner Households
1, detached	5,582,472	67.6%	849,581	4,732,781
1, attached	222,969	2.7%	97,918	123,698
2 apartments	165,162	2.0%	152,637	16,134
3 or 4 apartments	256,001	3.1%	241,914	16,134
5 to 9 apartments	388,130	4.7%	1,005,097	32,269
10 or more apartments	1,040,520	12.6%	1,005,097	441,009
Mobile home or other type of housing	602,841	7.3%	155,516	441,009
<b>Totals</b>	<b>8,258,095</b>	<b>100.0%</b>	<b>3,507,760</b>	<b>5,803,034</b>

Source: 2006-2008 American Community Survey 3-Year Estimates

## ASSISTED HOUSING INVENTORY

The following table shows the number of multifamily units in the state financed through state and federal sources, including TDHCA, the U.S. Department of Housing and Urban Development (HUD), public housing authorities (PHAs), Section 8 Housing Choice Vouchers and the United States Department of Agriculture (USDA). The table also includes local housing finance corporations (HFCs), a category which encompasses the Texas State Affordable Housing Corporation. Please note that because some developments layer funding from multiple sources, there may be double counting.

TDHCA data includes multifamily developments awarded up until the end of FY 2009, so not all units included in the total had been built at the time of this document's publication. Additionally, the TDHCA unit total only includes those units that have income restrictions and does not include market-rate units that are available in some developments.

HUD unit data was obtained from HUD's April 2007 report, *Multifamily Housing Inventory Survey of Units for the Elderly and Disabled*, available at <http://www.hud.gov/offices/hsg/mfh/hto/state/tx.pdf>. Though the report title specifically references units available to the elderly and persons with disabilities, the report also contains information on family properties and therefore encompasses the full scope of HUD properties. Please note, however, that there may be double counting with units financed through other programs, including public housing.

Numbers for current PHA units and Section 8 Housing Choice Vouchers were obtained from HUD's *Housing Authority Profiles* data at <https://pic.hud.gov/pic/haprofiles/haprofilelist.asp>. TDHCA Section 8 vouchers are also included in this figure. USDA unit data was obtained directly from USDA staff in October 2007.

HFC data, including Texas State Affordable Housing Corporation data, was obtained from the Housing Finance Corporation Annual Report that HFCs are required to submit to TDHCA annually. The figure

<sup>16</sup> U.S. Census Bureau, 2006-2008 American Community Survey. (n.d.). Subject tables. Retrieved from <http://factfinder.census.gov>.

describes the total units financed by the HFCs through June 2008 and does not specify assisted units, so these unit totals will also include market-rate units in the area. Because the majority of HFC-financed developments also receive housing tax credits from TDHCA, these units are not included in the final state total.

**Subsidized Multifamily Units**

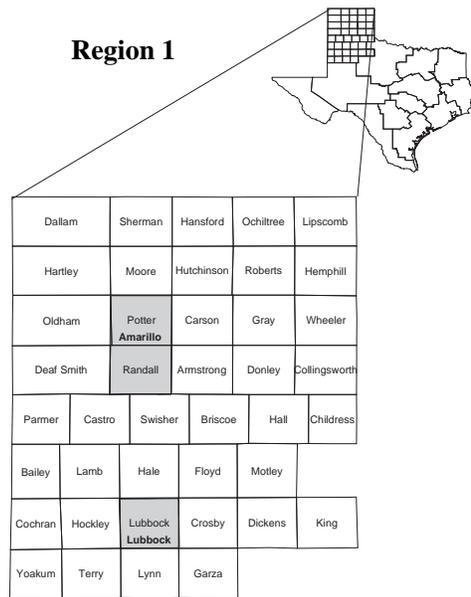
	State Total	Percent of State Inventory
TDHCA Units	199,125	29.98%
HUD Units*	102,349	15.41%
PHA Units*	55,098	8.30%
Section 8 Vouchers	252,515	38.02%
USDA Units	55,052	8.29%
HFC Units**	97,592	N/A
Total	664,139	100%

\*Reflects the most updated numbers available.

\*\*Because HFC developments report total units and do not specify assisted units and that the majority of HFC-financed developments also receive housing tax credits from TDHCA, these units are not included in the final total.

## REGION 1

This 41-county region in the northwest corner of Texas encompasses over 39,500 square miles of the Panhandle. HISTA data projects that in 2009 the total population in Region 1 is 883,425, which represents 3.7 percent of the state's total population.



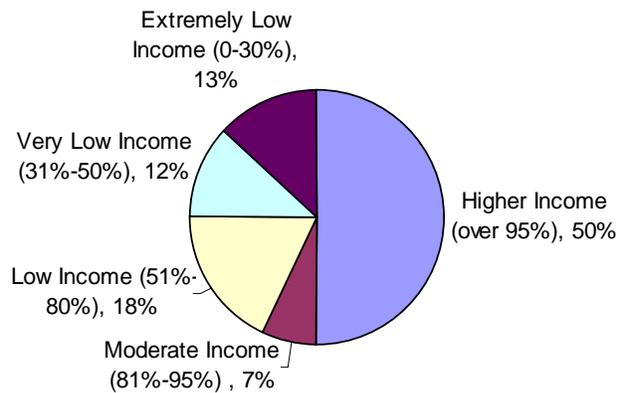
**Region 1 Population Figures**

	Region Total 2000	Percent in Region	Percent of State Total	Population Estimated Jan 1, 2009
Total Population	768,196		3.7%	883,425
Persons with Disabilities	138,520	18.0%		159,298
Elderly Persons (without disabilities)	50,862	6.6%		58,491
Individuals in Poverty	122,991	16.0%		141,440

Source: 2000 Census and CHAS Database with projections based on HISTA data.

Approximately 48 percent of the population lives in the urban areas, including Amarillo and Lubbock, and the rest live in rural areas of the region. In the map of Region 1 (right), the shaded counties are Metropolitan Statistical Areas as defined by the U.S. Census.

## Region 1 Household Incomes



The pie chart to the left depicts the income breakdown of the 288,273 households in the region. Approximately 43 percent of households are low income. The most recent Census poverty estimate data for 2009 shows that there are 141,440 individuals living in poverty in the region which makes up 16.0 percent of the regional population. According to the Multiple Listing Service records for September 2009, the median home prices for Amarillo and Lubbock are \$ 117,600 and \$ 111,000, respectively.<sup>17</sup>

## SPECIAL NEEDS POPULATIONS

According to 2009 population projections, there are approximately 159,298 persons with disabilities residing in the region, which is 18.0 percent of the regional population. In addition, there are approximately 58,491 elderly individuals without disabilities in the region, which is 6.6 percent of the regional population.

Data on the number of homeless individuals in the region is difficult to collect for a variety of reasons, including the fact that members of this population cannot be canvassed with regular location-based techniques. According to 2009 population projections, there are approximately 1,228 people in

<sup>17</sup> Real Estate Center at Texas A&M University, "Texas Residential MLS Activity," <http://recenter.tamu.edu/data/hs/trends4.html> (accessed November 6, 2009).

noninstitutional group homes, including shelters, in the region. In its special tabulation on emergency and transitional shelters, the 2009 projections counted approximately 192 homeless persons in Amarillo.

**HOUSING SUPPLY**

According to the most recent US Census, 89 percent of the housing units in the region are occupied. Of the total housing stock, almost 75 percent are one unit; 15.9 percent are over two units; and the rest are mobile homes, boats, and RVs. Approximately 66.3 percent are occupied by their owners and 33.7 percent are occupied by renters.

**HOUSING NEED**

The housing need indicators analyzed in this section include housing cost burden, substandard housing conditions and housing overcrowding for renter and owner households. The following information comes from the 2000 CHAS database updated with HISTA population projections. There were approximately 91,669 owners and renters with housing problems in 2009.

**Region 1 Households with Housing Problems**

	Region Total	Extremely Low Income (0-30%)	Very Low Income (31-50%)	Low Income (51-80%)	Higher Incomes (81% and up)
Households					
Extreme Cost Burden	67,159	25,939	18,689	13,818	8,712
Lacking Kitchen and/or Plumbing	3,211	898	558	604	1,151
Overcrowding	21,299	3,374	3,735	5,747	8,443
<b>Total</b>	<b>91,669</b>	<b>30,211</b>	<b>22,982</b>	<b>20,169</b>	<b>18,306</b>

Source: CHAS Database with projections based on HISTA data.

**REGIONAL INPUT ON HOUSING NEEDS**

According to the 2006 CNS data for Region 1, the two greatest general needs as ranked by survey respondents were energy assistance with 36 percent of total respondents and housing assistance with 28 percent of total respondents. Of the remaining respondents, 24 percent indicated that the development of apartments was the priority need, 13 percent indicated that capacity building assistance was the priority need and only 6 percent indicated that homeless assistance was the priority need.

When considering housing assistance as a category by itself, almost 40 percent of respondents indicated that home repair assistance was the greatest need, followed by homebuyer assistance at 25 percent. Regarding rental development by itself, 43 percent of respondents indicated that the construction of new rental units was their community’s greatest need, followed by 34 percent of respondents who indicated that the need for construction and rehabilitation of rental units was the same. When taking into account energy assistance by itself, 41 percent of respondents indicated that weatherization and minor home repairs was the greatest need followed by utility assistance with 39 percent.

**ASSISTED HOUSING INVENTORY**

The following table shows the number of total multifamily units in the region financed through state and federal sources such as TDHCA, HUD, PHAs, Section 8 Housing Choice Vouchers, USDA and local HFCs which includes the Texas State Affordable Housing Corporation. For information on the data sources, see “Assisted Housing Inventory” under “State of Texas” in this section. Please note that because some developments layer funding from multiple sources, there may be double counting.

**Region 1 Assisted Multifamily Units**

	Region Total	Percent in Region	Percent of State Total
TDHCA Units	5,165	29.9%	2.6%
HUD Units*	3,451	20.0%	3.4%
PHA Units*	1,304	7.5%	2.4%
Section 8 Vouchers	5,679	32.9%	2.2%
USDA Units	1,676	9.7%	3.0%
HFC Units**	1,789		
Total	17,275	100.0%	3.3%

\*Reflects the most updated numbers available.

\*\*HFC units are not included in the final total, because HFC developments report total units rather than specifying assisted units and because the majority of HFC-financed developments also receive housing tax credits from TDHCA.

## REGION 2

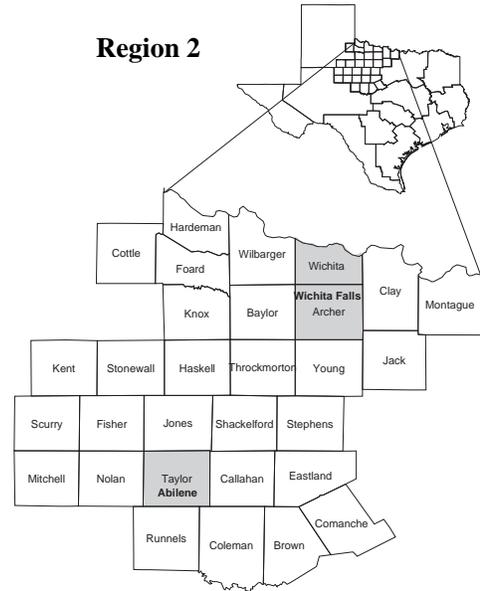
Region 2 surrounds the metropolitan areas of Wichita Falls and Abilene. HISTA data projects that in 2009 the total population in Region 2 is 618,253, which represents 2.6 percent of the state's total population.

**Region 2 Population Figures**

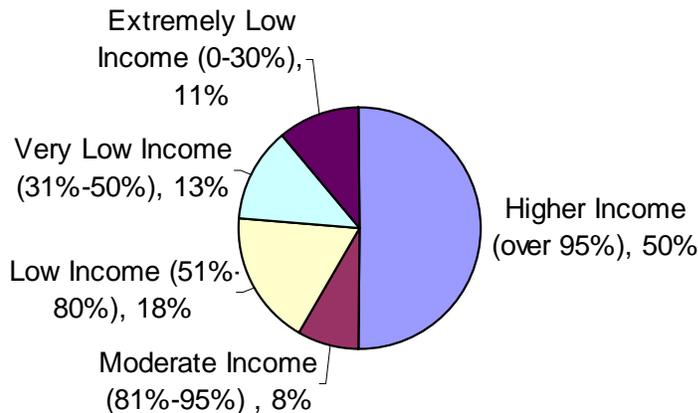
	Region Total 2000	Percent in Region	Region Percent of State	Population Estimated Jan 1, 2009
Total Population	549,267		2.6%	61,8253
Persons with Disabilities	105,325	19.6%		121,124
Elderly Persons (without disabilities)	42,485	7.9%		48,858
Individuals in Poverty	77,647	14.4%		89,294

Source: 2000 Census and CHAS Database with projections based on HISTA data.

Approximately 41 percent of the population lives in urban areas of the region. In the map of Region 2 (right), the shaded counties are Metropolitan Statistical Areas as defined by the U.S. Census.



### Region 2 Household Incomes



The pie chart to the left depicts the income breakdown of the 206,459 households in the region. Approximately 42 percent of households are low income. There are 89,294 individuals living in poverty in the region which makes up 14.4 percent of the regional population. According to the Multiple Listing Service records for September 2009, the median home prices for Wichita Falls and Abilene are \$121,100 and \$108,700, respectively.<sup>18</sup>

### SPECIAL NEEDS POPULATIONS

According to 2009 population projections, there are approximately 121,124 persons with disabilities residing in the region, which is 19.6 percent of the regional population. In addition, there are approximately 48,858 elderly individuals without disabilities in the region, which is 7.9 percent of the regional population.

Data on the number of homeless individuals in the region is difficult to collect for a variety of reasons, including the fact that members of this population cannot be canvassed with regular location-based techniques. According to 2009 population projections, there are approximately 700 people in noninstitutional group homes, which include shelters, in the region. In a special tabulation on emergency and transitional shelters, the Census did not count any homeless persons in metro areas.

<sup>18</sup> Real Estate Center at Texas A&M University, "Texas Residential MLS Activity," <http://recenter.tamu.edu/data/hs/trends4.html> (accessed November 6, 2009).

**HOUSING SUPPLY**

According to the most recent US Census, 84 percent of the housing units in the region are occupied. Of the total housing stock, almost 77 percent are one unit; 12 percent are over two units; and the rest are mobile homes, boats, and RVs. Approximately 69.1 percent are occupied by their owners and 30.9 percent are occupied by renters.

**HOUSING NEED**

The housing need indicators analyzed in this section include housing cost burden, substandard housing conditions and housing overcrowding for renter and owner households. The following information comes from the 2000 CHAS database updated with HISTA population projections. There were approximately 56,447 owners and renters with housing problems in 2009.

**Region 2 Households with Housing Problems**

	Region Total	Extremely Low Income (0-30%)	Very Low Income (31-50%)	Low Income (51-80%)	Higher Incomes (81% and up)
<b>Households</b>					
Extreme Cost Burden	44,820	16,401	13,389	8,732	6,298
Lacking Kitchen and/or Plumbing	2,161	670	367	459	665
Overcrowding	9,466	1,470	1,440	2,691	3,865
<b>Total</b>	<b>56,447</b>	<b>18,541</b>	<b>15,196</b>	<b>11,882</b>	<b>10,828</b>

Source: CHAS Database with projections based on HISTA data.

**REGIONAL INPUT ON HOUSING NEEDS**

According to the 2006 CNS data for Region 2, the two greatest general needs as ranked by survey respondents were energy assistance with 33 percent of total respondents and housing assistance with 29 percent of total respondents. Of the remaining respondents, approximately 21 percent indicated that the development of apartments was the priority need, 14 percent indicated that capacity building assistance was the priority need and 14 percent indicated that homeless assistance was the priority need.

When considering housing assistance as a category by itself, 54 percent of respondents indicated that home repair assistance was the greatest need, followed homebuyer assistance with 23 percent. Regarding rental development by itself, 40 percent of respondents indicated that the construction of new rental units was their community’s greatest need, followed by 28 percent of respondents who indicated that the need for construction and rehabilitation was the same. When taking into account energy assistance by itself, weatherization and minor home repairs tied with utility assistance as the greatest needs, each with 47 percent of respondents.

**ASSISTED HOUSING INVENTORY**

The following table shows the number of total multifamily units in the region financed through state and federal sources such as TDHCA, HUD, PHAs, Section 8 Housing Choice Vouchers, USDA and local HFCs including the Texas State Affordable Housing Corporation. For information on the data sources, see “Assisted Housing Inventory” under “State of Texas” in this section. Please note that because some developments layer funding from multiple sources, there may be double counting.

**Region 2 Assisted Multifamily Units**

	Region Total	Percent in Region	Percent of State Total
TDHCA Units	3,308	25.0%	1.7%
HUD Units*	1,979	14.9%	1.9%
PHA Units*	3,026	22.8%	5.5%
Section 8 Vouchers	3,009	22.7%	1.2%
USDA Units	1,925	14.5%	3.5%
HFC Units**	280		
Total	13,247	100.0%	2.5%

\* Reflects the most updated numbers available.

\*\*HFC units are not included in the final total, because HFC developments report total units rather than specifying assisted units and because the majority of HFC-financed developments also receive housing tax credits from TDHCA.

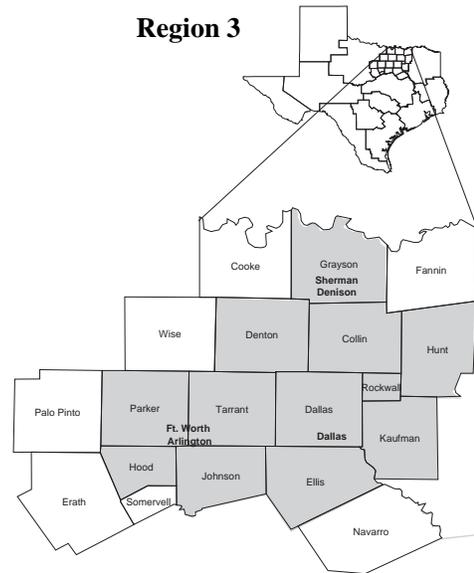
### REGION 3

Region 3, which encompasses the metropolitan areas of Dallas, Fort Worth, Arlington, Sherman and Denison, is the state's most populous region. HISTA data projects that in 2009 the total population in Region 3 is 6,250,728, which represents 26.3 percent of the state's total population.

**Region 3 Population Figures**

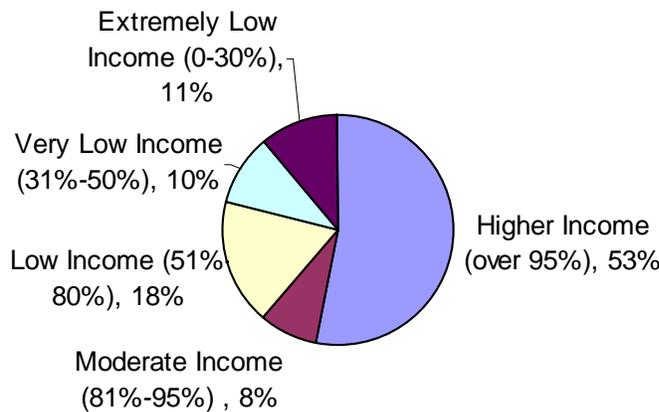
	Region Total 2000	Percent in Region	Region Percent of State	Population Estimated Jan 1, 2009
Total Population	5,435,416		26.3%	6,250,728
Persons with Disabilities	888,217	16.3%		1,021,449
Elderly Persons (without disabilities)	245,186	4.5%		281,964
Individuals in Poverty	588,688	10.8%		676,991

Source: 2000 Census and CHAS Database with projections based on HISTA data.



Approximately 93 percent of the population resides in urban areas. In the map of Region 3 (right), the shaded counties are Metropolitan Statistical Areas as defined by the U.S. Census.

### Region 3 Household Incomes



The pie chart to the left depicts the income breakdown of the 1,988,135 households in the region. Approximately 39 percent of households are low income. There are 676,991 individuals living in poverty in the region which makes up 18.9 percent of the regional population. According to the Multiple Listing Service records for September 2009, the highest median home price is in Collin County at \$196,700, while the lowest is in Sherman-Denison at \$101,200.<sup>19</sup>

### SPECIAL NEEDS POPULATIONS

According to 2009 population projections, there are approximately 1,021,449 persons with disabilities residing in the region, which is 16.3 percent of the regional population. In addition, there are 281,964 elderly individuals without disabilities in the region, which is 4.5 percent of the regional population.

Data on the number of homeless individuals in the region is difficult to collect for a variety of reasons, including the fact that members of this population cannot be canvassed with regular location-based techniques. According to the 2009 population projections, there are approximately 7,530 people in noninstitutional group homes, including shelters, in the region. In its special tabulation on emergency and

<sup>19</sup> Real Estate Center at Texas A&M University, "Texas Residential MLS Activity," <http://recenter.tamu.edu/data/hs/trends4.html> (accessed November 6, 2009).

transitional shelters, the Census counted approximately 2,211 homeless persons in Tarrant and Dallas counties.

**HOUSING SUPPLY**

According to the most recent US Census, 93.7 percent of the housing units in the region are occupied; this is the highest occupancy rate among all of the regions. Of the total housing stock, 64 percent are one unit; 30 percent are over two units; and the rest are mobile homes and boats. Approximately 60.9 percent are occupied by their owners and 39.1 percent are occupied by renters.

**HOUSING NEED**

The housing need indicators analyzed in this section include housing cost burden, substandard housing conditions and housing overcrowding for renter and owner households. The following information comes from the 2000 CHAS database updated with HISTA population projections. There were approximately 699,636 owners and renters with housing problems in 2009.

**Region 3 Households with Housing Problems**

	Region Total	Extremely Low Income (0-30%)	Very Low Income (31-50%)	Low Income (51-80%)	Higher Incomes (81% and up)
Households					
Extreme Cost Burden	483,443	148,173	124,704	118,320	92,246
Lacking Kitchen and/or Plumbing	18,571	4,988	3,378	3,940	6,266
Overcrowding	197,622	36,717	39,975	53,458	67,472
<b>Total</b>	<b>699,636</b>	<b>189,878</b>	<b>168,057</b>	<b>175,718</b>	<b>165,984</b>

Source: CHAS Database with projections based on HISTA data.

**REGIONAL INPUT ON HOUSING NEEDS**

According to the 2006 CNS data for Region 3, the two greatest general needs as ranked by survey respondents were housing assistance with 51 percent of total respondents and energy assistance with 29 percent of total respondents. Of the remaining respondents, approximately 6 percent indicated that capacity building assistance was the priority need, 5 percent of respondents indicated that the development of apartments was the priority need and only 2 percent indicated that homeless assistance was the priority need.

When considering housing assistance as a category by itself, 52 percent indicated that home repair assistance was the greatest need, followed by a three-way tie between homebuyer assistance, rental subsidies and minimal need for housing assistance each with 14 percent of respondents. Regarding rental development by itself, 26 percent indicated that the need for construction and rehabilitation was approximately the same, followed by 25 percent of respondents who indicated that the rehabilitation of existing rental units was the greatest need, independent of construction of rental units. When taking into account energy assistance by itself, 39 percent of respondents indicated that utility assistance was the greatest need, followed by weatherization and minor home repairs with 37 percent.

**ASSISTED HOUSING INVENTORY**

The following table shows the number of total multifamily units in the region financed through state and federal sources such as TDHCA, HUD, PHAs, Section 8 Housing Choice Vouchers, USDA, and local HFCs including the Texas State Affordable Housing Corporation. For information on the data sources, see “Assisted Housing Inventory” under “State of Texas” in this section. Please note that because some developments layer funding from multiple sources, there may be double counting.

**Region 3 Multifamily Assisted Units**

	Region Total	Percent in Region	Percent of State Total
TDHCA Units	60,575	41.8%	30.4%
HUD Units*	28,032	19.3%	27.4%
PHA Units*	8,485	5.9%	15.4%
Section 8 Vouchers	43,833	30.2%	17.4%
USDA Units	4,076	2.8%	7.4%
HFC Units**	20,907		
Total	145,001	100.0%	27.6%

\* Reflects the most updated numbers available.

\*\*HFC units are not included in the final total, because HFC developments report total units rather than specifying assisted units and because the majority of HFC-financed developments also receive housing tax credits from TDHCA.

## REGION 4

Region 4, located in the northeast corner of the state, surrounds the urban areas of Texarkana, Longview-Marshall and Tyler. HISTA data projects that in 2009 the total population in Region 3 is 1,145,320, which represents 4.9 percent of the state’s total population.

**Region 4 Population Figures**

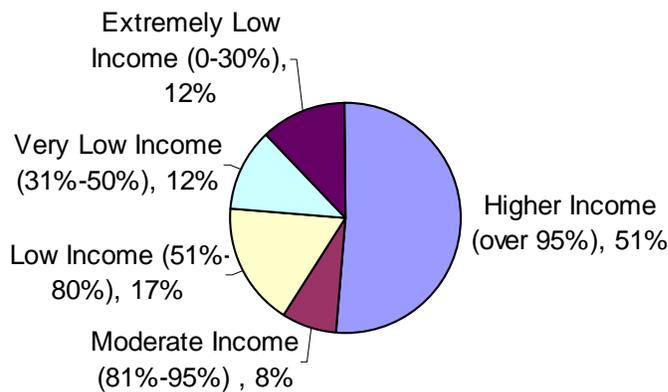
	Region Total 2000	Percent in Region	Region Percent of State	Population Estimated Jan 1, 2009
Total Population	995,930		4.9%	1,145,320
Persons with Disabilities	213,753	21.5%		245,816
Elderly Persons (without disabilities)	77,528	7.8%		89,157
Individuals in Poverty	152,036	15.3%		174,841

Source: 2000 Census and CHAS Database with projections based on HISTA data.



Region 4 has the highest percentage of rural population in the state at 77.5 percent. In the map of Region 4 (right), the shaded counties are Metropolitan Statistical Areas as defined by the U.S. Census.

### Region 4 Household Incomes



The pie chart to the left depicts the income breakdown of the 380,765 households in the region. Approximately 41 percent of households are low income. There are 174,841 individuals living in poverty in the region, which makes up 15.3 percent of the regional population. According to the Multiple Listing Service records for September 2009, the median home prices for Tyler and Longview-Marshall are \$142,000 and \$127,200, respectively.<sup>20</sup>

### SPECIAL NEEDS POPULATIONS

According to 2009 population projections, there are approximately 245,816 persons with disabilities residing in the region, which is 21.5 percent of the regional population. In addition, there are approximately 89,157 elderly individuals without disabilities in the region, which is 7.8 percent of the regional population.

Data on the number of homeless individuals in the region is difficult to collect for a variety of reasons, including the fact that members of this population cannot be canvassed with regular location-based techniques. According to the 2009 population projections, there are 1,505 people in noninstitutional group homes, which include shelters, in the region. In its special tabulation on emergency and transitional

<sup>20</sup> Real Estate Center at Texas A&M University, "Texas Residential MLS Activity," <http://recenter.tamu.edu/data/hs/trends4.html> (accessed November 6, 2009).

shelters, the Census counted 127 homeless persons in Tyler. Region 4 also experienced damage from Hurricane Rita, which hit the southeast Texas area in September 2005. According to FEMA, \$1,037,418.22 worth of damage was reported. Households affected by the hurricane have unexpected needs.

### HOUSING SUPPLY

According to the most recent US Census, 87.5 percent of the housing units in the region are occupied. Of the total housing stock, 71 percent are one unit; 11 percent are over two units; and the rest are mobile homes, boats, and RVs. Approximately 73.8 percent are occupied by their owners and 26.2 percent are occupied by renters.

### HOUSING NEED

The housing need indicators analyzed in this section include housing cost burden, substandard housing conditions and housing overcrowding for renter and owner households. The following information comes from the 2000 CHAS database updated with HISTA population projections. There were approximately 115,387 owners and renters with housing problems in 2009.

**Region 4 Households with Housing Problems**

	Region Total	Extremely Low Income (0-30%)	Very Low Income (31-50%)	Low Income (51-80%)	Higher Incomes (81% and up)
Households					
Extreme Cost Burden	87,846	31,977	23,560	18,322	13,988
Lacking Kitchen and/or Plumbing	5,578	1,724	994	1,002	1,858
Overcrowding	21,963	3,657	3,640	5,408	9,258
<b>Total</b>	<b>115,387</b>	<b>37,358</b>	<b>28,194</b>	<b>24,732</b>	<b>25,104</b>

Source: CHAS Database with projections based on HISTA data

### REGIONAL INPUT ON HOUSING NEEDS

According to the 2006 CNS data for Region 4, the two greatest general needs as ranked by survey respondents were housing assistance with 47 percent of total respondents and energy assistance with 26 percent of total respondents. Of the remaining respondents, approximately 15 percent indicated that the development of apartments was the priority need and 10 percent indicated that capacity building assistance was the priority need. No respondents indicated that homeless assistance was their community's priority need.

When considering housing assistance as a category by itself, 53 percent indicated that home repair assistance was the greatest need, followed by homebuyer assistance at 28 percent. Regarding rental development by itself, 34 percent indicated that the need for construction and rehabilitation was the same, followed by 33 percent of respondents who indicated that construction of new units without rehabilitation was the greatest need. When taking into account energy assistance by itself, 41 percent indicated that utility assistance was the greatest need, followed by weatherization and minor home repairs with 40 percent.

**ASSISTED HOUSING INVENTORY**

The following table shows the number of total multifamily units in the region financed through state and federal sources, such as TDHCA, HUD, PHAs, Section 8 Housing Choice Vouchers, USDA and local HFCs, including the Texas State Affordable Housing Corporation. For information on the data sources, see “Assisted Housing Inventory” under “State of Texas” in this section. Please note that because some developments layer funding from multiple sources, there may be double counting.

**Region 4 Assisted Multifamily Units**

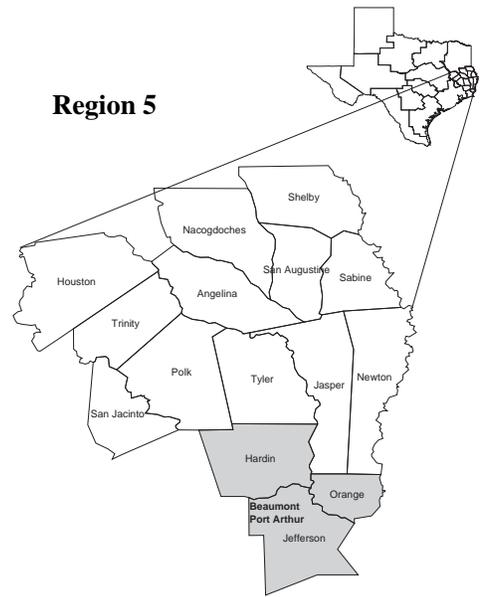
	Region Total	Percent in Region	Percent of State Total
TDHCA Units	5,629	26.4%	2.8%
HUD Units*	3,577	16.8%	3.5%
PHA Units*	2,252	10.6%	4.1%
Section 8 Vouchers	5,988	28.1%	2.4%
USDA Units	3,872	18.2%	7.0%
HFC Units**	1,170		
Total	21,318	100.0%	4.1%

\* Reflects the most updated numbers available.

\*\*HFC units are not included in the final total, because HFC developments report total units rather than specifying assisted units and because the majority of HFC-financed developments also receive housing tax credits from TDHCA.

## REGION 5

Region 5 encompasses a 15-county area in east Texas including the urban areas of Beaumont and Port Arthur. HISTA data projects that in 2009 the total population in Region 3 is 914,434, which represents 3.6 percent of the state’s total population.



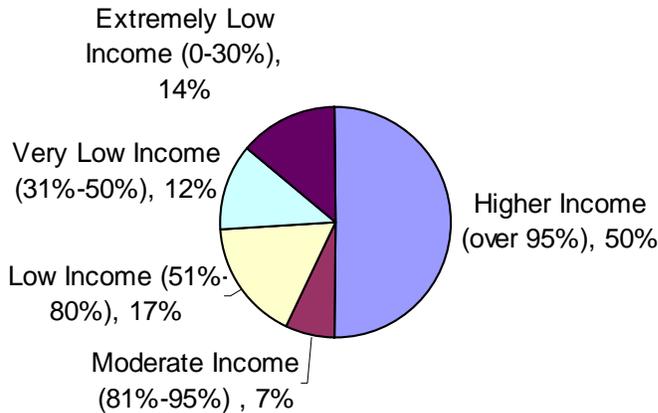
### Region 5 Population Figures

	Region Total 2000	Percent in Region	Region Percent of State	Population Estimated Jan 1, 2009
Total Population	795,160		3.6%	914,434
Persons with Disabilities	150,529	18.9%		173,108
Elderly Persons (without disabilities)	53,148	6.7%		61,120
Individuals in Poverty	120,585	15.2%		138,673

Source: 2000 Census and CHAS Database with projections based on HISTA data.

Over 70 percent of the population lives in rural areas. In the map of Region 5 (above), the shaded counties are Metropolitan Statistical Areas as defined by the U.S. Census.

### Region 5 Household Incomes



The pie chart to the left depicts the income breakdown of the 274,543 households in the region. Approximately 43 percent of households are low income. There are 138,673 individuals living in poverty in the region, which makes up 15.2 percent of the regional population. According to the Multiple Listing Service records for September 2009, the median home prices for Beaumont and Port Arthur are \$ 131,400 and \$ 128,600, respectively.<sup>21</sup>

### SPECIAL NEEDS POPULATIONS

According to 2009 population projections, there are approximately 173,108 persons with disabilities residing in the region, which is 18.9 percent of the regional population. In addition, there are approximately 61,120 elderly individuals without disabilities in the region, which is 6.7 percent of the regional population.

Data on the number of homeless individuals in the region is difficult to collect for a variety of reasons, including the fact that members of this population cannot be canvassed with regular location-based techniques. According to the 2009 population projections, there are approximately 773 people in noninstitutional group homes, which include shelters, in the region. In its tabulation on emergency and

<sup>21</sup> Real Estate Center at Texas A&M University, "Texas Residential MLS Activity," <http://recenter.tamu.edu/data/hs/trends4.html> (accessed November 9, 2009).

transitional shelters, the Census did not count homeless persons in metropolitan areas. Region 5 also experienced significant damage from Hurricane Rita, which hit the southeast Texas area in September 2005. According to FEMA, approximately \$190,251,194 worth of damage was reported. Households affected by the hurricane have unexpected needs.

**HOUSING SUPPLY**

According to the most recent US Census, 84.7 percent of the housing units in the region are occupied. Of the total housing stock, 69.3 percent are one unit, 11 percent are over two units, and 18.6 percent are mobile homes. Boats and RVs make up the rest of the housing stock. Approximately 73.4 percent are occupied by their owners and 26.6 percent are occupied by renters.

**HOUSING NEED**

The housing need indicators analyzed in this section include housing cost burden, substandard housing conditions and housing overcrowding for renter and owner households. The following information comes from the 2000 CHAS database updated with HISTA population projections. There were approximately 83,490 owners and renters with housing problems in 2009.

**Region 5 Households with Housing Problems**

	Region Total	Extremely Low Income (0-30%)	Very Low Income (31-50%)	Low Income (51-80%)	Higher Incomes (81% and up)
Households					
Extreme Cost Burden	62,016	25,949	16,662	11,413	7,993
Lacking Kitchen and/or Plumbing	3,836	1,270	633	733	1,202
Overcrowding	17,638	3,350	2,548	3,968	7,772
<b>Total</b>	<b>83,490</b>	<b>30,569</b>	<b>19,843</b>	<b>16,114</b>	<b>16,967</b>

Source: CHAS Database with projections based on HISTA data

**REGIONAL INPUT ON HOUSING NEEDS**

According to the 2006 CNS data for Region 5, the two greatest general needs as ranked by survey respondents were housing assistance with 68 percent of total respondents and development of apartments with 17 percent of total respondents. Of the remaining respondents, approximately 13 percent indicated that energy assistance was the priority need, 11 percent indicated that capacity building assistance was the priority need and 8 percent indicated that homeless assistance was the priority need.

When considering housing assistance as a category by itself, 49 percent indicated that home repair assistance was the greatest need, followed by homebuyer assistance at 27 percent. Regarding rental development by itself, 54 percent indicated that the need for construction and rehabilitation was the same, followed by 30 percent of respondents who indicated that construction of new units, separate from rehabilitation, was the greatest need. When taking into account energy assistance by itself, 44 percent indicated that utility assistance was the greatest need, followed by weatherization and minor home repairs at 40 percent.

**ASSISTED HOUSING INVENTORY**

The following table shows the number of total multifamily units in the region financed through state and federal sources, such as TDHCA, HUD, PHAs, Section 8 Housing Choice Vouchers, USDA and local HFCs, including the Texas State Affordable Housing Corporation. For information on the data sources, see “Assisted Housing Inventory” under “State of Texas” in this section. Please note that because some developments layer funding from multiple sources, there may be double counting.

**Region 5 Assisted Multifamily Units**

	Region Total	Percent in Region	Percent of State Total
TDHCA Units	5,713	26.9%	2.9%
HUD Units*	4,134	19.4%	4.0%
PHA Units*	2,368	11.1%	4.3%
Section 8 Vouchers	7,598	35.7%	3.0%
USDA Units	1,443	6.8%	2.6%
HFC Units**	1,278		
Total	21,256	100.0%	4.0%

\* Reflects the most updated numbers available.

\*\*HFC units are not included in the final total, because HFC developments report total units rather than specifying assisted units and because the majority of HFC-financed developments also receive housing tax credits from TDHCA.

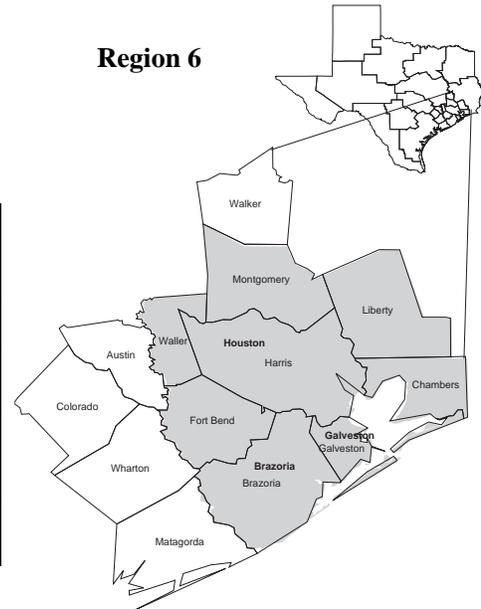
## REGION 6

Region 6 includes the urban areas of Houston, Brazoria and Galveston. HISTA data projects that in 2009 the total population in Region 6 is 5,537,857, which represents 23.3 percent of the state's total population.

**Region 6 Population Figures**

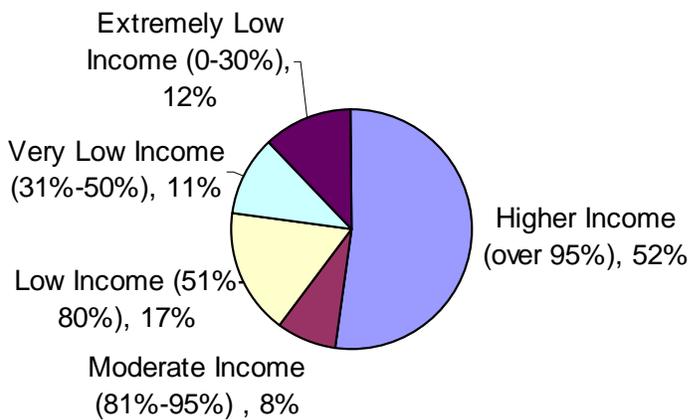
	Region Total 2000	Percent in Region	Region Percent of State	Population Estimated Jan 1, 2009
Total Population	4,815,528		23.3%	5,537,857
Persons with Disabilities	801,436	16.6%		921,651
Elderly Persons (without disabilities)	206,438	4.3%		237,404
Individuals in Poverty	656,239	13.6%		754,675

Source: 2000 Census and CHAS Database with projections based on HISTA data



Approximately 66 percent of the populations lives in the urban areas of Region 6. In the map of Region 6 (right), the shaded counties are Metropolitan Statistical Areas as defined by the U.S. Census.

### Region 6 Household Income



The pie chart to the left depicts the income breakdown of the 1,691,811 households in the region. Approximately 40 percent of households are low income. There are 754,675 individuals living in poverty in the region, which makes up 13.6 percent of the regional population. According to the Multiple Listing Service records for September 2009, the median home prices for Houston and Galveston are \$155,600 and \$150,000 respectively.<sup>22</sup>

### SPECIAL NEEDS POPULATIONS

According to 2009 population projections, there are approximately 921,651 persons with disabilities residing in the region, which makes up 16.6 percent of the regional population. In addition, there are approximately 237,404 elderly individuals without disabilities in the region, which is 4.3 percent of the regional population.

Data on the number of homeless individuals in the region is difficult to collect for a variety of reasons, including the fact that members of this population cannot be canvassed with regular location-based techniques. According to 2009 population projections, there are approximately 8,961 people in

<sup>22</sup> Real Estate Center at Texas A&M University, "Texas Residential MLS Activity," <http://recenter.tamu.edu/data/hs/trends4.html> (accessed November 9, 2009).

noninstitutional group homes, which include shelters, in the region. In its special tabulation on emergency and transitional shelters, the Census counted approximately 2,019 homeless persons in the Houston area. Region 6 also experienced damage from Hurricane Rita, which hit the southeast Texas area in September 2005. According to FEMA, approximately \$28,325,647 worth of damage was reported. Households affected by the hurricane have unexpected needs.

**HOUSING SUPPLY**

According to the most recent US Census, 91.9 percent are of the housing units in the region are occupied. Of the total housing stock, 71 percent are one unit; 18 percent are over two units; and the rest are mobile homes, RVs, and boats. Approximately 60.9 percent are occupied by their owners and 39.1 percent are occupied by renters.

**HOUSING NEED**

The housing need indicators analyzed in this section include housing cost burden, substandard housing conditions and housing overcrowding for renter and owner households. The following information comes from the 2000 CHAS database updated with HISTA population projections. There were approximately 621,947 owners and renters with housing problems in 2009.

**Region 6 Households with Housing Problems**

	Region Total	Extremely Low Income (0-30%)	Very Low Income (31-50%)	Low Income (51-80%)	Higher Incomes (81% and up)
<b>Households</b>					
Extreme Cost Burden	392,181	133,623	104,552	83,584	70,421
Lacking Kitchen and/or Plumbing	18,712	5,594	3,306	3,787	6,025
Overcrowding	211,054	42,404	43,848	55,539	69,262
<b>Total</b>	<b>621,947</b>	<b>181,621</b>	<b>151,706</b>	<b>142,910</b>	<b>145,708</b>

Source: CHAS Database with projections based on HISTA data

**REGIONAL INPUT ON HOUSING NEEDS**

According to the 2006 CNS data for Region 6, the two greatest general needs as ranked by survey respondents were housing assistance with 73 percent of total respondents and development of apartments with 14 percent of total respondents. Of the remainder of the respondents, approximately 7 percent indicated that energy assistance was the priority need and 6 percent indicated that capacity building assistance was the priority need. No respondents indicated that homeless assistance was their community’s priority need.

When considering housing assistance as a category by itself, 46 percent indicated that home repair assistance was the greatest need, followed by homebuyer assistance at 33 percent. Regarding rental development by itself, 31 percent indicated that the need for construction and rehabilitation was the same, followed by a tie between a need for the construction of new units alone and a minimal need for rental assistance with 21 percent of respondents each. When taking into account energy assistance by itself, 39 percent indicated that utility assistance was the greatest need, followed by weatherization and minor home repairs with 37 percent.

**ASSISTED HOUSING INVENTORY**

The following table shows the number of total multifamily units in the region financed through state and federal sources, such as TDHCA, HUD, PHAs, Section 8 Housing Choice Vouchers, USDA and local HFCs, including the Texas State Affordable Housing Corporation. For information on the data sources, see “Assisted Housing Inventory” under “State of Texas” in this section. Please note that because some developments layer funding from multiple sources, there may be double counting.

**Region 6 Assisted Multifamily Units**

	Region Total	Percent in Region	Percent of State Total
TDHCA Units	55,627	49.0%	27.9%
HUD Units*	27,284	24.1%	26.7%
PHA Units*	5,138	4.5%	9.3%
Section 8 Vouchers	21,884	19.3%	8.7%
USDA Units	3,484	3.1%	6.3%
HFC Units**	39,365		
Total	113,417	100.0%	21.6%

\* Reflects the most updated numbers available.

\*\*HFC units are not included in the final total, because HFC developments report total units rather than specifying assisted units and because the majority of HFC-financed developments also receive housing tax credits from TDHCA.

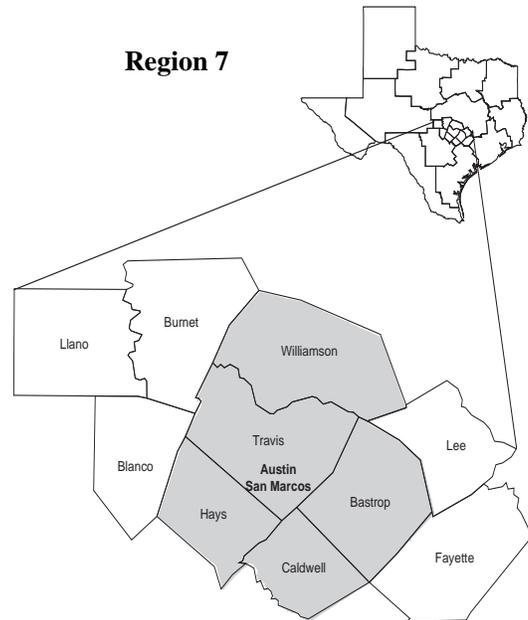
**REGION 7**

The urban area of Austin-San Marcos is at the center of Region 7. HISTA data projects that in 2009 the total population in Region 7 is 1,532,970, which represents 6.5 percent of the state’s total population.

**Region 7 Population Figures**

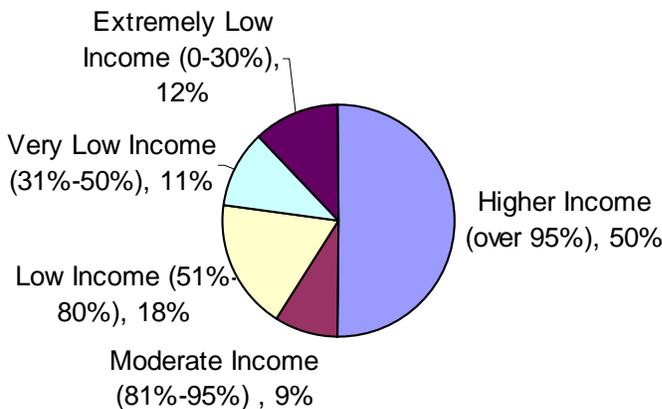
	Region Total 2000	Percent in Region	Region Percent of State	Population Estimated Jan 1, 2009
Total Population	1,333,017		6.5%	1,532,970
Persons with Disabilities	190,226	14.3%		218,760
Elderly Persons (without disabilities)	61,229	4.6%		70,413
Individuals in Poverty	145,060	10.9%		166,819

Source: 2000 Census and CHAS Database with projections based on HISTA data



Approximately 68 percent of the population lives in urban areas. In the map of Region 7 (right), the shaded counties are Metropolitan Statistical Areas as defined by the U.S. Census.

**Region 7 Household Income**



The pie chart to the left depicts the income breakdown of the 509,798 households in the region. Approximately 41 percent of households are low income. There are 166,819 individuals living in poverty in the region, which makes up 10.9 percent of the regional population. According to the Multiple Listing Service records for September 2009, the median home price for Austin is \$182,700.<sup>23</sup>

**SPECIAL NEEDS POPULATIONS**

According to 2009 population projections, there are approximately 218,760 persons with disabilities residing in the region, which is 14.3 percent of the regional population. In addition, there are approximately 70,413 elderly individuals without disabilities in the region, which is 4.6 percent of the regional population.

Data on the number of homeless individuals in the region is difficult to collect for a variety of reasons, including the fact that members of this population cannot be canvassed with regular location-based techniques. According to 2009 population projections, there are approximately 2,707 people in noninstitutional group homes, which include shelters, in the region. In its special tabulation on emergency and transitional shelters, the Census counted 553 homeless persons in Austin.

<sup>23</sup> Real Estate Center at Texas A&M University, "Texas Residential MLS Activity," <http://recenter.tamu.edu/data/hs/trends4.html> (accessed November 9, 2009).

**HOUSING SUPPLY**

According to the most recent US Census, 93.5 percent of the housing units in the region are occupied. Of the total housing stock, 62 percent are one unit, 30 percent are over two units, and the rest are mobile homes, boats. Approximately 59.8 percent are occupied by owners and 40.2 percent are occupied by renters.

**HOUSING NEED**

The housing need indicators analyzed in this section include housing cost burden, substandard housing conditions and housing overcrowding for renter and owner households. The following information comes from the 2000 CHAS database updated with HISTA population projections. There were approximately 189,088 owners and renters with housing problems in 2009.

**Region 7 Households with Housing Problems**

	Region Total	Extremely Low Income (0-30%)	Very Low Income (31-50%)	Low Income (51-80%)	Higher Incomes (81% and up)
<b>Households</b>					
Extreme Cost Burden	143,360	44,925	36,217	36,747	25,471
Lacking Kitchen and/or Plumbing	5,598	1,938	981	1,125	1,555
Overcrowding	40,130	7,442	8,194	10,520	13,975
<b>Total</b>	<b>189,088</b>	<b>54,305</b>	<b>45,392</b>	<b>48,392</b>	<b>41,001</b>

Source: CHAS Database with projections based on HISTA data

**REGIONAL INPUT ON HOUSING NEEDS**

According to the 2006 CNS data for Region 7, the two greatest general needs as ranked by survey respondents were development of apartments with 32 percent of total respondents and housing assistance with 27 percent of total respondents. Of the remaining respondents, approximately 21 percent indicated that capacity building was the priority need and 14 percent indicated that energy assistance was the priority need. No respondents indicated that homeless assistance was their community’s priority need.

When considering housing assistance as a category by itself, 34 percent indicated that home repair assistance was the greatest need, followed by homebuyer assistance at 28 percent. Regarding rental development by itself, 45 percent indicated that their community's greatest need was the construction of new rental units, followed by 38 percent of respondents who indicated that the need for construction and rehabilitation was the same. When taking into account energy assistance by itself, 38 percent indicated that utility assistance was the greatest need, followed by weatherization and minor home repairs with 34 percent.

**ASSISTED HOUSING INVENTORY**

The following table shows the number of total multifamily units in the region financed through state and federal sources, such as TDHCA, HUD, PHAs, Section 8 Housing Choice Vouchers, USDA and local HFCs, including the Texas State Affordable Housing Corporation. For information on the data sources, see “Assisted Housing Inventory” under “State of Texas” in this section. Please note that because some developments layer funding from multiple sources, there may be double counting.

**Region 7 Assisted Multifamily Units**

	Region Total	Percent in Region	Percent of State Total
TDHCA Units	17,910	49.8%	9.0%
HUD Units*	5,032	14.0%	4.9%
PHA Units*	3,506	9.7%	6.4%
Section 8 Vouchers	8,053	22.4%	3.2%
USDA Units	1,477	4.1%	2.7%
HFC Units**	8,281		
Total	35,978	100.0%	6.8%

\* Reflects the most updated numbers available.

\*\*HFC units are not included in the final total, because HFC developments report total units rather than specifying assisted units and because the majority of HFC-financed developments also receive housing tax credits from TDHCA.

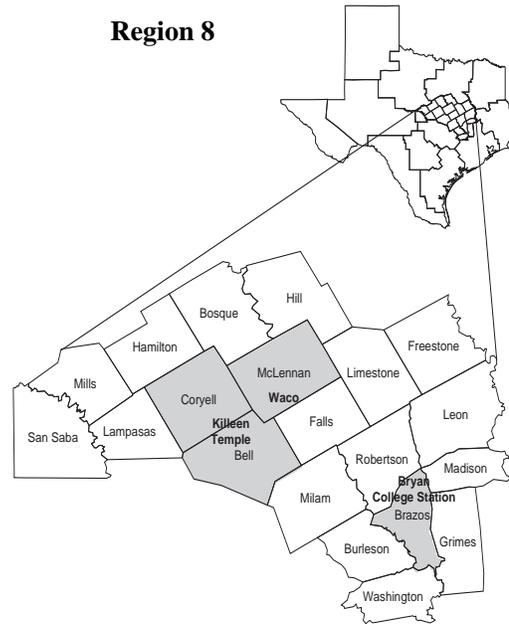
## REGION 8

Region 8, located in the center of the state, surrounds the urban areas of Waco, Bryan, College Station, Killeen and Temple. HISTA data projects that in 2009 the total population in Region 8 is 1,089,838 and represents 4.6 percent of the state’s total population.

**Region 8 Population Figures**

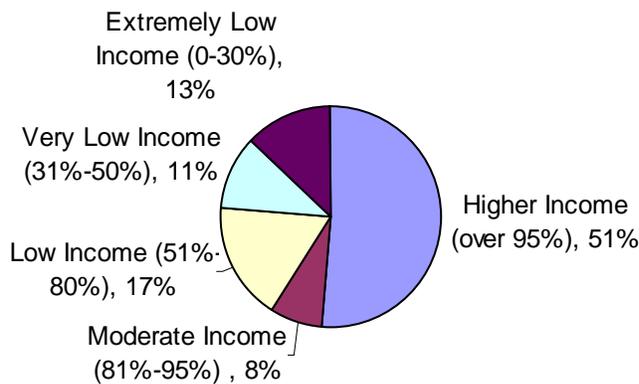
	Region Total 2000	Percent in Region	Region Percent of State	Population Estimated Jan 1, 2009
Total Population	947,685		4.6%	1,089,838
Persons with Disabilities	160,743	17.0%		184,854
Elderly Persons (without disabilities)	55,854	5.9%		64,232
Individuals in Poverty	149,480	15.8%		171,902

Source: 2000 Census and CHAS Database with projections based on HISTA data



Approximately 55 percent of the population lives in the urban areas of Region 8. In the map of Region 8 (right), the shaded counties are Metropolitan Statistical Areas as defined by the U.S. Census.

### Region 8 Household Income



The pie chart to the left depicts the income breakdown of the 343,856 households in the region. Approximately 41 percent of households are low income. There are 171,902 individuals living in poverty in the region, which makes up 15.8 percent of the regional population. According to the Multiple Listing Service records for September 2009, the median home price for Bryan-College Station is \$152,500.<sup>24</sup>

### SPECIAL NEEDS POPULATIONS

According to 2009 population projections, there are approximately 184,854 persons with disabilities residing in the region, which is 17.0 percent of the regional population. In addition, there are approximately 64,232 elderly individuals without disabilities in the region, which is 5.9 percent of the regional population.

Data on the number of homeless individuals in the region is difficult to collect for a variety of reasons, including the fact that members of this population cannot be canvassed with regular location-based techniques. According to 2009 population projections, there are approximately 1,153 people in noninstitutional group homes, which include shelters, in the region. In its special tabulation on emergency and transitional shelters, the Census counted approximately 148 homeless persons in the Killeen area.

<sup>24</sup> Real Estate Center at Texas A&M University, "Texas Residential MLS Activity," <http://recenter.tamu.edu/data/hs/trends4.html> (accessed November 9, 2009).

**HOUSING SUPPLY**

According to the most recent US Census 88.9 percent of the total housing units in the region are occupied. Of the total housing stock, 67 percent are one unit, 20 percent are over two units, 12 percent are mobile homes, and the rest are boats and RVs. Approximately 61.2 percent are occupied by their owners and 38.8 percent are occupied by renters.

**HOUSING NEED**

The housing need indicators analyzed in this section include housing cost burden, substandard housing conditions and housing overcrowding for renter and owner households. The following information comes from the 2000 CHAS database updated with HISTA population projections. There were approximately 119,258 owners and renters with housing problems in 2009.

**Region 8 Households with Housing Problems**

	Region Total	Extremely Low Income (0-30%)	Very Low Income (31-50%)	Low Income (51-80%)	Higher Incomes (81% and up)
<b>Households</b>					
Extreme Cost Burden	90,612	34,211	23,462	19,895	13,043
Lacking Kitchen and/or Plumbing	4,173	1,240	805	789	1,340
Overcrowding	24,473	4,191	3,775	6,648	9,859
<b>Total</b>	<b>119,258</b>	<b>39,642</b>	<b>28,042</b>	<b>27,332</b>	<b>24,242</b>

Source: CHAS Database with projections based on HISTA data

**REGIONAL INPUT ON HOUSING NEEDS**

According to the 2006 CNS data for Region 8, the two greatest general needs as ranked by survey respondents were housing assistance with 28 percent of total respondents and energy assistance with 21 percent of total respondents. Of the remaining respondents, approximately 18 indicated that capacity building was the priority need, 18 percent indicated that the development of apartments was the priority need and 10 percent indicated that homeless assistance was the priority need.

When considering housing assistance as a category by itself, 48 percent of respondents indicated that home repair assistance was the greatest need, followed by homebuyer assistance at 23 percent. Regarding rental development by itself, 40 percent of respondents indicated that their community's greatest need was the construction of new rental units, followed by 20 percent respondents who indicated that there was a minimal need for rental development. When taking into account energy assistance by itself, 60 percent of respondents indicated that utility assistance was the greatest need, followed by weatherization and minor home repairs with 34 percent.

**ASSISTED HOUSING INVENTORY**

The following table shows the number of total multifamily units in the region financed through state and federal sources, such as TDHCA, HUD, PHAs, Section 8 Housing Choice Vouchers, USDA and local HFCs, including the Texas State Affordable Housing Corporation. For information on the data sources, see “Assisted Housing Inventory” under “State of Texas” in this section. Please note that because some developments layer funding from multiple sources, there may be double counting.

**Region 8 Assisted Multifamily Units**

	Region Total	Percent in Region	Percent of State Total
TDHCA Units	6,383	26.8%	3.2%
HUD Units*	4,178	17.6%	4.1%
PHA Units*	2,780	11.7%	5.0%
Section 8 Vouchers	7,621	32.0%	3.0%
USDA Units	2,820	11.9%	5.1%
HFC Units**	305		
Total	23,782	100.0%	4.5%

\* Reflects the most updated numbers available.

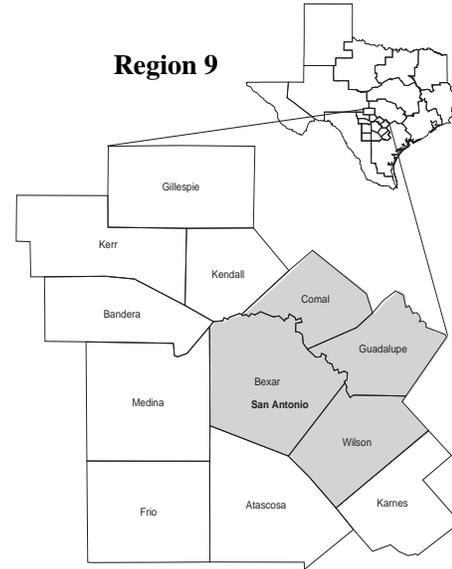
\*\*HFC units are not included in the final total, because HFC developments report total units rather than specifying assisted units and because the majority of HFC-financed developments also receive housing tax credits from TDHCA.

## REGION 9

San Antonio is the main metropolitan area in Region 9. HISTA data projects that in 2009 the total population in Region 9 is 2,052,228, which represents 8.7 percent of the state's total population.

**Region 9 Population Figures**

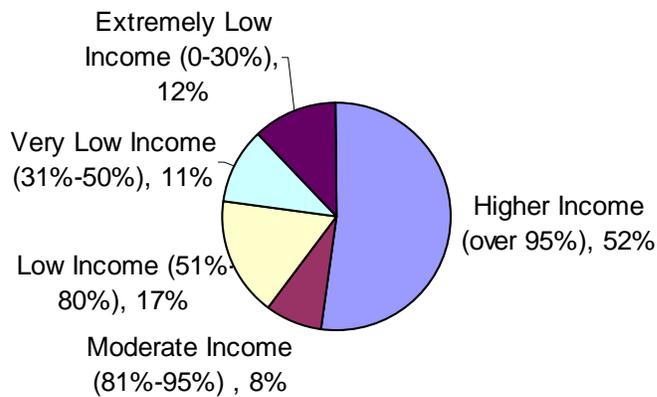
	Region Total 2000	Percent in Region	Region Percent of State	Population Estimated Jan 1, 2009
Total Population	1,784,546		8.7%	2,052,228
Persons with Disabilities	337,541	18.9%		388,172
Elderly Persons (without disabilities)	107,974	6.1%		124,170
Individuals in Poverty	267,118	15.0%		307,186



Source: 2000 Census and CHAS Database with projections based on HISTA data

Approximately 73 percent of the population lives in urban areas. In the map of Region 9 (right), the shaded counties are Metropolitan Statistical Areas as defined by the U.S. Census.

### Region 9 Household Income



The pie chart to the left depicts the income breakdown of the 635,280 households in the region. Approximately 40 percent of households are low income. There are 307,186 individuals living in poverty in the region, which makes up 15.0 percent of the regional population. According to the Multiple Listing Service records for September 2009, the median home price for San Antonio is \$146,700.<sup>25</sup>

### SPECIAL NEEDS POPULATIONS

According to 2009 population projections, there are approximately 388,172 persons with disabilities residing in the region, which is 18.9 percent of the regional population. In addition, there are approximately 124,170 elderly individuals without disabilities in the region, which is 6.1 percent of the regional population.

Data on the number of homeless individuals in the region is difficult to collect for a variety of reasons, including the fact that members of this population cannot be canvassed with regular location-based techniques. According to 2009 population projections, there are approximately 3,357 people in noninstitutional group homes, which include shelters, in the region. In its special tabulation on emergency and transitional shelters, the Census counted approximately 978 homeless persons in San Antonio.

<sup>25</sup> Real Estate Center at Texas A&M University, "Texas Residential MLS Activity," <http://recenter.tamu.edu/data/hs/trends4.html> (accessed November 9, 2009).

**HOUSING SUPPLY**

According to the most recent US Census, 92.3 percent of the housing units in the region are occupied. Of the total housing stock, 69 percent are one unit, 22 percent are over two units, 8 percent are mobile homes, and the rest are boats and RVs. Approximately 65.0 percent are occupied by their owners and 35.0 percent are occupied by renters.

**HOUSING NEED**

The housing need indicators analyzed in this section include housing cost burden, substandard housing conditions and housing overcrowding for renter and owner households. The following information comes from the 2000 CHAS database updated with HISTA population projections. There were approximately 223,448 owners and renters with housing problems in 2009.

**Region 9 Households with Housing Problems**

	Region Total	Extremely Low Income (0-30%)	Very Low Income (31-50%)	Low Income (51-80%)	Higher Incomes (81% and up)
<b>Households</b>					
Extreme Cost Burden	153,507	47,556	38,733	36,371	30,846
Lacking Kitchen and/or Plumbing	7,521	2,128	1,319	1,581	2,493
Overcrowding	62,420	11,431	11,807	15,974	23,208
<b>Total</b>	<b>223,448</b>	<b>61,115</b>	<b>51,859</b>	<b>53,926</b>	<b>56,547</b>

Source: CHAS Database with projections based on HISTA data

**REGIONAL INPUT ON HOUSING NEEDS**

According to the 2006 CNS data for Region 9, the two greatest general needs as ranked by survey respondents were housing assistance with 28 percent of total respondents and energy assistance with 21 percent of total respondents. Of the remaining respondents, approximately 18 percent of respondents indicated that the development of apartments was the priority need, 18 percent indicated that capacity building was the priority need and 10 percent indicated that homeless assistance was the priority need.

When considering housing assistance as a category by itself, 53 percent indicated that home repair assistance was the greatest need, followed by homebuyer assistance at 29 percent. Regarding rental development activities by itself, 34 percent indicated that the need for construction and rehabilitation was the same, followed by a three way tie between construction of new units alone, minimal need for rental development and no opinion about rental units with 18 percent each. When taking into account energy assistance alone, 41 percent indicated that weatherization and minor home repairs was the greatest need, followed by utility assistance with 29 percent.

**ASSISTED HOUSING INVENTORY**

The following table shows the number of total multifamily units in the region financed through state and federal sources, such as TDHCA, HUD, PHAs, Section 8 Housing Choice Vouchers, USDA and local HFCs, including the Texas State Affordable Housing Corporation. For information on the data sources, see “Assisted Housing Inventory” under “State of Texas” in this section. Please note that because some developments layer funding from multiple sources, there may be double counting.

**Region 9 Assisted Multifamily Units**

	Region Total	Percent in Region	Percent of State Total
TDHCA Units	16,065	31.1%	8.1%
HUD Units*	12,080	23.4%	11.8%
PHA Units*	7,458	14.4%	13.5%
Section 8 Vouchers	15,046	29.1%	6.0%
USDA Units	1,007	1.9%	1.8%
HFC Units**	22,392		
Total	51,656	100.0%	9.8%

\* Reflects the most updated numbers available.

\*\*HFC units are not included in the final total, because HFC developments report total units rather than specifying assisted units and because the majority of HFC-financed developments also receive housing tax credits from TDHCA.

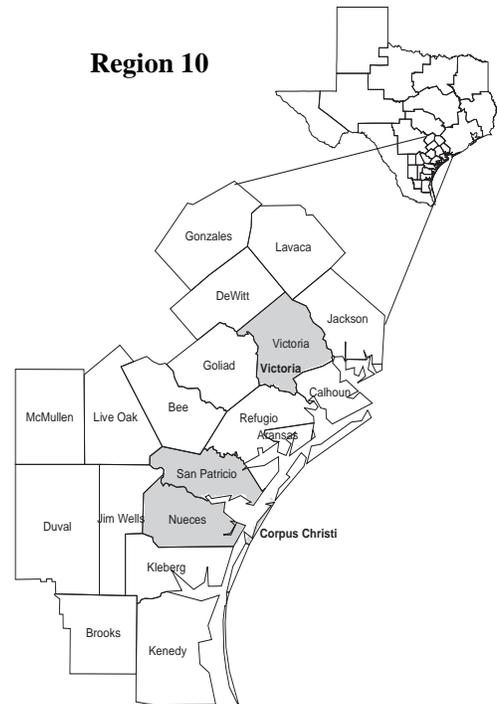
## REGION 10

Region 10, including the urban areas of Corpus Christi and Victoria, is located in the south eastern part of the state on the Gulf of Mexico. HISTA data projects that in 2009 the total population in Region 10 is 709,697, which represents 3.5 percent of the state’s total population.

**Region 10 Population Figures**

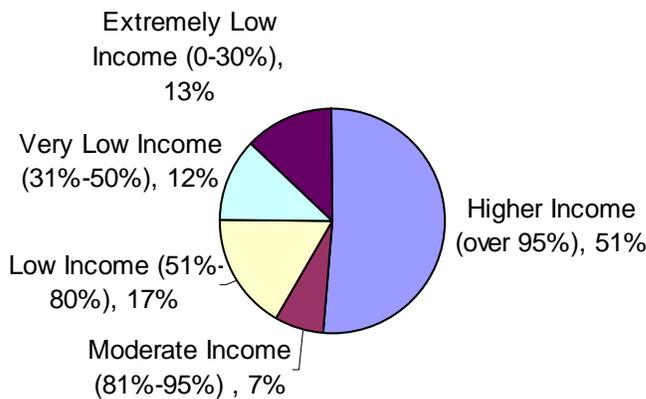
	Region Total 2000	Percent in Region	Region Percent of State	Population Estimated Jan 1, 2009
Total Population	617,128		3.5%	709,697
Persons with Disabilities	141,592	22.9%		162,831
Elderly Persons (without disabilities)	46,900	7.6%		53,935
Individuals in Poverty	132,214	21.4%		152,046

Source: 2000 Census and CHAS Database with projections based on HISTA data



In Region 10, 50 percent live in urban areas. In the map of Region 10 (right), the shaded counties are Metropolitan Statistical Areas as defined by the U.S. Census.

### Region 10 Household Income



The pie chart to the left depicts the income breakdown of the 255,493 households in the region. Approximately 42 percent of households are low income. There are 152,046 individuals living in poverty in the region, which makes up 21.4 percent of the regional population. According to the Multiple Listing Service records for September 2009, the median home price for Corpus Christi is \$144,100.<sup>26</sup>

### SPECIAL NEEDS POPULATIONS

According to 2009 population projections, there are approximately 162,831 persons

with disabilities residing in the region, which is 22.9 percent of the regional population. In addition, there are approximately 53,935 elderly individuals without disabilities in the region, which is 7.6 percent of the regional population.

Data on the number of homeless individuals in the region is difficult to collect for a variety of reasons, including the fact that members of this population cannot be canvassed with regular location-based techniques. According to 2009 population projections, there are approximately 1,674 people in noninstitutional group homes, which include shelters, in the region. In its special tabulation on emergency and transitional shelters, the Census counted approximately 313 homeless persons in Corpus Christi.

<sup>26</sup> Real Estate Center at Texas A&M University, "Texas Residential MLS Activity," <http://recenter.tamu.edu/data/hs/trends4.html> (accessed November 9, 2009).

**HOUSING SUPPLY**

According to the most recent US Census, 86 percent of the housing units in the region are occupied. Of the total housing stock, 71 percent are one unit, 18 percent are over two units, 10 percent are mobile homes, and the rest are boats and RVs. Approximately 66.8 percent are occupied by their owners and 33.2 percent are occupied by renters.

**HOUSING NEED**

The housing need indicators analyzed in this section include housing cost burden, substandard housing conditions and housing overcrowding for renter and owner households. The following information comes from the 2000 CHAS database updated with HISTA population projections. There were approximately 87,463 owners and renters with housing problems in 2009.

**Region 10 Households with Housing Problems**

	Region Total	Extremely Low Income (0-30%)	Very Low Income (31-50%)	Low Income (51-80%)	Higher Incomes (81% and up)
<b>Households</b>					
Extreme Cost Burden	59,191	20,620	15,872	12,697	10,002
Lacking Kitchen and/or Plumbing	3,763	1,266	737	771	989
Overcrowding	24,509	4,937	4,226	5,396	9,950
<b>Total</b>	<b>87,463</b>	<b>26,823</b>	<b>20,835</b>	<b>18,864</b>	<b>20,941</b>

Source: CHAS Database with projections based on HISTA data

**REGIONAL INPUT ON HOUSING NEEDS**

According to the 2006 CNS for Region 10, the two greatest general needs as ranked by survey respondents were housing assistance with 53 percent of total respondents and capacity building with 29 percent of total respondents. Of the remaining respondents, approximately 19 percent indicated that the development of apartments was the priority need and 18 percent indicated that energy assistance was the priority need. No respondents indicated that homeless assistance was the community’s priority need.

When considering housing assistance by itself, 81 percent of respondents indicated that home repair assistance was the greatest need, followed by homebuyer assistance at 9 percent. Regarding rental development by itself, 41 percent of respondents indicated that their community's greatest need was the construction of new rental units, followed by 32 percent of respondents who indicated that the need for construction and rehabilitation was the same. When taking into account energy assistance by itself, 54 percent indicated that weatherization and minor home repairs was the greatest need followed by utility assistance with 36 percent.

**ASSISTED HOUSING INVENTORY**

The following table shows the number of total multifamily units in the region financed through state and federal sources, such as TDHCA, HUD, PHAs, Section 8 Housing Choice Vouchers, USDA and local HFCs, including the Texas State Affordable Housing Corporation. For information on the data sources, see “Assisted Housing Inventory” under “State of Texas” in this section. Please note that because some developments layer funding from multiple sources, there may be double counting.

**Region 10 Assisted Multifamily Units**

	Region Total	Percent in Region	Percent of State Total
TDHCA Units	5,141	26.5%	2.6%
HUD Units*	4,236	21.8%	4.1%
PHA Units*	4,459	22.9%	8.1%
Section 8 Vouchers	3,977	20.5%	1.6%
USDA Units	1,619	8.3%	2.9%
HFC Units**	971		
Total	19,432	100.0%	3.7%

\* Reflects the most updated numbers available.

\*\*HFC units are not included in the final total, because HFC developments report total units rather than specifying assisted units and because the majority of HFC-financed developments also receive housing tax credits from TDHCA.

## REGION 11

Region 11 is a 16-county area along the border of Mexico. The main urban areas in the region are Brownsville-Harlingen, McAllen-Edinburg, Del Rio and Laredo. HISTA data projects that in 2009 the total population in Region 11 is 1,573,971, which represents 6.4 percent of the state's total population.



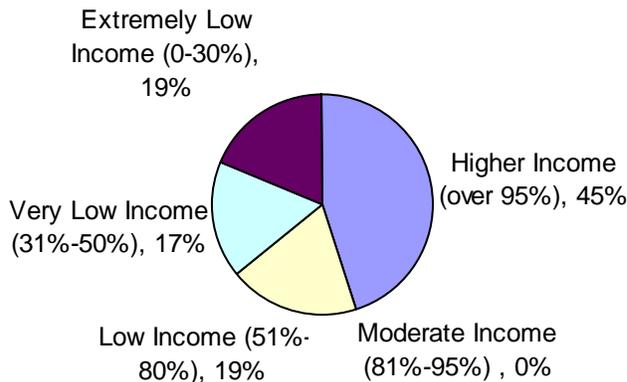
**Region 11 Population Figures**

	Region Total 2000	Percent in Region	Region Percent of State	Population Estimated Jan 1, 2009
Total Population	1,368,670		6.4%	1,573,971
Persons with Disabilities	257,838	18.8%	7.2%	296,514
Elderly Persons (without disabilities)	67,505	4.9%	6.2%	77,631
Individuals in Poverty	455,366	33.3%	14.6%	523,671

Source: 2000 Census and CHAS Database with projections based on HISTA data

About 59 percent of the population lives in urban areas. In the map of Region 11 (right), the shaded counties are Metropolitan Statistical Areas as defined by the U.S. Census.

### Region 11 Household Income



The pie chart to the left depicts the income breakdown of the 377,276 households in the region. Approximately 55 percent of households are low income.<sup>27</sup> There are 523,671 individuals living in poverty in the region, which makes up 33.3 percent of the regional population. According to the Multiple Listing Service records for September 2009, the median home price for Brownsville is \$94,400 and McAllen is \$104,100.<sup>28</sup>

### SPECIAL NEEDS POPULATIONS

According to 2009 population projections, there are approximately 296,514 persons with disabilities residing in the region, which is 18.8 percent of the regional population. In addition, there are approximately 77,631 elderly individuals without disabilities in the region, which is 4.9 percent of the regional population.

<sup>27</sup> The CHAS figures for moderate and higher income households in Region 11 indicate that there are only 199 persons with incomes between 80-95 percent of the AMFI. TDHCA has been unable to get more accurate information for this segment of the population. However, the planning impact for the SLIHP is relatively low because, except for the first time homebuyer program which is done through a network of participating lenders, TDHCA programs serve persons below 80 percent AMFI.

<sup>28</sup> Real Estate Center at Texas A&M University, "Texas Residential MLS Activity," <http://recenter.tamu.edu/data/hs/trends4.html> (accessed November 9, 2009).

Data on the number of homeless individuals in the region is difficult to collect for a variety of reasons, including the fact that members of this population cannot be canvassed with regular location-based techniques. According to 2009 population projections, there are approximately 1,393 people in noninstitutional group homes, which include shelters, in the region. In its special tabulation on emergency and transitional shelters, the Census counted approximately 222 homeless persons in Laredo.

**HOUSING SUPPLY**

According to the most recent US Census, 82.7 percent of the housing units in the region are occupied. Of the total housing stock, 66 percent are one unit, 14 percent are over two units, 18 percent are mobile homes, and the rest are boats and RVs. Approximately 70.8 percent are occupied by their owners and 29.2 percent are occupied by renters.

**HOUSING NEED**

The housing need indicators analyzed in this section include housing cost burden, substandard housing conditions and housing overcrowding for renter and owner households. The following information comes from the 2000 CHAS database updated with HISTA population projections. There were approximately 184,917 owners and renters with housing problems in 2009.

**Region 11 Households with Housing Problems**

	Region Total	Extremely Low Income (0-30%)	Very Low Income (31-50%)	Low Income (51-80%)	Higher Incomes (81% and up)
Households					
Extreme Cost Burden	78,562	33,079	20,702	14,090	10,691
Lacking Kitchen and/or Plumbing	14,614	6,312	3,577	2,527	2,199
Overcrowding	91,741	22,709	19,440	21,140	28,453
<b>Total</b>	<b>184,917</b>	<b>62,100</b>	<b>43,719</b>	<b>37,757</b>	<b>41,343</b>

Source: CHAS Database with projections based on HISTA data

**REGIONAL INPUT ON HOUSING NEEDS**

According to the 2006 CNS data for Region 11, the two greatest general needs as ranked by survey respondents were housing assistance with 62 percent of total respondents and development of apartments with 31 percent of total respondents. Of the remaining respondents, approximately 18 percent indicated that capacity building was the priority need, 13 percent indicated that the energy assistance was the priority need and 11 percent indicated that homeless assistance was the priority need.

When considering housing assistance as a category by itself, 46 percent of respondents indicated that home repair assistance was the greatest need, followed by rental payment assistance at 29 percent. Regarding rental development by itself, 50 percent of respondents indicated that the need for construction and rehabilitation was the same, followed by 33 percent of respondents who indicated that construction of new units alone was the greatest need. When taking into account energy assistance by itself, 59 percent indicated that utility assistance was the greatest need followed by weatherization and minor home repairs with 29 percent.

**ASSISTED HOUSING INVENTORY**

The following table shows the number of total multifamily units in the region financed through state and federal sources, such as TDHCA, HUD, PHAs, Section 8 Housing Choice Vouchers, USDA and local HFCs, including the Texas State Affordable Housing Corporation. For information on the data sources, see “Assisted Housing Inventory” under “State of Texas” in this section. Please note that because some developments layer funding from multiple sources, there may be double counting.

**Region 11 Assisted Multifamily Units**

	Region Total	Percent in Region	Percent of State Total
TDHCA Units	9,472	26.2%	4.8%
HUD Units*	4,208	11.6%	4.1%
PHA Units*	6,949	19.2%	12.6%
Section 8 Vouchers	13,553	37.5%	5.4%
USDA Units	2,003	5.5%	3.6%
HFC Units**	322		
Total	36,185	100.0%	6.9%

\* Reflects the most updated numbers available.

\*\*HFC units are not included in the final total, because HFC developments report total units rather than specifying assisted units and because the majority of HFC-financed developments also receive housing tax credits from TDHCA.

## REGION 12

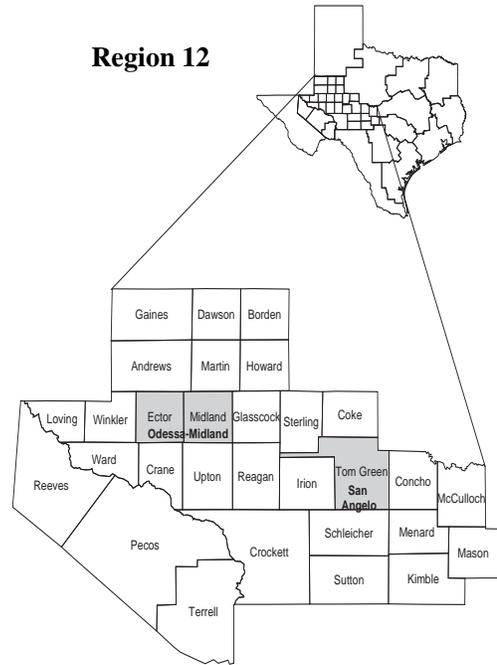
Region 12 in west Texas surrounds the urban areas of Odessa-Midland and San Angelo. HISTA data projects that in 2009 the total population in Region 12 is 594,754, which represents 2.5 percent of the state's total population.

**Region 12 Population Figures**

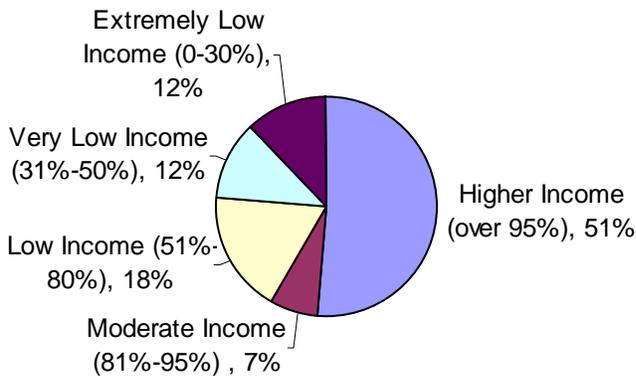
	Region Total 2000	Percent in Region	Region Percent of State	Population Estimated Jan 1, 2009
Total Population	517,177		2.5%	594,754
Persons with Disabilities	91,822	17.8%		105,595
Elderly Persons (without disabilities)	35,764	6.9%		41,129
Individuals in Poverty	85,063	16.4%		97,823

Source: 2000 Census and CHAS Database with projections based on HISTA data

Approximately 56 percent of the population lives in urban areas. In the map of Region 12 (right), the shaded counties are Metropolitan Statistical Areas as defined by the U.S. Census.



### Region 12 Household Income



The pie chart to the left depicts the income breakdown of the 188,921 households in the region. Approximately 42 percent of households are low income. There are 97,823 individuals living in poverty in the region, which makes up 16.4 percent of the regional population. According to the Multiple Listing Service records for September 2009, the median home prices for Odessa and Midland are \$131,800 and \$164,800 respectively.<sup>29</sup>

### SPECIAL NEEDS POPULATIONS

According to 2009 population projections, there are approximately 105,595 persons with disabilities residing in the region, which is 17.8 percent of the regional population. In addition, there are approximately 41,129 elderly individuals without disabilities in the region, which is 6.9 percent of the regional population.

Data on the number of homeless individuals in the region is difficult to collect for a variety of reasons, including the fact that members of this population cannot be canvassed with regular location-based techniques. According to 2009 population projections, there are approximately 476 people in noninstitutional group homes, which include shelters, in the region. In its special tabulation on emergency and transitional shelters, the Census did not count any homeless people in metropolitan areas.

<sup>29</sup> Real Estate Center at Texas A&M University, "Texas Residential MLS Activity," <http://recenter.tamu.edu/data/hs/trends4.html> (accessed November 9, 2009).

**HOUSING SUPPLY**

According to the most recent US Census, 85.4 percent of the housing units in the region are occupied. Of the total housing stock, 72 percent are one unit, 16 percent are over two units, 12 percent are mobile homes, and the rest are boats and RVs. Approximately 70.1 percent are occupied by their owners and 29.9 percent are occupied by renters.

**HOUSING NEED**

The housing need indicators analyzed in this section include housing cost burden, substandard housing conditions and housing overcrowding for renter and owner households. The following information comes from the 2000 CHAS database updated with HISTA population projections. There were approximately 57,186 owners and renters with housing problems in 2009.

**Region 12 Households with Housing Problems**

	Region Total	Extremely Low Income (0-30%)	Very Low Income (31-50%)	Low Income (51-80%)	Higher Incomes (81% and up)
Households					
Extreme Cost Burden	40,053	14,994	11,375	7,894	5,791
Lacking Kitchen and/or Plumbing	2,577	713	547	538	778
Overcrowding	14,556	2,466	2,483	4,119	5,488
<b>Total</b>	<b>57,186</b>	<b>18,173</b>	<b>14,405</b>	<b>12,551</b>	<b>12,057</b>

Source: CHAS Database with projections based on HISTA data

**REGIONAL INPUT ON HOUSING NEEDS**

According to the 2006 CNS data for Region 12, the two greatest general needs as ranked by survey respondents were housing assistance with 50 percent of total respondents and development of apartments with 30 percent of total respondents. Of the remaining respondents, approximately 12 percent indicated that the energy assistance was the priority need, 9 percent indicated that capacity building assistance was the priority need and 9 percent indicated that homeless assistance was the priority need.

When considering housing assistance as a category by itself, 50 percent of respondents indicated that home repair assistance was the greatest need, followed by rental payment assistance at 25 percent. Regarding rental development by itself, 42 percent of respondents indicated that their community's greatest need was the construction of new rental units, followed by 33 percent of respondents who indicated that the need for construction and rehabilitation was the same. When taking into account energy assistance by itself, 46 percent of respondents indicated that utility assistance was the greatest need, followed by weatherization and minor home repairs with 42 percent.

**ASSISTED HOUSING INVENTORY**

The following table shows the number of total multifamily units in the region financed through state and federal sources, such as TDHCA, HUD, PHAs, Section 8 Housing Choice Vouchers, USDA and local HFCs, including the Texas State Affordable Housing Corporation. For information on the data sources, see “Assisted Housing Inventory” under “State of Texas” in this section. Please note that because some developments layer funding from multiple sources, there may be double counting.

**Region 12 Assisted Multifamily Units**

	Region Total	Percent in Region	Percent of State Total
TDHCA Units	3,401	33.7%	1.7%
HUD Units*	1,763	17.5%	1.7%
PHA Units*	1,145	11.3%	2.1%
Section 8 Vouchers	3,058	30.3%	1.2%
USDA Units	735	7.3%	1.3%
HFC Units**	24		
Total	10,102	100.0%	1.9%

\* Reflects the most updated numbers available.

\*\*HFC units are not included in the final total, because HFC developments report total units rather than specifying assisted units and because the majority of HFC-financed developments also receive housing tax credits from TDHCA.

## REGION 13

El Paso is the main urban area in Region 13. The region spreads along the Texas-Mexico border in the southwestern tip of the state. HISTA data projects that in 2009 the total population in Region 13 is 802,488, which represents 2.5 percent of the state's total population.

**Region 13 Population Figures**

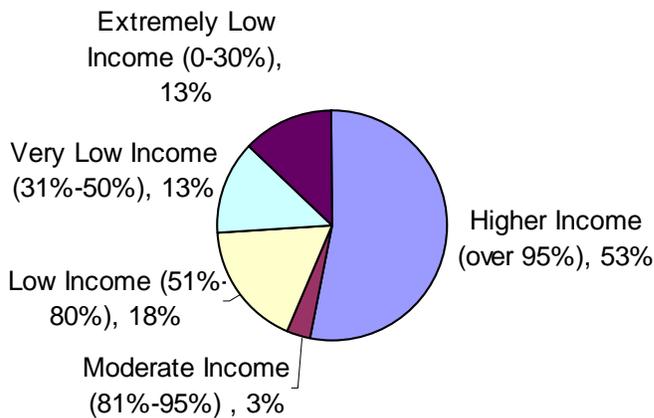
	Region Total 2000	Percent in Region	Region Percent of State	Population Estimated Jan 1, 2009
Total Population	697,816		3.4%	802,488
Persons with Disabilities	128,000	18.3%		147,200
Elderly Persons (without disabilities)	35,421	5.1%		40,734
Individuals in Poverty	165,122	23.7%		189,890

Source: 2000 Census and CHAS Database with projections based on HISTA data

Approximately 89 percent of the region population lives in the urban area of El Paso. In the map of Region 13 (right), the shaded counties are Metropolitan Statistical Areas as defined by the U.S. Census.



### Region 13 Household Income



The pie chart to the left depicts the income breakdown of the 216,861 households in the region. Approximately 44 percent of households are low income. There are 189,890 individuals living in poverty in the region, which makes up 23.7 percent of the regional population. According to the Multiple Listing Service records for September 2009, the median home price for El Paso is \$130,000.<sup>1</sup>

### SPECIAL NEEDS POPULATIONS

According to 2009 population projections, there are approximately 147,200 persons with disabilities residing in the region, which is 18.3 percent of the regional population. In addition, there are approximately 40,734 elderly individuals without disabilities in the region, which is 5.1 percent of the regional population.

Data on the number of homeless individuals in the region is difficult to collect for a variety of reasons, including the fact that members of this population cannot be canvassed with regular location-based techniques. According to 2009 population projections, there are approximately 1,175 people in noninstitutional group homes, which include shelters, in the region. In its special tabulation on emergency and transitional shelters, the Census counted approximately 409 homeless people in El Paso.

<sup>1</sup> Real Estate Center at Texas A&M University, "Texas Residential MLS Activity," <http://recenter.tamu.edu/data/hs/trends4.html> (accessed November 9, 2009).

**HOUSING SUPPLY**

According to the most recent US Census, 92.7 percent of the housing units in the region are occupied. Of the total housing stock, 68 percent are one unit, 23 percent are over two units, 8 percent are mobile homes, and the rest are boats and RVs. Approximately 63.8 percent are occupied by their owners and 36.2 percent are occupied by renters.

**HOUSING NEED**

The housing need indicators analyzed in this section include housing cost burden, substandard housing conditions and housing overcrowding for renter and owner households. The following information comes from the 2000 CHAS database updated with HISTA population projections. There were approximately 93,248 owners and renters with housing problems in 2009.

**Region 13 Households with Housing Problems**

	Region Total	Extremely Low Income (0-30%)	Very Low Income (31-50%)	Low Income (51-80%)	Higher Incomes (81% and up)
<b>Households</b>					
Extreme Cost Burden	55,856	17,463	14,981	13,699	9,713
Lacking Kitchen and/or Plumbing	4,076	950	1,093	938	1,095
Overcrowding	33,316	6,337	6,630	7,773	12,577
<b>Total</b>	<b>93,248</b>	<b>24,750</b>	<b>22,704</b>	<b>22,410</b>	<b>23,385</b>

Source: CHAS Database with projections based on HISTA data

**REGIONAL INPUT ON HOUSING NEEDS**

According to the 2006 CNS data for Region 13, the two greatest general needs as ranked by survey respondents were housing assistance with 58 percent of total respondents and development of apartments with 43 percent of total respondents. Of the remaining respondents, approximately 27 percent indicated that homeless assistance as the priority need and 17 percent indicated that capacity building assistance was the priority need. No respondents indicated that energy assistance was their community’s priority need.

When considering housing assistance as a category by itself, 41 percent of respondents indicated that home repair assistance was the greatest need, followed by homebuyer assistance at 35 percent. Regarding rental development by itself, 46 percent of respondents indicated that their community's greatest need was the construction of new rental units, followed by 24 percent of respondents who indicated that the need for construction and rehabilitation was the same. When taking into account energy assistance by itself, 52 percent indicated that weatherization and minor home repairs was the greatest need followed by utility assistance with 24 percent.

**ASSISTED HOUSING INVENTORY**

The following table shows the number of total multifamily units in the region financed through state and federal sources, such as TDHCA, HUD, PHAs, Section 8 Housing Choice Vouchers, USDA and local HFCs, including the Texas State Affordable Housing Corporation. For information on the data sources, see “Assisted Housing Inventory” under “State of Texas” in this section. Please note that because some developments layer funding from multiple sources, there may be double counting.

**Region 13 Assisted Multifamily Units**

	Region Total	Percent in Region	Percent of State Total
TDHCA Units	4,736	24.0%	2.4%
HUD Units*	2,395	12.1%	2.3%
PHA Units*	6,228	31.5%	11.3%
Section 8 Vouchers	6,117	30.9%	2.4%
USDA Units	298	1.5%	0.5%
HFC Units**	690		
Total	19,774	100%	3.8%

\*Reflects the most updated information available.

\*\*HFC units are not included in the final total, because HFC developments report total units rather than specifying assisted units and because the majority of HFC-financed developments also receive housing tax credits from TDHCA.

## REGIONAL PLANS SUMMARY

This section summarizes the information from the regional plans in the previous section.

### POPULATION CHARACTERISTICS

The most populous regions of the state according to the 2009 population projections are Regions 3 and 6, together representing almost 50 percent of the state.

**Population and Poverty, 2009**

Service Region	Population 2000 Census	Percent of State's Population	Population Estimate Jan 1, 2009	Persons in Poverty 2009	Percent of State Poverty Total	Population for whom Poverty Status is Determined	Percent of Regional Population in Poverty
1	768,196	3.7%	883,425	141,440	3.9%	860461	16.0%
2	537,611	2.6%	618,253	89,294	2.5%	591559	14.4%
3	5,435,416	26.3%	6,250,728	676,991	18.9%	6197856	18.9%
4	995,930	4.9%	1,145,320	174,841	4.9%	1116905	15.3%
5	795,160	3.6%	914,434	138,673	3.9%	811640	15.2%
6	4,815,528	23.3%	5,537,857	754,675	21.0%	5477620	13.6%
7	1,333,017	6.5%	1,532,970	166,819	4.7%	1506753	10.9%
8	947,685	4.6%	1,089,838	171,902	4.8%	1031733	15.8%
9	1,784,546	8.7%	2,052,228	307,186	8.6%	2023600	15.0%
10	617,128	3.5%	709,697	152,046	4.2%	814942	21.4%
11	1,368,670	6.4%	1,573,971	523,671	14.6%	1523581	33.3%
12	517,177	2.5%	594,754	97,822	2.7%	579385	16.4%
13	697,816	3.4%	802,488	189,890	5.3%	794348	23.7%
State	20,613,880	100%	23,705,962	3,585,250	100.0%	23,330,383	15.4%

Source: CHAS Database with projections based on HISTA data and Texas State Data Center

The table below provides information on the income breakdowns of households in each region.

**Households and Income, 2000**

Service Region	Total Households	Extremely Low Income (0% to 30% AMFI)	Very Low Income (31% to 50% AMFI)	Low Income (51% to 80% AMFI)	Moderate Income (81% to 95% AMFI)	Higher Income (over 95% AMFI)
1	288,273	36,433	34,684	53,087	20,604	143,475
2	206,459	23,690	26,096	37,041	15,491	104,169
3	1,988,135	216,675	207,946	361,581	165,946	1,043,156
4	380,765	47,359	45,345	64,823	28,943	194,299
5	274,543	38,575	32,704	45,851	19,222	138,364
6	1,691,811	209,127	186,994	284,820	131,907	881,944
7	509,798	60,766	54,465	92,250	44,650	257,667
8	343,856	46,423	39,537	59,780	26,911	171,721
9	635,280	73,161	69,347	109,133	49,283	334,532
10	255,493	33,862	30,725	42,309	16,854	131,811
11	377,276	73,326	62,736	71,481	199	169,566
12	188,921	22,798	23,084	33,409	13,680	95,995
13	216,861	29,207	28,546	38,430	7,373	114,009
State	7,357,471	911,402	842,209	1,293,995	541,063	3,780,708

Source: CHAS Database

**HOUSING SUPPLY**

Of the state’s housing stock, regions 1 and 2 have the highest percentage of one-unit housing; Regions 3, 6 and 7 have the highest levels of multifamily housing.

**Housing Stock by Region, 2000**

Service Region	Housing Units	One Unit	2 to 19 Units	Over 20 Units	Mobile Homes	Boats, RVs
1	322,045	240,418 74.7%	30,163 9.4%	20,997 6.5%	29,683 9.2%	784 0.2%
2	243,506	186,932 76.8%	21,599 8.9%	7,974 3.3%	25,365 10.4%	1,636 0.7%
3	2,140,641	1,373,780 64.2%	385,269 18.0%	259,402 12.1%	118,078 5.5%	4,112 0.2%
4	434,792	307,802 70.8%	32,153 7.4%	13,754 3.2%	78,312 18.0%	2,771 0.6%
5	325,047	225,213 69.3%	23,868 7.3%	12,709 3.9%	60,328 18.6%	2,929 0.9%
6	1,853,854	1,175,460 63.4%	265,188 14.3%	293,889 15.9%	115,535 6.2%	3,782 0.2%
7	545,761	339,272 62.2%	96,402 17.7%	66,390 12.2%	41,991 7.7%	1,706 0.3%
8	387,627	259,909 67.1%	58,646 15.1%	19,960 5.1%	47,492 12.3%	1,620 0.4%
9	689,862	476,751 69.1%	101,504 14.7%	52,139 7.6%	57,339 8.3%	2,129 0.3%
10	298,494	212,067 71.0%	36,198 12.1%	17,165 5.8%	30,936 10.4%	2,128 0.7%
11	457,406	303,046 66.3%	45,937 10.0%	18,112 4.0%	80,947 17.7%	9,364 2.0%
12	221,968	159,092 71.7%	21,931 9.9%	13,796 6.2%	26,240 11.8%	909 0.4%
13	236,572	161,168 68.1%	32,741 13.8%	22,814 9.6%	19,406 8.2%	443 0.2%
State	8,157,575	5,420,910 66.5%	1,151,599 14.1%	819,101 10.0%	731,652 9.0%	34,313 0.4%

Source: 2000 U.S. Census

The homeownership rate for the State is 63.8 percent. The region with the lowest percentage of homeowners is Region 7 with 59.8 percent. The region with the highest percentage of homeowners is Region 4 with 73.8 percent.

**Housing Units by Occupancy, 2000**

Service Region	Total Tenure	Owner Occupied		Renter Occupied	
		Number	Percent	Number	Percent
1	288,175	191,161	66.3%	97,014	33.7%
2	206,388	142,603	69.1%	63,785	30.9%
3	2,004,826	1,220,939	60.9%	783,887	39.1%
4	380,468	280,896	73.8%	99,572	26.2%
5	275,233	201,971	73.4%	73,262	26.6%
6	1,702,792	1,037,371	60.9%	665,421	39.1%
7	510,555	305,294	59.8%	205,261	40.2%
8	344,575	210,882	61.2%	133,693	38.8%
9	636,796	414,009	65.0%	222,787	35.0%
10	256,428	171,319	66.8%	85,109	33.2%
11	378,275	267,716	70.8%	110,559	29.2%
12	189,582	132,956	70.1%	56,626	29.9%
13	219,261	139,842	63.8%	79,419	36.2%
State	7,393,354	4,716,959	63.8%	2,676,395	36.2%

Source: 2000 U.S. Census

**NEED INDICATORS**

The chart below shows the number of households with cost burden greater than 30 percent by income group. Regions 3 and 6, in that order, have the highest number of households experiencing extreme cost burden for all the income groups. In addition, Regions 7 and 9 have the third and fourth highest numbers of households experiencing extreme cost burden for all income groups. These regions represent the four largest Major Metropolitan Areas in Texas: Dallas-Fort Worth-Arlington, Houston-Sugar Land-Baytown, San Antonio, and Austin-Round Rock.

**Number of Households with Extreme Cost Burden by Income Group – Texas, 2009**

Service Region	All Incomes	0% to 30%	31% to 50%	51% to 80%	81% to 95%	95% and Above
1	67,159	25,939	18,689	13,818	2,730	5,982
2	44,820	16,401	13,389	8,732	2,075	4,223
3	483,443	148,173	124,704	118,320	29,094	63,152
4	87,846	31,977	23,560	18,322	4,865	9,123
5	62,016	25,949	16,662	11,413	2,581	5,412
6	392,181	133,623	104,552	83,584	20,976	49,445
7	143,360	44,925	36,217	36,747	8,972	16,499
8	90,612	34,211	23,462	19,895	4,810	8,233
9	153,507	47,556	38,733	36,371	9,494	21,352
10	59,191	20,620	15,872	12,697	2,988	7,014
11	78,562	33,079	20,702	14,090	72	10,619
12	40,053	14,994	11,375	7,894	1,849	3,942
13	55,856	17,463	14,981	13,699	1,587	8,126
State	1,758,605	594,909	462,899	395,582	92,093	213,123

Source: CHAS Database with projections based on HISTA data

Regions 3, 6, and 11 have the highest number of units lacking facilities for households earning 0 to 80 percent AMFI. Regions 3 and 6 also have the highest number of units lacking facilities for households earning 80 to over 95 percent AMFI. These are also the two regions with the highest numbers of households in poverty in the state. In contrast, Regions 2, 12 and 1, in that order, have the lowest number of units lacking facilities for households earning 0 to 80 percent AMFI.

**Number of Units Lacking Kitchen and/or Plumbing by Affordability Category – Texas, 2009**

Service Region	All Incomes	0% to 30%	31% to 50%	51% to 80%	80% and Above
1	3,211	898	558	604	199
2	2,161	670	367	459	151
3	18,571	4,988	3,378	3,940	1,336
4	5,578	1,724	994	1,002	370
5	3,836	1,270	633	733	191
6	18,712	5,594	3,306	3,787	1,037
7	5,598	1,938	981	1,125	339
8	4,173	1,240	805	789	235
9	7,521	2,128	1,319	1,581	607
10	3,763	1,266	737	771	147
11	14,614	6,312	3,577	2,527	0
12	2,577	713	547	538	101
13	4,076	950	1,093	938	124
State	94,391	29,690	18,293	18,792	4,838

Source: CHAS Database with projections based on HISTA data

The table below shows the number of overcrowded owner households by income group. Regions 3, 6, 11 and 9, in that order, have the highest number of overcrowded households for income levels 0 to 80 percent AMFI. With two exceptions, the most populous regions in the state have the highest number of overcrowded households. Those exceptions are Region 10, which is the seventh most populated region, has the eighth highest number of overcrowded households, and Region 8, which is the eighth most populated region, has the seventh highest number of overcrowded households.

**Number of Overcrowded Owner Households by Income Group – Texas, 2000**

Service Region	All Incomes	0% to 30%	31% to 50%	51% to 80%	81% to 95%	95% and Above
1	21,299	3,374	3,735	5,747	1,834	6,609
2	9,466	1,470	1,440	2,691	835	3,030
3	197,622	36,717	39,975	53,458	18,337	49,135
4	21,963	3,657	3,640	5,408	2,289	6,969
5	17,638	3,350	2,548	3,968	1,701	6,071
6	211,054	42,404	43,848	55,539	18,379	50,883
7	40,130	7,442	8,194	10,520	3,857	10,118
8	24,473	4,191	3,775	6,648	2,324	7,535
9	62,420	11,431	11,807	15,974	5,975	17,233
10	24,509	4,937	4,226	5,396	1,885	8,065
11	91,741	22,709	19,440	21,140	12	28,441
12	14,556	2,466	2,483	4,119	1,347	4,141
13	33,316	6,337	6,630	7,773	1,356	11,221
State	770,185	150,483	151,741	198,381	60,130	209,450

Source: CHAS Database with projections based on HISTA data

The total number of households in poverty, elderly and non-elderly, is one of the need indicators for some of the Department's community service activities. Regions 3, 6 and 11 have the highest numbers of poverty households.

**Number of Households in Poverty, 2000**

Service Region	Number of Elderly Poverty Households	Percent of State's Elderly Poverty Households	Number of Non-Elderly Poverty Households	% of State's Non-Elderly Poverty Households	Total Number of Poverty Households	Percent of State's Poverty Households
1	8,897	4.6%	37,710	4.5%	46,607	4.5%
2	8,100	4.2%	23,414	2.8%	31,514	3.0%
3	32,129	16.6%	165,495	19.7%	197,624	19.1%
4	15,592	8.1%	43,499	5.2%	59,091	5.7%
5	11,148	5.8%	36,076	4.3%	47,224	4.6%
6	32,192	16.7%	179,586	21.4%	211,778	20.5%
7	6,601	3.4%	46,549	5.5%	53,150	5.1%
8	10,531	5.4%	47,640	5.7%	58,171	5.6%
9	17,887	9.3%	70,207	8.4%	88,094	8.5%
10	10,783	5.6%	34,422	4.1%	45,205	4.4%
11	23,614	12.2%	93,382	11.1%	116,996	11.3%
12	6,744	3.5%	24,217	2.9%	30,961	3.0%
13	9,083	4.7%	38,561	4.6%	47,644	4.6%
State	193,301	100.0%	840,758	100.0%	1,034,059	100.0%

Source: 2000 Census

**ASSISTED HOUSING INVENTORY**

The following table shows the number of multifamily units in the state financed through state and federal sources according to region. Please see the “Assisted Housing Inventory” under “State of Texas” for data explanations.

**Assisted Multifamily Units**

Region	TDHCA Units	HUD Units*	PHA Units*	Section 8 Vouchers	USDA Units	HFC units**	Total Assisted Units
1	5,165	3,451	1,304	6,941	4,926	1,607	17,224
2	3,308	1,979	3,026	5,194	6,182	280	13,097
3	60,575	28,032	8,485	68,464	4,226	20,907	144,504
4	5,629	3,577	2,252	8,174	9,763	1,170	21,389
5	5,713	4,134	2,368	14,229	2,329	1,278	21,412
6	55,627	27,284	5,138	41,408	5,081	39,365	111,999
7	17,910	5,032	3,506	14,901	3,493	8,281	35,335
8	6,383	4,178	2,780	10,232	4,638	305	23,740
9	16,065	12,080	7,458	30,472	3,721	22,392	51,879
10	5,141	4,236	4,459	7,988	4,801	971	19,153
11	9,472	4,208	6,949	27,407	2,957	322	36,306
12	3,401	1,763	1,145	5,013	1,757	24	10,146
13	4,736	2,395	6,228	12,092	1,178	690	19,896
State	199,125	102,349	55,098	252,515	55,052	97,592	526,080

\*Reflects the most updated numbers available.

\*\*Because HFC developments report total units and do not specify assisted units and that the majority of HFC-financed developments also receive housing tax credits from TDHCA, these units are not included in the final total.

### **SECTION 3: ANNUAL LOW-INCOME HOUSING REPORT**

The Annual Report required by §2306.072 of the Texas Government Code includes the following sections:

- TDHCA's Operating and Financial Statements
- *Statement of Activities*: Describes TDHCA activities during the preceding year that worked to address housing and community service needs
- *Statement of Activities by Region*: Describes TDHCA activities by region
- *Housing Sponsor Report*: Describes fair housing opportunities offered by TDHCA's multifamily development inventory
- *Analysis of the Distribution of Tax Credits*: Provides an analysis of the sources, uses and geographic distribution of housing tax credits
- *Average Rents Reported by County*: Provides a summary of the average rents reported by the TDHCA multifamily inventory

#### **OPERATING AND FINANCIAL STATEMENTS**

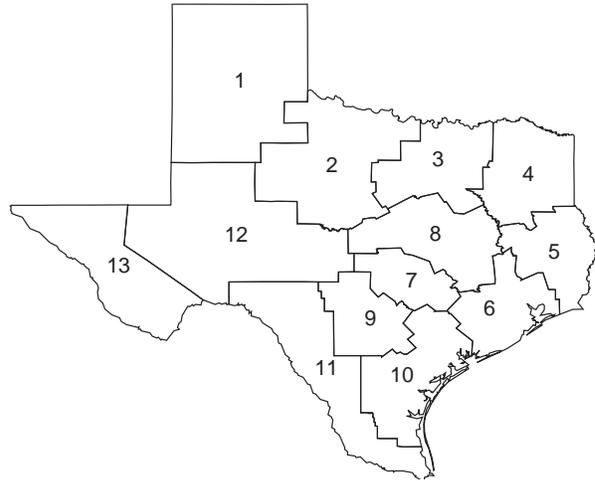
TDHCA's Operating Budgets and Basic Financial Statements are prepared and maintained by the Financial Administration Division. For copies of these reports, visit <http://www.tdhca.state.tx.us/finan.htm>.

## STATEMENT OF ACTIVITIES

The Department has many programs that provide an array of services. This section of the Plan highlights TDHCA's activities and achievements during the preceding fiscal year through a detailed analysis of the following:

- TDHCA's performance in addressing the housing needs of low-, very low- and extremely low-income households
- TDHCA's progress in meeting its housing and community services goals

This analysis is provided at the State level and within each of the 13 service regions TDHCA uses for planning purposes (see Figure 2.1). For general information about each region, including housing needs and housing supply, please see the Housing Analysis section of this document.



**Figure 2.1 State Service Regions**

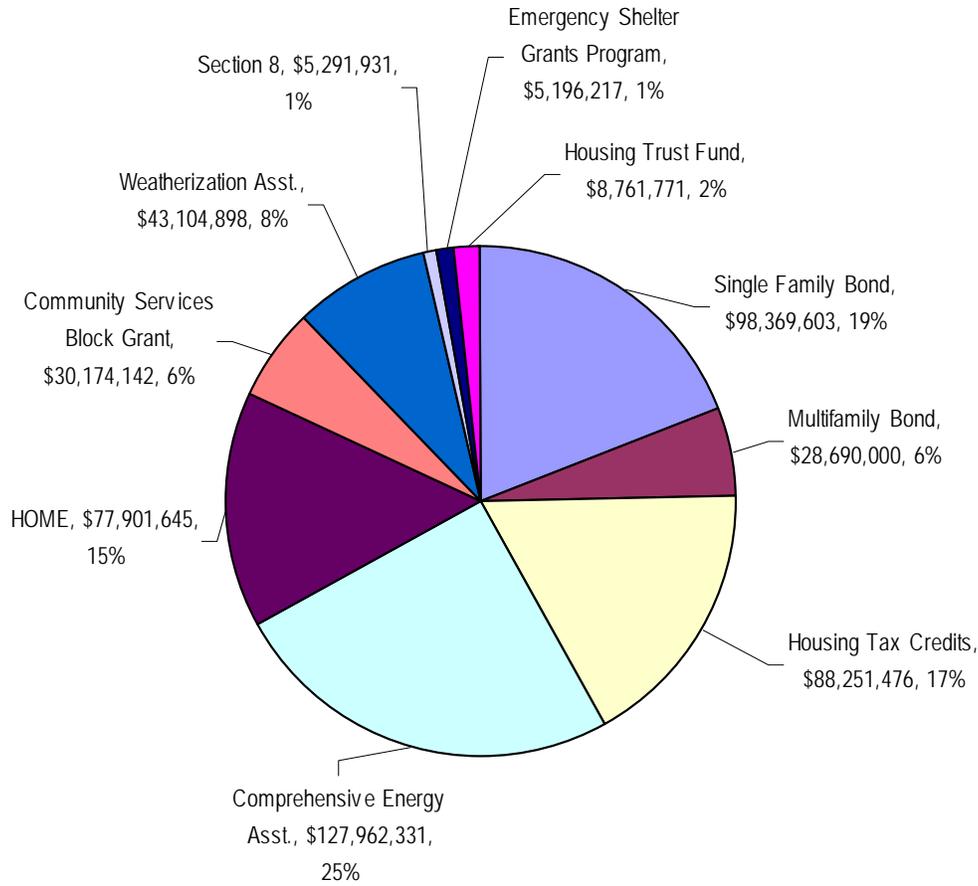
## FUNDING COMMITMENTS AND HOUSEHOLDS SERVED BY ACTIVITY AND PROGRAM

For the state and each region, a description of funding allocations, amounts committed, target numbers and actual number of persons or households served for each program is provided. Along with the summary performance information, data on the following activity subcategories is provided.

- Renter
  - New Construction activities support multifamily development, such as the funding of developments and predevelopment funding.
  - Rehabilitation Construction activities support the acquisition, rehabilitation and preservation of multifamily units.
  - Tenant-Based Assistance supports low-income Texans through direct rental payment assistance.
- Owner
  - Single-family development includes funding for housing developers, nonprofits, or other housing organizations to support the development of single-family housing.
  - Single-family financing and homebuyer assistance helps households purchase a home through such activities as mortgage financing and down payment assistance.
  - Single-family owner-occupied assistance helps existing homeowners who need home rehabilitation and reconstruction assistance.
  - Community services includes supportive services, energy assistance and homeless assistance activities.

In FY 2009, TDHCA committed \$515,863,120 in total funds. Almost all of this funding, approximately 99 percent of the total came from federal sources. TDHCA committed funding for activities that predominantly benefited extremely low-, very low- and low-income individuals. The chart below displays the distribution of this funding by program activity.

**Total Funding By Program, FY 2009**  
 Total Funds Committed: \$515,863,120



**Funding and Households/Persons Served by Activity, FY 2009, All Activities**

Household Type	Activity	Committed Funds	Number of Households/ Individuals Served	% of Total Committed Funds	% of Total Households/ Individuals Served
Renter	Rental Assistance	\$8,229,951	1,196	1.6%	0.2%
	New Construction	\$132,084,399	7,327	25.7%	1.1%
	Rehab Construction	\$30,637,002	2,213	6.0%	0.3%
Owner	Financing & Down Payment	\$106,989,379	1,596	20.8%	0.2%
	Rehabilitation Assistance	\$29,325,695	452	5.7%	0.1%
	Homeless Services	\$5,196,217	120,767	1.0%	18.2%
	Energy Related	\$171,067,229	137,854	33.3%	20.8%
	Supportive Services	\$30,174,142	391,617	5.9%	59.1%
<b>Total</b>		<b>\$513,704,014</b>	<b>\$513,704,014</b>	<b>663,022</b>	<b>100.0%</b>

**Funding and Households/Persons Served by Housing Program, FY 2009**

	SF Bond		HOME		HTF		HTC		MF Bond		Section 8	
	Funds	HH	Funds	HH	Funds	HH	Funds	HH	Funds	HH	Funds	HH
Rental Assistance	\$0	-	\$2,938,020	240	\$0	-	\$0	-	\$0	-	\$5,291,931	956
Rental New Construction	\$0	-	\$25,738,037	319	\$2,794,000	160	\$74,862,362	6,344	\$28,690,000	504	\$0	-
Rental Rehabilitation	\$0	-	\$17,247,888	388	\$0	-	\$13,389,114	1,825	\$0	-	\$0	-
Owner Financing & Down Pmt.	\$98,369,603	861	\$3,952,000	180	\$4,667,776	555	\$0	-	\$0	-	\$0	-
Owner Rehab. Asst	\$0	-	\$28,025,700	392	\$1,299,995	60	\$0	-	\$0	-	\$0	-
<b>Total</b>	<b>\$98,369,603</b>	<b>861</b>	<b>\$77,901,645</b>	<b>1,519</b>	<b>\$8,761,771</b>	<b>775</b>	<b>\$88,251,476</b>	<b>8,169</b>	<b>\$28,690,000</b>	<b>504</b>	<b>\$5,291,931</b>	<b>956</b>

**Funding and Households/Persons Served by Community Affairs Programs, FY 2009**

	ESGP^		CSBG^*		CEAP		WAP*	
	Funds	Ind	Funds	Ind	Funds	HH	Funds	HH
Homeless Services	\$5,196,217	120,767	\$0	0	\$0	0	\$0	0
Energy Related	\$0	0	\$0	0	\$127,962,331	133,132	\$43,104,898	4,722
Supportive Services	\$0	0	\$30,174,142	391,617	\$0	0	\$0	0
<b>Total</b>	<b>\$5,196,217</b>	<b>120,767</b>	<b>\$30,174,142</b>	<b>391,617</b>	<b>\$127,962,331</b>	<b>133,132</b>	<b>\$43,104,898</b>	<b>4,722</b>

\*For these programs, funds and households served reflect different 12 month periods.

^ ESGP and CSBG programs represent individuals served, not households

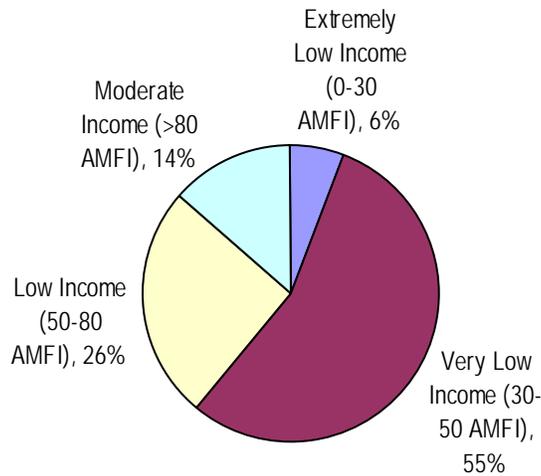
**FUNDING COMMITMENTS AND HOUSEHOLDS SERVED BY INCOME GROUP**

The SLIHP uses the following subcategories to refer to the needs of households or persons within specific income groups.

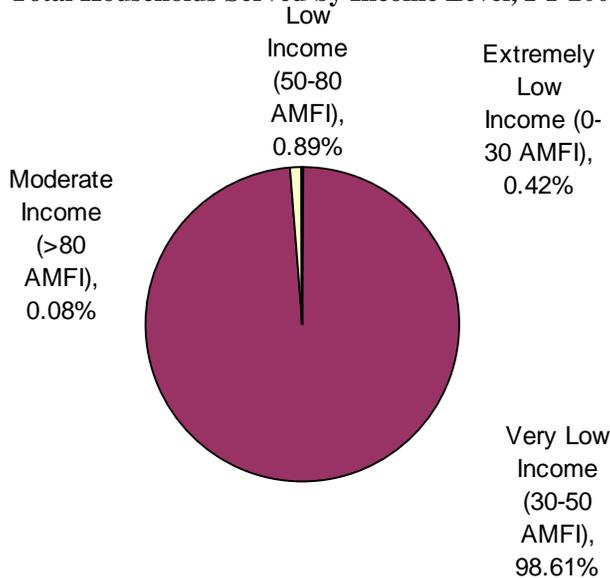
- Extremely Low Income (ELI): 0% to 30% Area Median Family Income (AMFI)
- Very Low Income (VLI): 31% to 50% (AMFI)
- Low Income (LI): 51% to 80% (AMFI)
- Moderate Income and Up (MI): >80% (AMFI)

The vast majority of households and individuals served through CEAP, WAP and ESGP earn less than 30 percent of the AMFI. However, federal tracking of assistance from these programs is based on poverty guidelines, which do not translate easily to an AMFI equivalent. For conservative reporting purposes, assistance in these programs is reported in the VLI category.

**Total Funding by Income Level, FY 2009**



**Total Households Served by Income Level, FY 2009**



**Funding and Households/Persons Served by Income Category, FY 2009**

**All Activities**

Activity	Committed Funds	Number of Households/ Individuals Served	% of Total Committed Funds	% of Total Households/ Individuals Served
Extremely Low Income (0-30 AMFI)	\$30,400,029	1,677	6%	0.25%
Very Low Income (30-50 AMFI)	\$282,428,761	655,017	55%	98.79%
Low Income (50-80 AMFI)	\$130,174,650	5,767	25%	0.87%
Moderate Income (>80 AMFI)	\$70,200,575	561	14%	0.08%
Total	\$513,204,015	663,022	100%	100.00%

**Housing Activities**

	SF Bond		HOME		HTF		HTC		MF Bond		Section 8	
	Funds	HH	Funds	HH	Funds	HH	Funds	HH	Funds	HH	Funds	HH
Extremely Low Income (0-30 AMFI)	\$42,700	1	\$20,209,359	417	\$294,965	48	5,776,670	535	\$0	-	\$4,076,335	676
Very Low Income (30-50 AMFI)	\$2,224,346	33	\$28,934,555	504	\$6,901,471	593	36,836,166	3,413	\$0	-	\$1,094,635	236
Low Income (50-80 AMFI)	\$25,901,982	266	\$28,757,732	598	\$1,065,335	134	45,638,640	4,221	\$28,690,000	504	\$120,961	44
Moderate Income (>80 AMFI)	\$70,200,575	561	\$0	-	\$0	-	-	0	\$0	-	\$0	-
Total	\$98,369,603	861	\$77,901,646	1,519	\$8,261,771	775	88,251,476	8,169	\$28,690,000	504	\$5,291,931	956

**Community Affairs Activities**

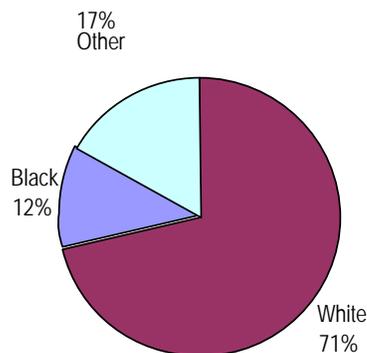
	ESGP*		CSBG*		CEAP		WAP	
	Funds	Indvd	Funds	Indvd	Funds	HH	Funds	HH
Extremely Low Income (0-30 AMFI)	\$0	-	\$0	-	\$0	-	\$0	-
Very Low Income (30-50 AMFI)	\$5,196,217	120,767	\$30,174,142	391,617	\$127,962,331	133,132	\$43,104,898	4,722
Low Income (50-80 AMFI)	\$0	-	\$0	-	\$0	-	\$0	-
Moderate Income (>80 AMFI)	\$0	-	\$0	-	\$0	-	\$0	-
Total	\$5,196,217	120,767	\$30,174,142	391,617	\$127,962,331	133,132	\$43,104,898	4,722

\*These programs report by individuals served rather than households served.

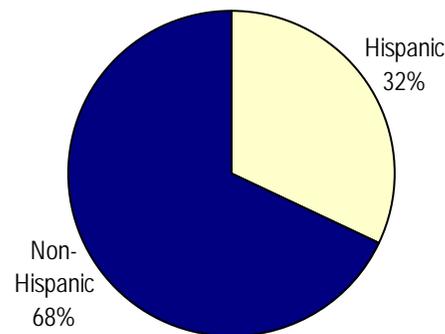
## RACIAL AND ETHNIC COMPOSITION OF HOUSEHOLDS RECEIVING ASSISTANCE

As required by legislation, TDHCA reports on the racial and ethnic composition of individuals and families receiving assistance. These demographic categories are delineated according to the standards set by the U.S. Census. Accordingly, “race” is broken down into three sub-classifications: White, Black and Other. “Other” includes races other than White and Black, as well as individuals with two or more races. As ethnic origin is considered to be a separate concept from racial identity, the Hispanic population is represented in a separate chart. Persons of Hispanic origin may fall under any of the racial classifications. Households assisted through each TDHCA program or activity have been delineated according to these categories. Regional analyses of this racial data are included in the Statement of Activities by Uniform State Service Region section that follows. Note that the state population racial composition charts examine individuals, while the many program racial composition charts examine households.

### Racial Composition of the State of Texas



### Ethnic Composition of the State of Texas



**23,705,962 INDIVIDUALS IN TEXAS IN 2009<sup>2</sup>**

## HOUSING PROGRAMS

Racial and ethnic data on housing programs is presented below using two general categories: Renter Programs and Homeowner Programs.

### RENTER PROGRAMS

The following charts depict the racial and ethnic composition of households receiving assistance from all TDHCA renter programs. Included in this category are households participating in TDHCA’s Tenant-Based Rental Assistance (TBRA) Program and Section 8 Housing Choice Voucher Program, as well as households residing in TDHCA-funded multifamily properties.

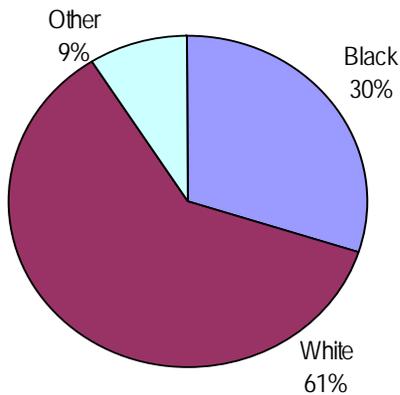
Multifamily properties receive funding through one or more of the following TDHCA programs: the Housing Tax Credit Program, Housing Trust Fund, HOME Investment Partnership Program and Multifamily Bond Program. Data for these programs is collected from the Fair Housing Sponsor Report, which is gathered each year from TDHCA-funded housing developments. The report includes information about each property, including the racial composition of the tenant population as of

<sup>2</sup> 2000 Census updated with HISTA projections.

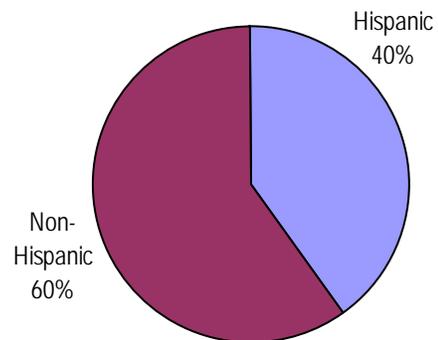
December 31 of the given year. Accordingly, the 2009 report is a snapshot of property characteristics on December 31, 2008.

It should be noted that the Housing Sponsor Report does not report on or represent all units financed by TDHCA. Some submitted reports describe properties under construction, which do not yet have occupied units. Some properties did not submit a report and still others did not fill out the report accurately. Therefore, TDHCA is left with usable data for only a portion of existing multifamily units. As a result, the following charts present a picture of race and ethnicity based on samples and may not represent actual percentages.

**Racial Composition of TDHCA-Assisted Renter Households**



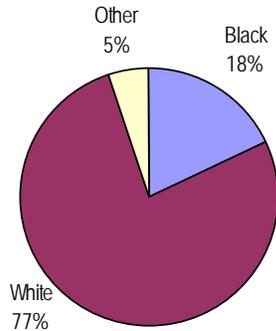
**Ethnic Composition of TDHCA-Assisted Renter Households**



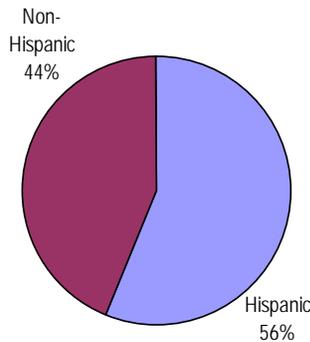
**HOMEOWNER PROGRAMS**

The following charts depict the racial and ethnic composition of households receiving assistance from all TDHCA homeowner programs. TDHCA homeowner assistance comes in the form of three programs: the Single Family Bond Program, HOME Homeowner Rehabilitation Program and HOME Homebuyer Assistance Program. Office of Colonia Initiatives programs are reported in the Homeowner Programs category under the following funding sources: HOME Program for Contract for Deed loans, Single Family Bond for some Contract for Deed loans and some Texas Bootstrap Program loans and the Housing Trust Fund for some Texas Bootstrap loans. Due to the data reporting techniques of the Single Family Bond Program, race and ethnicity are combined into one category.

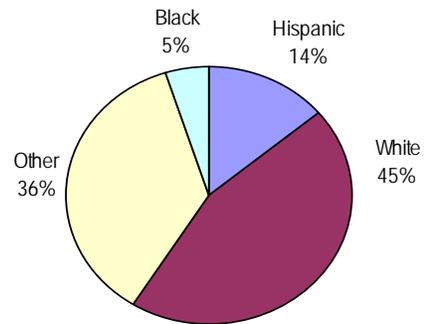
**Racial Composition of HOME Program Owner Households**



**Ethnic Composition of HOME Program Owner Households**



**Ethnic Composition of SF Bond Program Owner Households**



The available data demonstrates that TDCHA serves higher percentages of minority populations compared to the general racial and ethnic composition of the State of Texas. This is accurate even though the State of Texas population racial composition charts report by individuals and TDHCA’s programs report by household. TDHCA programs that serve renters and HOME homeowner programs, for instance, serve higher percentages of Black and Hispanic households than the percentage of those populations in the State of Texas.

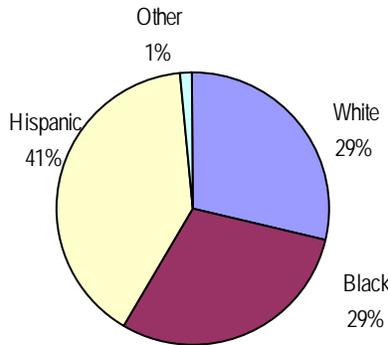
**COMMUNITY AFFAIRS PROGRAMS**

The Community Affairs programs allocate funding to subrecipient entities with service areas that span across two or more uniform state service regions, so racial data for these programs is reported by entity rather than region. Due to the data reporting techniques of the Weatherization Assistance Program (WAP), Comprehensive Energy Assistance Program (CEAP) and Community Services Block Grant (CSBG) Program race and ethnicity are combined into one category. The Emergency Shelter Grant Program (ESGP) reports race and ethnicity as two separate categories

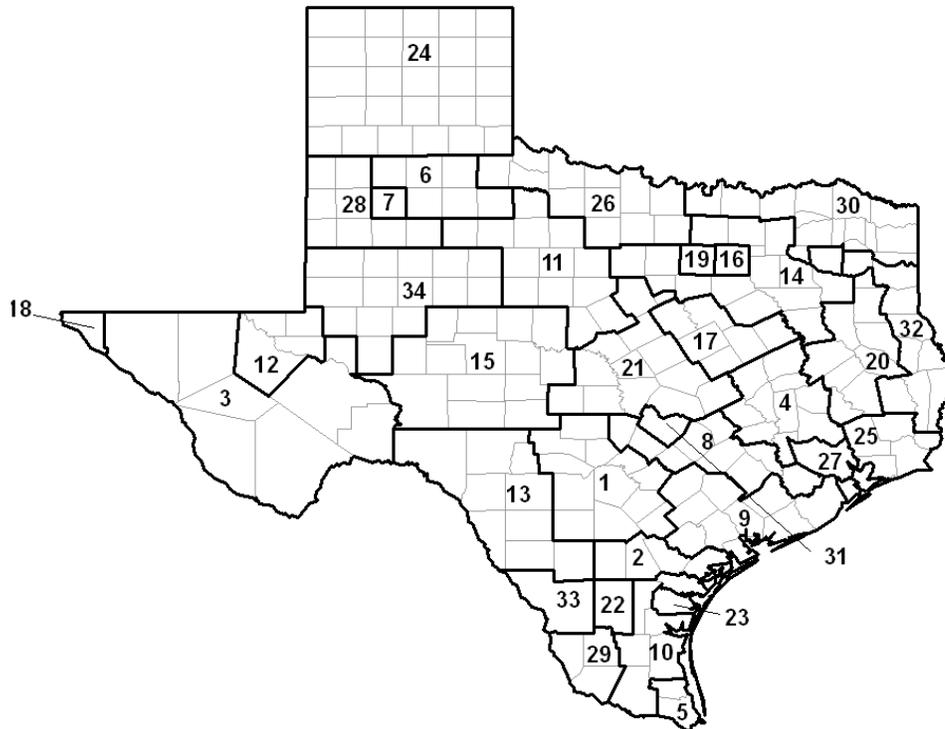
**WEATHERIZATION ASSISTANCE PROGRAM**

The Weatherization Assistance Program (WAP) funds a network of subrecipient organizations, some of which have a service area that spans across two or more regions. Because of this, WAP racial composition data for FY 2009 is listed according to subcontractor. A map is provided in order to locate subrecipient service areas. Racial and ethnic composition for the state is available, but because this data does not fit into regional boundaries, regional data is not available.

**Racial and Ethnic Composition of WAP Assisted Households, Statewide, 2009**



**WAP Subrecipient Service Areas, 2009**



**Racial and Ethnic Composition of Households Receiving WAP Assistance  
by Subrecipient, Statewide, PY 2009**

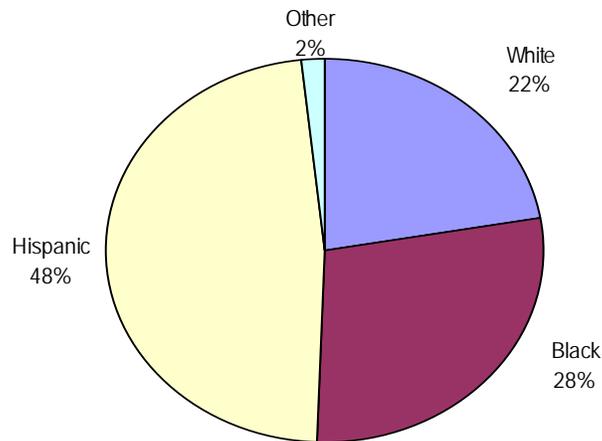
#	Subrecipient	WAP Counties Served	PY 2009 Allocations	HH Served	White	Black	Hispanic	Other
1	Alamo Area Council of Governments	Atascosa, Bandera, Bexar, Comal, Frio, Gillespie, Guadalupe, Karnes, Kendall, Kerr, Medina, Wilson	\$3,402,460	276	96	20	160	0
2	Bee Community Action Agency	Bee, Live Oak, McMullen, Refugio	\$265,976	14	2	0	12	0
3	Big Bend Community Action Committee, Inc.	Brewster, Crane, Culberson, Hudspeeth, Jeff Davis, Pecos, Presidio, Terrell	\$556,067	43	2	0	41	0
4	Brazos Valley Community Action Agency	Brazos, Burlleson, Grimes, Leon, Madison, Montgomery, Robertson, Walker, Waller, Washington	\$1,406,676	127	75	37	15	0
5	Cameron and Willacy Counties Community Projects, Inc.	Cameron, Willacy	\$1,229,162	127	0	0	127	0
6	Caprock Community Action Association, Inc.	Crosby, Dickens, Floyd, Hale, King, Motley	\$449,068	53	11	11	31	0
8	Combined Community Action, Inc.	Austin, Bastrop, Blanco, Caldwell, Colorado, Fayette, Fort Bend, Hays, Lee	\$809,949	53	27	15	11	0
9	Community Action Committee of Victoria Texas	Aransas, Brazoria, Calhoun, De Witt, Goliad, Gonzales, Jackson, Lavaca, Matagorda, Victoria, Wharton	\$1,115,283	97	40	25	32	0
10	Community Action Corporation of South Texas	Brooks, Hidalgo, Jim Wells, Kenedy, Kleberg, San Patricio	\$2,553,648	505	23	3	479	0
15	Concho Valley Community Action Agency	Coke, Coleman, Concho, Crockett, Irion, Kimble, McCulloch, Menard, Reagan, Runnels, Schleicher, Sterling, Sutton, Tom Green	\$846,999	48	25	10	13	0
11	Community Action Program, Inc.	Brown, Callahan, Comanche, Eastland, Haskell, Jones, Kent, Knox, Shackelford, Stephens, Stonewall, Taylor, Throckmorton	\$962,265	106	56	9	41	0
12	Community Council of Reeves County	Loving, Reeves, Ward, Winkler	\$177,167	26	4	2	20	0
13	Community Services Agency of South Texas	Dimmit, Edwards, Kinney, La Salle, Maverick, Real, Uvalde, Val Verde, Zavala	\$862,251	128	4	2	122	0
14	Community Services, Inc.	Anderson, Collin, Denton, Ellis, Henderson, Hood, Hunt, Johnson, Kaufman, Navarro, Palo Pinto, Parker, Rockwall, Smith, Van Zandt	\$2,288,041	215	148	53	6	8
16	Dallas County Department of Health and Human Services	Dallas	\$3,158,240	386	62	212	67	45
17	Economic Opportunities Advancement Corporation of Planning Region XI	Bosque, Falls, Freestone, Hill, Limestone, McLennan	\$889,258	123	55	58	10	0
18	El Paso Community Action Program, Project BRAVO, Inc.	El Paso	\$1,701,518	240	9	3	228	0
19	Fort Worth, City of, Department of Housing	Tarrant	\$1,789,086	137	39	79	16	3
20	Greater East Texas Community Action Program (GETCAP)	Angelina, Cherokee, Gregg, Houston, Nacogdoches, Polk, Rusk, San Jacinto, Trinity, Wood	\$1,368,421	193	60	124	9	0

#	Subrecipient	WAP Counties Served	PY 2009 Allocations	HH Served	White	Black	Hispanic	Other
21	Hill Country Community Action Association, Inc.	Bell, Burnet, Coryell, Erath, Hamilton, Lampasas, Llano, Mason, Milam, Mills, San Saba, Somervell, Williamson	\$1,037,308	222	150	50	22	0
22	Institute for Rural Development	Duval	\$95,515	0	0	0	0	0
7	Lubbock, City of, Community Development Department	Lubbock	\$595,305	44	6	19	19	0
23	Nueces County Community Action Agency	Nueces	\$741,446	56	4	5	47	0
24	Panhandle Community Services	Armstrong, Briscoe, Carson, Castro, Childress, Collingsworth, Dallam, Deaf Smith, Donley, Gray, Hall, Hansford, Hartley, Hemphill, Hutchinson, Lipscomb, Moore, Ochiltree, Oldham, Parmer, Potter, Randall, Roberts, Sherman, Swisher, Wheeler	\$1,447,428	143	56	20	66	1
25	Programs for Human Services, Inc.	Chambers, Galveston, Hardin, Jefferson, Liberty, Orange	\$1,501,927	78	16	60	2	0
26	Rolling Plains Management Corporation	Archer, Baylor, Clay, Cottle, Foard, Hardeman, Jack, Montague, Wichita, Wilbarger, Wise, Young	\$776,942	98	74	7	17	0
27	Sheltering Arms, Inc.	Harris	\$5,235,123	364	39	295	24	6
28	South Plains Community Action Association, Inc.	Bailey, Cochran, Garza, Hockley, Lamb, Lynn, Terry, Yoakum	\$384,344	62	14	10	38	0
29	South Texas Development Council	Jim Hogg, Starr, Zapata	\$427,603	4	0	0	4	0
30	Texoma Council of Governments	Bowie, Camp, Cass, Cooke, Delta, Fannin, Franklin, Grayson, Hopkins, Lamar, Marion, Morris, Rains, Red River, Titus	\$1,395,285	199	111	76	10	2
31	Travis County Health and Human Services and Veterans Services	Travis	\$1,081,567	110	26	17	67	0
32	Tri-County Community Action, Inc.	Harrison, Jasper, Newton, Panola, Sabine, San Augustine, Shelby, Tyler, Upshur	\$816,386	177	66	109	2	0
33	Webb County Community Action Agency	Webb	\$567,553	56	0	0	56	0
34	West Texas Opportunities, Inc.	Andrews, Borden, Dawson, Ector, Fisher, Gaines, Glasscock, Howard, Martin, Midland, Mitchell, Nolan, Scurry, Upton	\$1,169,634	212	66	51	95	0
			<b>43,104,898</b>	<b>4,722</b>	<b>1,366</b>	<b>1,382</b>	<b>1,909</b>	<b>65</b>

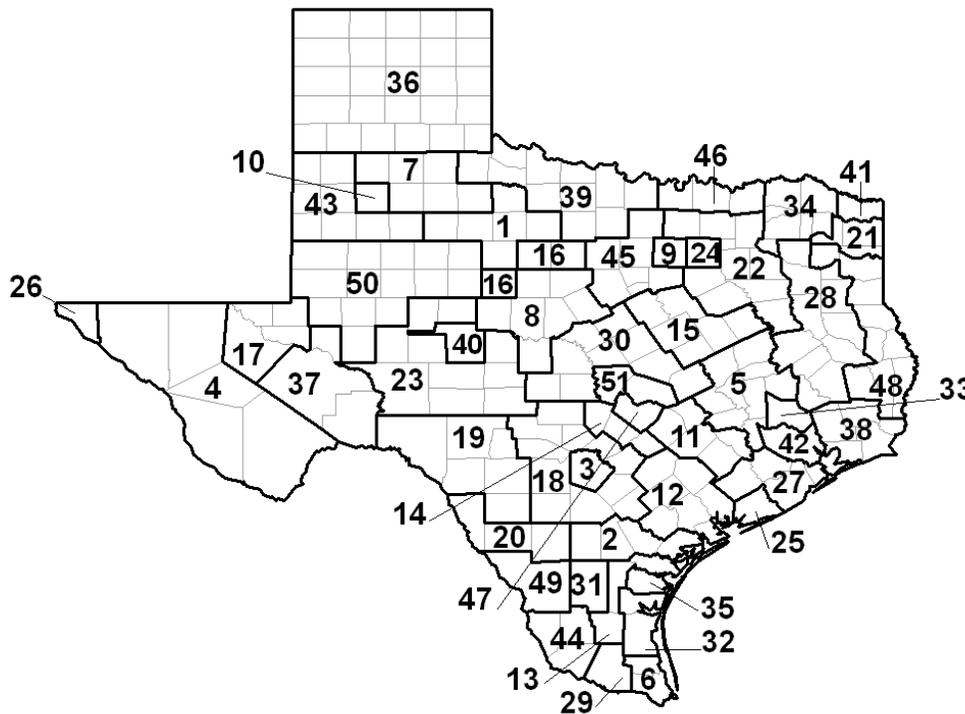
**COMPREHENSIVE ENERGY ASSISTANCE PROGRAM**

The Comprehensive Energy Assistance Program (CEAP) funds a network of subrecipient organizations, some of which have a service area that spans across two or more regions. Because of this, CEAP racial composition data for FY 2008 is listed according to subcontractor. A map is provided in order to locate subcontractor service areas. Racial composition for the state is available, but because this data does not fit into regional boundaries, regional data is not available.

**Racial and Ethnic Composition of CEAP Assisted Households, Statewide, PY 2009**



**CEAP Subrecipient Service Areas, FY 2009**



**Racial and Ethnic Composition of Households Receiving CEAP Assistance  
by Subrecipient, Statewide, FY 2009**

#	Subrecipient	Counties Served	PY 2009 Allocation	HH Served	White	Black	Hisp.	Other
1	Aspermont Small Business Development Council	Haskell, Jones, Kent, Knox, Stonewall, Throckmorton	\$963,060	738	328	119	285	6
2	Bee Community Action Agency	Bee, Live Oak, McMullen, Refugio	\$721,519	629	99	42	486	2
3	Bexar County Community and Development Services	Bexar	\$7,701,053	8,884	724	1,115	6,941	104
4	Big Bend Community Action Agency	Brewster, Culberson, Hudspeth, Jeff Davis, Presidio	\$1,054,546	1,051	122	2	924	3
5	Brazos Valley Community Action Agency	Brazos, Burleson, Grimes, Leon, Madison, Robertson, Walker, Waller, Washington	\$3,108,173	2,386	574	1,637	163	12
6	Cameron-Willacy Counties Community Projects Inc.	Cameron, Willacy	\$3,646,237	5,385	64	4	5,317	0
7	Caprock Community Action Association	Crosby, Dickens, Floyd, Hale, King, Motley	\$1,277,030	1,370	272	145	945	8
8	Central Texas Opportunities	Brown, Callahan, Coleman, Comanche, Eastland, McCulloch, Runnels	\$1,453,196	1,383	986	79	309	9
11	Combined Community Action	Austin, Bastrop, Colorado, Fayette, Lee	\$1,020,753	1,128	344	648	136	0
12	Community Action Committee of Victoria, Texas	Aransas, Calhoun, DeWitt, Goliad, Gonzales, Jackson, Lavaca, Victoria	\$1,778,873	2,525	672	628	1,212	13
13	Community Action Corporation of South Texas	Brooks, Jim Wells, San Patricio	\$1,093,156	1,357	73	14	1,265	5
14	Community Action Inc. of Hays, Caldwell	Blanco, Caldwell, Hays	\$703,013	710	273	131	300	6
16	Community Action Program, Inc.	Shackelford, Stephens, Taylor	\$961,881	1,697	645	314	557	7
17	Community Council of Reeves	Loving, Reeves, Ward, Winkler	\$481,521	643	84	46	513	0
18	Community Council of South Central TX	Atascosa, Bandera, Comal, Frio, Gillespie, Guadalupe, Karnes, Kendall, Kerr, Medina, Wilson	\$2,531,551	4,861	1,332	232	3,268	29
19	Community Council Southwest TX	Edwards, Kinney, Real, Uvalde, Val Verde, Zavala	\$1,475,669	1,596	60	8	1,510	18
20	Community Services Agency of South Texas	Dimmit, LaSalle, Maverick	\$1,056,927	969	6	3	960	0
22	Community Services Inc	Anderson, Collin, Denton, Ellis, Henderson, Hunt, Kaufman, Navarro, Rockwall, Van Zandt	\$4,551,101	2,645	1,323	915	348	59
21	Community Services Northeast Texas	Camp, Cass, Marion, Morris	\$842,353	1,095	408	643	25	19
23	Concho Valley Community Action Agency	Coke, Concho, Crockett, Irion, Kimble, Menard, Reagan, Schleicher, Sterling, Sutton	\$1,239,051	784	285	5	493	1
24	Dallas County Department of Health and Human Services	Dallas	\$9,490,046	4,440	519	3,372	492	57
25	Economic Action Committee of the Gulf Coast	Matagorda	\$324,302	282	61	127	92	2
15	Economic Opportunities Advancement Corp. of Region XI	Bosque, Falls, Freestone, Hill, Limestone, McLennan	\$2,613,981	3,172	1,107	1,610	447	8
26	El Paso Community Action Program	El Paso	\$5,080,860	10,196	282	190	9,604	120

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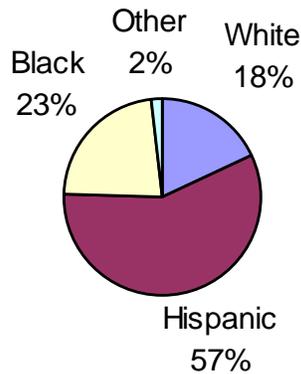
#	Subrecipient	Counties Served	PY 2009 Allocation	HH Served	White	Black	Hisp.	Other
9	Fort Worth Parks & Community Services	Tarrant	\$5,331,676	3,233	836	1,729	626	42
27	Galveston County Community Action Council	Brazoria, Fort Bend, Galveston, Wharton	\$3,150,010	3,943	648	2,239	1,017	39
28	Greater East Texas Community Action Program	Angelina, Cherokee, Gregg, Houston, Nacogdoches, Polk, Rusk, San Jacinto, Smith, Trinity, Wood	\$5,121,110	4,810	1,634	2,858	306	12
29	Hidalgo County Community Services Agency	Hidalgo	\$5,521,948	7,419	68	5	7,343	3
30	Hill Country Community Action Association	Bell, Coryell, Hamilton, Lampasas, Llano, Mason, Milam, Mills, San Saba	\$2,209,707	2,634	1,524	646	435	29
31	Institute of Rural Development, Inc.	Duval	\$233,776	203	6	0	197	0
32	Kleberg County Human Services	Kenedy, Kleberg	\$1,055,121	1,062	101	81	878	2
10	Lubbock, City of, Community Development	Lubbock	\$1,721,006	1,459	336	432	685	6
33	Montgomery County Emergency Assistance	Montgomery	\$1,077,961	2,246	1,336	716	118	76
34	Northeast TX Opportunities	Delta, Franklin, Hopkins, Lamar, Rains, Red River, Titus	\$1,447,275	1,505	730	652	119	4
35	Nueces County Community Action Agency	Nueces	\$2,165,003	1,661	94	284	1,276	7
36	Panhandle Community Services	Armstrong, Briscoe, Carson, Castro, Childress, Collingsworth, Dallam, Deaf Smith, Donley, Gray, Hall, Hansford, Hartley, Hemphill, Hutchinson, Lipscomb, Moore, Ochiltree, Oldham, Parmer, Potter, Randall, Roberts, Sherman, Swisher, Wheeler	\$4,309,233	6,162	2,581	761	2,817	3
37	Pecos County Community Action Agency	Crane, Pecos, Terrell	\$548,117	752	69	4	664	15
38	Programs for Human Services	Chambers, Hardin, Jefferson, Liberty, Orange	\$3,158,289	2,244	493	1,620	34	97
39	Rolling Plains Management Corporation	Archer, Baylor, Clay, Cottle, Foard, Hardeman, Jack, Montague, Wichita, Wilbarger, Young	\$2,069,856	1,822	1,101	425	246	50
40	San Angelo-Tom Green County Health Department	Tom Green	\$706,198	586	208	55	315	8
41	Senior Citizens of Texarkana	Bowie	\$680,043	801	195	596	6	4
42	Sheltering Arms Senior Services	Harris	\$15,797,946	11,593	914	8,084	1,512	1,083
43	South Plains Community Action Association Inc.	Bailey, Cochran, Garza, Hockley, Lamb, Lynn, Terry, Yoakum	\$1,080,332	1,640	233	184	1,201	22
44	South Texas Development Council	Jim Hogg, Starr, Zapata	\$1,210,980	1,253	8	0	1,245	0
45	Texas Neighborhood Services	Erath, Hood, Johnson, Palo Pinto, Parker, Somervell, Wise	\$1,756,976	2,051	1,734	87	204	26
46	Texoma Council Of Governments	Cooke, Fannin, Grayson	\$1,183,331	1,120	772	323	17	8
47	Travis County Health and Human Services	Travis	\$3,198,032	3,434	624	1,510	1,251	49
48	Tri-County Community Action Inc.	Harrison, Jasper, Newton, Panola, Sabine, San Augustine, Shelby, Tyler, Upshur	\$2,392,987	2,607	1,036	1,537	32	2
49	Webb County Community Action Agency	Webb	\$1,636,826	1,804	1	2	1,768	33

#	Subrecipient	Counties Served	PY 2009 Allocation	HH Served	White	Black	Hisp.	Other
50	West Texas Opportunities	Andrews, Borden, Dawson, Ector, Fisher, Gaines, Glasscock, Howard, Martin, Midland, Mitchell, Nolan, Scurry, Upton	\$3,466,184	4,167	1,103	611	2,600	27
51	Williamson-Burnet County Opportunities, Inc.	Burnet, Williamson	\$562,556	995	526	201	261	7
<b>Totals</b>			<b>\$127,962,331</b>	<b>133,132</b>	<b>29,554</b>	<b>37,671</b>	<b>63,765</b>	<b>2,142</b>

**COMMUNITY SERVICES BLOCK GRANT PROGRAM**

The Community Services Block Grant Program (CSBG) funds a network of subcontractor organizations, some of which have a service area that spans across two or more regions. In addition, some CSBG subcontractors have been awarded funding for special projects that overlap existing service areas. Because of this, CSBG racial composition data for FY 2009 is listed according to subcontractor. Racial composition for the state is available, but because this data does not fit into regional boundaries, regional data is not available.

**Racial and Ethnic Composition of Individuals Receiving CSBG Assistance, Statewide, FY 2009**



**Racial Composition of Individuals Receiving CSBG Assistance  
by Subcontractor, Statewide, FY 2009**

Contractor	Counties Served	2009 Allocation	Individuals Served	White	Hispanic	Black	Other
Alabama Coushata Indian Reservation	Polk, Tyler	\$63,056	193	3	0	0	190
Aspermont Small Business Development Center, Inc.	Haskell, Jones, Kent, Knox, Stonewall, Throckmorton	\$153,274	1,722	673	720	240	89
Asociacion Pro Servicios Sociales	Jim Hogg, Starr, Webb, Zapata	\$109,393	336	336	0	0	0
Austin, City of, Health and Human Services Department	Travis	\$862,567	8,974	722	5,638	2,501	113
Bee Community Action Agency	Aransas, Bee, Kenedy, Kleberg, Live Oak, McMullen, Refugio	\$314,966	5,120	1,189	3,580	285	66
Big Bend Community Action Committee, Inc.	Brewster, Culberson, Hudspeth, Jeff Davis, Presidio	\$154,627	2,818	240	2,561	9	8
Brazos Valley Community Action Agency	Brazos, Bursleson, Chambers, Grimes, Leon, Liberty, Madison, Montgomery, Robertson, Walker, Waller, Washington	\$925,542	11,542	2,403	3,393	5,454	292
*Cameron and Willacy Counties Community Projects, Inc.	Cameron, Willacy	\$1,024,745	10,339	105	10,220	13	1

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Caprock Community Action Association, Inc.	Crosby, Dickens, Floyd, Hale, King, Motley	\$176,871	3,217	491	2,428	270	28
Central Texas Opportunities, Inc.	Brown, Callahan, Coleman, Comanche, Eastland, McCulloch, Runnels	\$216,473	3,194	2,042	909	146	97
Combined Community Action, Inc.	Austin, Bastrop, Colorado, Fayette, Lee	\$197,502	2,222	779	475	957	11
Community Action Corporation of South Texas	Brooks, Jim Wells, San Patricio	\$245,928	3,803	190	3,579	26	8
Community Action Council of Victoria	Calhoun, De Witt, Goliad, Gonzales, Jackson, Lavaca, Victoria	\$288,301	7,223	1,699	4,030	1,427	67
Community Action Inc. of Hays, Caldwell and Blanco Counties	Blanco, Caldwell, Hays	\$197,440	2,619	729	1,493	319	78
Community Action Program, Inc.	Mitchell, Shackelford, Stephens, Taylor	\$235,546	2,995	1,048	1,284	631	32
*Community Action Social Services & Education	Maverick	\$241,228	1,187	0	1,187	0	0
Community Council of Reeves County	Loving, Reeves, Ward, Winkler	\$210,041	1,736	263	1,372	101	0
*Community Council of South Central Texas, Inc.	Atascosa, Bandera, Comal, Frio, Gillespie, Guadalupe, Karnes, Kendall, Kerr, Medina, Wilson	\$603,434	15,637	3,770	11,132	561	174
*Community Council of Southwest Texas, Inc.	Edwards, Kinney, Real, Uvalde, Val Verde, Zavala	\$340,870	2,112	63	2,040	1	8
*Community Services Agency of South Texas	Dimmit, La Salle	\$167,463	1,522	14	1,506	2	0
Community Services of Northeast Texas	Bowie, Cass, Marion, Morris, Camp	\$271,458	2,684	1,168	225	1,233	58
Community Services, Inc.	Anderson, Collin, Denton, Ellis, Henderson, Hunt, Kaufman, Navarro, Rockwall, Van Zandt	\$1,012,749	8,842	3,853	1,621	3,076	292
Concho Valley Community Action Agency	Coke, Concho, Crockett, Irion, Kimble, Menard, Reagan, Schleicher, Sterling, Sutton, Tom Green	\$270,538	1,555	411	1,101	28	15
Dallas Inter-tribal Center	Collin, Dallas, Denton, Ellis, Hood, Johnson, Kaufman, Parker, Rockwall	\$113,561	234	5	15	1	213
Dallas Urban League	Dallas	\$2,542,699	21,228	1,418	3,769	14,791	1,250
Economic Action Committee of The Gulf Coast	Matagorda	\$152,544	1,132	218	489	418	7
Economic Opportunities Advancement Corporation of Planning Region XI	Bosque, Falls, Freestone, Hill, Limestone, McLennan	\$493,491	9,540	2,545	1,658	5,173	164
El Paso Community Action Program, Project BRAVO, Inc.	El Paso	\$1,368,491	29,546	600	28,067	553	326
Fort Worth, City of, Parks & Community Services Department	Tarrant	\$1,324,144	22,904	2,368	13,704	6,424	408

Galveston County Community Action Council, Inc.	Brazoria, Fort Bend, Galveston, Wharton	\$796,632	11,715	1,488	3,771	6,206	250
Greater East Texas Community Action Program (GETCAP)	Angelina, Cherokee, Gregg, Houston, Nacogdoches, Polk, Rusk, San Jacinto, Smith, Trinity, Wood	\$908,425	16,257	5,241	2,134	8,698	184
Guadalupe Economic Services Corporation	Bailey, Briscoe, Castro, Cochran, Crosby, Deaf Smith, Dickens, Floyd, Garza, Hale, Hall, Hockley, Lamb, Lubbock, Lynn, Motley, Parmer, Swisher, Terry, Yoakum	\$186,994	884	69	690	98	27
Gulf Coast Community Services Association	Harris	\$4,263,224	15,949	755	6,314	8,600	280
*Hidalgo County Community Services Agency	Hidalgo	\$1,733,065	22,158	141	21,968	15	34
Hill Country Community Action Association, Inc.	Bell, Coryell, Hamilton, Lampasas, Llano, Mason, Milam, Mills, San Saba	\$457,641	4,866	2,416	979	1,262	209
Institute of Rural Development, Inc	Duval	\$50,000	468	6	462	0	0
Lubbock, City of, Department of Community Initiatives	Lubbock	\$389,260	304	76	150	56	22
Northeast Texas Opportunities, Inc.	Delta, Franklin, Hopkins, Lamar, Rains, Red River, Titus	\$253,239	4,752	2,352	354	1,900	146
Nueces County Community Action Agency	Nueces	\$511,154	3,535	166	2,802	472	95
Panhandle Community Services	Armstrong, Briscoe, Carson, Castro, Childress, Collingsworth, Dallam, Deaf Smith, Donley, Gray, Hall, Hansford, Hartley, Hemphill, Hutchinson, Lipscomb, Moore, Ochiltree, Oldham, Parmer, Potter, Randall, Roberts, Sherman, Swisher, Wheeler	\$592,841	18,524	7,375	8,851	2,113	185
Pecos County Community Action Agency	Crane, Pecos, Terrell	\$152,731	1,558	119	1,382	18	39
Rolling Plains Management Corporation	Archer, Baylor, Clay, Cottle, Foard, Hardeman, Jack, Montague, Wichita, Wilbarger, Young	\$314,752	4,178	2,221	757	865	335
San Antonio, City of, Community Action Division	Bexar	\$1,859,217	44,868	2,910	36,283	5,113	562
Sin Fronteras Organizing Project	El Paso	\$111,939	910	0	910	0	0
South Plains Community Action Association, Inc.	Bailey, Cochran, Garza, Hockley, Lamb, Lynn, Terry, Yoakum	\$193,554	4,490	529	3,403	427	131
South Texas Development Council	Jim Hogg, Starr, Zapata	\$294,650	3,644	28	3,615	0	1
Southeast Texas Regional Planning Commission	Hardin, Jefferson, Orange	\$523,426	2,760	869	248	1,459	184

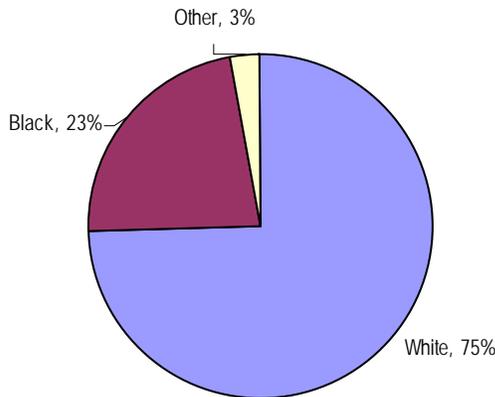
Texas Neighborhood Services	Erath, Hood, Johnson, Palo Pinto, Parker, Somervell, Wise	\$367,493	6,759	5,232	1,036	301	190
Texoma Council of Governments	Cooke, Fannin, Grayson	\$229,093	2,863	1,904	103	819	37
Tri-County Community Action, Inc.	Harrison, Jasper, Newton, Panola, Sabine, San Augustine, Shelby, Tyler, Upshur	\$379,754	7,061	2,931	190	3,838	102
Webb County Community Action Agency	Webb	\$532,499	9,535	21	9,503	2	9
West Texas Opportunities, Inc.	Andrews, Borden, Dawson, Ector, Fisher, Gaines, Glasscock, Howard, Martin, Midland, Nolan, Scurry, Upton	\$607,177	13,180	2,729	8,439	1,838	174
Williamson-Burnet County Opportunities, Inc.	Burnet, Williamson	\$186,443	4,223	1,765	1,380	851	227
<b>Total</b>		<b>\$30,174,142</b>	<b>391,617</b>	<b>70,688</b>	<b>223,920</b>	<b>89,591</b>	<b>7,418</b>

\*These contractors receive some additional funding to fund specialized activities for a few counties that fall outside their service area.

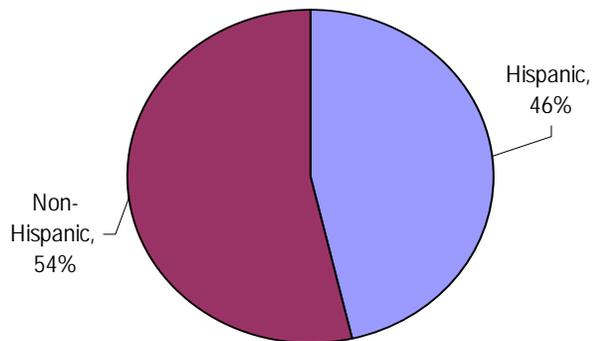
**EMERGENCY SHELTER GRANTS PROGRAM**

The Emergency Shelter Grants Program (ESGP) funds a network of subrecipient organizations, some of which have a service area that spans across two or more regions or multiple subrecipients serve the same area. Because of this, ESGP racial composition data for FY 2009 is listed according to subrecipient. Racial composition for the state is available, but is unavailable at the regional level.

**Racial Composition of Individuals Receiving ESGP Assistance, Statewide, FY 2009**



**Ethnic Composition of Individuals Receiving ESGP Assistance, Statewide, FY 2009**



**Racial and Ethnic Composition of Individuals Receiving ESGP Assistance by Subrecipient, Statewide, FY 2008**

Subrecipient	County	Award	Total Individuals	White	Black	Other	Hispanic	Non-Hispanic
ADVOCACY OUTREACH	Bastrop, Travis	\$80,000	1292	1010	273	9	627	665
ADVOCACY RESOURCE CENTER FOR HOUSING	Hidalgo	\$57,854	2687	2681	6	0	2687	0
AMARILLO, CITY OF	Potter	\$122,732	272	266	1	5	248	24
AMISTAD FAMILY VIOLENCE AND RAPE CRISIS CENTER	Val Verde, Kinney, Edwards	\$38,925	989	534	438	17	126	863
ARLINGTON LIFE SHELTER	Tarrant	\$73,138	1536	1511	24	1	1429	107
BETHANY HOUSE OF LAREDO, INC.	Webb	\$83,454	272	201	57	14	121	151
BRIDGE OVER TROUBLED WATERS, INC., THE	Harris	\$62,648	416	231	152	33	25	391
BROWNSVILLE, CITY OF	Cameron	\$253,054	3083	2100	732	251	530	2553
CHILDREN'S CENTER, INC., THE	Galveston	\$114,648	10377	10350	20	7	9721	656
COMAL COUNTY FAMILY VIOLENCE SHELTER, INC.	Comal	\$43,393	1557	1120	275	162	263	1294
CONNECTIONS INDIVIDUAL & FAMILY SERVICES	Comal, San Patricio, Arkansas, Atascosa, Bastrop, Bee, Caldwell, Frio, Goliad, Gonzales, Guadalupe, Karnes, Lee, Live Oak	\$80,000	1270	1163	28	79	578	692
CORPUS CHRISTI HOPE HOUSE, INC.	Nueces	\$68,083	454	410	44	0	240	214
COVENANT HOUSE TEXAS	Harris	\$82,648	1668	1537	131	0	903	765
DALLAS JEWISH	Dallas, Collin	\$39,645	1376	460	893	23	185	1191

Subrecipient	County	Award	Total Individuals	White	Black	Other	Hispanic	Non-Hispanic
COALITION/VOGEL ALCOVE								
DENTON, CITY OF	Denton	\$179,380	254	80	165	9	36	218
DRISKILL HALFWAY HOUSE, INC.	Carson, Armstrong, Swisher, Briscoe, Hall	\$30,000	129	99	27	3	34	95
EAST TEXAS CRISIS CENTER, INC.	Smith, Henderson, Van Zandt, Wood, Rains	\$37,647	607	438	130	39	130	477
EL PASO VILLA MARIA	El Paso	\$30,000	82	76	4	2	59	23
FAITH MISSION AND HELP CENTER, INC.	Washington	\$79,369	509	168	336	5	65	444
FAMILIES IN CRISIS, INC.	Bell, Coryell, Hamilton	\$55,252	794	358	325	111	182	612
FAMILY CRISIS CENTER, INC.	Cameron, Willacy	\$163,454	3995	3891	65	39	3422	573
FAMILY GATEWAY, INC.	Dallas	\$56,245	308	69	223	16	16	292
FAMILY PLACE, THE	Dallas	\$60,045	685	369	260	56	256	429
FAMILY SERVICES OF SOUTHEAST TEXAS, INC.	Jefferson, Hardin, Orange, Tyler, Newton, Jasper	\$66,747	860	442	415	3	92	768
FAMILY VIOLENCE PREVENTION SERVICES, INC.	Atascosa, Bandera, Bexar, Blanco, Caldwell, Comal, Dimmitt, Frio, Gillespie, Guadalupe, Hays, Kerr, Medina, Uvalde	\$80,000	2,199	1,818	250	131	1,450	749
FORT BEND COUNTY WOMEN'S CENTER	Fort Bend, Harris	\$53,295	401	206	162	33	136	265
GRAYSON COUNTY JUVENILE ALTERNATIVES INC	Grayson, Fannin, Cooke	\$52,198	59	49	8	2	7	52
HARMONY HOUSE, INC.	Harris	\$69,090	92	33	58	1	3	89
HIGHLAND LAKES FAMILY CRISIS CENTER, INC.	Burnet, Blanco, Llano, Lampasas	\$36,000	858	797	27	34	408	450
HOUSTON AREA WOMEN'S CENTER	Harris	\$79,979	4,886	3,676	1,021	189	3,033	1,853
INSTITUTE OF COGNITIVE DEVELOPMENT	Tom Green	\$30,000	619	519	26	74	281	338
JOHNSON COUNTY FAMILY CRISIS CENTER	Johnson	\$59,979	285	255	22	8	27	258
LA POSADA HOME, INC.	El Paso	\$54,660	901	883	8	10	864	37
LOVE I.N.C. OF NACOGDOCHES	Nacogdoches	\$50,270	207	71	131	5	11	196
MEMORIAL ASSISTANCE MINISTRIES	Harris	\$80,000	474	370	104	-	320	154
MID-COAST FAMILY SERVICES, INC.	Calhoun, DeWitt, Goliad, Gonzalez, Jackson, Lavaca, Victoria	\$41,529	385	302	66	17	205	180
MIDLAND FAIR HAVENS, INC.	Midland	\$65,600	1,554	1,166	388	-	636	918
MISSION GRANBURY, INC.	Hood	\$48,687	411	387	7	17	48	363
MONTGOMERY COUNTY WOMEN'S CENTER	Montgomery, Harris	\$40,497	680	492	128	60	209	471
NORTHWEST ASSISTANCE MINISTRIES	Harris	\$80,000	152	23	126	3	15	137
OPPORTUNITY CENTER FOR THE HOMELESS	El Paso	\$80,000	2,159	1,825	260	74	1,243	916
PANHANDLE CRISIS CENTER, INC.	Ochitree, Hansford, Lipscomb	\$53,385	580	571	-	9	360	220
PECAN VALLEY REGIONAL DOMESTIC VIOLENCE SHELTER	Brown, Coleman, Comanche	\$32,077	355	317	18	20	119	236
PORT CITIES RESCUE MISSION MINISTRIES	Jefferson	\$42,613	330	122	188	20	-	330
PROJECT VIDA	El Paso	\$48,778	293	292	1	-	292	1
PROVIDENCE MINISTRY CORPORATION	Cameron, Willacy	\$38,866	79	55	24	-	59	20

Subrecipient	County	Award	Total Individuals	White	Black	Other	Hispanic	Non-Hispanic
RANDY SAMS' OUTREACH SHELTER, INC.	Bowie	\$73,353	641	388	228	25	14	627
SABINE VALLEY REGIONAL MHMR CENTER	Bowie, Cass, Gregg, Harrison, Marion, Panola, Red River, Rusk, Upshur	\$44,827	24	15	9	-	-	24
SAFE HAVEN OF TARRANT COUNTY	Tarrant	\$83,245	6,448	4,127	1,692	629	2,514	3,934
SALVATION ARMY FOR CARR P. COLLINS SERVICE CENTER	Dallas	\$80,000	198	22	100	76	-	198
SALVATION ARMY FOR CASA SHELTER	Dallas	\$60,114	172	85	84	3	34	138
SALVATION ARMY FOR FAMILY LIFE CENTER	Dallas	\$80,000	154	83	53	18	39	115
SALVATION ARMY FOR THE FIRST CHOICE PROGRAM	Tarrant	\$83,245	81	45	35	1	19	62
SALVATION ARMY OF ABILENE	Taylor, Jones, Callahan, Runnels	\$105,992	1,375	1,106	243	26	343	1,032
SALVATION ARMY OF AUSTIN	Travis	\$34,692	311	181	111	19	103	208
SALVATION ARMY OF CORPUS CHRISTI	Nueces	\$30,069	1,290	1,119	163	8	466	824
SALVATION ARMY OF GALVESTON	Galveston	\$79,104	18,582	13,657	4,873	52	5,746	12,836
SALVATION ARMY OF KERRVILLE	Kerr	\$60,146	361	355	6	-	74	287
SALVATION ARMY OF MCALLEN	Hidalgo	\$83,454	1,404	1,327	75	2	1,095	309
SALVATION ARMY OF ODESSA	Ector	\$39,584	456	404	52	-	147	309
SALVATION ARMY OF SHERMAN	Grayson	\$40,000	701	494	52	155	9	692
SALVATION ARMY OF TYLER	Smith	\$80,000	4,945	2,971	1,955	19	1,248	3,697
SALVATION ARMY OF WACO	McLennan	\$30,000	17,958	11,113	6,836	9	7,108	10,850
SEARCH	Harris	\$162,582	3,508	1,565	1,881	62	321	3,187
SETON HOME	Bexar	\$77,791	150	127	23	-	111	39
SHELTER AGENCIES FAMILIES IN EAST TEXAS	Titus, Camp, Franklin, Hopkins, Morris	\$38,000	786	640	103	43	251	535
SIN FRONTERAS ORGANIZING PROJECT	El Paso	\$55,672	815	815	-	-	815	-
ST. PETER - ST. JOSEPH CHILDREN'S HOME	Bexar	\$80,000	284	212	68	4	169	115
TRAVIS COUNTY DOMESTIC VIOLENCE AND SEXUAL ASSAULT DBA SAFEPLACE	Travis	\$31,788	83	64	19	-	5	78
TWIN CITY MISSION	Brazos, Burleson, Grimes, Leon, Madison, Milam, Robertson, Washington	\$80,254	962	640	180	142	483	479
WESTSIDE HOMELESS PARTNERSHIP	Harris	\$52,000	728	404	243	81	140	588
WINTERGARDEN WOMEN'S SHELTER, INC.	Dimmit, Maverick, Zavala	\$52,515	153	85	60	8	81	72
WOMEN'S HOME, THE	Harris	\$52,182	944	875	1	68	824	120
WOMEN'S SHELTER OF EAST TEXAS, INC.	Nacogdoches, Angelina, Houston, San Augustine, Shelby, Sabine, San Jacinto, Polk, Trinity	\$36,716	432	244	162	26	66	366
WOMEN'S SHELTER OF SOUTH TEXAS	Arkansas, Bee, Brooks, Duval, Jim Wells, Kenedy, Kleberg, Live Oak, McMullen, Nueces, Refugio, San	\$79,594	2,804	2,593	89	122	2,116	688

*Annual Report*

*Statement of Activities*

<b>Subrecipient</b>	<b>County</b>	<b>Award</b>	<b>Total Individuals</b>	<b>White</b>	<b>Black</b>	<b>Other</b>	<b>Hispanic</b>	<b>Non- Hispanic</b>
	Patricio							
YOUTH AND FAMILY ALLIANCE DBA LIFEWORKS	Travis	\$53,440	574	451	77	46	41	533
YWCA GREATER HOUSTON	Harris	\$79,995	12	2	6	4	4	8
<b>TOTALS</b>		<b>5,196,217</b>	<b>120,767</b>	<b>90,002</b>	<b>27,526</b>	<b>3,239</b>	<b>56,087</b>	<b>64,680</b>

## **PROGRESS IN MEETING TDHCA HOUSING AND COMMUNITY SERVICES GOALS**

The goals, strategies and objectives established in the Legislative Appropriations Act, the TDHCA *Strategic Plan* and the *State of Texas Consolidated Plan*, guide TDHCA's annual activities through the establishment of objective performance measures. TDHCA's resulting goals are as follows:

- 1) Increase and preserve the availability of safe, decent and affordable housing for very low-, low- and moderate-income persons and families
- 2) Promote improved housing conditions for extremely low-, very low- and low-income households by providing information and technical assistance.
- 3) Improve living conditions for the poor and homeless and reduce the cost of home energy for very low-income Texans.
- 4) Ensure compliance with the TDHCA's federal and state program mandates.
- 5) Protect the public by regulating the manufactured housing industry in accordance with state and federal laws.
- 6) Target its housing finance programs resources for assistance to extremely low-income households.
- 7) Target its housing finance resources for assistance to very low-income households.
- 8) Provide contract for deed conversions for families who reside in a colonia and earn 60 percent or less of the applicable Area Median Family Income
- 9) Work to address the housing needs and increase the availability of affordable and accessible housing for persons with special needs through funding, research and policy development efforts.

Progress made towards meeting those goals, the upcoming year's goals and information on TDHCA's actual performance in satisfying in FY 2009 goals and strategies is provided in *Section 4: Action Plan*.

## **STATEMENT OF ACTIVITIES BY UNIFORM STATE SERVICE REGION**

This section describes TDHCA's FY 2009 activities by Uniform State Service Region. The regional tables do not include information for WAP, CEAP, ESGP, CSBG and CFNP because figures are not available for these programs at the regional level. Additionally, for purposes of reporting, Office of Colonia Initiatives figures do not appear as an independent category, but rather the figures are grouped under their respective funding sources. For example, most Contracts for Deed Conversion are reported under HOME's Homeownership Assistance Program.

As required by law, TDHCA reports on the racial composition of individuals and families receiving assistance. Regional information has been organized into two generalized categories of housing activity type: Renter Programs and Homeowner Programs.

For more information on the housing activity types and racial reporting categories, please see "Racial Composition of Households Receiving Assistance" under the Statement of Activities section on page 12.

**REGION 1**



TDHCA allocated \$3,502,753 in Region 1 during FY 2009.

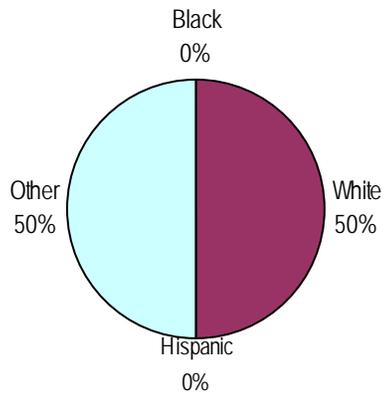
Homeowner programs

accounted for the largest segment of this total and the low-income households group (50-80% AMFI) was the most served income group.

Note: Because loan servicers do not record race and ethnicity data separately, data for the Single Family Bond program is presented in one combined chart.

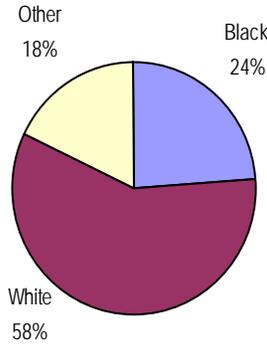
**SINGLE FAMILY BOND PROGRAM**

PERCENT OF COMMITTED FUNDS BY RACE AND ETHNICITY

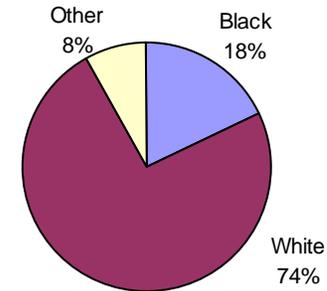


**RENTER PROGRAMS**

PERCENT OF COMMITTED FUNDS BY RACE

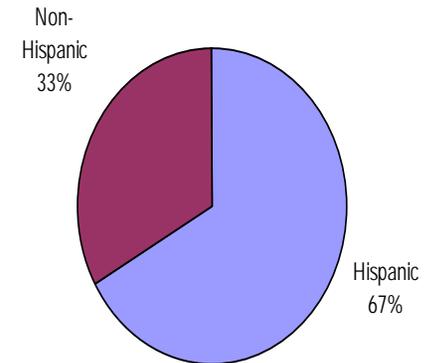
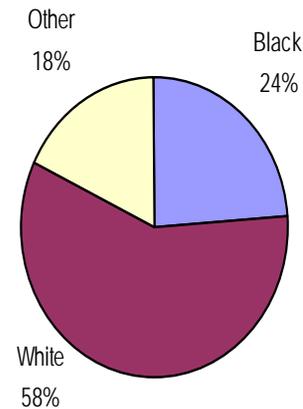


PERCENT OF COMMITTED FUNDS BY ETHNICITY



**HOME PROGRAM OWNER PROGRAMS**

PERCENT OF COMMITTED FUNDS BY ETHNICITY



**FUNDING AND HOUSEHOLDS SERVED, BY ACTIVITY AND HOUSING PROGRAM TYPE, REGION 1**

Activity	SF Bond		HOME		HTF		HTC		MF Bond		Section 8		All Activities	
	Committed Funds	Number of Households Served												
Homeowner Programs	\$183,900	4	\$2,730,000	35	\$0	0	\$0	0	\$0	0	\$0	0	\$2,913,900	39
Renter Programs	\$0	0	\$0	0	\$0	0	\$3,699,617	331	\$0	0	\$0	0	\$3,699,617	331
Total	\$183,900	4	\$2,730,000	35	\$0	0	\$3,699,617	331	\$0	0	\$0	0	\$6,613,517	370

**FUNDING AND HOUSEHOLDS SERVED, BY INCOME CATEGORY AND HOUSING PROGRAM, REGION 1**

Income	SF Bond		HOME		HTF		HTC		MF Bond		Section 8		All Activities	
	Committed Funds	Number of Households Served												
0-30% AMFI	\$0	0	\$1,092,000	14	\$0	0	\$245,896	22	\$0	0	\$0	0	\$1,337,896	36
30-50% AMFI	\$55,100	1	\$468,000	6	\$0	0	\$1,128,886	101	\$0	0	\$0	0	\$1,651,986	108
50-80% AMFI	\$128,800	3	\$1,170,000	15	\$0	0	\$2,324,835	208	\$0	0	\$0	0	\$3,623,635	226
>80% AMFI	\$0	0	\$0	0	\$0	0	\$0	0	\$0	0	\$0	0	\$0	0
Total	\$183,900	4	\$2,730,000	35	\$0	0	\$3,699,617	331	\$0	0	\$0	0	\$6,613,517	370

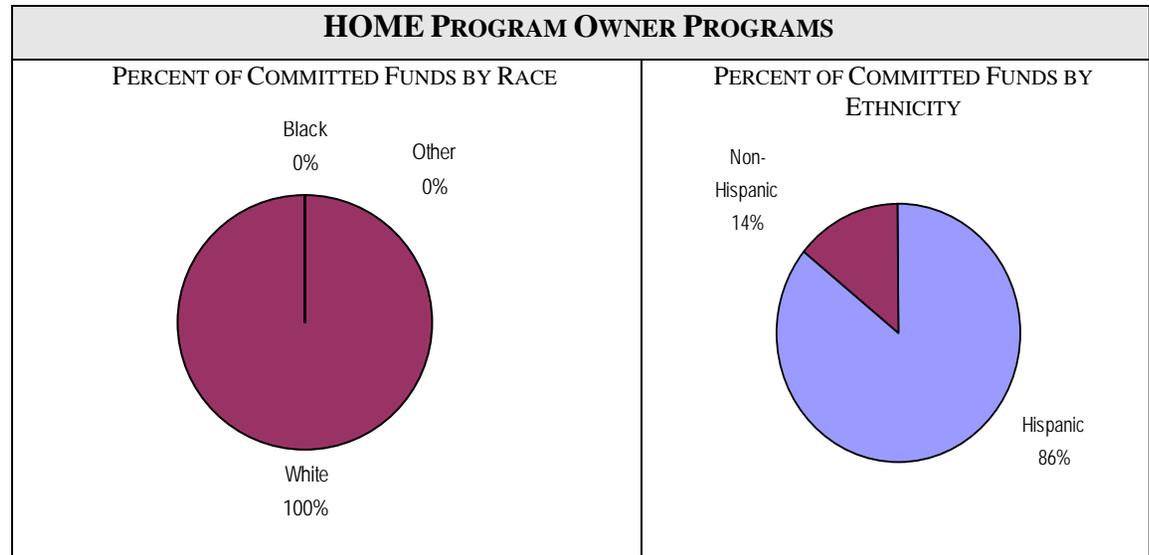
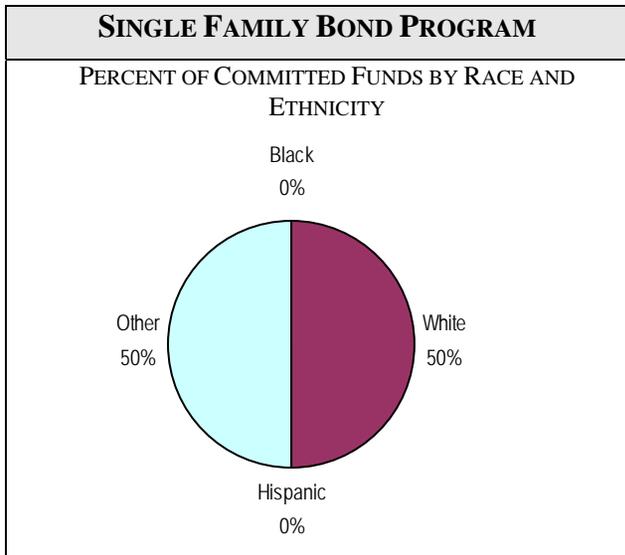
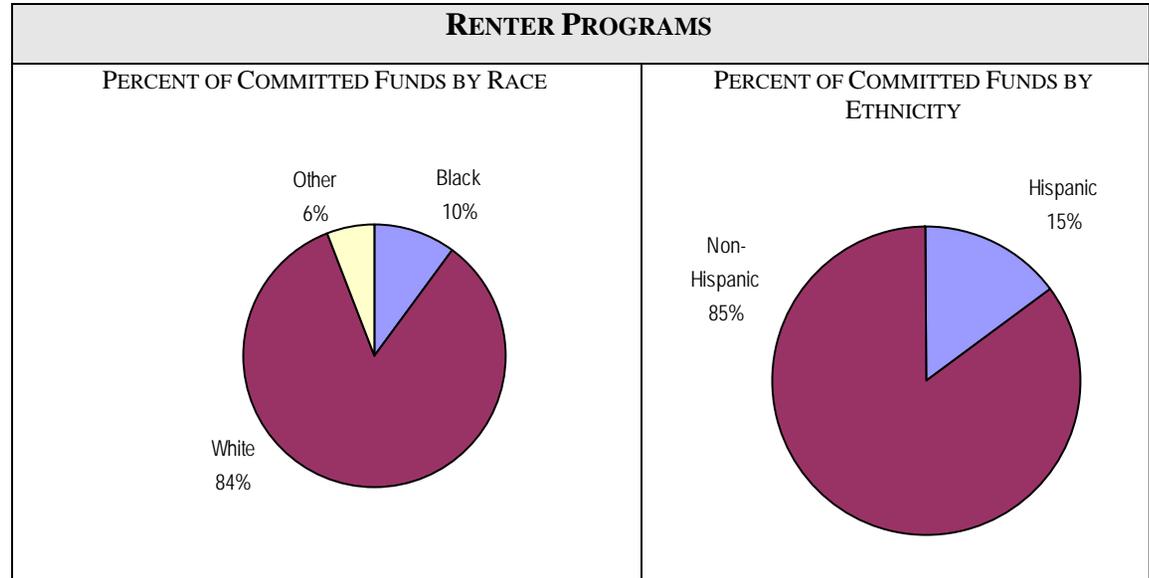
**REGION 2**



TDHCA allocated \$4,140,264 in Region 2 during FY 2009.

Renter programs accounted for the largest segment of this total and the low-income households group (50-80% AMFI) was the most served income group.

Note: Because loan servicers do not record race and ethnicity data separately, data for the Single Family Bond program is presented in one combined chart.



**FUNDING AND HOUSEHOLDS SERVED, BY ACTIVITY AND HOUSING PROGRAM TYPE, REGION 2**

Activity	SF Bond		HOME		HTF		HTC		MF Bond		Section 8		All Activities	
	Committed Funds	Number of Households Served												
Homeowner Programs	\$694,917	10	\$390,000	5	\$30,000	3	\$0	0	\$0	0	\$0	0	\$1,114,917	18
Renter Programs	\$0	0	\$0	0	\$0	0	\$2,944,310	269	\$0	0	\$81,037	26	\$3,025,347	295
Total	\$694,917	10	\$390,000	5	\$30,000	3	\$2,944,310	269	\$0	0	\$81,037	26	\$4,140,264	313

**FUNDING AND HOUSEHOLDS SERVED, BY INCOME CATEGORY AND HOUSING PROGRAM, REGION 2**

Income	SF Bond		HOME		HTF		HTC		MF Bond		Section 8		All Activities	
	Committed Funds	Number of Households Served												
0-30% AMFI	\$0	0	\$0	0	\$0	0	\$131,345	12	\$0	0	\$66,963	20	\$198,308	32
30-50% AMFI	\$0	0	\$0	0	\$30,000	3	\$1,608,972	147	\$0	0	\$10,998	4	\$1,649,970	154
50-80% AMFI	\$292,487	5	\$390,000	5	\$0	0	\$1,203,993	110	\$0	0	\$3,076	2	\$1,889,556	122
>80% AMFI	\$402,430	5	\$0	0	\$0	0	\$0	0	\$0	0	\$0	0	\$402,430	5
Total	\$694,917	10	\$390,000	5	\$30,000	3	\$2,944,310	269	\$0	0	\$81,037	26	\$4,140,264	313

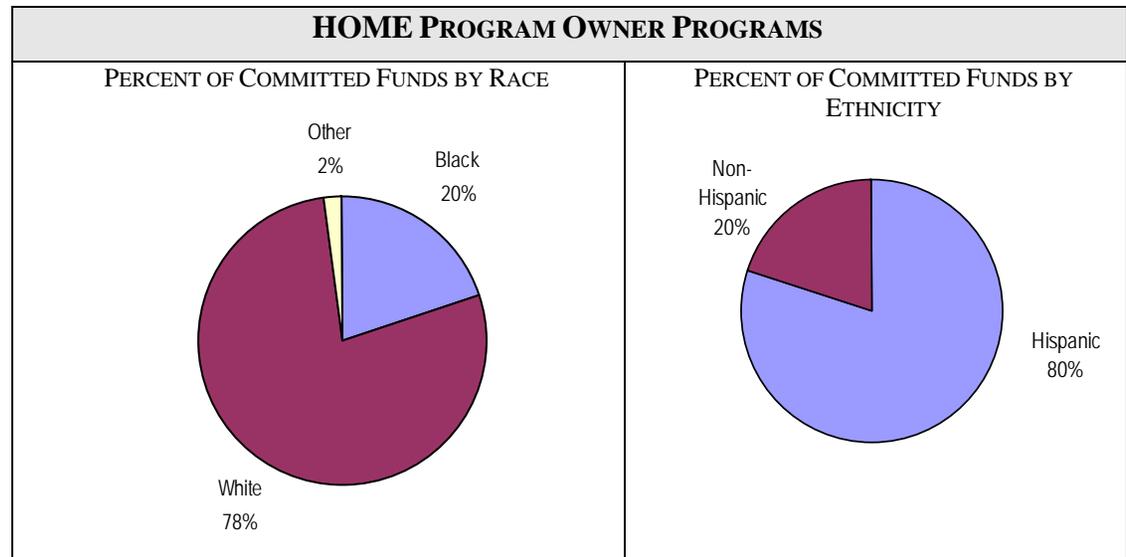
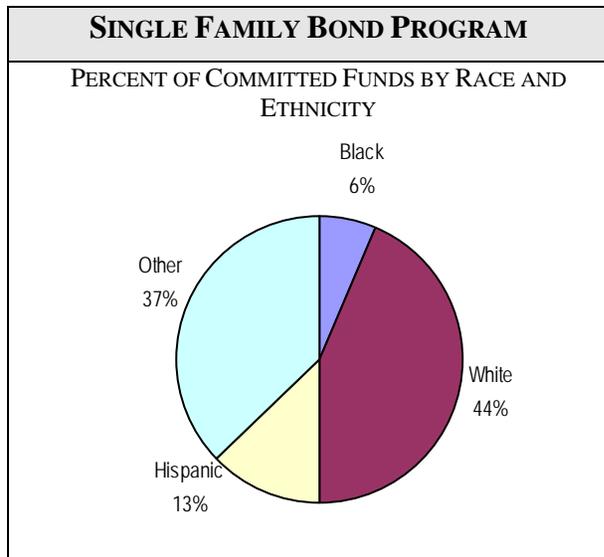
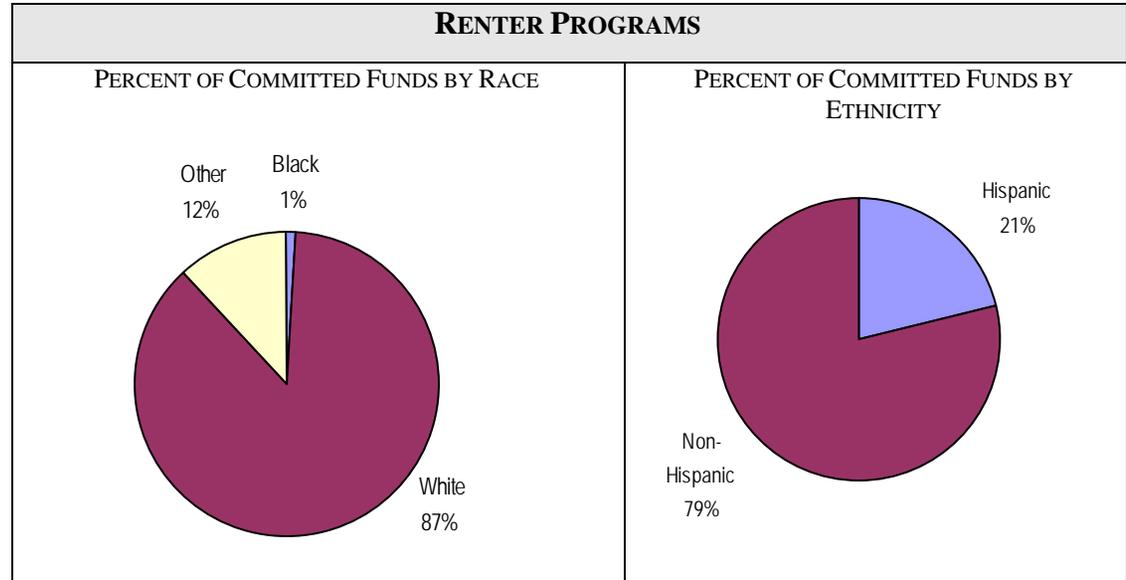
**REGION 3**



TDHCA allocated \$56,891,430 in Region 3 during FY 2009.

Renter programs accounted for the largest segment of this total and the low-income households group (50-80% AMFI) was the most served income group.

Note: Because loan servicers do not record race and ethnicity data separately, data for the Single Family Bond program is presented in one combined chart.



**FUNDING AND HOUSEHOLDS SERVED, BY ACTIVITY AND HOUSING PROGRAM TYPE, REGION 3**

Activity	SF Bond		HOME		HTF		HTC		MF Bond		Section 8		All Activities	
	Committed Funds	Number of Households Served												
Homeowner Programs	\$14,280,831	142	\$1,778,400	25	\$974,750	85	\$0	0	\$0	0	\$0	0	\$17,033,981	252
Renter Programs	\$0	0	\$9,258,648	198	\$960,000	50	\$14,670,949	1,267	\$15,000,000	252	\$1,894,427	306	\$41,784,024	2073
Total	\$14,280,831	142	\$11,037,048	223	\$1,934,750	135	\$14,670,949	1267	\$15,000,000	252	\$1,894,427	306	\$58,818,005	2325

**FUNDING AND HOUSEHOLDS SERVED, BY INCOME CATEGORY AND HOUSING PROGRAM, REGION 3**

Income	SF Bond		HOME		HTF		HTC		MF Bond		Section 8		All Activities	
	Committed Funds	Number of Households Served												
0-30% AMFI	\$0	0	\$1,150,614	22	\$54,800	8	\$1,250,478	105	\$0	0	\$1,431,091	215	\$3,886,983	350
30-50% AMFI	\$694,793	10	\$6,245,557	132	\$1,625,550	106	\$5,174,920	456	\$0	0	\$426,372	77	\$14,167,192	781
50-80% AMFI	\$4,109,978	54	\$3,640,876	69	\$254,400	21	\$8,245,551	706	\$15,000,000	252	\$36,964	14	\$31,287,769	1116
>80% AMFI	\$9,476,060	78	\$0	0	\$0	0	\$0	0	\$0	0	\$0	0	\$9,476,060	78
Total	\$14,280,831	142	\$11,037,047	223	\$1,934,750	135	\$14,670,949	1,267	\$15,000,000	252	\$1,894,427	306	\$58,818,004	2325

**REGION 4**

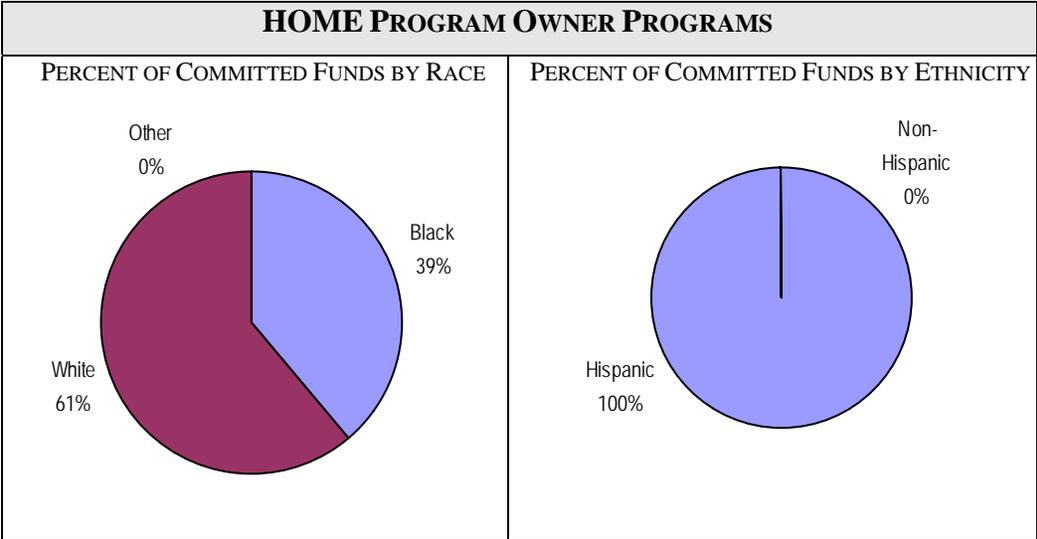
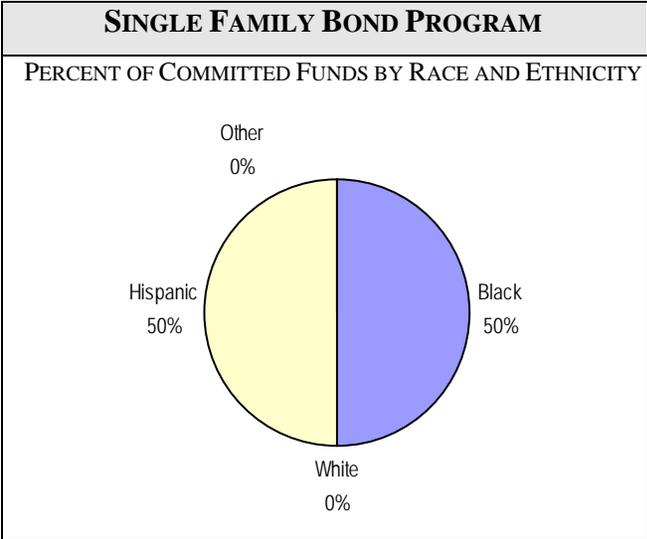
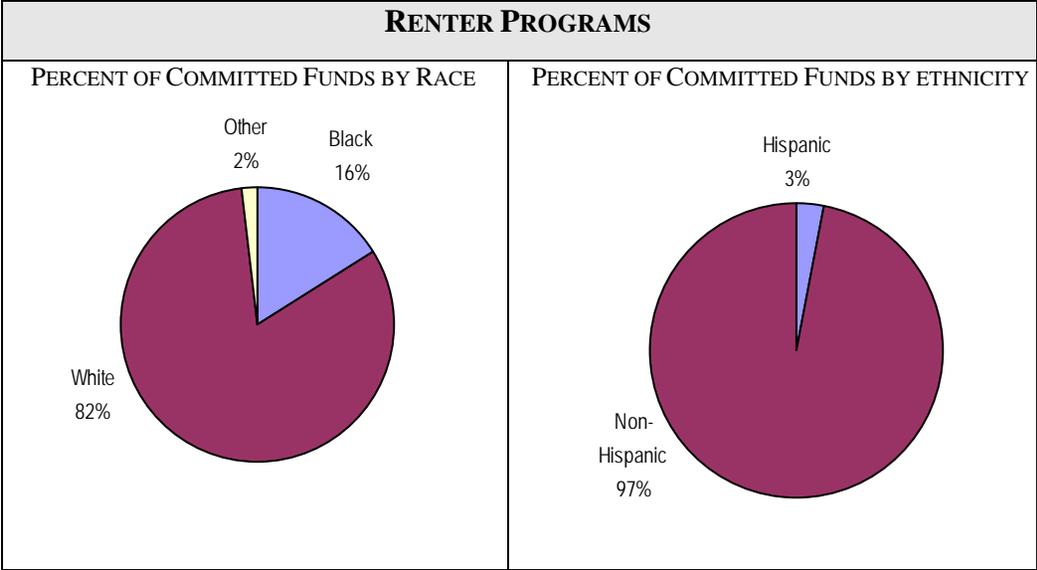


TDHCA allocated \$13,075,262 in Region 4 during FY 2009.

Homeowner programs accounted for the largest

segment of this total and the low-income households group (50-80% AMFI) was the most served income group.

Note: Because loan servicers do not record race and ethnicity data separately, data for the Single Family Bond program is presented in one combined chart.



**FUNDING AND HOUSEHOLDS SERVED, BY ACTIVITY AND HOUSING PROGRAM TYPE, REGION 4**

Activity	SF Bond		HOME		HTF		HTC		MF Bond		Section 8		All Activities	
	Committed Funds	Number of Households Served												
Homeowner Programs	\$47,000	2	\$8,678,800	140	\$96,000	10	\$0	\$0	\$0	0	\$0	0	\$8,821,800	152
Renter Programs	\$0	0	\$2,123,828	82	\$0	0	\$2,129,634	\$190	\$0	0	\$0	0	\$4,253,462	272
Total	\$47,000	2	\$10,802,628	222	\$96,000	10	\$2,129,634	190	\$0	0	\$0	0	\$13,075,262	424

**FUNDING AND HOUSEHOLDS SERVED, BY INCOME CATEGORY AND HOUSING PROGRAM, REGION 4**

Income	SF Bond		HOME		HTF		HTC		MF Bond		Section 8		All Activities	
	Committed Funds	Number of Households Served												
0-30% AMFI	\$0	0	\$1,636,900	30	\$25,000	5	\$112,086	10	\$0	0	\$0	0	\$1,773,986	45
30-50% AMFI	\$47,000	2	\$2,769,152	83	\$71,000	5	\$829,436	74	\$0	0	\$0	0	\$3,716,588	164
50-80% AMFI	\$0	0	\$6,396,576	109	\$0	0	\$1,188,112	106	\$0	0	\$0	0	\$7,584,688	215
>80% AMFI	\$0	0	\$0	0	\$0	0	\$0	0	\$0	0	\$0	0	\$0	0
Total	\$47,000	2	\$10,802,628	222	\$96,000	10	\$2,129,634	190	\$0	0	\$0	0	\$13,075,262	424

**REGION 5**

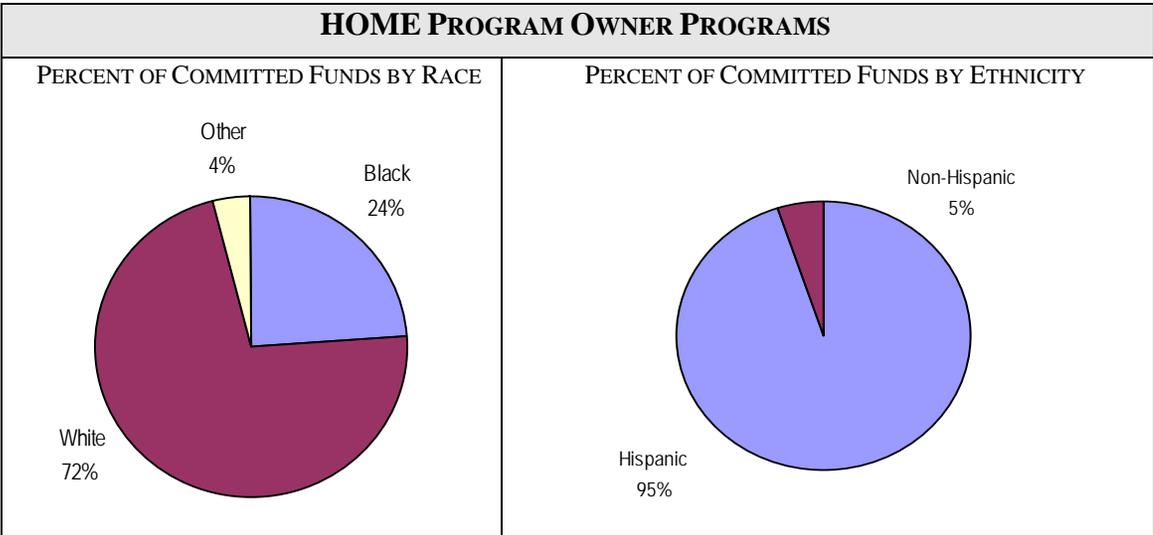
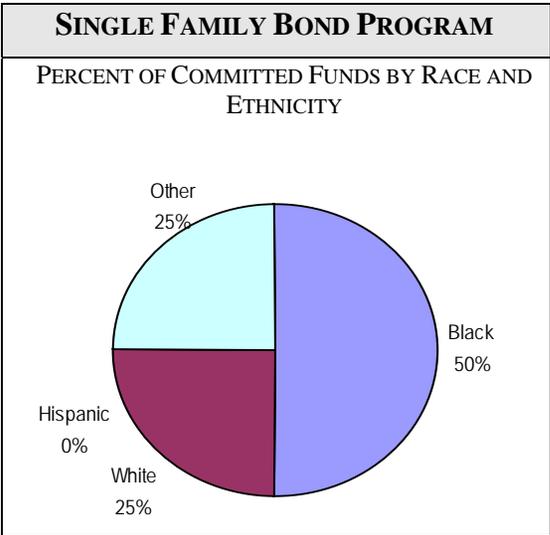
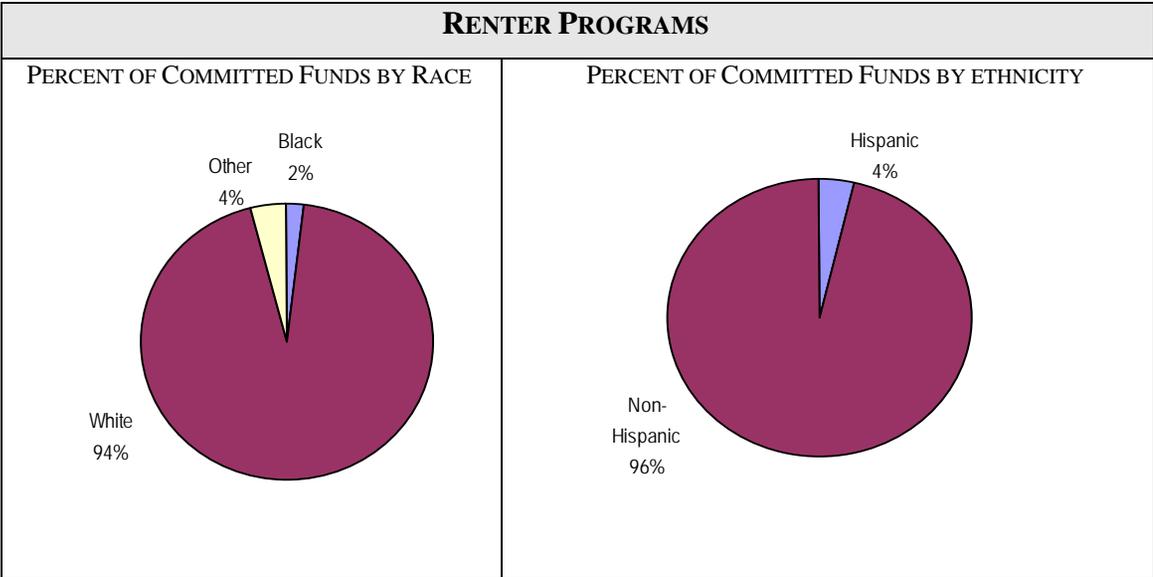


TDHCA allocated \$8,876,808 in Region 5 during FY 2009.

Renter programs accounted for the largest segment of

this total and the low-income households group (50-80% AMFI) was the most served income group.

Note: Because loan servicers do not record race and ethnicity data separately, data for the Single Family Bond program is presented in one combined chart.



**FUNDING AND HOUSEHOLDS SERVED, BY ACTIVITY AND HOUSING PROGRAM TYPE, REGION 5**

Activity	SF Bond		HOME		HTF		HTC		MF Bond		Section 8		All Activities	
	Committed Funds	Number of Households Served												
Homeowner Programs	\$261,722	4	\$1,170,000	18	\$207,000	20	\$0	0	\$0	0	\$0	0	\$1,638,722	42
Renter Programs	\$0	0	\$2,660,693	72	\$0	0	\$3,667,045	304	\$0	0	\$0	0	\$6,327,738	376
Total	\$261,722	4	\$3,830,693	90	\$207,000	20	\$3,667,045	304	\$0	0	\$0	0	\$7,966,460	418

**FUNDING AND HOUSEHOLDS SERVED, BY INCOME CATEGORY AND HOUSING PROGRAM, REGION 5**

Income	SF Bond		HOME		HTF		HTC		MF Bond		Section 8		All Activities	
	Committed Funds	Number of Households Served												
0-30% AMFI	\$0	0	\$2,565,955	59	\$30,000	5	\$240,570	20	\$0	0	\$0	0	\$2,836,525	84
30-50% AMFI	\$60,000	2	\$202,177	7	\$147,000	13	\$1,366,467	113	\$0	0	\$0	0	\$1,775,644	135
50-80% AMFI	\$0	0	\$1,062,561	24	\$30,000	2	\$2,060,008	171	\$0	0	\$0	0	\$3,152,569	197
>80% AMFI	\$201,722	2	\$0	0	\$0	0	\$0	0	\$0	0	\$0	0	\$201,722	2
Total	\$261,722	4	\$3,830,693	90	\$207,000	20	\$3,667,045	304	\$0	0	\$0	0	\$7,966,460	418

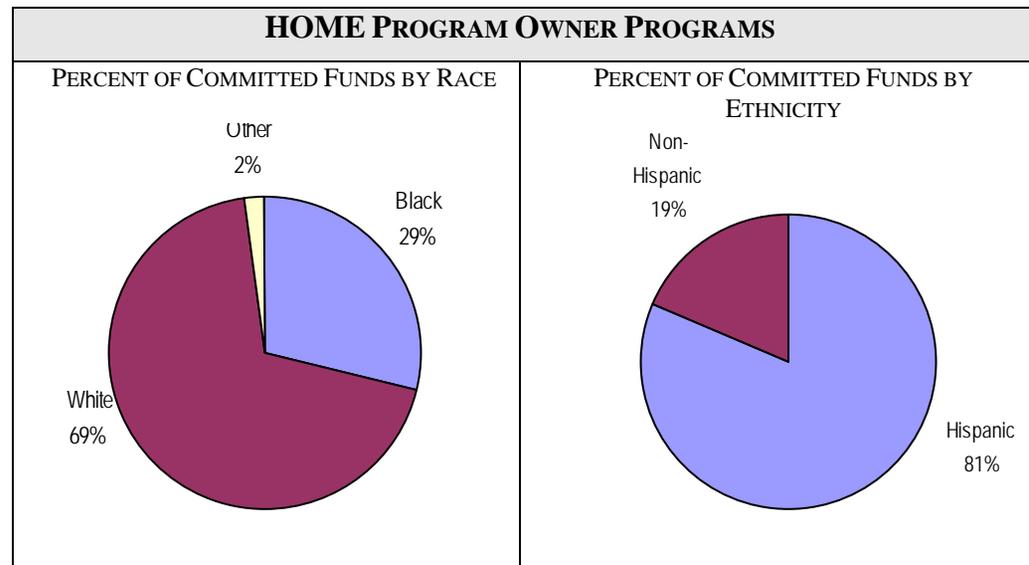
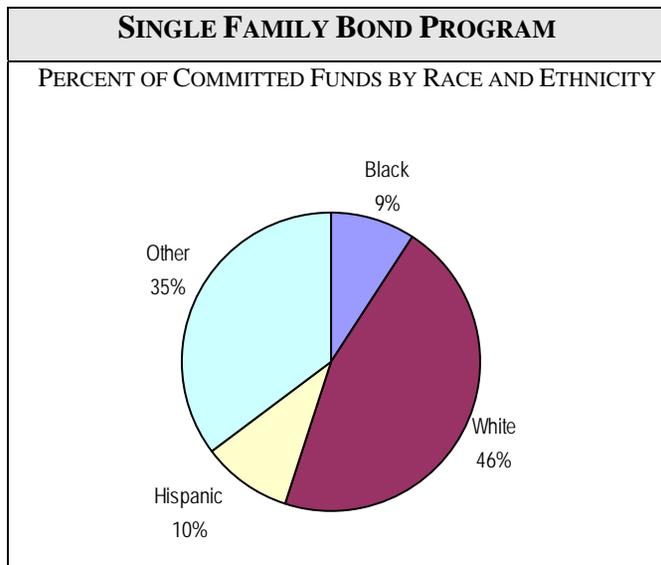
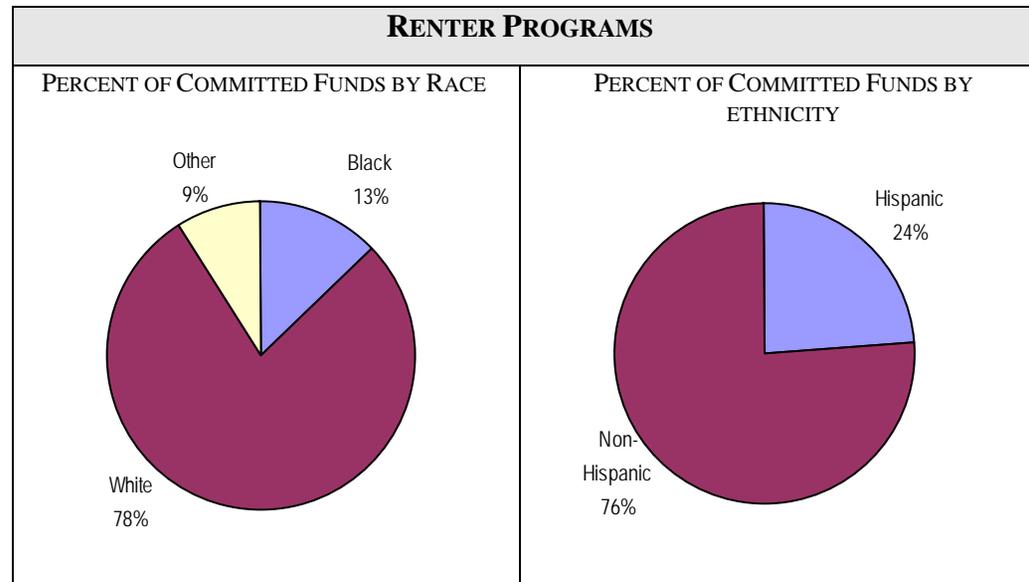
**REGION 6**



TDHCA allocated \$98,197,440 in Region 6 during FY 2009.

Renter programs accounted for the largest segment of this total and the low-income households group (50-80% AMFI) was the most served income group.

Note: Because loan servicers do not record race and ethnicity data separately, data for the Single Family Bond program is presented in one combined chart



**FUNDING AND HOUSEHOLDS SERVED, BY ACTIVITY AND HOUSING PROGRAM TYPE, REGION 6**

Activity	SF Bond		HOME		HTF		HTC		MF Bond		Section 8		All Activities	
	Committed Funds	Number of Households Served												
Homeowner Programs	\$28,936,416	240	\$780,000	11	\$53,000	5	\$0	\$0	\$0	0	\$0	0	\$29,769,416	256
Renter Programs	\$0	0	\$13,976,179	214	\$0	0	\$34,239,947	2,854	\$13,690,000	252	\$2,425,768	408	\$64,331,894	3728
Total	\$28,936,416	240	\$14,756,179	225	\$53,000	5	\$34,239,947	2854	\$13,690,000	252	\$2,425,768	408	\$94,101,310	3984

**FUNDING AND HOUSEHOLDS SERVED, BY INCOME CATEGORY AND HOUSING PROGRAM, REGION 6**

Income	SF Bond		HOME		HTF		HTC*		MF Bond		Section 8		All Activities	
	Committed Funds	Number of Households Served												
0-30% AMFI	\$42,700	1	\$3,616,385	62	\$0	0	\$1,750,085	146	\$0	0	\$1,887,349	288	\$7,296,519	497
30-50% AMFI	\$317,258	3	\$8,514,457	125	\$53,000	5	\$15,641,498	1,305	\$0	0	\$479,415	103	\$25,005,628	1541
50-80% AMFI	\$4,920,073	52	\$2,625,337	38	\$0	0	\$16,848,364	1,403	\$13,690,000	252	\$59,004	17	\$38,142,778	1762
>80% AMFI	\$23,656,385	184	\$0	0	\$0	0	\$0	0	\$0	0	\$0	0	\$23,656,385	184
Total	\$28,936,416	240	\$14,756,179	225	\$53,000	5	\$34,239,947	2,854	\$13,690,000	252	\$2,425,768	408	\$94,101,310	3984

**REGION 7**

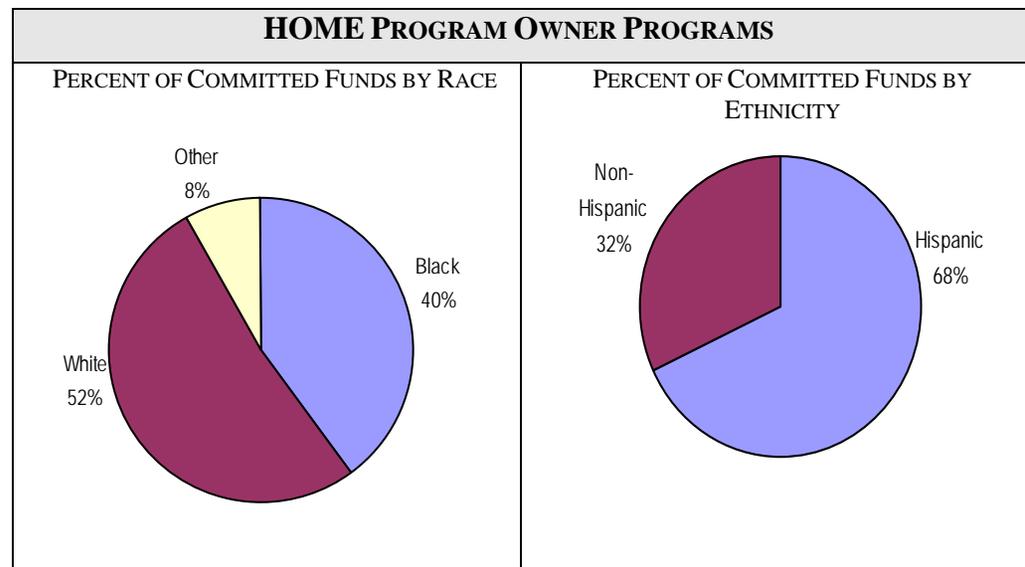
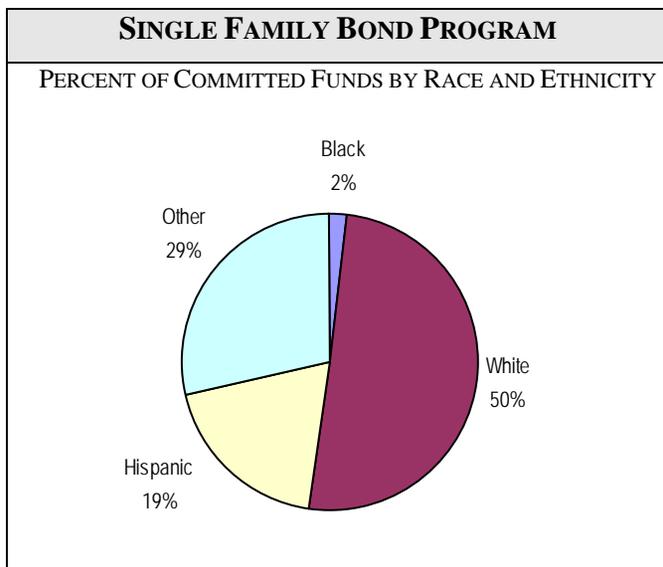
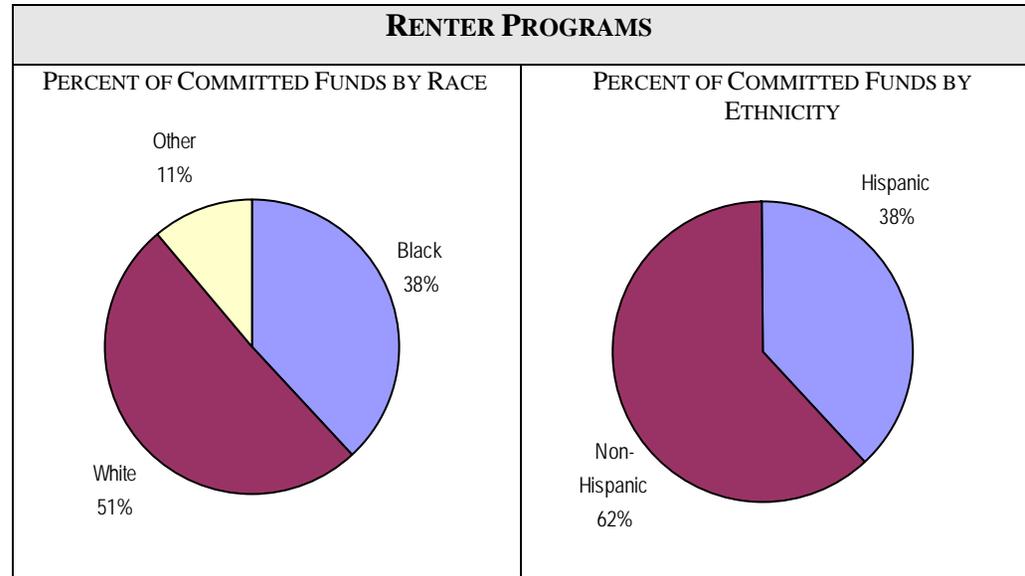


TDHCA allocated \$54,633,960 in Region 7 during FY 2009.

Homeowner programs accounted for the largest segment of this total and the moderate-income

households group (>80% AMFI) was the most served income group.

Note: Because loan servicers do not record race and ethnicity data separately, data for the Single Family Bond program is presented in one combined chart



**FUNDING AND HOUSEHOLDS SERVED, BY ACTIVITY AND HOUSING PROGRAM TYPE, REGION 7**

Activity	SF Bond		HOME		HTF		HTC		MF Bond		Section 8		All Activities	
	Committed Funds	Number of Households Served												
Homeowner Programs	\$36,166,798	268	\$1,690,000	21	\$585,000	41	\$0	0	\$0	0	\$0	0	\$38,441,798	330
Renter Programs	\$0	0	\$8,804,528	165	\$1,000,000	68	\$7,992,769	1157	\$0	0	\$394,865	84	\$18,192,162	1474
Total	\$36,166,798	268	\$10,494,528	186	\$1,585,000	109	\$7,992,769	1157	\$0	0	\$394,865	84	\$56,633,960	1804

**FUNDING AND HOUSEHOLDS SERVED, BY INCOME CATEGORY AND HOUSING PROGRAM, REGION 7**

Income	SF Bond		HOME		HTF		HTC		MF Bond		Section 8		All Activities	
	Committed Funds	Number of Households Served												
0-30% AMFI	\$0	0	\$2,743,800	51	\$0	0	\$522,229	70	\$0	0	\$327,336	62	\$3,593,365	183
30-50% AMFI	\$620,523	7	\$1,700,072	32	\$1,585,000	109	\$3,930,622	468	\$0	0	\$65,462	21	\$7,901,679	637
50-80% AMFI	\$12,767,353	101	\$6,050,656	103	\$0	0	\$3,539,918	619	\$0	0	\$2,067	1	\$22,359,994	824
>80% AMFI	\$22,778,922	160	\$0	0	\$0	0	\$0	0	\$0	0	\$0	0	\$22,778,922	160
Total	\$36,166,798	268	\$10,494,528	186	\$1,585,000	109	\$7,992,769	1157	\$0	0	\$394,865	84	\$56,633,960	1804

**REGION 8**

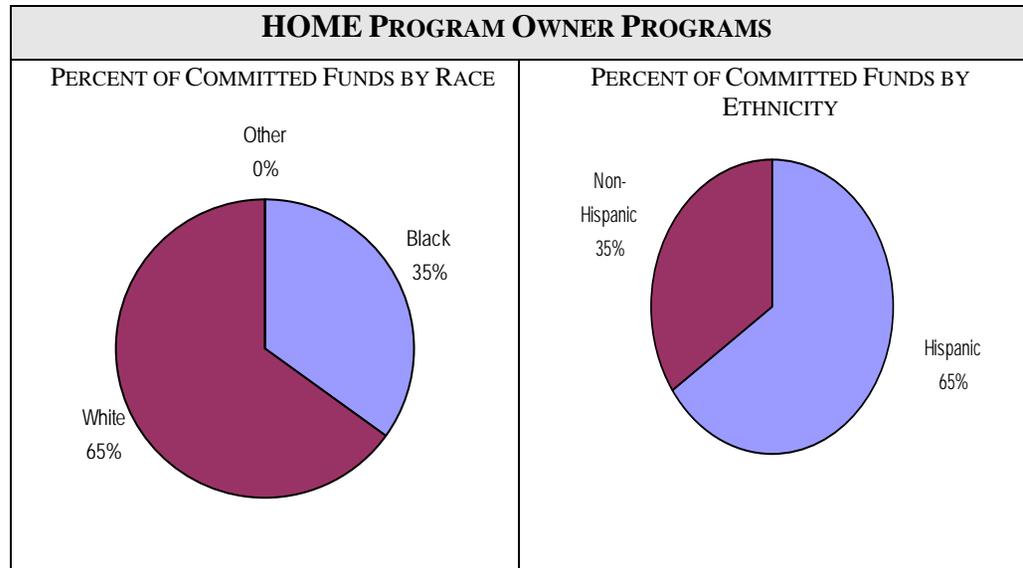
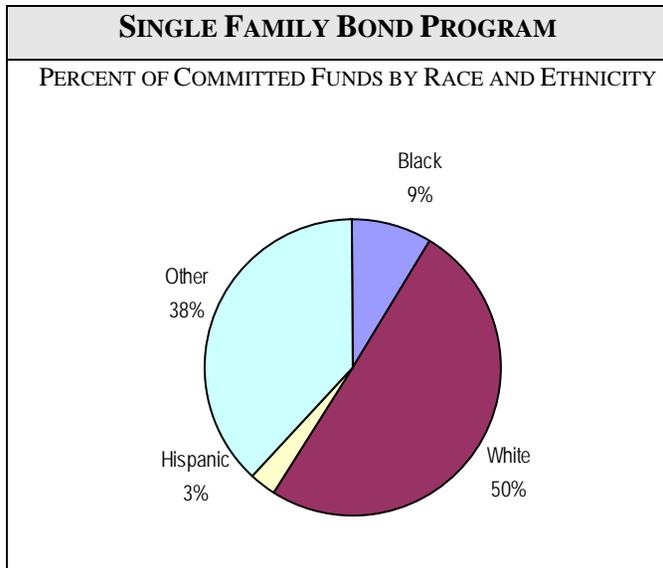
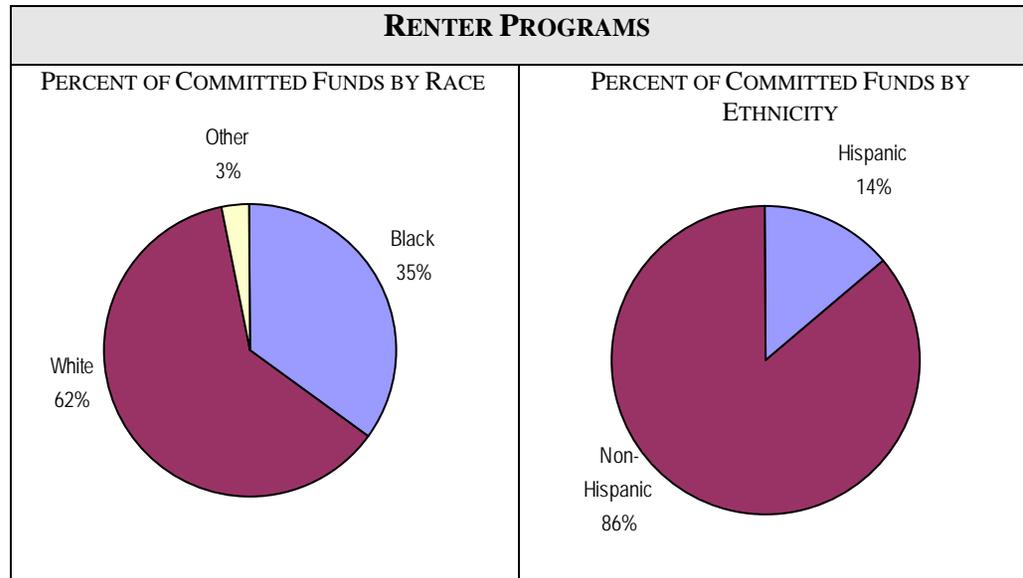


TDHCA allocated \$14,467,175 in Region 8 during FY 2009.

Renter programs accounted for the largest segment of this total and the very low-

income households group (30-50% AMFI) was the most served income group.

Note: Because loan servicers do not record race and ethnicity data separately, data for the Single Family Bond program is presented in one combined chart.



**FUNDING AND HOUSEHOLDS SERVED, BY ACTIVITY AND HOUSING PROGRAM TYPE, REGION 8**

Activity	SF Bond		HOME		HTF		HTC		MF Bond		Section 8		All Activities	
	Committed Funds	Number of Households Served												
Homeowner Programs	\$3,531,834	34	\$2,332,500	33	\$273,500	31	\$0	0	\$0	\$0	\$0	0	\$6,137,834	98
Renter Programs	\$0	0	\$4,173,460	55	\$0	0	\$3,863,811	432	\$0	\$0	\$292,070	77	\$8,329,341	564
Total	\$3,531,834	34	\$6,505,960	88	\$273,500	31	\$3,863,811	432	\$0	0	\$292,070	77	\$14,467,175	662

**FUNDING AND HOUSEHOLDS SERVED, BY INCOME CATEGORY AND HOUSING PROGRAM, REGION 8**

Income	SF Bond		HOME		HTF		HTC		MF Bond		Section 8		All Activities	
	Committed Funds	Number of Households Served												
0-30% AMFI	\$0	0	\$882,692	12	\$30,000	4	\$187,824	21	\$0	\$0	\$201,748	49	\$1,302,264	86
30-50% AMFI	\$0	0	\$3,510,000	39	\$167,000	15	\$2,003,458	224	\$0	\$0	\$79,106	22	\$5,759,564	300
50-80% AMFI	\$878,798	10	\$2,113,268	37	\$76,500	12	\$1,672,529	187	\$0	\$0	\$11,216	6	\$4,752,311	252
>80% AMFI	\$2,653,036	24	\$0	0	\$0	0	\$0	0	\$0	\$0	\$0	0	\$2,653,036	24
Total	\$3,531,834	34	\$6,505,960	88	\$273,500	31	\$3,863,811	432	\$0	0	\$292,070	77	\$14,467,175	662

**REGION 9**

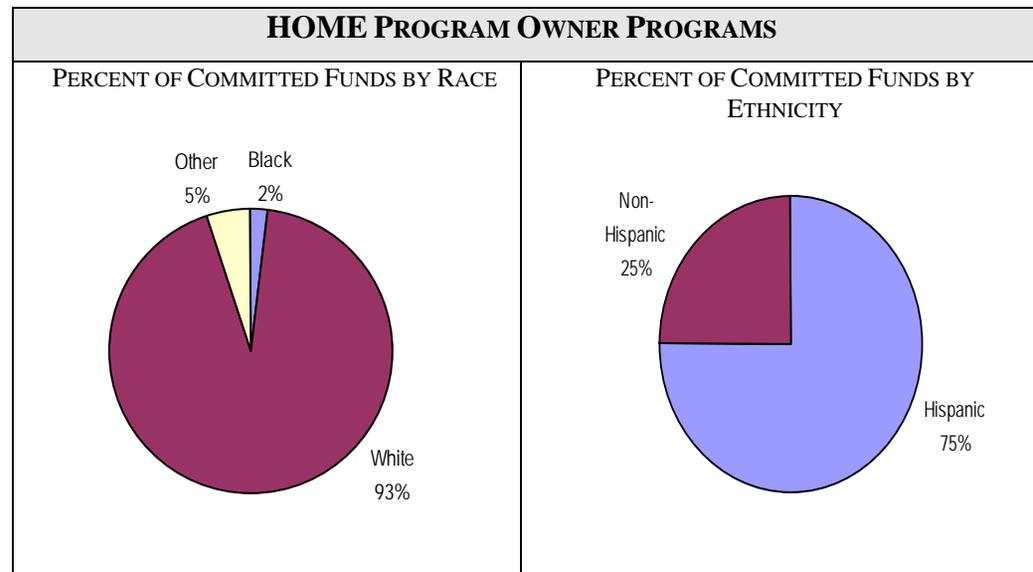
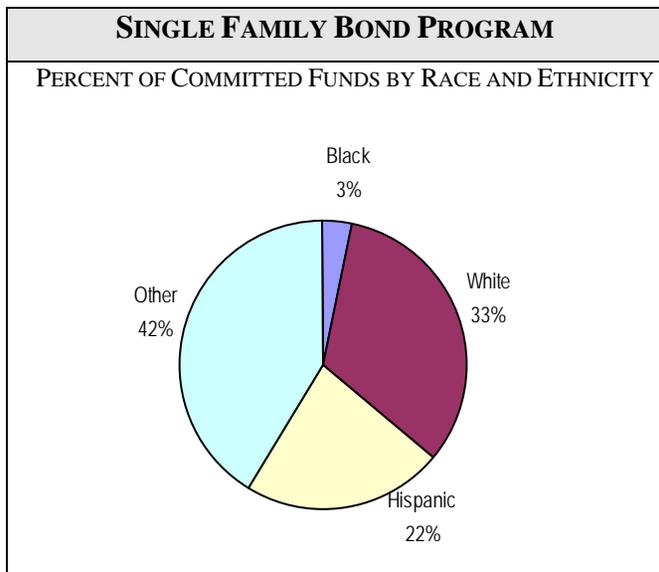
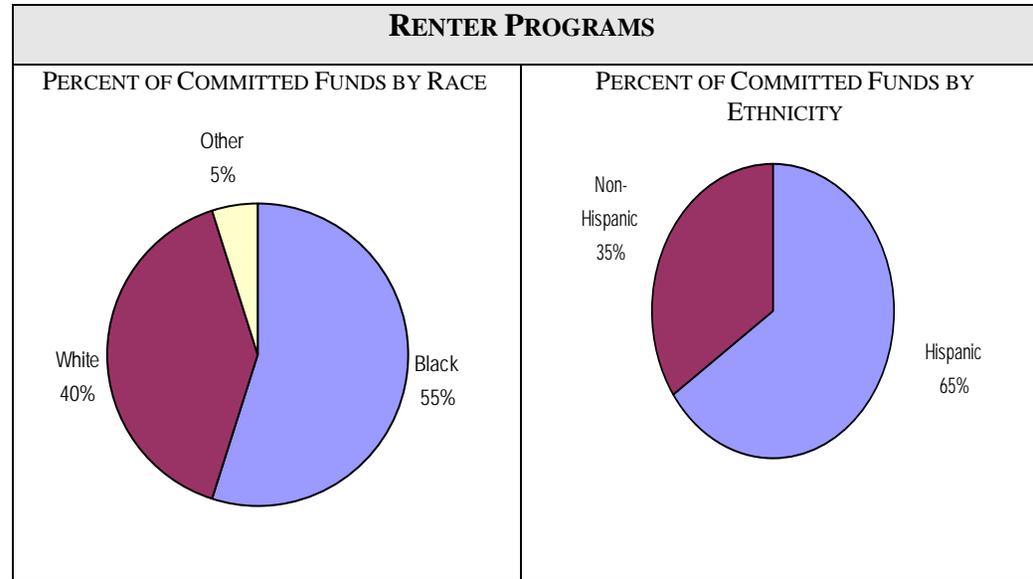


TDHCA allocated \$15,474,007 in Region 9 during FY 2009.

Homeowner programs accounted for the largest segment of this total and

the moderate-income households group (>80% AMFI) was the most served income group.

Note: Because loan servicers do not record race and ethnicity data separately, data for the Single Family Bond program is presented in one combined chart



**FUNDING AND HOUSEHOLDS SERVED, BY ACTIVITY AND HOUSING PROGRAM TYPE, REGION 9**

Activity	SF Bond		HOME		HTF		HTC		MF Bond		Section 8		All Activities	
	Committed Funds	Number of Households Served												
Homeowner Programs	\$6,116,772	58	\$1,170,000	16	\$1,134,048	137	\$0	0	\$0	0	\$0	0	\$8,420,820	211
Renter Programs	\$0	0	\$1,439,480	96	\$384,000	18	\$4,442,856	406	\$0	0	\$184,396	43	\$6,450,732	563
Total	\$6,116,772	58	\$2,609,480	112	\$1,518,048	155	\$4,442,856	406	\$0	0	\$184,396	43	\$14,871,552	774

**FUNDING AND HOUSEHOLDS SERVED, BY INCOME CATEGORY AND HOUSING PROGRAM, REGION 9**

Income	SF Bond		HOME		HTF		HTC		MF Bond		Section 8		All Activities	
	Committed Funds	Number of Households Served												
0-30% AMFI	\$0	0	\$1,977,479	92	\$79,665	13	\$590,811	57	\$0	0	\$144,762	32	\$2,792,717	194
30-50% AMFI	\$276,774	4	\$525,462	15	\$1,278,439	123	\$1,657,865	149	\$0	0	\$31,000	8	\$3,769,540	299
50-80% AMFI	\$1,274,297	18	\$106,539	5	\$159,944	19	\$2,194,179	200	\$0	0	\$8,634	3	\$3,743,593	245
>80% AMFI	\$4,565,701	36	\$0	0	\$0	0	\$0	0	\$0	0	\$0	0	\$4,565,701	36
Total	\$6,116,772	58	\$2,609,480	112	\$1,518,048	155	\$4,442,855	406	\$0	0	\$184,396	43	\$14,871,551	774

**REGION 10**

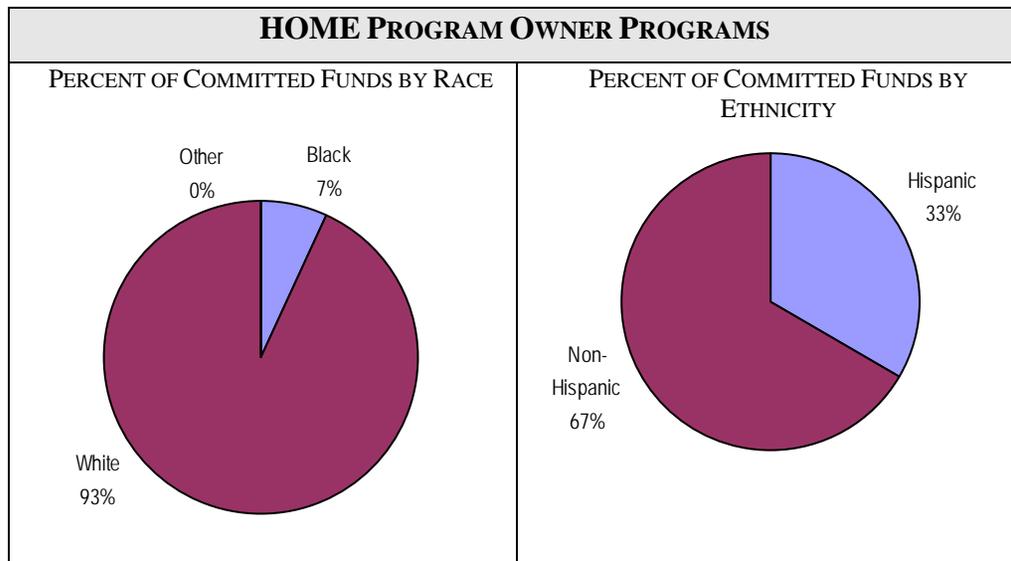
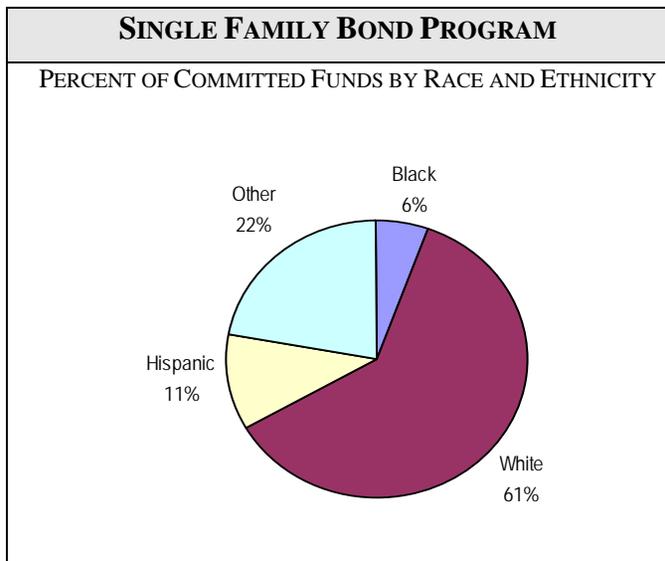
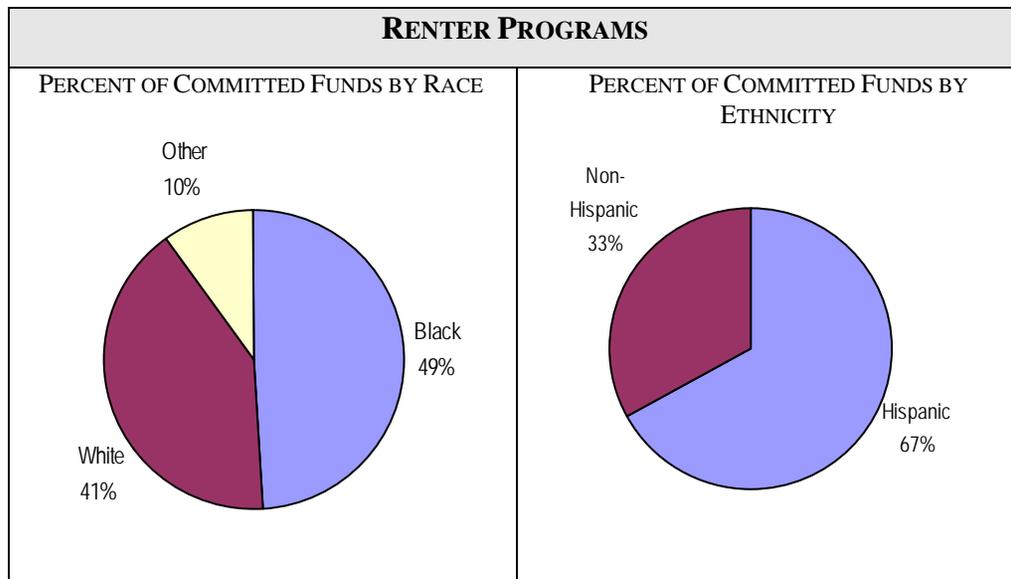


TDHCA allocated \$10,657,582 in Region 10 during FY 2009.

Renter programs accounted for the largest segment of this total and the very low-income

households group (30-50% AMFI) was the most served income group.

Note: Because loan servicers do not record race and ethnicity data separately, data for the Single Family Bond program is presented in one combined chart.



**FUNDING AND HOUSEHOLDS SERVED, BY ACTIVITY AND HOUSING PROGRAM TYPE, REGION 10**

Activity	SF Bond		HOME		HTF		HTC		MF Bond		Section 8		All Activities	
	Committed Funds	Number of Households Served												
Homeowner Programs	\$1,507,133	18	\$1,950,000	26	\$153,500	22	\$0	0	\$0	0	\$0	0	\$3,610,633	66
Renter Programs	\$0	0	\$3,318,000	59	\$450,000	24	\$3,278,636	343	\$0	0	\$313	1	\$7,046,949	427
Total	\$1,507,133	18	\$5,268,000	85	\$603,500	46	\$3,278,636	343	\$0	0	\$313	1	\$10,657,582	493

**FUNDING AND HOUSEHOLDS SERVED, BY INCOME CATEGORY AND HOUSING PROGRAM, REGION 10**

Income	SF Bond		HOME		HTF		HTC		MF Bond		Section 8		All Activities	
	Committed Funds	Number of Households Served												
0-30% AMFI	\$0	0	\$1,507,293	31	\$25,000	4	\$162,498	17	\$0	0	\$313	1	\$1,695,104	53
30-50% AMFI	\$77,018	2	\$2,788,707	30	\$578,500	42	\$1,787,478	187	\$0	0	\$0	0	\$5,231,703	261
50-80% AMFI	\$262,672	4	\$972,000	24	\$0	0	\$1,328,660	139	\$0	0	\$0	0	\$2,563,332	167
>80% AMFI	\$1,167,443	12	\$0	0	\$0	0	\$0	0	\$0	0	\$0	0	\$1,167,443	12
Total	\$1,507,133	18	\$5,268,000	85	\$603,500	46	\$3,278,636	343	\$0	0	\$313	1	\$10,657,582	493

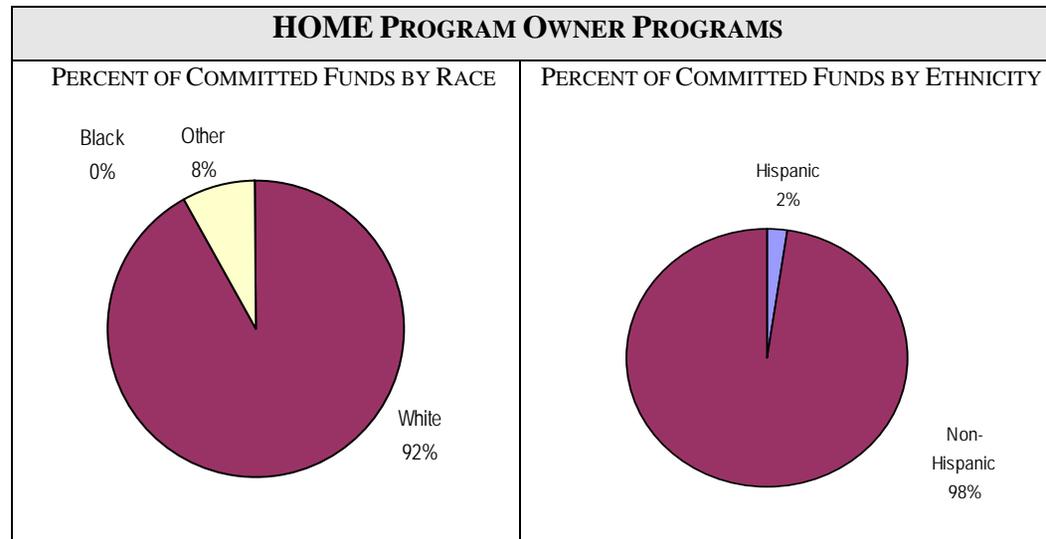
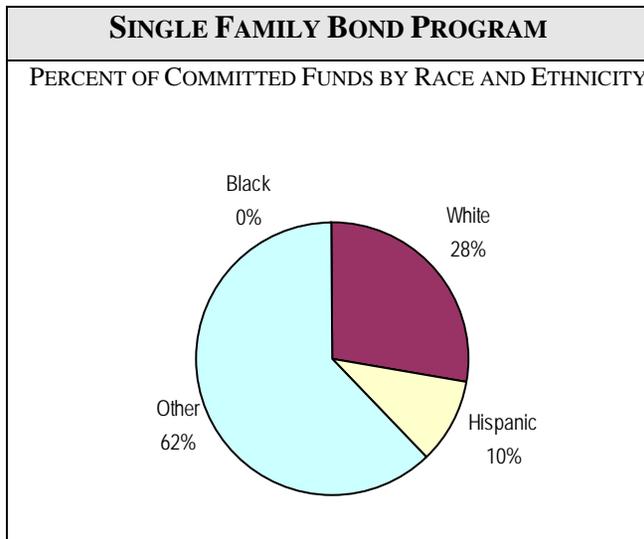
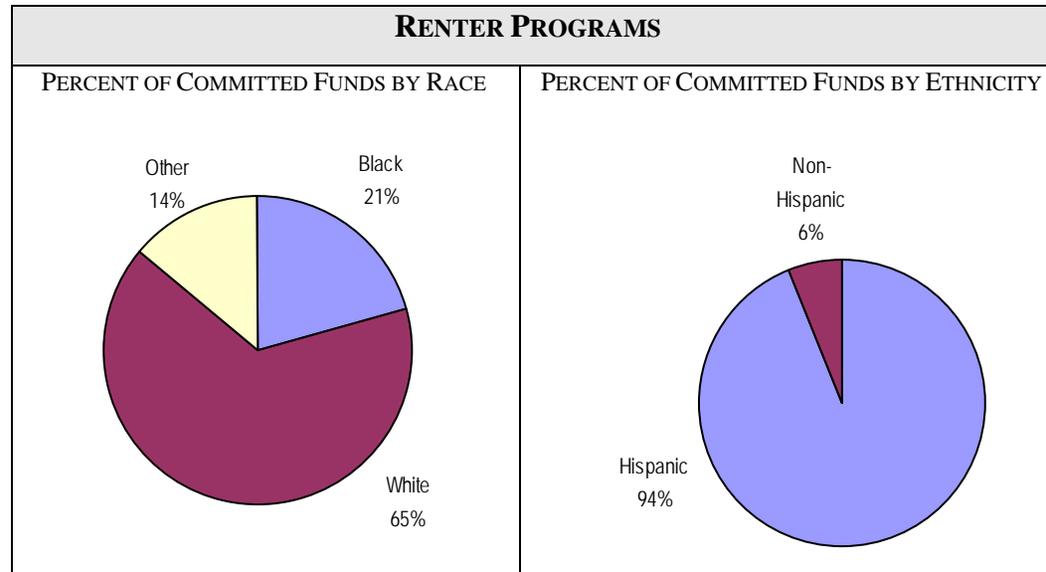
**REGION 11**



TDHCA allocated \$15,328,013 in Region 11 during FY 2009.

Homeowner programs accounted for the largest segment of this total and the low-income households group (50-80%) was the most served income group.

Note: Because loan servicers do not record race and ethnicity data separately, data for the Single Family Bond program is presented in one combined chart



**FUNDING AND HOUSEHOLDS SERVED, BY ACTIVITY AND HOUSING PROGRAM TYPE, REGION 11**

Activity	SF Bond		HOME		HTF		HTC		MF Bond		Section 8		All Activities	
	Committed Funds	Number of Households Served												
Homeowner Programs	\$4,671,801	61	\$5,423,600	174	\$1,959,973	185	\$0	0	\$0	0	\$0	0	\$12,055,374	420
Renter Programs	\$0	0	\$0	0	\$0	0	\$3,272,012	270	\$0	0	\$627	4	\$3,272,639	274
Total	\$4,671,801	61	\$5,423,600	174	\$1,959,973	185	\$3,272,012	270	\$0	0	\$627	4	\$15,328,013	694

**FUNDING AND HOUSEHOLDS SERVED, BY INCOME CATEGORY AND HOUSING PROGRAM, REGION 11**

Income	SF Bond		HOME		HTF		HTC		MF Bond		Section 8		All Activities	
	Committed Funds	Number of Households Served												
0-30% AMFI	\$0	0	\$872,763	28	\$30,000	5	\$302,964	25	\$0	0	\$627	4	\$1,206,354	62
30-50% AMFI	\$75,880	2	\$1,059,784	34	\$1,569,982	130	\$593,810	49	\$0	0	\$0	0	\$3,299,456	215
50-80% AMFI	\$918,196	15	\$3,491,053	112	\$359,991	50	\$2,375,238	196	\$0	0	\$0	0	\$7,144,478	373
>80% AMFI	\$3,677,725	44	\$0	0	\$0	0	\$0	0	\$0	0	\$0	0	\$3,677,725	44
Total	\$4,671,801	61	\$5,423,600	174	\$1,959,973	185	\$3,272,012	270	\$0	0	\$627	4	\$15,328,013	694

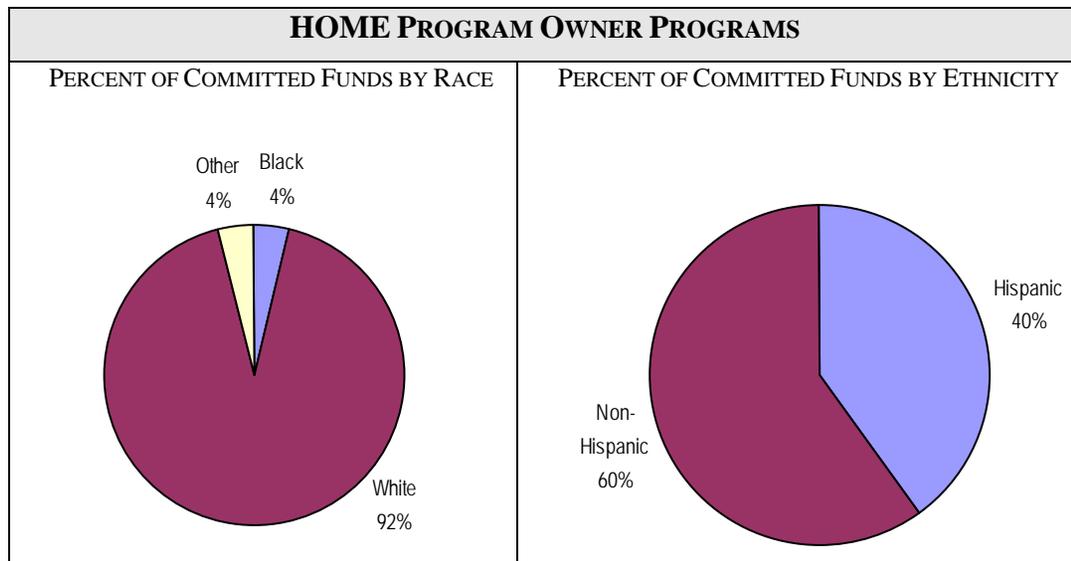
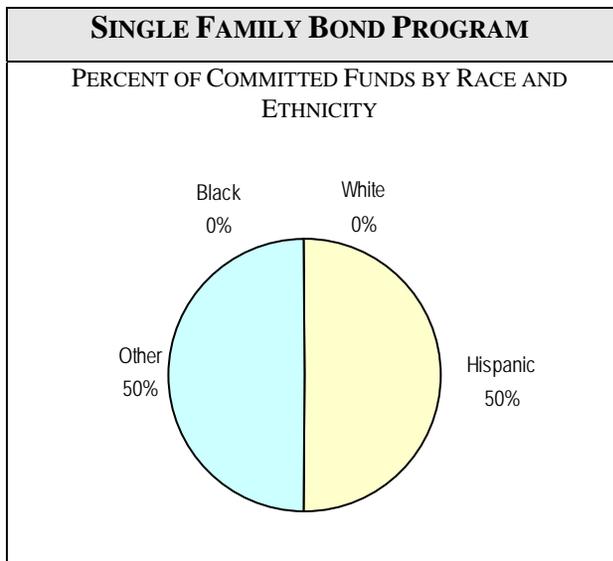
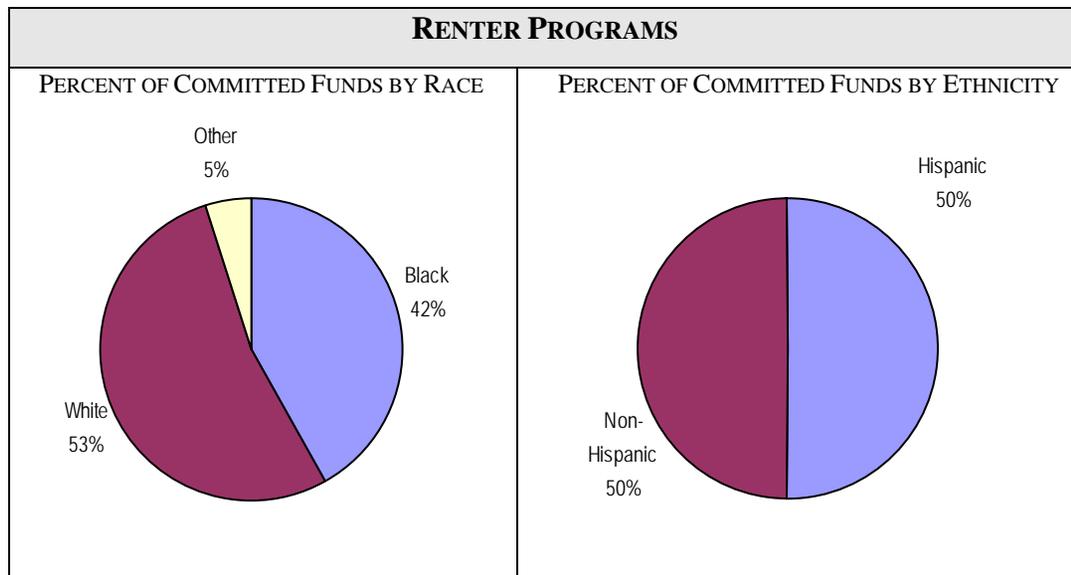
**REGION 12**



TDHCA allocated \$3,284,999 in Region 12 during FY 2009.

Renter programs accounted for the largest segment of this total and the low-income households group (50-80% AMFI) was the most served income group.

Note: Because loan servicers do not record race and ethnicity data separately, data for the Single Family Bond program is presented in one combined chart.



**FUNDING AND HOUSEHOLDS SERVED, BY ACTIVITY AND HOUSING PROGRAM TYPE, REGION 12**

Activity	SF Bond		HOME		HTF		HTC		MF Bond		Section 8		All Activities	
	Committed Funds	Number of Households Served												
Homeowner Programs	\$184,747	2	\$1,154,400	35	\$29,500	4	\$0	0	\$0	0	\$0	0	\$1,368,647	41
Renter Programs	\$0	0	\$169,129	6	\$0	0	\$1,252,049	112	\$0	0	\$18,428	7	\$1,439,606	125
Total	\$184,747	2	\$1,323,529	41	\$29,500	4	\$1,252,049	112	\$0	0	\$18,428	7	\$2,808,253	166

**FUNDING AND HOUSEHOLDS SERVED, BY INCOME CATEGORY AND HOUSING PROGRAM, REGION 12**

Income	SF Bond		HOME		HTF		HTC		MF Bond		Section 8		All Activities	
	Committed Funds	Number of Households Served												
0-30% AMFI	\$0	0	\$225,968	7	\$0	0	\$201,169	17	\$0	0	\$16,146	5	\$443,283	29
30-50% AMFI	\$0	0	\$0	0	\$29,500	4	\$614,241	51	\$0	0	\$2,282	2	\$646,023	57
50-80% AMFI	\$0	0	\$1,097,561	34	\$0	0	\$436,640	44	\$0	0	\$0	0	\$1,534,201	78
>80% AMFI	\$184,747	2	\$0	0	\$0	0	\$0	0	\$0	0	\$0	0	\$184,747	2
Total	\$184,747	2	\$1,323,529	41	\$29,500	4	\$1,252,050	112	\$0	0	\$18,428	7	\$2,808,254	166

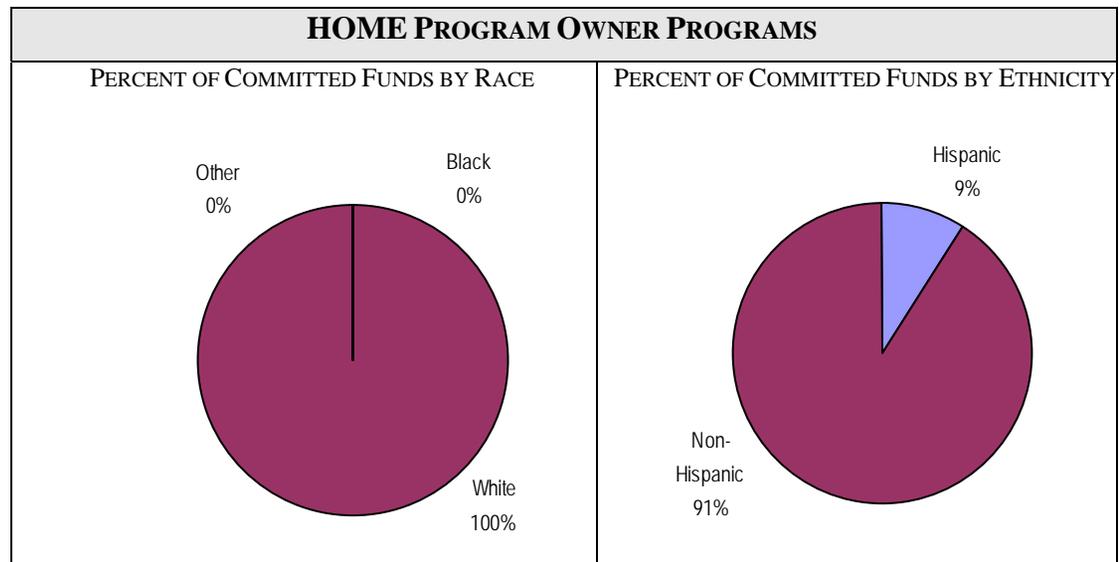
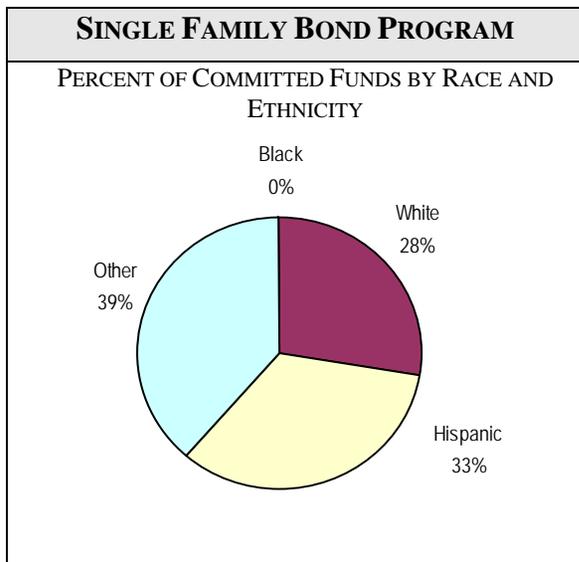
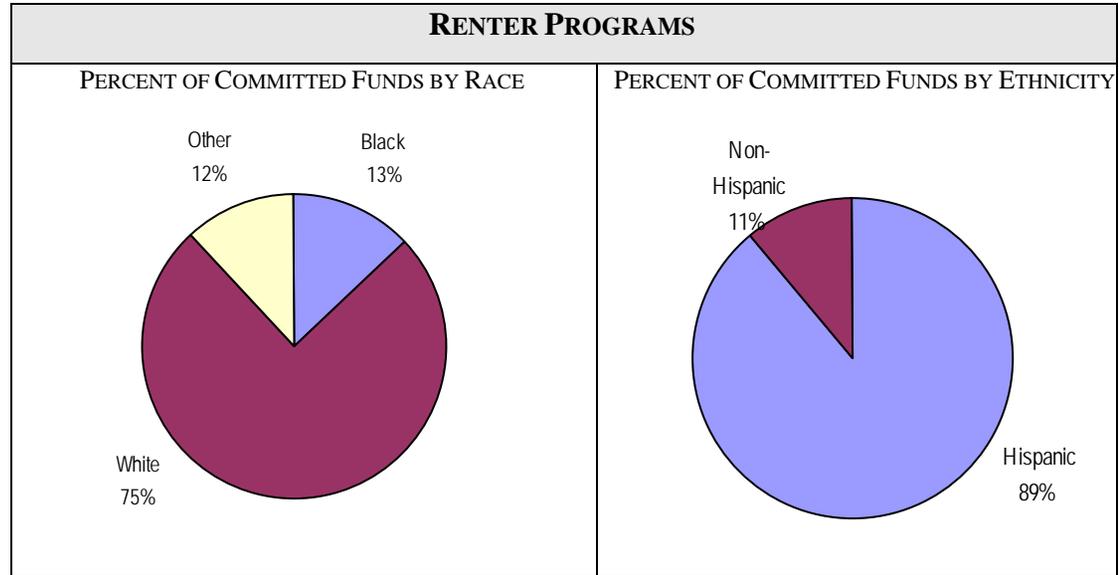
**REGION 13**



TDHCA allocated \$7,785,072 in Region 13 during FY 2009.

Homeowner programs accounted for the largest segment of this total and the low-income households group (50-80% AMFI) was the most served income group.

Note: Because loan servicers do not record race and ethnicity data separately, data for the Single Family Bond program is presented in one combined chart.



**FUNDING AND HOUSEHOLDS SERVED, BY ACTIVITY AND HOUSING PROGRAM TYPE, REGION 13**

Activity	SF Bond		HOME		HTF		HTC		MF Bond		Section 8		All Activities	
	Committed Funds	Number of Households Served												
Homeowner Programs	\$1,785,732	18	\$2,730,000	33	\$471,500	72	\$0	0	\$0	0	\$0	0	\$4,987,232	123
Renter Programs	\$0	0	\$0	0	\$0	0	\$2,797,841	234	\$0	0	\$0	0	\$2,797,841	234
Total	\$1,785,732	18	\$2,730,000	33	\$471,500	72	\$2,797,841	234	\$0	0	\$0	0	\$7,785,073	357

**FUNDING AND HOUSEHOLDS SERVED, BY INCOME CATEGORY AND HOUSING PROGRAM, REGION 13**

Income	SF Bond		HOME		HTF		HTC		MF Bond		Section 8		All Activities	
	Committed Funds	Number of Households Served												
0-30% AMFI	\$0	0	\$744,545	9	\$20,500	4	\$155,436	13	\$0	0	\$0	0	\$920,481	26
30-50% AMFI	\$0	0	\$82,727	1	\$266,500	38	\$1,064,136	89	\$0	0	\$0	0	\$1,413,363	128
50-80% AMFI	\$349,328	4	\$1,902,727	23	\$184,500	30	\$1,578,269	132	\$0	0	\$0	0	\$4,014,824	189
>80% AMFI	\$1,436,404	14	\$0	0	\$0	0	\$0	0	\$0	0	\$0	0	\$1,436,404	14
Total	\$1,785,732	18	\$2,729,999	33	\$471,500	72	\$2,797,841	234	\$0	0	\$0	0	\$7,785,072	357

## **FAIR HOUSING SPONSOR REPORT ANALYSIS**

TDHCA requires that housing developments of 20 units or more which receive financial assistance from TDHCA submit an annual housing sponsor report. This report includes the contact information for each property, the total number of units, the number of accessible units, the rents for units by type, the racial composition information for the property, the number of units occupied by individuals receiving supported housing assistance, the number of units occupied delineated by income group and a statement as to whether there have been fair housing violations at the property. This information depicts the property information as of a specific date, December 31, of each year.

Because of the extensive nature of the information, TDHCA has elected to provide this report under a separate publication: the TDHCA *Housing Sponsor Report* (HSR). The HSR includes an analysis of the collected information, as well as the information submitted by each property. In addition, in fulfillment of §2306.072(c)(8), the HSR contains a list of average rents sorted by Texas county based on housing sponsor report responses from TDHCA-funded properties.

For more information and a copy of this report, please contact the TDHCA Housing Resource Center at (512) 475-3976 or visit <http://www.tdhca.state.tx.us/ppa/housing-center/pubs.htm>.

## GEOGRAPHIC DISTRIBUTION OF HOUSING TAX CREDITS

Section 2306.111(d) of the Government Code requires that TDHCA use a Regional Allocation Formula (RAF) to allocate its 9% Housing Tax Credits (HTCs) to the Uniform State Service Regions it uses for planning purposes. Because of the level of funding and the impact of this program in financing the multifamily development of affordable housing, this section of the Plan discusses the geographical distribution of HTCs.

The Department allocated \$92,283,012 in HTCs through the Competitive Housing Tax Credit application process from the 2009 ceiling. Information on these awards, as well as the entire HTC inventory, can be found on the HTC Program's web page at <http://www.tdhca.state.tx.us/multifamily/htc/>. The map on the following page displays the geographic distribution of the FY 2009 9% and 4% awards.

### REGIONAL ALLOCATION FORMULA

The table below shows the funding distribution of FY 2009 awards by region and includes the variations between the actual distribution and the 9% HTC RAF targets. The Department plans the credit distributions to match the HTC RAF targets as closely as possible; the RAF targets apply to the 9% HTC program. To that end, as many whole awards as possible are made in each Uniform State Service Region's urban and rural sub-regions based on the RAF target for each. The total remainder in each region is then collapsed into 13 regional pools. The sub-region with the highest original target percentage is determined within each region and, if possible, additional awards are made in these sub-regions out of the region's pool. If a region does not have enough qualified applications to meet its regional credit distribution target, then those credits will be apportioned to the other regions from a statewide pool of remaining credits.

Region	All HTCs	% of All HTCs	4% HTCs	% of All 4% HTCs	9%HTCs	% of All 9% HTCs	Targeted 9% Dist. Under RAF	Difference between Actual and Targeted
1	\$1,548,752	2.94%	\$1,100,819	22.30%	\$447,933	0.94%	4.4%	-3.44%
2	\$1,118,143	2.12%	0	0.00%	\$1,118,143	2.34%	2.3%	0.03%
3	\$10,083,326	19.13%	\$0	0.00%	\$10,083,326	21.11%	21.8%	-0.67%
4	\$2,636,648	5.00%	0	0.00%	\$2,636,648	5.52%	5.2%	0.29%
5	\$3,608,044	6.85%	814993	16.51%	\$2,793,051	5.85%	2.4%	3.43%
6	\$14,180,038	26.91%	\$1,929,924	39.10%	\$12,250,114	25.65%	21.5%	4.16%
7	\$2,922,708	5.55%	\$488,042	9.89%	\$2,434,666	5.10%	5.5%	-0.38%
8	\$2,254,763	4.28%	\$0	0.00%	\$2,254,763	4.72%	6.3%	-1.57%
9	\$4,167,704	7.91%	\$601,737	12.19%	\$3,565,967	7.47%	7.4%	0.11%
10	\$1,139,813	2.16%	\$0	0.00%	\$1,139,813	2.39%	4.3%	-1.87%
11	\$4,123,162	7.82%	0	0.00%	\$4,123,162	8.63%	12.5%	-3.83%
12	\$1,965,605	3.73%	0	0.00%	\$1,965,605	4.11%	2.6%	1.48%
13	\$2,953,877	5.60%	\$0	0.00%	\$2,953,877	6.18%	3.9%	2.26%
Total	\$52,702,583	100.00%	\$4,935,515	100.00%	\$47,767,068	100.00%	100.00%	0.00%





## **SECTION 4: ACTION PLAN**

In response to the needs identified in the previous section, this plan outlines TDHCA's course of action designed to meet those underserved needs. This section discusses the following:

- **TDHCA Programs**
  - Description of each TDHCA program, including funding source, administrator, purpose, targeted population, budget and contact information
- **Housing Support Continuum**
  - Activities undertaken by each TDHCA program that address the different phases in a low-income household's life
- **Policy Priorities**
  - Overarching Department-wide policies and policy-driven actions
- **Regional Allocation Plans**
  - Distribution of TDHCA's resources across the 13 State Service Regions
- **Goals and Objectives**
  - Program performance based upon measures developed with the State's Legislative Budget Board and the Governor's Office of Budget and Planning

### **TDHCA PROGRAMS**

TDHCA's programs govern the use of available housing resources in meeting the housing needs of low-income Texans. Program descriptions include information on the funding source, recipients, targeted beneficiaries, set-asides and special initiatives. Details of each program's activities are located in the Housing Support Continuum in the following segment.

Additional funding for some programs was provided by the American Recovery and Reinvestment Act of 2009 (Recovery Act). When a program was funded or created as a result of the Recovery Act, the words "Recovery Act" will appear in the title. Additional detail on Recovery Act programs will be provided in *Section 5: Recovery Act*.

A list of TDHCA programs, organized by their Division, follows:

- **Community Affairs Division**
  - Community Services Block Grant Program
  - Community Services Block Grant Program (Recovery Act)
  - Comprehensive Energy Assistance Program
  - Emergency Shelter Grants Program
  - Homelessness Prevention and Rapid Re-housing Program (Recovery Act)
  - Homeless Housing and Services Program
  - Section 8 Housing Choice Voucher Program
  - Weatherization Assistance Program
  - Weatherization Assistance Program (Recovery Act)
- **Disaster Recovery Division**
  - Community Development Block Grant – Disaster Recovery Round One and Round Two
  - Community Development Block Grant – Disaster Recovery Hurricanes Dolly and Ike
- **HOME Investment Partnerships Program Division**
  - Community Housing Development Organization Set-Aside
  - Homeownership Assistance
  - Homeowner Rehabilitation Assistance
  - Rental Housing Development
  - Tax Credit Assistance Program (Recovery Act)
  - Tenant-Based Rental Assistance

- **Housing Trust Fund Program Division**
  - Affordable Housing Match Program
  - Disaster Recovery Homeowner Repair Gap Financing Program
  - Home Free Barrier Removal and Rehabilitation Program
  - Homeownership Assistance Program
  - Rural Housing Expansion Program
  - Texas Veterans Housing Assistance
- **Manufactured Housing Division**
- **Multifamily Finance Division**
  - Housing Tax Credit Program
  - Housing Tax Credit Exchange (Recovery Act)
  - Multifamily Bond Program
- **Office of Colonia Initiatives**
  - Colonia Self-Help Center Program
  - Texas Bootstrap Loan Program
- **Neighborhood Stabilization Program Division**
  - Neighborhood Stabilization Program 1
- **Texas Homeownership Division**
  - 90-Day Down Payment Program and Mortgage Advantage Programs (Recovery Act)
  - First Time Homebuyer Program
  - Mortgage Credit Certificate Program
  - National Foreclosure Mitigation Counseling Program
  - Texas Statewide Homebuyer Education Program

Information for each Division and its programs can be found below.

## COMMUNITY AFFAIRS DIVISION

The Community Affairs Division offers the Community Services Block Grant Program, Community Services Block Grant Program (Recovery Act), Comprehensive Energy Assistance Program, Emergency Shelter Grants Program, Homelessness Prevention and Rapid Re-housing (Recovery Act), Homeless Housing and Services Program, Section 8 Housing Choice Voucher Program, Weatherization Assistance Program and Weatherization Assistance Program (Recovery Act).

### COMMUNITY SERVICES BLOCK GRANT PROGRAM

The Community Services Block Grant Program (CSBG), received from the U.S. Department of Health and Human Services (USHHS), funds CSBG-eligible entities and activities that support the intent of the CSBG Act. TDHCA provides administrative support funds to Community Action Agencies (CAAs) and other human service delivery organizations that offer emergency and poverty-related programs to lower-income persons.

Ninety-percent of the funds are targeted to low-income individuals and funds are also utilized to provide assistance to Native Americans and migrant and seasonal farmworkers. Persons with incomes at or below 200 percent of the current federal income poverty guidelines issued by USHHS have income eligibility for the program.



A weatherization specialist with Houston's Sheltering Arms, funded through TDHCA's Weatherization Assistance Program, applies weather stripping to a low-income Texans' home.

CSBG provides administrative support to 48 CSBG-eligible entities. Five percent of the State's CSBG allocation is used to fund innovative projects that address the causes of poverty, promote client self-sufficiency or promote community revitalization; provide emergency disaster relief assistance to persons impacted by a natural or man-made disaster; provide funding to organizations serving Native Americans and migrant or seasonal farm workers; and provide funding for other eligible discretionary activities as authorized by the Department's Board. Five percent of the CSBG allocation is used for administrative funds for awarded entities.

Allocations to the CSBG-eligible entities are based on two factors: (1) the number of persons living in poverty within the designated service delivery area for each organization and (2) a calculation of population density. Poverty population is given 98 percent weight and the ratio of inverse population density is given 2 percent weight.

Community Services Block Grant funding for FY 2010: \$33,507,182. Funding for 2010 is expected to be level funded.

Additional documentation, including the CSBG Plan, may be accessed at the TDHCA website at <http://www.tdhca.state.tx.us/pubs.htm#cs>. For more information, contact the Community Services Section at (512) 475-3905.

#### *COMMUNITY SERVICES BLOCK GRANT PROGRAM (RECOVERY ACT)*

TDHCA received an additional \$48,148,071 for the Community Services Block Grant Program through the Recovery Act.

See the *Recovery Act* chapter in this document for more details on the Community Services Block Grant Program funded through the Recovery Act.

#### *COMPREHENSIVE ENERGY ASSISTANCE PROGRAM*

The Comprehensive Energy Assistance Program (CEAP) is funded by the USHHS' Low Income Home Energy Assistance Program (LIHEAP). The purpose of CEAP is to provide energy assistance to eligible households. TDHCA administers the program through a network of 50 CEAP Subrecipients. The Subrecipients consist of CAAs, nonprofit entities and units of local government. The targeted beneficiaries of CEAP in Texas are households with an income at or below 125 percent of federal poverty guidelines, with priority given to the elderly; persons with disabilities; families with young children; households with the highest energy costs or needs in relation to income (highest home energy burden); and households with high energy consumption.

The allocation formula for CEAP uses the following five factors and corresponding weights to distribute its funds by county: non-elderly poverty household factor (40 percent); elderly poverty household factor (40 percent); inverse poverty household density factor (5 percent); median income variance factor (5 percent); and weather factor (10 percent).

Comprehensive Energy Assistance Program funding for FY 2010: \$123,928,638.

The Energy Assistance Plans and Rules may be accessed online at <http://www.tdhca.state.tx.us/ea> on the TDHCA website. For more information contact the Energy Assistance Section at (512) 475-3951. To apply for CEAP, call 1-877-399-8939, toll free, using a land line phone number.

*EMERGENCY SHELTER GRANTS PROGRAM*

The Emergency Shelter Grants Program (ESGP) receives funding from U.S. Department of Housing and Urban Development (HUD) and awards grants to units of local government and private nonprofit entities that provide shelter and related services to homeless persons and/or intervention services to persons at risk of homelessness.

ESGP funds are reserved according to the percentage of poverty population identified in each of the 13 uniform State Service Regions and funds are dispersed according to a Regional Allocation Formula. The top scoring applications in each region are recommended for funding, based on the amount of funds available for that region. Demonstrating the need for homeless shelter and services, for the 2008 ESGP application cycle, the Department received 120 applications and was able to fund only 78 applications.

Projected Emergency Shelter Grants Program funding for the State of Texas for FY 2010: \$5,288,867.

See the *State of Texas Consolidated Plan: One Year Action Plan* at <http://www.tdhca.state.tx.us/ppa/housing-center/pubs.htm#consolidated> for further details on ESGP. For more information, contact the Community Services Section at (512) 475-3905.

*HOMELESSNESS PREVENTION AND RAPID RE-HOUSING PROGRAM (RECOVERY ACT)*

Through the American Recovery and Reinvestment Act of 2009 (Recovery Act), TDHCA is administering over \$41,472,7722 in Homelessness Prevention and Rapid Re-housing Program (HPRP) funds made available through HUD. These funds are awarded to local units of government and qualifying nonprofit organizations to provide homelessness prevention assistance and assistance to rapidly re-house persons who are homeless. HPRP is not intended to provide long-term support for program participants, nor will it be able to address all of the households' financial and supportive service needs that affect housing stability. HPRP funds awarded under this plan are distributed on a regional basis according to the Regional Allocation Formula (RAF).

See the *Recovery Act* chapter in this document for more details on HPRP.

*HOMELESS HOUSING AND SERVICES PROGRAM*

During the 81st Legislative Session, the Legislature appropriated \$20 million in general revenue funds over the biennium for the Homeless Housing and Services Program (HHSP) for the purposes of assisting regional urban areas in providing services to homeless individuals and families.

Homeless Housing and Services Program funding for FY 2010: \$10,000,000.

More Homeless Housing and Services Program information may be accessed online at [www.tdhca.state.tx.us](http://www.tdhca.state.tx.us). For more information, contact the Community Services Section at (512) 475-3905.

*SECTION 8 HOUSING CHOICE VOUCHER PROGRAM*

TDHCA receives funding for the Section 8 Housing Choice Voucher (Section 8) Program from HUD for counties included in TDHCA's Public Housing Authority's allocation. The Section 8 Program provides rental assistance payments on behalf of low-income individuals and families, including the elderly and persons with disabilities. The Section 8 Program currently contracts with units of local governments, community action agencies and public housing authorities to assist with the administration of approximately 1,000 housing choice vouchers. The Department administers vouchers in 29 counties.

Eligible households have a gross income that does not exceed 50% of HUD's median income guidelines. HUD requires 75% of all new households admitted to the program be at or below 30% of the area median

income. Eligibility is based on several factors, including the household's income, size and composition, citizenship status, assets and medical and childcare expenses.

Projected Section 8 Housing Choice Voucher Program funding for FY 2010: \$5,833,128. Projected funding may vary depending on action taken by HUD.

Additional documentation, including the Section 8 Plan, may be accessed at the TDHCA website at <http://www.tdhca.state.tx.us/pubs.htm#sec8>. For more information, contact the Section 8 Program at (512) 475-3892.

#### *WEATHERIZATION ASSISTANCE PROGRAM*

The Weatherization Assistance Program (WAP) is funded by the U.S. Department of Energy (DOE) and U.S. Health and Human Services (USHHS) Low Income Home Energy Assistance Program (LIHEAP). The Weatherization Assistance Program allocates funding regionally to help households in each region control energy costs through the installation on weatherization measures and energy conservation education. The Department administers WAP through a network of 34 WAP Subrecipients. The Subrecipients consist of CAAs, nonprofit entities and units of local government. The targeted beneficiaries of WAP in Texas are households with an income at or below 200 percent of federal poverty with priority given to the elderly; persons with disabilities; families with young children; households with the highest energy costs or needs in relation to income (highest home energy burden); and households with high energy consumption.

Partnerships between the Department and El Paso Electric provide additional weatherization measures to low-income utility customers in some regulated electric market areas. This partnership increases the total number of low-income households that receive weatherization services and allow the Department to leverage the federal weatherization funds with the energy company funds.

The allocation formula for WAP uses the following five factors and corresponding weights to distribute its funds by county: non-elderly poverty household factor (40 percent); elderly poverty household factor (40 percent); inverse poverty household density factor (5 percent); median income variance factor (5 percent); and weather factor (10 percent).

Projected Weatherization Assistance Program funding for FY 2010: \$6,000,000 in DOE funding and \$23,900,000 from LIHEAP funding under Public Law 110-329. Projected funding will increase based on the Recovery Act.

The Energy Assistance Plans and Rules may be accessed from the TDHCA website at <http://www.tdhca.state.tx.us/ea/index.htm>. For more information, contact the Energy Assistance Section at (512) 475-3951. To apply for weatherization, call 1-888-606-8889, toll free, using a land line phone number.

#### *WEATHERIZATION ASSISTANCE PROGRAM (RECOVERY ACT)*

Through the Recovery Act, TDHCA received over \$326,975,732 in additional funding for WAP.

See the *Recovery Act* chapter in this document for more details on Weatherization Assistance Program funded through the Recovery Act.

## DISASTER RECOVERY DIVISION

The Disaster Recovery Division administers Community Development Block Grant Disaster Recovery Programs.

### *CDBG DISASTER RECOVERY PROGRAMS ROUND ONE AND ROUND TWO*

In August 2005, Hurricane Katrina made landfall in Louisiana and then in September 2005, Hurricane Rita made landfall near Sabine Pass on the southeast Texas Gulf Coast. Texas experienced an influx of evacuees from Louisiana escaping Hurricane Katrina plus over 75,000 homes in southeast Texas were severely damaged or destroyed as a result of Hurricane Rita. According to the Federal Emergency Management Agency (FEMA), 640,968 Katrina and Rita applicants for assistance were residing in Texas as of February 1, 2006.



CDBG Disaster Recovery Program's Round 1 rehabilitated, reconstructed and elevated Port Arthur homes, like the one pictured above, to help low-income Texans weather future storms.

TDHCA is the administrator of two CDBG allocations for disaster recovery funding in Texas under the Department of Defense Appropriations Act, 2006, Public Laws 109-148 and 109-234. The targeted populations for these funds are households affected by Hurricanes Rita and Katrina who have incomes not exceeding 80 percent AMFI.

For Round One of the funding, under Public Law 109-148 a total of \$74.5 million was awarded to Texas to rebuild the southeast Texas region devastated by Hurricane Rita. Of all funds awarded, 56.8 percent is dedicated to housing activities including home rehabilitation, reconstruction and other eligible activities to help the residents of southeast Texas recover from this disaster.

In July 2006, the TDHCA Board approved awards to three Councils of Governments (COGs) in the region to rebuild damaged homes. In August 2006, funds were awarded to four COGs that applied for the CDBG funds on behalf of cities, counties and Indian tribes for infrastructure repairs.

Round Two of the funding occurred through Public Law 109-234 when HUD announced in August 2006 that Texas would receive an additional \$428 million in CDBG disaster funding to promote long-term recovery in the areas affected by the disaster.

The action plan for the second round of CDBG funding for disaster recovery was approved by HUD on April 13, 2007. CDBG Disaster Recovery Programs Round Two funds are being used to provide assistance to homeowners of low to moderate income whose houses were damaged by Hurricane Rita; to restore and protect owner occupied housing stock in the community of Sabine Pass which was severely damaged by the storm; to repair, rehabilitate and reconstruct affordable rental housing stock in the impacted areas; to restore critical infrastructure damaged by the hurricane; and to provide assistance to the City of Houston and Harris County for increased demands in public services, law enforcement, judicial services and community development in areas that have experienced a dramatic population increase due to an influx of Hurricane Katrina evacuees. The Texas Department of Rural Affairs (TDRA) will administer a portion of the disaster recovery funds through a contract with TDHCA and approved by TDHCA's Governing Board.

Additional information about Round One CDBG Disaster Recovery Programs can be found online at <http://www.tdhca.state.tx.us/cdbg/first-supplemental/>. For more information, contact Jennifer Molinari at (512) 475-2224 or [jennifer.molinari@tdhca.state.tx.us](mailto:jennifer.molinari@tdhca.state.tx.us). Additional information about Round Two CDBG

Disaster Recovery Programs can be found online at <http://www.tdhca.state.tx.us/cdbg/second-supplemental/>.

*CDBG DISASTER RECOVERY PROGRAMS – HURRICANES DOLLY AND IKE*

In 2008, Hurricanes Ike, Gustav and Dolly impacted eastern Texas. Of these, Hurricane Ike was the largest at a Category 4 storm and caused great damage to Galveston and other Texas coastal areas. Hurricane Dolly, a Category 2 storm, overwhelmed the south Texas coast including the Rio Grande Valley.

To assist the recovery efforts of the areas declared major disasters as of December 1, 2008, HUD provided \$1,314,990,193 to Texas in CDBG funds for public infrastructure, economic development and housing under Public Law 110-329. The Office of the Governor, Texas House Select Committee on Hurricane Ike and the Commission for Disaster Recovery and Renewal are coordinating the disaster recovery for Texas which will be overseen by TDRA. TDHCA is partnered with TDRA for disaster recovery and will administer the portion of the disaster recovery funding associated with housing.

Of the disaster recovery CDBG funding granted on November 28, 2008, 50 percent of the funds must be used to support activities benefiting low and moderate-income persons, and up to 50 percent of the funds may be allocated to activities of urgent need or the elimination of slums and blight. According to the federal register notice regarding the allocation of these funds, at least 10.6 percent, or \$139,743,911, of the funding amount must be used for affordable rental housing. Of this amount, 4.47 percent, or \$58,834,914, has been set aside for TDHCA affordable rental housing stock restoration; the remaining required 6.13 percent, or \$80,908,997 will be met or exceeded through rental activities administered by the subrecipients of these funds. The *State of Texas Plan for Disaster Recovery* prepared by TDRA was approved by HUD in March 2009.

Awardees of CDBG Hurricanes Dolly and Ike Recovery funding include city and county governments, nonprofit and for-profit organizations, and Councils of Government.

Additional information about CDBG Disaster Recovery for Hurricanes Dolly and Ike can be found online at [www.TDRA.state.tx.us](http://www.TDRA.state.tx.us) or [www.TDHCA.state.tx.us](http://www.TDHCA.state.tx.us) for housing activities. For more information, contact TDRA at (512) 936-9701.

## HOME INVESTMENT PARTNERSHIPS DIVISION

The HOME Investment Partnership Program Division offers Community Housing Development Organization Set-Aside funds, Homeowner Rehabilitation, Homeownership Assistance (with or without rehabilitation), Rental Housing Development, Tenant-Based Rental Assistance, Tax Credit Assistance Program (Recovery Act) and other specialty programs within these activities.

The HOME Investment Partnerships (HOME) Program is authorized under the Cranston-Gonzalez National Affordable Housing Act (42 USC Section 12701 et. seq.) and receives funding from HUD.

The purpose of the HOME Program is to expand the supply of decent, safe and affordable housing for extremely low-, very low- and low-income households and to alleviate the problems of excessive rent burdens, homelessness and deteriorating housing stock. HOME strives to meet both the short-term goal of increasing the supply and the availability of affordable housing and the long-term goal of building partnerships between state and local governments and private and nonprofit organizations in order to strengthen their capacity to meet the housing needs of lower income Texans. To achieve this purpose, the HOME Program provides loans and grants to units of general local government, Public Housing Authorities (PHAs), Community Housing Development Organizations (CHDOs), nonprofit organizations and for-profit entities. HOME funds awarded under this plan are distributed on a regional basis according to the Regional Allocation Formula (RAF). The HOME RAF can be found in the TDHCA Allocation Plan section in this *Action Plan*. TDHCA provides technical assistance to all recipients of the HOME Program to ensure that all participants meet and follow state implementation guidelines and federal regulations.

According to §2306.111, Texas Government Code, in administering federal housing funds provided to the state under the Cranston-Gonzalez National Affordable Housing Act (Act), the Department shall expend 95 percent of these funds for the benefit of non-participating jurisdictions that do not qualify to receive funds under the Act directly from HUD. This directs HOME funds into rural Texas. As established in Section 2306.111(c) of the Texas Government Code and subject to the submission of qualified applications, 5 percent of the annual HOME Program allocation shall be allocated for applications serving persons with disabilities living in any part of the state.

### *COMMUNITY HOUSING DEVELOPMENT ORGANIZATIONS SET-ASIDE*

Federal regulations require a minimum of 15 percent of the annual HOME allocation is reserved for Community Housing Development Organizations (CHDOs). CHDO set-aside projects are owned, developed, or sponsored by the CHDO, and result in the development of rental units or single-family homeownership.

### *HOMEOWNER REHABILITATION*

HOME's Homeowner Rehabilitation offers rehabilitation or reconstruction cost assistance to homeowners for the repair or reconstruction of their existing home, which must be the principal residence of the homeowner. These funds are awarded as specified in the published Notices of Funding Availability.



Rural Texans, such as the owners of the newly-constructed home above, have benefited greatly from TDHCA's Homeowner Rehabilitation Program.

*HOMEOWNERSHIP ASSISTANCE WITH OR WITHOUT REHABILITATION*

Homeownership Assistance includes down payment and closing cost assistance and is provided to homebuyers for the acquisition of affordable single-family housing, including manufactured housing. These funds are awarded as specified in the published Notices of Funding Availability.

Contract for Deed Conversions, a legislatively mandated program, is a homeownership assistance activity. The purpose of the program is to convert an eligible contract for deed to a warranty deed. These funds are awarded as specified in the published Notices of Funding Availability.

*RENTAL HOUSING DEVELOPMENT*

HOME Rental Housing Development funds are awarded to eligible applicants for the development of affordable rental housing. Owners are required to make the units available to extremely low-, very low- and low-income families and must meet long-term rent restrictions as defined by HUD. These funds are awarded as specified in the published Notices of Funding Availability.

*TAX CREDIT ASSISTANCE PROGRAM (RECOVERY ACT)*

The Tax Credit Assistance Program provides funding to compensate for the current devaluation of Housing Tax Credits (HTCs). The Tax Credit Assistance Program seeks to address the loss in value of HTCs by allowing TDHCA to award federal HOME funds to developments affected by HTC devaluation.

Approximately \$148 million is available for this program. See the *Recovery Act* chapter in this document for more details on the Tax Credit Assistance Program.

*TENANT-BASED RENTAL ASSISTANCE*

Tenant-Based Rental Assistance provides rental subsidy, security and utility deposit assistance. TBRA allows the assisted tenant to move and to live in any dwelling unit with a right to continued assistance, in accordance with written tenant selection policies, for a period not to exceed 24 months. The tenant must also participate in a self-sufficiency program while receiving TBRA assistance. These funds are awarded as specified in the published Notices of Funding Availability.

*SUMMARY OF HOME PROGRAM FUNDING FOR FISCAL YEAR 2010*

HOME Program funding for FY 2010: \$192,288,299. This includes \$43,933,530 in HOME annual allocation and an additional \$148,354,769 through the Recovery Act to be used as gap financing assistance for Housing Tax Credit developments awarded in years 2007, 2008 and 2009.

See the *State of Texas Consolidated Plan: One Year Action Plan* at <http://www.tdhca.state.tx.us/ppa/housing-center/pubs.htm#consolidated> for further details on the HOME Program. The HOME Program Rule may be accessed from the TDHCA website at <http://www.tdhca.state.tx.us/home-division/>. For more information regarding the HOME Program, contact the HOME Division directly at (512) 463-8921.

## HOUSING TRUST FUND DIVISION

For the 2010-2011 biennium, the Housing Trust Fund offers the Affordable Housing Match Program, The Disaster Recovery Homeowner Repair Gap Financing Program, the Home Free Barrier Removal and Rehabilitation Program, the Homeownership Assistance Program, the Rural Housing Expansion Program and the Texas Veterans Housing Assistance Program.



Dallas Habitat for Humanity was awarded Housing Trust Fund's Homeownership Assistance funds to provide down payment assistance for households that help build their own homes with help from volunteers, like the ones seen above.

The Housing Trust Fund Program receives several sources of funding from the State of Texas including general appropriations, multifamily bond issuance fees, loan repayments and other funds that are received and appropriated by the Department or Legislature. The Housing Trust Fund is the only State-authorized program for affordable housing development. Funding is awarded as loans and grants to nonprofits, units of local government, public housing agencies and for-profit entities. The targeted beneficiaries of the program are low-, very low- and extremely low-income households. Housing Trust Fund monies awarded under this plan are distributed on a regional basis according to the Regional Allocation Formula (RAF). The Housing Trust Fund RAF can be found in the TDHCA Allocation Plan section in this *Action Plan*.

### *AFFORDABLE HOUSING MATCH PROGRAM*

The Affordable Housing Match Program provides funding to Nonprofit Organizations for the purpose of leveraging these funds as match for the production and/or provision of affordable housing and promotes greater access to federal and private funds for housing.

### *DISASTER RECOVERY HOMEOWNER REPAIR GAP FINANCING PROGRAM*

The Disaster Recovery Homeowner Repair Gap Financing Program provides gap financing for homeowners affected by disasters who have been awarded disaster recovery funds from other programs in the Department. The previous awards may have been Community Development Block Grant (CDBG) funds through the Disaster Recovery Division or Homeownership Rehabilitation funds through the HOME Investment Partnership Program Division. In order to be eligible for gap financing, the previous awards must have been limited by federal restrictions so that full housing recovery was not possible. This program is administered through Disaster Recovery or HOME Sub-recipients.

### *HOME FREE BARRIER REMOVAL AND REHABILITATION PROGRAM*

The Home Free Barrier Removal and Rehabilitation Program provides funds to eligible entities for accessibility improvements to homes of low-income Persons with Disabilities. These funds will be targeted to allow for reasonable accommodation or modification for rental tenants, homeowners or a member of their household with disabilities needing assistance to fully access their home.

### *HOMEOWNERSHIP ASSISTANCE PROGRAM*

The Homeownership Assistance Program provides funding for zero percent interest gap financing or down payment assistance for first time homebuyers, zero percent interest rehabilitation loans for

homeowners including barrier removal, and other innovative homeownership initiatives as released in the NOFA. Funds are limited to loans to ensure repayment to the program and may only serve households at or below 80% of AMFI.

*RURAL HOUSING EXPANSION PROGRAM*

The Rural Housing Expansion Program provides funding to develop affordable housing in rural Texas as well as build capacity. The funds would have two components for each recipient: (1) a capacity and technical assistance component designed as a grant that includes intensive technical assistance provision and (2) a direct housing delivery component provided as a no-interest loan. This model, generated from significant public input and discussion, provides rural communities the capacity they need, while also ensuring money to create affordable housing in their communities.

*TEXAS VETERANS HOUSING ASSISTANCE PROGRAM*

The Texas Veterans Housing Assistance Program provides funds to eligible entities to provide low-income veterans with rental subsidies or down payment assistance, closing costs and accessible modifications such as ramps, accessible bathrooms and accessible kitchens.

*SUMMARY OF HOUSING TRUST FUND PROGRAM FUNDING FOR FISCAL YEAR 2010*

Projected Housing Trust Fund Program Funding for FY 2010: \$10,963,875. NOFAs will be released identifying the activities for which funds can be applied in accordance with the Biennial Plan as prescribed in Rider 10(d) of the Department's General Appropriations Act. The Housing Trust Fund Rule and Funding Plan may be accessed from the TDHCA website at <http://www.tdhca.state.tx.us/htf>. For more information on the Housing Trust Fund Program, contact the Housing Trust Fund Division at [HTF@tdhca.state.tx.us](mailto:HTF@tdhca.state.tx.us).

## MANUFACTURED HOUSING DIVISION

The Manufactured Housing Division regulates the manufactured housing industry in Texas by ensuring that manufactured homes are well constructed, safe and correctly installed; by providing consumers with fair and effective remedies; and by providing economic stability to manufacturers, retailers, installers and brokers. The Manufactured Housing Division licenses manufactured housing professionals and maintains records of the ownership, location, real or personal property status and lien status (on personal property homes) on manufactured homes. It also records tax liens on manufactured homes. Because of its regulatory nature, the Manufactured Housing Division has its own governing board and executive director.

Relying on a team of trained inspectors operating from eight locations around the state, the Division inspects manufactured homes throughout Texas. Additionally, the Manufactured Housing Division works collectively with TDHCA by inspecting properties for the Portfolio Management and Compliance Division and by inspecting and licensing Migrant Labor Facilities. The Manufactured Housing Division also handles approximately 800 consumer complaints a year, many of those requiring investigation and enforcement action.

For more information, contact the Manufactured Housing Division at 1-800-500-7074.



TDHCA's Manufactured Housing Division is responsible for regulating the manufactured housing industry.

## MULTIFAMILY FINANCE DIVISION

The Multifamily Finance Division offers the Housing Tax Credit Program, the Housing Tax Credit Exchange Program (Recovery Act) and the Multifamily Bond Program.

### *HOUSING TAX CREDIT PROGRAM*

The Housing Tax Credit (HTC) Program receives authority from the U.S. Treasury Department to provide tax credits to nonprofits organizations or for-profit developers. The program supports the development of rental housing that includes reduced rents for low-income Texans. The targeted beneficiaries of the program are very low-income and extremely low-income families at or below 60 percent Area Median Family Income.



Canal Place Apartments, funded through the Housing Tax Credit Program and Multifamily Bond Program, is an affordable alternative for downtown living in Houston.

The HTC Program was created by the Tax Reform Act of 1986 and is governed by the Internal Revenue Code of 1986 (Code), as amended, 26 USC Section 42. The Code authorizes tax credits in the amount of \$2.10 per capita of the state population, excluding additional temporary HTC authority received under the Housing and Economic Recovery Act of 2008 (HERA) and funds allocated under Public Law 110-343 for disaster recovery. Tax credits are also awarded to developments with tax-exempt bond financing and are made independent of the state annual tax credit allocation. TDHCA is the only entity in the state with the authority to allocate HTCs under this program. The State's distribution of the credits is administered by TDHCA's *2010 Housing Tax Credit Program Qualified Allocation Plan and Rules (QAP)*, as required by the Code. Pursuant to Section 2306.6724(c), the Governor shall approve, reject, or modify and approve the Board-approved QAP not later than December 1 of each year. HTC funds awarded under this plan are distributed on a regional basis according to the Regional Allocation Formula (RAF). The HTC RAF can be found in the TDHCA Allocation Plan section in this *Action Plan*.

To qualify for tax credits, the proposed development must involve new construction or undergo substantial rehabilitation of residential units, which is generally defined as at least \$15,000 per rental unit of construction hard costs. The credit amount for which a development may be eligible depends on the total amount of depreciable capital improvements, the percentage of units set aside for qualified tenants and the funding sources available to finance the total development cost. Typically, 60 to 100 percent of a development's units will be set aside for qualified tenants in order to maximize the amount of tax credits the development may claim.

Credits from the state annual tax credit allocation are awarded regionally through a competitive application process. Each application must satisfy a set of threshold criteria and is scored based on selection criteria. The selection criteria referenced in the QAP is approved by the TDHCA Board each year. The Board considers the recommendations of TDHCA staff and determines a final award list. Tax credits to developments with tax-exempt bond financing are awarded through a similar application review process, but because these credits are not awarded from a limited credit pool, the process is noncompetitive and the selection criteria are not part of the application.

Projected Housing Tax Credit Program Funding for FY 2010: \$70,800,000. This includes approximately \$51,000,000 in HTC 2010 ceiling; an additional estimated \$4,800,000 made available under HERA; approximately \$14,900,000 made available under Public Law 110-343 for Hurricane Ike recovery for 2010.

The *2010 Housing Tax Credit Program QAP* may be accessed from the TDHCA website at <http://www.tdhca.state.tx.us/multifamily/htc/index.htm>. For more information, contact the Multifamily Finance Division at (512) 475-3340.

#### *HOUSING TAX CREDIT EXCHANGE (RECOVERY ACT)*

The Texas Tax Credit Exchange Program, a new program created by the Recovery Act, allows developments who have been allocated Housing Tax Credits in 2007, 2008 and 2009 to return their credits and potentially receive a cash grant in exchange for the credits.

In November 2009, TDHCA will apply for Tax Credit Exchange Program funding up to \$586 million from the U.S. Department of the Treasury, Internal Revenue Service. The Department must return any unused funds by January 1, 2011. Housing Tax Credit funds awarded under this plan are distributed on a regional basis according to the Regional Allocation Formula (RAF).

See the *Recovery Act* chapter in this document for more details on the Housing Tax Credit Exchange.

#### *MULTIFAMILY BOND PROGRAM*

The Multifamily Bond Program issues tax-exempt and taxable housing Mortgage Revenue Bonds (MRBs) under the Private Activity Bond Program (PAB) to fund loans to nonprofit and for-profit developers who assist very low- to moderate-income Texans. Owners elect to set aside units in each development according to §1372, Texas Government Code. Rental developments must comply with Section 504 unit standards.

TDHCA issues tax-exempt, multifamily MRBs through two different authorities defined by the Internal Revenue Code. Under one authority, tax-exempt bonds used to create housing developments are subject to the State's private activity volume cap. Under MRBs issued for private activities, funding priorities are as follows:

- Priority 1:
  - (a) Set aside 50% of units rent capped at 30% of 50% of AMFI and the remaining 50% of units rents capped at 30% of 60% of AMFI; or
  - (b) Set aside 15% of units rent capped at 30% of 30% of AMFI and the remaining 85% of units rent capped at 30% of 60% of AMFI; or
  - (c) Set aside 100% of units rent capped at 30% of 60% of AMFI for developments located in a census tract with median income that is higher than the median income of the county, MSA or PMSA in which the census tract is located.
- Priority 2:
  - Set aside 100% of units rent capped at 30% of 60% of AMFI
  - Up to 20% of the units can be market rate
- Priority 3:
  - (a) Any qualified residential rental development

The State will set aside 22 percent of the annual private activity volume cap for multifamily developments. Approximately \$481 million in issuance authority will be made available to various issuers to finance multifamily developments, of which 20 percent, or approximately \$96 million, will be made available exclusively to TDHCA. On August 15th of each year, any allocations in the subcategories of the bond program that have not been reserved pool into one allocation fund. This is an opportunity for

TDHCA to apply for additional allocation and which allows TDHCA to issue more bonds than the set-aside of \$96 million.

PAB Issuance authority per individual development is allocated and administered by the Texas Bond Review Board (BRB). Initially, applications submitted to the BRB are allocated by a lottery. TDHCA, local issuers, local housing authorities and other eligible bond issuers submit applications for specific developments on behalf of development owners. Applications submitted to TDHCA for the private activity bond program will be scored and ranked by priority and highest score. TDHCA will be accepting applications throughout the 2010 program year. Developments that receive 50 percent or more of their funding from the proceeds of tax-exempt bonds under the private activity volume cap are also eligible to apply for HTCs.

Under the second authority, TDHCA may issue tax-exempt MRBs to finance properties that are owned entirely by nonprofit organizations. Bonds issued under this authority are exempt from the private activity volume cap. This is a noncompetitive application process and applications may be received at any time throughout the year. In addition to the set-asides above, 75 percent of development units financed under the 501(c)(3) authority must be occupied by households earning 80 percent or less of the AMFI.

Anticipated available Multifamily Bond Program Funding for FY 2010, including additional disaster recovery and economic stimulus authority: \$120,000,000.

The Multifamily Housing Revenue Bond Rules may be accessed from the TDHCA website at <http://www.tdhca.state.tx.us/multifamily/bond/index.htm>. For more information, contact the Multifamily Finance Production Division at (512) 475-3340.

## NEIGHBORHOOD STABILIZATION PROGRAM DIVISION

The Neighborhood Stabilization Program Division administers the Neighborhood Stabilization Program 1.

### *Neighborhood Stabilization Program 1*

The Neighborhood Stabilization Program 1 (NSP) is a HUD-funded program authorized by HERA as a supplemental allocation to the CDBG Program through an amendment to the existing *2008 State of Texas Consolidated Plan One-Year Action Plan*. The purpose of the program is to redevelop into affordable housing or acquire and hold abandoned and foreclosed properties in areas that are documented to have the greatest need for declining property values as a result of excessive foreclosures. Units of local governments and other entities with the consent of the local governments are eligible to apply for these funds.



With the Neighborhood Stabilization Program, TDHCA helps Texas neighborhoods recover from excessive foreclosures.

According to the NSP 1 Action Plan Substantial Amendment, each subrecipient will be required to target as a goal at least 35% of their non-administrative allocation to benefit households with incomes less than or equal to 50% of AMFI. Acquisition of real property allows a grantee to purchase the abandoned or foreclosed properties to rehabilitate and sell to households earning 120% AMFI or below.

TDHCA and TDRA will work together to administer the \$102 million in funds received from HUD. TDHCA is taking the lead role in this partnership. Initially the Department proposes to distribute the funds as follows:

- Direct Awards \$ 51 million (more urban areas)
- Select Pool \$ 31 million (more rural/smaller communities)
- Land Bank \$ 10 million
- Administration \$ 10 million

Projected NSP 1 Funding for FY 2009: \$102,000,000

The NSP 1 Substantial Amendment and the Notice of Funding Availability (NOFA) may be accessed from the TDHCA website at <http://www.tdhca.state.tx.us/nsp/index.htm>. For more information, contact Robb Stevenson, NSP Manager, at (512) 463-2179.

## OFFICE OF COLONIA INITIATIVES

The Office of Colonia Initiatives Division offers two programs: the Colonia Self-Help Center Program and the Texas Bootstrap Loan Program.

### *COLONIA SELF-HELP CENTER PROGRAM*

In 1995, the 74th Legislature passed Senate Bill 1509, a legislative directive to establish colonia Self-Help Centers (SHCs) in Cameron/Willacy, Hidalgo, Starr, Webb and El Paso counties. Funded through the Community Development Block Grant Program, this program also allows the Department to establish a colonia SHC in any other county if the county is designated as an economically distressed area. Operation of the Colonia SHCs is managed by local nonprofit organizations, CAAs or local housing authorities that have demonstrated the capacity to operate a Colonia SHC.

These colonia SHCs provide concentrated on-site technical assistance to low- and very low-income individuals and families in a variety of ways including housing, community development activities, infrastructure improvements, outreach and education.

Colonia Self-Help Center Program funding for FY 2010: \$1,800,000

More detail can be found in *Section 6: Colonia Action Plan*. Additional information may be accessed at the TDHCA website at <http://www.tdhca.state.tx.us/oci/centers>. For more information, contact Will Gudeman at (512) 475-4828 or [will.gudeman@tdhca.state.tx.us](mailto:will.gudeman@tdhca.state.tx.us).

### *TEXAS BOOTSTRAP LOAN PROGRAM (OWNER-BUILDER)*

The Texas Bootstrap Loan Program provides loans through certified nonprofit organizations for self-help housing initiatives. Identified as the Owner-Builder Loan Program in Texas Government Code 2306.751, the Texas Bootstrap Loan Program promotes and enhances homeownership for very low-income Texans by providing funds to purchase or refinance real property on which to build new residential housing, construct new residential housing or improve existing residential housing throughout Texas. This program is funded through the Housing Trust Fund.

Projected Texas Bootstrap Loan Program funding for FY 2010/2011: \$11,600,000

More detail can be found in *Section 6: Colonia Action Plan*. Additional information may be accessed at the TDHCA website at <http://www.tdhca.state.tx.us/oci/bootstrap.jsp>. For more information, contact Raul Gonzales at (512) 475-1473 or [raul.gonzales@tdhca.state.tx.us](mailto:raul.gonzales@tdhca.state.tx.us).



A Texas Bootstrap Loan recipient places a roof shingle into place.

## TEXAS HOMEOWNERSHIP DIVISION

The Homeownership Division offers the 90-Day Down Payment Program and Mortgage Advantage Programs (Recovery Act), First Time Homebuyer Program, Mortgage Credit Certificate Program, the National Foreclosure Mitigation Counseling Program and the Texas Statewide Homebuyer Education Program.

### *FIRST TIME HOMEBUYER PROGRAM*

The program is offered through a network of participating lenders. The program provides homeownership opportunities through below-market interest rate loans and/or down payment assistance for qualified individuals and families whose gross annual household income does not exceed 115 percent of AMFI limitations, based on IRS adjusted income limits, or 140 percent of AMFI limitations if in a targeted area. The purchase price of the home must not exceed stipulated maximum purchase price limits. A minimum of 30 percent of program funds will be set aside to assist Texans earning 80 percent or less of program income limits.

Income limits for the program are set by the IRS Tax Code (1986) based on income figures determined by HUD. The first-time homebuyer restriction is established by federal Internal Revenue Service regulations, which also require that program recipients may be subject to a recapture tax on any capital gains realized from a sale of the home during the first nine years of ownership. Certain exceptions to the first-time homebuyer restriction, income ceiling and maximum purchase price limitation apply in targeted areas. Such targeted areas are qualified census tracts in which 70 percent or more of the families have an income of 80 percent or less of the statewide median income and/or are areas of chronic economic distress as designated by the state and approved by the Secretaries of Treasury and HUD, respectively.

Projected Texas First Time Homebuyer Program funding for FY 2010: \$300,000,000

The Texas First Time Homebuyer Program Rules may be accessed from the TDHCA website at <http://www.tdhca.state.tx.us/homeownership/index.htm>. For more information, contact Eric Pike, Texas Homeownership Division, at (512) 475-3356 or [eric.pike@tdhca.state.tx.us](mailto:eric.pike@tdhca.state.tx.us). To request a First Time Homebuyer information packet, please call 1-800-792-1119.

### *HOMEBUYER TAX CREDIT PROGRAMS - 90-DAY DOWN PAYMENT PROGRAM AND MORTGAGE ADVANTAGE PROGRAMS (RECOVERY ACT)*

The Recovery Act allows for eligible first-time homebuyers to receive a tax refund equal to 10% of the purchase price of their home or \$8,000, whichever is less. Residences must be purchased on or after January 1, 2009 and before December 1, 2009. In June 2009, TDHCA launched the 90-Day Down Payment Assistance and Mortgage Advantage Programs to allow potential homebuyers to take advantage of the federal first-time homebuyer tax credit.

See the *Recovery Act* chapter in this document for more details on the 90-Day Down Payment Program and Mortgage Advantage Programs.



TDHCA Homebuyer programs helped approximately 2,000 families and individuals, like Marisa Callan above, become homeowners in 2008.

*MORTGAGE CREDIT CERTIFICATE PROGRAM*

TDHCA has the ability to issue Mortgage Credit Certificates (MCCs) through its bond authority. The program is offered through a network of approved lenders. An MCC provides a tax credit up to \$2,000 annually that reduces the borrower's federal income tax liability. The credit cannot be greater than the annual federal income tax liability, after all other credits and deductions have been taken into account. MCC tax credits in excess of a borrower's current year tax liability may, however, be carried forward for use during the subsequent three years.

The MCC Program provides homeownership opportunities for qualified individuals and families whose gross annual household income does not exceed 115 percent of AMFI limitations, based on IRS adjusted income limits. In order to participate in the MCC Program, homebuyers must meet certain eligibility requirements and obtain a mortgage loan through a participating lender. The mortgage loan must be financed from sources other than tax-exempt revenue bonds. The mortgage may be a conventional, FHA, VA, or RHS loan at prevailing market rates.

Projected Mortgage Credit Certificate funding for FY 2010: \$120,000,000

The Texas First Time Homebuyer Program Rules may be accessed from the TDHCA website at <http://www.tdhca.state.tx.us/homeownership/index.htm>. For more information, contact Eric Pike, Texas Homeownership Division, at (512) 475-3356 or [eric.pike@tdhca.state.tx.us](mailto:eric.pike@tdhca.state.tx.us).

*NATIONAL FORECLOSURE MITIGATION COUNSELING PROGRAM*

The Omnibus Appropriations Act of 2009 (Public Law 111-8) continued the National Foreclosure Mitigation Counseling (NFMC) Program originally authorized by the FY 2008 Consolidated Appropriations Act. NFMC funds are federal funds available through NeighborWorks America for foreclosure intervention counseling, training and administration. The purpose of the program is to expand and supplement foreclosure counseling.

In October 2008, TDHCA partnered with six HUD-approved foreclosure mitigation counseling organizations that met the NeighborWorks' experience threshold in order to create an application for funding for NFMC Round 2. In August 2009, TDHCA partnered with nine HUD-approved foreclosure mitigation counseling organizations to submit an application for NFMC Round 3.

TDHCA jointly administers the program with the Texas State Affordable Housing Corporation (TSAHC). Funding was awarded to the partner nonprofit organizations and local units of government included in the application submitted to NeighborWorks America. NFMC Round 2 reimburses for counseling performed between January 1, 2009 and December 31, 2009. NFMC Round 3 reimburses for counseling performed between July 1, 2009 and June 30, 2010.

The partner organizations have written plans for providing in-person counseling with homeowners in danger of foreclosure. Eligible recipients of foreclosure intervention counseling must be owner-occupants of single-family (one-to-four unit) properties with mortgages in default or danger of default. Many of the partner organizations work with toll-free foreclosure prevention hotlines.

All funds will be targeted to "areas of greatest need" which are defined as areas experiencing a high rate of subprime lending, delinquent loans and foreclosure starts. For NFMC Round 2, 30 percent of the funds will be targeted to low-income or minority homeowners and low-income and minority neighborhoods. For NFMC Round 3, 50 percent of the funds will be targeted to low-income or minority homeowners and 15 percent of the funds will be targeted to low-income and minority neighborhoods.

National Foreclosure Mitigation Program Round 3 Funding for FY 2010: \$ 449,960.

For more information, contact Elizabeth Yevich, Housing Resource Center, at (512) 463-7961 or [elizabeth.yevich@tdhca.state.tx.us](mailto:elizabeth.yevich@tdhca.state.tx.us).

*TEXAS STATEWIDE HOMEBUYER EDUCATION PROGRAM*

TDHCA funds the Texas Statewide Homebuyer Education Program (TSHEP) and contracts with training professionals to offer provider-certification training to nonprofit organizations including Texas Agriculture Extension Agents, units of local government, faith-based organizations, CHDOs, community development corporations, community-based organizations and other organizations with a proven interest in community building. The classes are conducted by NeighborWorks America. In addition, a referral service for individuals interested in taking a homebuyer education class is available through TDHCA.

Projected Texas Statewide Homebuyer Education Program funding for FY 2010: \$90,000

For more information, contact Dina Gonzalez, Texas Homeownership Division at (512) 475-3993 or [dina.gonzalez@tdhca.state.tx.us](mailto:dina.gonzalez@tdhca.state.tx.us).

## HOUSING SUPPORT CONTINUUM

The Housing Support Continuum consists of a series of phases that low-income households may experience at different times of their lives and the assistance provided through the network of TDHCA-funded service providers in regard to each phase. The Housing Support Continuum has six phases: (1) Poverty and Homelessness Prevention, (2) Rental Assistance and Multifamily Development, (3) Homebuyer Assistance and Single-Family Development, (4) Rehabilitation and Weatherization, (5) Foreclosure Relief and (6) Disaster Recovery and Relief.

### (1) POVERTY AND HOMELESSNESS PREVENTION

For Texans who struggle with poverty or are currently homeless, TDHCA offers several programs that provide essential services to assist with basic necessities.

#### A. POVERTY PREVENTION

##### *COMMUNITY SERVICES BLOCK GRANT PROGRAM AND COMMUNITY SERVICES GRANT PROGRAM (RECOVERY ACT)*

Community Service Block Grant (CSBG) activities can be instrumental in preventing homelessness in the lowest-income populations. Activities for CSBG program including access to child care; health and human services; nutrition; transportation; job training and employment services; education services; activities designed to make better use of available income; housing services; emergency assistance; activities to achieve greater participation in the affairs of the community; youth development programs; information and referral services; activities to promote self-sufficiency; and other related services. Recovery Act CSBG Activities should create sustainable economic resources in communities, including innovative employment related services and activities toward the reform goals of the Recovery Act. The Recovery Act allows for States to reserve one percent of the funds for benefits enrollment coordination activities relating to the identification and enrollment of eligible individuals and families in Federal, State, and local benefit programs.

##### *COMPREHENSIVE ENERGY ASSISTANCE PROGRAM*

For those low-income Texans who have housing, subsidizing or reducing the energy costs may help keep that housing affordable and prevent homelessness. An applicant seeking energy assistance applies to the local Comprehensive Energy Assistance Program (CEAP) Subrecipient for assistance. The Subrecipient determines income eligibility, prioritizes status (this includes a review of billing history to determine energy burden and consumption) and determines which CEAP component is most appropriate for the eligible applicant. If the CEAP applicant is eligible and meets program priorities, the CEAP Subrecipient makes an energy payment to an energy company through a vendor agreement with energy providers. Additionally, some households qualify for repair, replacement or retrofit of inefficient heating and cooling appliances.

There are four CEAP components:

- The Elderly and/or Disabled Component is designed to assist households with at least one member who is elderly and/or disabled. Households can receive up to four energy payments in a program year. Assistance is based on energy consumption in the previous 12 months, energy burden (percentage of income used for energy) and the income category for which the household qualifies.
- The Co-Payment Component is designed to assist households by providing client education, budget counseling and assisting households with energy payments for six to twelve months.

- The Heating and Cooling Component is designed to address inefficient heating and cooling appliances through repair, replacement, or retrofit for households that have high energy consumption
- The Energy Crisis Component is designed to provide one-time energy assistance to households during a period of extreme temperatures or an energy supply shortage. In some instances, Energy Crisis funds can be used to address natural disasters.

## B. HOMELESSNESS PREVENTION

### *EMERGENCY SHELTER GRANT PROGRAM*

Emergency Shelter Grant Program (ESGP) is the primary program used specifically to provide shelter to homeless Texans or those faced with homelessness. Activities eligible for ESGP funding include the rehabilitation or conversion of buildings for use as emergency shelters for the homeless; the provision of essential services to the homeless; costs related to the development and implementation of homeless prevention activities; medical and psychological counseling; assistance with obtaining permanent housing; and costs related to maintenance, operation administration, rent, repairs, security, fuel, equipment, insurance, utilities, food and furnishings.

### *HOMELESS HOUSING AND SERVICES PROGRAM*

Homeless Housing and Services Program (HHSP) will be used for the purposes of assisting regional urban areas in providing services to homeless individuals and families, including the construction of facilities, direct services, case management, homeless prevention, housing retention and rental assistance.

### *HOMELESSNESS PREVENTION AND RAPID RE-HOUSING (RECOVERY ACT)*

Homelessness Prevention and Rapid Re-housing (HPRP) can provide the following types of assistance: (1) financial assistance including short-term (up to 3 months) and medium-term (up to 18 months) rental assistance, security deposits, utility deposits and payments, moving cost assistance, and motel and hotel vouchers; (2) housing relocation and stabilization services including case management (e.g. arrangement, coordination, monitoring and delivery of services related to meeting housing needs), outreach and engagement, housing search and placement, legal services (e.g. legal advice and representation in administrative or court proceedings related to tenant/landlord matters or housing issues, excluding mortgage legal services), and credit repair.

## **(2) RENTAL ASSISTANCE AND MULTIFAMILY DEVELOPMENT**

For low-income Texans who have difficulty affording rent, TDHCA offers two main types of support: rental subsidies for low-income Texans and rental development subsidies for developers who, in turn, produce housing with reduced rents for low-income Texans.

## A. RENTAL ASSISTANCE

### *SECTION 8 HOUSING CHOICE VOUCHER PROGRAM*

The Section 8 Housing Choice Voucher Program provides rental subsidies for decent, safe and sanitary housing to eligible households. TDHCA pays approved rent amounts directly to property owners. Qualified households may select the best available housing through direct negotiations with landlords to ensure accommodations that meet their needs.

*TENANT-BASED RENTAL ASSISTANCE*

The HOME Program's Tenant-Based Rental Assistance (TBRA) provides rental subsidy, security and utility deposit assistance. TBRA allows the assisted tenant to move and to live in any dwelling unit with a right to continued assistance, in accordance with written tenant selection policies, for a period not to exceed 24 months. The tenant must also participate in a self-sufficiency program while receiving TBRA assistance.

*TEXAS VETERANS HOUSING ASSISTANCE PROGRAM – VETERANS' RENTAL ASSISTANCE*

The Housing Trust Funds' Texas Veterans Housing Assistance Program provides rental subsidies for a maximum of two years, allowing assisted households to live in any rental unit in the service area to low-income veterans.

**B. MULTIFAMILY DEVELOPMENT**

*AFFORDABLE HOUSING MATCH PROGRAM*

The Housing Trust Funds' Affordable Housing Match Program provides funding to Nonprofit Organizations to attract or meet requirements for affordable housing grants or government programs. An example of an eligible use includes direct match for state, federal or private grants or loans for rental development.

*COMMUNITY HOUSING DEVELOPMENT ORGANIZATION SET-ASIDE*

Through the HOME Program, these organizations can apply for multifamily rental housing acquisition, rehabilitation, or new construction, as well as for the acquisition, rehabilitation, or new construction of single-family housing.

*HOUSING TAX CREDIT EXCHANGE (RECOVERY ACT)*

Through the Recovery Act, the Texas Tax Credit Exchange (HTC EX) Program allows developments who have been allocated tax credits in 2007, 2008 and 2009 to return their credits and potentially receive a cash grant in exchange for the credits. This program will allow developers to build additional housing for low-income Texans.

*HOUSING TAX CREDIT PROGRAM*

The purpose of the Housing Tax Credit (HTC) Program is to encourage the development and preservation of affordable rental housing for low-income families, provide for the participation of for-profit and nonprofit organizations in the program, maximize the number of units added to the state's housing supply and prevent losses in the state's supply of affordable housing.

*MULTIFAMILY BOND PROGRAM*

The proceeds of the bonds issued by TDHCA are used to finance the construction, acquisition, or rehabilitation of multifamily properties with the targeted beneficiaries being very low, low and moderate-income households. Property owners are also required to offer a variety of services to benefit the residents of the development. Specific tenant programs must be designed to meet the needs of the current tenant profile and must be approved annually by TDHCA.

*RENTAL HOUSING DEVELOPMENT*

HOME Rental Housing Development (RHD) funds are awarded to eligible applicants for the development of affordable rental housing. Owners are required to make the units available to extremely low-, very low- and low-income families and must meet long-term rent restrictions as defined by HUD.

*RURAL HOUSING EXPANSION PROGRAM*

The Housing Trust Funds' Rural Housing Expansion Program will be awarded to eligible applicants for the development of affordable rental housing and capacity building to the eligible applicant, increasing the capability of rural organizations.

*TAX CREDIT ASSISTANCE PROGRAM (RECOVERY ACT)*

The Recovery Act seeks to address the loss in value of Housing Tax Credits (HTCs) by allowing TDHCA to award federal HOME funds through the Tax Credit Assistance Program (TCAP) to HTC developments affected by devaluation in the tax credit market. This program provides gap financing to affordable rental developments awarded HTCs in years 2007 and 2008, as well as current program applicants, to build multifamily housing for low-income Texans.

**(3) HOMEBUYER EDUCATION, ASSISTANCE AND SINGLE-FAMILY DEVELOPMENT**

After a low-income household has become self-sufficient, the household may be ready for homeownership. Homeownership may help a low-income household to build equity, raise the household out of the low-income financial category and promote self-sufficiency. An asset-development approach to addressing poverty emphasizes the use of public assistance to facilitate long-term investments rather than incremental increases in income. TDHCA works to ensure that potential homeowners understand the responsibilities of homeownership by offering homeownership education courses as well as providing financial tools to make homeownership more attainable.

**A. HOMEBUYER EDUCATION***COLONIA SELF-HELP CENTER PROGRAM*

The colonia Self-Help Center (SHC) Program provides outreach, education and technical assistance to colonia residents. Colonia SHCs provide technical assistance in credit and debt counseling, housing finance, contract for deed conversions, capital access for mortgages, as well as in grant writing, housing rehabilitation, new construction, surveying and platting, construction skills training, solid waste removal, tool library access for self-help construction and infrastructure construction and access.

*TEXAS STATEWIDE HOMEBUYER EDUCATION PROGRAM*

To ensure uniform quality of the homebuyer education provided throughout the state, TDHCA contracts with training professionals to teach local nonprofit organizations the principles and applications of comprehensive pre- and post-purchase homebuyer education. The training professionals and TDHCA also certify the participants as homebuyer education providers.

**B. HOMEBUYER ASSISTANCE***AFFORDABLE HOUSING MATCH PROGRAM*

The Housing Trust Funds' Affordable Housing Match Program provides funding to Nonprofit Organizations to attract or meet requirements for affordable housing grants or government programs. An

example of an eligible use includes creation of a loan loss reserve account to encourage banks to lend to low-income families.

*FIRST TIME HOMEBUYER PROGRAM – NON-TARGETED FUNDS*

The Texas Homeownership Division's First Time Homebuyer Program non-targeted funds may offer eligible homebuyers below-market interest rate loans and/or down payment assistance through a network of participating lenders. The program is available on a first-come, first-served basis to individuals or families up to 115% of the AMFI who meet income and home purchase requirements, and have not owned a home as their primary residence in the past three (3) years.

*FIRST TIME HOMEBUYER PROGRAM – TARGETED FUNDS*

The Texas Homeownership Division's First Time Homebuyer Program targeted funds may offer eligible homebuyers below-market interest rate loans and/or down payment assistance through a network of participating lenders in areas of chronic economic distress. The program is available on a first-come, first-served basis to individuals or families up to 140% of the AMFI who meet income and home purchase requirements. The first time homebuyer requirement is waived for borrower's purchasing properties located in targeted areas.

*HOMEBUYER TAX CREDIT PROGRAMS - 90-DAY DOWN PAYMENT PROGRAM AND MORTGAGE ADVANTAGE PROGRAM (RECOVERY ACT)*

For homebuyers using the Recovery Act's first-time homebuyer tax credit, the Texas Homeownership Division's 90-Day Down Payment Assistance Program provides 5 percent of the first lien mortgage amount up to a maximum of \$7,000 for down payment and/or closing costs at 0 percent interest for 90 days. For homebuyers using the Recovery Act first-time homebuyer tax credit and the Texas First Time Homebuyer Program and/or the MCC Program, the Mortgage Advantage Program provides 5 percent of the first lien mortgage amount up to a maximum of \$6,000 for down payment and/or closing costs. The Mortgage Advantage Program offers 0 percent interest on the second lien for 120 days.

*HOMEOWNERSHIP ASSISTANCE*

HOME's Homeownership Assistance includes down payment and closing cost assistance and is provided to homebuyers for the acquisition of affordable single-family housing, including manufactured housing. Homeownership Assistance with Rehabilitation offers down payment and closing cost assistance and also includes construction costs associated with architectural barrier removal for homebuyers with disabilities.

*HOMEOWNERSHIP ASSISTANCE - CONTRACT FOR DEED*

HOME's Homeownership Assistance's Contract for Deed (CFD) activity converts an eligible contract for deed into a traditional mortgage. This is achieved by offering assistance to eligible homebuyers for the acquisition or the acquisition and rehabilitation, new construction or reconstruction of properties. All CFD conversions must be used for families that reside in a colonia and earn sixty percent (60%) or less of the Area Median Family Income.

*HOMEOWNERSHIP ASSISTANCE PROGRAM – HOMEBUYER ASSISTANCE*

The Housing Trust Funds' Homeownership Assistance Program provides funding for zero percent interest gap financing or down payment assistance for first-time homebuyers.

*MORTGAGE CREDIT CERTIFICATE PROGRAM*

The Texas Homeownership Division's MCC provides a tax credit that effectively reduces the borrower's federal income tax liability. The amount of the annual tax credit may equal 30 percent of the annual

interest paid on a mortgage loan; however, the maximum amount of the credit cannot exceed \$2,000 per year. This tax savings may also provide a family with more available income to qualify for a loan and meet mortgage payment requirements.

*TEXAS VETERANS HOUSING ASSISTANCE PROGRAM – VETERANS’ HOMEBUYER ASSISTANCE*

Housing Trust Funds’ Homeownership Assistance program will be available to low-income veterans as a one-time deferred forgivable loan of up to \$35,000 for down payment assistance, closing costs and accessible modifications such as ramps, accessible bathrooms and accessible kitchens.

**C. SINGLE-FAMILY DEVELOPMENT**

*COMMUNITY HOUSING DEVELOPMENT ORGANIZATION SET-ASIDE*

Through the HOME Program, these organizations can apply for multifamily rental housing acquisition, rehabilitation, or new construction, as well as for the acquisition, rehabilitation, or new construction of single-family housing.

*RURAL HOUSING EXPANSION PROGRAM*

The Housing Trust Funds’ Rural Housing Expansion Program will be awarded to eligible applicants for the development of affordable rental housing. This program will also provide capacity building to the eligible applicant, increasing the capability of rural organizations.

*TEXAS BOOTSTRAP LOAN PROGRAM*

The Office of Colonia Initiative’s Texas Bootstrap Loan Program provides funds to purchase or refinance real property on which to build new residential housing, construct new residential housing or improve existing residential housing. For more detailed information, see *Section 6: Colonia Action Plan*.

**(4) REHABILITATION AND WEATHERIZATION**

In the course of homeownership, there may come a time when substantial rehabilitation or reconstruction needs to take place. In addition, by providing minor repairs and weatherization to owned or rented housing, the energy costs associated with housing will be reduced. TDHCA offers both these services.

**A. REHABILITATION**

*HOMEOWNER REHABILITATION*

HOME’s Homeowner Rehabilitation program provides rehabilitation or reconstruction cost assistance to homeowners for the repair or reconstruction of their existing home, which must be their principal residence. At the completion of the assistance, all properties must meet, as applicable, the Texas Minimum Construction Standards, the International Residential Code (IRC) and local building codes. If a home is reconstructed, the applicant must also ensure compliance with the universal design features in new construction, established by §2306.514, Texas Government Code.

*HOMEOWNERSHIP ASSISTANCE PROGRAM – HOMEOWNER REHABILITATION*

The Housing Trust Funds’ Homeownership Assistance Program provides zero percent interest rehabilitation loans for homeowners including barrier removal, and other innovative homeownership initiatives.

*HOME FREE BARRIER REMOVAL AND REHABILITATION PROGRAM*

The Housing Trust Fund's Home Free Barrier Removal and Rehabilitation Program is designed to provide a one-time grant up to \$15,000 for home modifications specifically needed for accessibility, and up to an additional \$5,000 in other rehabilitation costs correlated with the barrier removal project. Home modifications may include installing handrails; ramps; buzzing or flashing devices; accessible door and faucet handles; shower grab bars and shower wands; and accessible showers, toilets and sinks. Home modifications may also include door widening and counter adjustments.

**B. WEATHERIZATION***WEATHERIZATION ASSISTANCE PROGRAM AND WEATHERIZATION ASSISTANCE PROGRAM (RECOVERY ACT)*

The purpose of Community Affairs' Weatherization Assistance Program (WAP) is to provide cost-effective weatherization measures to improve the energy efficiency of eligible client households. In order to provide weatherization measures for a dwelling, the household must meet income-eligibility criteria and the measures must meet specific energy-savings goals. Typical weatherization measures include attic and wall insulation, weather-stripping and air sealing measures, heating and cooling unit repair and/or replacement, energy efficient appliances such as refrigerator replacement, caulking and replacement of inefficient heating and cooling units and minor roof repair. WAP also provides energy conservation education. Community Affairs' Weatherization Assistance Program (WAP) offered through the Recovery Act provides similar assistance as WAP not offered through the Recovery Act. The main differences are in eligibility requirements for households and an increase in the amount of funding allowed for weatherization on each housing unit.

**(5) FORECLOSURE RELIEF**

In a proactive response to a national foreclosure crisis, TDHCA has undertaken several programs to mitigate foreclosure.

**A. FORECLOSURE PREVENTION***NATIONAL FORECLOSURE MITIGATION COUNSELING*

The purpose of the Texas Homeownership Division's National Foreclosure Mitigation Counseling (NFMC) Program is to reimburse HUD-Approved foreclosure counseling agencies for foreclosure mitigation counseling. Foreclosure mitigation counseling includes, but is not limited to, financial analysis of the client's situation, research to determine the current value of the home and a review of options available to the client, such as financial restructuring. While the most desirable outcome is to help homeowners obtain a mortgage they can afford, the purpose of the program is to prevent foreclosure and, in some instances, the only way to successfully cure a default may be to sell the home.

**B. POST-FORECLOSURE MITIGATION***NEIGHBORHOOD STABILIZATION PROGRAM 1*

The Neighborhood Stabilization Program (NSP) 1 will provide funds to local units of government and other entities with the consent of the local governments to provide clearance, financing mechanisms, acquisition of real property, rehabilitation, creation of land banks and redevelopment of foreclosed properties.

According to the NSP 1 Action Plan and subject to approval by HUD, clearance will allow a grantee to remove dangerous structures that pose a threat to human health, safety, and public welfare and allow for

the future private redevelopment of the property. Financing mechanisms will allow homebuyers who earn 50% or less of Area Median Family Income (AMFI) to qualify for 100% financing through the Department at 0% interest for 30 years and will also allow homebuyers who earn 120% or less of AMFI to qualify for up to \$30,000 in homebuyer assistance. The acquisition of real property will allow subrecipients to acquire foreclosed and/or abandoned homes if the acquisition reflects a minimum discount from the approved appraisal fair market value at the time of closing. The home will be considered to be abandoned if foreclosure proceedings have begun; if the seller has not made tax or mortgage payments for 90 days; and the home has been vacant for 90 days. Acquisition of real property allows a grantee to purchase the abandoned or foreclosed properties to rehabilitate and sell to households earning 120% AMFI or below. Rehabilitation will allow rehabilitation and/or improvement of existing structures to a condition that brings the structure into in compliance with Texas Minimum Construction Standards. Land banking activities will allow foreclosed properties to be temporarily removed from the real estate market in order to allow neighborhoods experiencing declining property values to recover. Redevelopment of demolished or vacant properties will address areas of greatest need throughout the state wherever there are large amounts of demolished or vacant properties that are contributing to declining land values.

## **(6) DISASTER RECOVERY AND RELIEF**

When natural and man-made disasters strike, low-income households are often the most dramatically affected. In an effort to reduce the recovery time, almost every department in TDHCA offers some sort of disaster assistance. TDHCA is committed to quickly, efficiently and responsibly locating funds and developing programs and initiatives to assist affected households and communities. Below are descriptions of the disaster recovery initiatives the Department has developed.

### *AFFORDABLE HOUSING MATCH PROGRAM*

The Housing Trust Funds' Affordable Housing Match Program provides funding to Nonprofit Organizations to attract or meet requirements for affordable housing grants or government programs. An example of an eligible use includes direct match for state, federal or private grants or loans for disaster recovery.

### *CDBG DISASTER RECOVERY PROGRAMS - ROUND ONE*

CDBG Disaster Recovery Program Round One funds will be used for housing activities and non-housing activities for the recovery from Hurricanes Rita and Katrina. CDBG Disaster Recovery Program Round One's housing activities include, but are not limited to, single-family and multifamily acquisition, demolition, repair, rehabilitation, reconstruction and new construction as appropriate for the specific local needs to address damage as a result of Hurricane Rita. Flood buyouts of homes damaged by Hurricane Rita in which the owner will repurchase a home are considered housing activities.

CDBG Disaster Recovery Program Round One's non-housing activities include, but not be limited to, FEMA Infrastructure Grant Program match, FEMA Hazard Mitigation Grant Program match (including drainage projects, flood buyouts in which the property is converted into open, undeveloped land, and safe-room and community storm shelters), Natural Resource and Conservation Service (NRCS-USDA) flood and drainage projects, roads and bridges, water control facilities, water and waste water facilities, buildings and equipment, hospitals and other medical facilities, utilities, parks and recreational facilities, debris removal, public/community shelters, and loan funds for businesses. The Texas Department of Rural Affairs (TDRA) will administer the non-housing activities through a contract with TDHCA and approved by TDHCA's Governing Board.

*CDBG DISASTER RECOVERY PROGRAMS - ROUND TWO*

CDBG Disaster Recovery Program funds for Round Two are divided among the Homeowners Assistance Program, the Sabine Pass Restoration Program, the Multifamily Rental Housing Stock Preservation Program, the Restoration of Critical Infrastructure Program and the City of Houston and Harris County Public Service and Community Development Program.

The Homeowner Assistance Program is available for homeowners with incomes up to 80 percent of AMFI whose homes were damaged by Hurricane Rita. All grant amounts or deferred forgivable loans are based on damage to the dwelling and will be used for rehabilitation and new construction.

The Sabine Pass Restoration Program provides three types of assistance. (1) Home rehabilitation and reconstruction assistance made available for homeowners with incomes up to 150 percent of AMFI. (2) Homeowners may also apply for assistance to defray the costs of elevating rehabilitated or reconstructed homes and increase a home's ability to survive another storm event. (3) If uncommitted funding remains available after 180 days, eligible homeowners with damage to more than 50 percent of the home's market value may apply for a grant to purchase a new home in the Rita Go Zone.

TDHCA Multifamily Rental Housing Stock Preservation Program is made available in the form of a grant or loan to the owners of affordable rental properties that were damaged by Hurricane Rita to rehabilitate the properties or build units to replace those damaged by the storm.

The Restoration of Critical Infrastructure Program can be used for flood and drainage projects, including flood buyouts in which the property is converted into open, undeveloped land; repair of roads and bridges, utilities, water control facilities, water supply facilities, waste water facilities, buildings and equipment, hospitals and other medical facilities; and debris removal. TDRA will administer activities awarded under this program through a contract with TDHCA and approved by TDHCA's Governing Board.

The City of Houston and Harris County Public Service and Community Development Program provides funding for public service, community development and housing activities in areas comprised predominantly of low- to moderate-income households and where it can be clearly demonstrated that the population within the area has seen a dramatic population increase due to an influx of Katrina evacuees.

*CDBG DISASTER RECOVERY PROGRAMS – HURRICANES DOLLY AND IKE RECOVERY*

According to the *State of Texas Plan for Disaster Recovery* prepared by TDRA and submitted to HUD, the CDBG Program for Hurricanes Dolly and Ike will be used for housing and non-housing activities. The housing activities include, but are not limited to, single-family and multifamily repair, rehabilitation and/or new construction; repair and replacement of manufactured housing units; hazard mitigation; and elevation. The non-housing activities may include restoration of infrastructure; real property activities, such as buy-out of properties in the flood zone; economic development; public services, such as employment services and crime prevention; and public facilities, such as community facility repair.

*COMMUNITY SERVICES BLOCK GRANT – EMERGENCY DISASTER RELIEF*

As a first line of action, the Department reserves a portion of the State's CSBG funds to provide emergency disaster relief to assist low-income persons who live in communities impacted by a natural or man-made disaster. The CSBG emergency disaster relief funds are distributed to CSBG-eligible entities and are to be utilized to provide persons with emergency shelter, food, clothing, pharmaceutical supplies, bedding, cleaning supplies, personal hygiene items and replacement of essential appliances including stoves, refrigerators and water heaters.

*DISASTER RECOVERY HOMEOWNER REPAIR GAP FINANCING PROGRAM*

Although federal assistance is often available after a natural disaster, some homeowners will still need gap financing. Housing Trust Fund monies have been committed through Disaster Recovery Homeowner Repair Gap Financing Program to assist qualified households, who are lacking only a small portion of funds, fulfill their full cost of construction.

*HOMEOWNER REHABILITATION ASSISTANCE – DISASTER RELIEF*

In accordance with Texas Administrative Code, Title 10, Part 1 Chapter 1, subchapter A §1.19 and TAC Section 2306.111, the Department may use HOME deobligated funds for disaster relief through its Homeowner Rehabilitation activity. HOME disaster funds are designed specifically to assist eligible homeowners in the repair, rehabilitation and reconstruction of their existing home affected by the natural disaster, with emphasis on assisting those who have no other means of assistance, or as gap financing after any federal assistance. Assisted homeowners must have an income that is below 80% of AMFI, as defined by HUD, must occupy the property as their principal residence and must have been directly affected by the disaster.

There are two types of disaster declarations, a federally-declared disaster and a state-declared disaster. Communities in federally-declared disaster areas must first apply to the federal government in order to allow counties to access any available federal funds to provide assistance to eligible victims of the disaster. After 90 days, the Department's HOME deobligated funds may be made available to these areas. For state-declared disasters, the Department receives a state-disaster declaration from the Governor's Office. The Department will notify county officials in the affected areas of the availability of disaster relief funds for which they may apply.

*HOUSING TAX CREDIT PROGRAM – DISASTER RELIEF*

In December 2005, Texas received an additional \$3.5 million Housing Tax Credits (HTCs) to assist with the rebuilding of low-income apartments in the Hurricane disaster areas along the gulf coast from the 2005 hurricanes. This amount was set-aside for the specific counties of the Gulf Coast Opportunity Zone (GO Zone).

In October 2008, Texas received \$44.7 million HTCs specifically for counties affected by Hurricane Ike as a result of Public Law 110-343, Tax Extenders and Alternative Minimum Tax Relief Act of 2008. The total amount will be allocated throughout 2008, 2009 and 2010 at \$14.9 million per year.

*TEXAS FIRST TIME HOMEBUYER PROGRAM AND MORTGAGE CREDIT CERTIFICATE PROGRAM – TARGETED FUNDS*

Texas First Time Homebuyer Program and Mortgage Credit Certificate Program offer Targeted Funds for areas of severe economic distress. In August 2009, TDHCA released approximately \$16.2 million through the Texas First Time Homebuyer Program for home loans made available to qualified homebuyers wishing to purchase a home in a targeted area, including the 22 East Texas counties designated under the Gulf Opportunity Zone Act of 2005. In February 2009, TDHCA released approximately \$6 million through the 2009 Mortgage Credit Certificate Program for use within targeted areas including the 22-county area known as the Rita Go Zone. The program income and purchase price limits may be higher for eligible homebuyers purchasing in a targeted area or a disaster declared area. The first time homebuyer requirement is waived for borrower's purchasing properties located in targeted areas.

## POLICY PRIORITIES

The Policy Priorities segment describes policies TDHCA uses to address specific types of housing concerns and standards. Furthermore, TDHCA establishes policies to specifically target special needs populations.

A list of housing concerns and standards follows:

- **Fair Housing**
  - Providing assistance without regard to race, color, religion, sex, disability, familial status or national origin
- **Rural Needs**
  - Meeting the housing needs of the less-populous areas of the state
- **Extremely Low-Income Households and Households Living in Poverty**
  - Addressing the underserved needs of extremely low-income households
- **Energy Efficiency**
  - Encouraging energy efficiency in housing and appliances
- **Lead-Based Paint**
  - Ensuring notification and safe handling of lead-based paint

HUD identified five special needs populations and TDHCA works to support these HUD-designated populations. To tailor its programs to meet Texas' particular needs, TDHCA has also included colonia residents and migrant farmworkers as special needs populations.

A list of special needs populations follows:

- **Homeless Populations**
- **Persons with Disabilities**
- **Elderly Populations**
- **Persons with Alcohol and Substance Abuse Issues**
- **Public Housing Residents**
- **Colonia Residents**
- **Migrant Farmworkers**

A short description of each housing concern and standard and special needs population is included below. Following the descriptions are policy-driven actions undertaken by TDHCA.

### FAIR HOUSING

Through program requirements and compliance monitoring, TDHCA works to ensure that housing programs benefit individuals without regard to race, color, religion, sex, disability, familial status or national origin. Complaints involving all forms of housing discrimination are also referred to the Texas Workforce Commission Human Rights Division, which oversees the Texas Fair Housing Act.

The Texas Fair Housing Act of 1989 enables the State to remedy discriminatory public policies affecting housing affordability and access. The Act prohibits discrimination against individuals in their pursuit of homeownership or rental housing opportunities based on race, color, national origin, sex, religion, familial status and physical or mental handicaps.

*Policy-Driven Action:* The Department is in the process of updating its *2003 Analysis of Impediments to Fair Housing*. Internal preparations have begun and will be finalized once HUD releases its new regulations for this process, expected in early 2010.

Recent state activities or current objectives relating to fair housing are discussed below:

- Comply with the Texas Fair Housing Act in TDHCA-administered programs.
- Coordinate fair housing efforts with the Human Rights Division of the Texas Workforce Commission which was created under the Texas Fair Housing Act to directly address public grievances related to fair housing.

Additionally, consistent with federal law and guidance from HUD and the Department of Justice, it is the policy of TDHCA to not require its nonprofit recipients of funds to verify, as a condition of receiving federal funds, the citizenship or immigration status of applicants for funds, with the exception of the Section 8 voucher programs administered by the state. The overall policy of legal residency verification is subject to revision and will be made to conform to the HUD rule currently under review when it is adopted in a final form.

The Section 8 Admittance Policy has been adopted by the TDHCA Board and is as follows:

- Managers and owners of Housing Tax Credit (HTC) properties are prohibited from having policies, practices, procedures and/or screening criteria that have the effect of excluding applicants because they have a Section 8 voucher or certificate.
- The verification of such an exclusionary practice on the part of the owner or the manager by TDHCA will be considered a violation and will result in the issuance of a Notice of Violation and, if appropriate, issuance of a Form 8823 to the Internal Revenue Service.
- Any violation of program requirements relative to this policy will also impact the Owner's ability to participate in future TDHCA programs.

## RURAL NEEDS

As the migration of populations and industries continues to urban and suburban areas, the less-populous areas of the state are left with a dilapidated housing stock and households with lower incomes than their urban or suburban counterparts. According to HUD, for 2009, the median income for Texas metropolitan statistical areas is \$59,800 compared to \$45,600 for non-metro area households.<sup>1</sup>

*Policy-Driven Action:* Combined with a strategy of interagency collaboration, TDHCA's HOME, Housing Trust Fund, Housing Tax Credits and Section 8 Housing Choice Voucher programs all have specific measures to address rural populations.

The Department works closely with several rural-based affordable housing organizations, private lenders, nonprofits and units of local government in order to give funding priority to rural areas. Affordable housing development in rural areas requires more effort because there are significantly fewer organizations available to assist with these activities. With this in mind, the Department has developed specific strategies to address the needs of the rural populations of the state, which include rural allocations for housing program funds, prioritization of activities that are most needed in rural areas and increasing awareness of TDHCA programs in rural areas.

Section 2306.111(d) of the Texas Government Code requires that the TDHCA Regional Allocation Formula (RAF) consider rural and urban areas in its distribution of program funding. Because of this, allocations for the HOME, Housing Trust Fund and HTC programs are allocated by rural and urban areas within each region.

Additionally for Housing Tax Credits, the Housing Tax Credit RAF provides for a minimum of \$500,000 rural allocation in each uniform state service region and a minimum of 20 percent of the state's tax credit

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<sup>1</sup> HUD. (2009, March 19) Estimated median family incomes for FY 2008. Retrieved from <http://www.huduser.org/datasets/il/il09/Medians2009.pdf>.

amount is reserved for rural areas. Furthermore, TDHCA and the Texas Department of Rural Affairs (TDRA) administer the Housing Tax Credit Program's rural regional allocation. TDRA assists in developing all thresholds, scoring and underwriting criteria for rural regional allocation and must approve the criteria. TDRA also participates in the evaluation and site inspection of rural developments proposed under the rural allocation.

As established in Section 2306.111(c) of the Texas Government Code, ninety-five percent of the Department's HOME funds are required to serve households in non-participating jurisdictions, which are primarily rural areas of the state. Participating jurisdictions are those large metropolitan counties and places that receive their HOME funds directly from HUD. The remaining five percent of the annual HOME Program allocation is set aside for applicants serving persons with disabilities regardless of their location in the state.

The TDHCA Section 8 Housing Choice Voucher Program specifically serves households in small cities and rural communities that are not served by similar local or regional housing voucher programs.

The Housing Trust Fund Program has programmed \$2,000,000 in funds to develop a Rural Housing Expansion Program, which will commit to building capacity in tandem with actual production of affordable housing in rural Texas.

### **EXTREMELY LOW-INCOME HOUSEHOLDS AND HOUSEHOLDS LIVING IN POVERTY**

The U.S. Department of Health and Human Services defines the 2009 poverty guideline as \$22,050 in income for a family of four,<sup>2</sup> and many poor families make substantially less than this. Poverty can be self-perpetuating, creating barriers to education, health care and the financial stability provided by homeownership.

The data presented in the Housing Analysis section of this report shows that households with lower incomes have higher incidences of housing problems. There is a minimal difference between the incidences of housing problems between the two lowest income groups (0-30 percent and 31-50 percent of median income). While incidences of housing problems for these two groups are significantly higher than those of the other low-income group, households with incomes at 51-80 percent of median income have significant needs as well.

*Policy-Driven Action:* The Department has an important role in addressing poverty in Texas; the Department seeks to reduce the number of Texans living in poverty, thereby providing a better future for all Texans. This means (1) trying to provide long-term solutions to the problems facing people in poverty and (2) targeting resources to those with the greatest need.

Households at or under 80 percent AMFI have been given higher priority than households above 80 percent AMFI. This prioritization allows TDHCA to target resources to those households most in need, regardless of household type.

In the Neighborhood Stabilization Plan 1, a minimum of \$25,499,212 will be dedicated to serve 50% AMFI or below households through the acquisition and redevelopment of foreclosed or abandoned residential property that will result in permanent housing.

While one of the Department's charges is to serve the State's populations from extremely low income to moderate income, funding priority is given to those populations that are most in need of services: low-, very low- and extremely low-income individuals and households. Additionally, the Texas Legislature, through Rider 5 in the 2010-2011 Appropriations Act, specifically calls upon TDHCA to prioritize funding toward individuals and families that earn less than 60 percent AMFI. This rider directs TDHCA

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<sup>2</sup> U.S. Department of Health and Human Services, (2009, January 23). Annual Update of the HHS Poverty Guidelines. <http://aspe.hhs.gov/POVERTY/09fedreg.shtml> .

to apply \$30,000,000 annually towards assisting extremely low-income households and no less than 20 percent of the Department's total housing funds towards assisting very low-income households. TDHCA works to meet these goals by providing incentives for applicants to set aside units for very low- and extremely low-income households.

The Department provides low-income persons with energy, emergency and housing assistance to meet the basic necessities, as described in the Housing Support Continuum above. All programs and divisions, with the exception of the Manufactured Housing Division, have income guidelines that target low- to moderate-income Texans and households in need.

## **ENERGY EFFICIENCY**

Energy and water costs are often the largest single housing expense after food and shelter for lower income families. According to 2006 estimates, utility costs make up approximately 12.2 percent of the annual income of Weatherization Assistance Program eligible households.<sup>3</sup> Proper use of existing technologies and management practices can reduce these utility costs significantly at a relatively low initial cost, thereby greatly increasing housing affordability for low- and moderate-income families.

*Policy-Driven Action:* TDHCA offers training, workshops and conferences to encourage energy efficiency as well as requiring specific measures in its Comprehensive Energy Assistance Program, Weatherization Assistance Program, HOME Programs, Housing Tax Credit Program, Multifamily Bond Program, and Neighborhood Stabilization Program that address energy efficiency.

The Department encourages energy efficiency in the construction of affordable housing by offering training, workshops, conferences and other opportunities to learn about energy efficiency construction and by encouraging applicants for Department programs to consider energy efficiency in their developments.

Comprehensive Energy Assistance Program and the Weatherization Assistance Program allocate funding to help households control energy costs through utility payment assistance, the installation of weatherization measures and energy conservation education. Weatherization services include the installation of storm windows, repair and/or replacement of heating and cooling appliances, attic and wall insulation and weather-stripping and sealing.

The HOME, Housing Tax Credit, Multifamily Bond, and Neighborhood Stabilization programs require applicants for multifamily developments to adhere to the statewide energy code and provide Energy Star Rated appliances. The Housing Tax Credit Program also gives additional application points for the use of energy-efficient alternative construction materials including R-15 wall and R-30 ceiling insulation, structurally insulated panels, 14 SEER (seasonal energy efficiency ratio) cooling units and numerous green building initiatives.

## **LEAD-BASED PAINT**

The Consumer Product Safety Commission banned the use of lead-based paint in housing in 1978. According to the 2000 Census, there are 3,344,406 housing units in Texas that were built before 1979, many of which potentially contain lead-based paint. Of these homes, 2,764,745 are occupied by low-income households and 579,661 are occupied by moderate-income households. According to the National Safety Council, approximately 38 million U.S. homes contain lead paint.<sup>4</sup>

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<sup>3</sup> Texas Department of Housing and Community Affairs. (2006). Weatherization Assistance Program. Retrieved from <http://www.tdhca.state.tx.us/ea/wap.htm>.

<sup>4</sup> National Safety Council. (2004, December) Lead poisoning. Retrieved from <http://www.nsc.org/library/facts/lead.htm>.

*Policy-Driven Action:* The Emergency Shelter Grant, Homelessness Prevention and Rapid Re-housing, Housing Tax Credit, Multifamily Bond, HOME, Housing Trust Fund, Neighborhood Stabilization and Section 8 programs all require lead-based paint screening for certain activities.

The Emergency Shelter Grant, Housing Tax Credit, and Multifamily Bond programs require an environmental assessment, which includes an evaluation of lead-based paint hazards, for rehabilitation or demolition required for new construction. Any lead-based paint must be addressed before the development can move forward.

The Homelessness Prevention and Rapid Re-housing Program requires an initial visual assessment and periodic inspections for as long as Financial Assistance funds are being used to assist the family in the unit. These requirements apply if the unit was constructed before 1978 and a child under the age of 6 or a pregnant woman will reside there, unless it meets one of the following circumstances: the unit is a zero-bedroom or Single Residence Occupancy unit; it is housing for the elderly; a lead-based paint inspection has been conducted in accordance with HUD regulations and found not to have lead-based paint; the property has all lead-based paint identified and removed in accordance with HUD regulations; the unit meets any of the other exemptions described in 24 CFR part 35.115(a). In addition, the unit must be inspected again if a new family assisted with Homelessness Prevention and Rapid Re-Housing funds moves in or if the periodic inspection is due. Finally, the owner must provide a notice to occupants if an evaluation and hazard reduction activities have taken place, in accordance with 24 CFR Part 35.125.

The HOME, Housing Trust Fund, and Neighborhood Stabilization programs require lead screening in housing units built before 1978. Requirements for acquisition, rehabilitation and tenant-based rental assistance activities are: the distribution of the EPA-approved information pamphlet “Protect Your Family from Lead in Your Home” prior to receipt of assistance (HOME uses pamphlet “Renovate Right” and not the previous pamphlet); notification to property owners if an assessment observes lead hazards; and stabilization and clearance of lead-based paint hazards, if detected. For the HOME Program, lead-based paint requirements for rehabilitation activities fall into three categories based on the amount of federal assistance.

The Section 8 Program requires staff to conduct a visual assessment and inspect the unit based on housing quality standards.

### **HOMELESS POPULATIONS (SPECIAL NEEDS)**

On May 20, 2009 President Obama signed into law a bill to reauthorize HUD’s McKinney-Vento Homeless Assistance programs. The bill was included as part of the Helping Families Save Their Homes Act. The new Act, called the Homeless Emergency Assistance and Rapid Transition to Housing Act (HEARTH Act), updated the McKinney Vento definition of homelessness. The new definition will go into effect no later than November 20, 2010:

- (1) an individual or family who lacks a fixed, regular, and adequate nighttime residence;*
- (2) an individual or family with a primary nighttime residence that is a public or private place not designed for or ordinarily used as a regular sleeping accommodation for human beings, including a car, park, abandoned building, bus or train station, airport, or camping ground;*
- (3) an individual or family living in a supervised publicly or privately operated shelter designated to provide temporary living arrangements (including hotels and motels paid for by Federal, State, or local government programs for low-income individuals or by charitable organizations, congregate shelters, and transitional housing);*
- (4) an individual who resided in a shelter or place not meant for human habitation and who is exiting an institution where he or she temporarily resided;*

(5) *an individual or family who--*

*(A) will imminently lose their housing, including housing they own, rent, or live in without paying rent, are sharing with others, and rooms in hotels or motels not paid for by Federal, State, or local government programs for low-income individuals or by charitable organizations...*

*(B) has no subsequent residence identified; and*

*(C) lacks the resources or support networks needed to obtain other permanent housing; and*

(6) *unaccompanied youth and homeless families with children and youth defined as homeless under other Federal statutes who--*

*(A) have experienced a long term period without living independently in permanent housing,*

*(B) have experienced persistent instability as measured by frequent moves over such period, and*

*(C) can be expected to continue in such status for an extended period of time because of chronic disabilities, chronic physical health or mental health conditions, substance addiction, histories of domestic violence or childhood abuse, the presence of a child or youth with a disability, or multiple barriers to employment.*

Estimates of homeless populations vary widely. The migratory nature of the homeless population, the stigma associated with homelessness and the fact that many homeless individuals lack basic documentation all contribute to the difficulty of making an accurate count. Most homeless surveys are “point in time” estimates, which do not capture the revolving-door phenomenon of persons moving in and out of shelters over time. Furthermore, the homeless population can be classified into three categories: (1) literally homeless, which describes people who have no permanent residence and stay in shelters or public places; (2) marginally homeless, which describes people who live temporarily with other people and have no prospects for housing; and (3) people-at-risk-of-homelessness, which describes people who have incomes below the poverty level, rely on utility and rental assistance and may be unable to absorb unexpected events such as the loss of a job or serious illness.

*Policy-Driven Action:* The first phase of the Housing Support Continuum above is “(1) Poverty and Homelessness Prevention” and includes the Community Service Block Grant, Comprehensive Energy Assistance, Emergency Shelter Grant, Homelessness Prevention and Rapid Re-Housing, and Homeless Housing and Services programs. In addition, other programs not specifically created for homelessness prevention nevertheless include several activities to address this population’s special needs. For instance, the Housing Tax Credit Program can be used for homeless populations. In addition, TDHCA works in conjunction with the Texas Interagency Council for the Homeless.

While the Housing Tax Credit Program is well-known and primarily used for the construction, acquisition and/or rehabilitation of new, existing, at-risk and rural housing, the HTC Program can also be used to develop transitional housing and permanent supportive housing for homeless populations. Furthermore, according to the *2010 Housing Tax Credit Program QAP*, HTC offers additional points during the award process for developments that propose to set aside 10 percent of the units for persons with special needs, including homeless populations, persons with alcohol and/or drug addictions, Colonia residents, persons with disabilities, victims of domestic violence, persons with HIV/AIDS, and migrant farmworkers.

*TEXAS INTERAGENCY COUNCIL FOR THE HOMELESS*

The Texas Interagency Council for the Homeless (TICH) was created in 1989 to coordinate the State's homeless resources and services. TICH consists of representatives from all state agencies that serve the homeless. The council receives no funding and has no full-time staff, but receives clerical and advisory support from TDHCA. The council holds public hearings in various parts of the state to gather information useful to its members in administering programs. The Council's major mandates include:

- evaluating and helping coordinate the delivery of services for the homeless in Texas;
- increasing the flow of information among service providers and appropriate authorities;
- providing technical assistance to TDHCA in assessing the need for housing for people with special needs;
- developing, in coordination with TDHCA and the Health and Human Services Commission, a strategic plan to address the needs of the homeless; and
- maintaining a central resource and information center for the homeless.

TICH is in process developing a Strategic Plan to End Homelessness which will address collaboration among federal, state, and local organizations to better address the needs of homeless persons and to prevent homelessness.

**PERSONS WITH DISABILITIES (SPECIAL NEEDS)**

According to the 2005 to 2007 American Community Survey, approximately 6.6 percent, or 1,383,728, Texans over the age of 5 had one disability, and 7.8 percent, or 1,635,315, Texans over the age of five had two or more disabilities for that time period. Of the people with disabilities aged 16 to 64, approximately 3.1 percent had a sensory disability (severe vision or hearing impairment), 7.1% had a physical disability (condition that substantially limits a physical activity such as walking or carrying), 4.4% had a mental disability (learning or remembering impairment), 2.1 percent had a self-care disability (dressing, bathing, or getting around inside the home), 3.1 percent had a go-outside-home disability, and 6.2 percent had an employment disability from 2005 to 2007.<sup>5</sup>

According to the US Department of Housing and Urban Development, 24 CFR 582.5:

A person shall be considered to have a disability if such a person has a physical, mental, or emotional impairment that

- is expected to be of long-continued and indefinite duration,
- substantially impedes his or her ability to live independently, and
- is of such a nature that the ability could be improved by more suitable housing conditions.

Housing opportunities for people with disabilities may be complicated by low incomes. The 2005 to 2007 American Community Survey estimates that 38.6 percent of persons with any disability were employed during that time period. In addition, 23.4 percent were below the poverty level.<sup>6</sup> Many people with disabilities may be unable to work, and receive supplemental security income (SSI) or social security disability insurance (SSDI) benefits as their principal source of income. In nationwide study *Priced Out In 2008: The Housing Crisis for People with Disabilities*, a person receiving SSI as their sole source of

<sup>5</sup> U.S. Census Bureau, 2005-2007 American Community Survey. (n.d.). Subject tables. Retrieved from <http://factfinder.census.gov/>.

<sup>6</sup> *Ibid.*

income would need to pay 112.1 percent of their income to rent a one-bedroom unit or 99.3 percent of their income to rent a studio/efficiency.<sup>7</sup>

The Olmstead Supreme Court decision maintained that unnecessary segregation and institutionalization of people with disabilities is unlawful discrimination under the Americans with Disabilities Act (ADA). Furthermore, the Fair Housing Act, Section 504 of the Rehabilitation Act, ADA and Section 2306.514 of the Texas Government Code all provide mandates for accessible residential housing for persons with disabilities. Housing developers may choose to provide “adaptive design” or “universal access” housing, which promotes basic, uniform standards in the design, construction and alteration of structures that include accessibility or simple modification for disabled individuals. While an “adaptable” unit may not be fully accessible at time of occupancy, it can easily and inexpensively be modified to meet the needs of any resident. Another option is to equip homes with special features designed for persons with disabilities, including ramps, extra-wide doors and hallways, hand rails and grab bars, raised toilets and special door levers.

Advocates for the elderly and persons with disabilities continue to stress that the primary goal of these populations is to live independently and remain in their own homes. Advocates considered access to rehabilitation funds for single-family housing a priority. The rehabilitation funds would perform minor physical modifications such as extra handrails, grab bars, wheelchair-accessible bathrooms and ramps, thus making existing units livable and providing a cost-effective and consumer-driven alternative to institutionalization. Likewise, the availability of rental vouchers that provide options beyond institutional settings was found to be a high priority. Another recognized need for people with disabilities is deeply affordable rents.

*Policy-Driven Action:* The Comprehensive Energy Assistance, Weatherization Assistance, HOME, Housing Trust Fund, Housing Tax Credit, Multifamily Bond, Section 8, Neighborhood Stabilization, and Community Development Block Grant Disaster Recovery programs all have specific measures to address the needs of people with disabilities. Furthermore, the Integrated Housing Rule, as implemented by TDHCA, works to meet the needs of people with disabilities. In addition, TDHCA plays an active role in the Housing and Health Services Coordination Council, Promoting Independence Advisory Committee, and the Disability Advisory Workgroup which all collaborate with groups representing people with disabilities.

Priority for energy assistance through Comprehensive Energy Assistance and Weatherization Assistance programs is given to the persons with disabilities as well as other special needs and prioritized groups. Local providers must implement special outreach efforts for these special needs populations.

As established in Section 2306.111(c) of the Texas Government Code and subject to the submission of qualified applications, five percent of the annual HOME Program allocation shall be allocated for applications serving persons with disabilities living in any part of the state. Furthermore, the HOME Homeownership with Rehabilitation activity provides down payment and closing cost assistance as well as construction costs associated with architectural barrier removal to assist homebuyers with disabilities.

HOME, Housing Trust Fund, Housing Tax Credit, Multifamily Bond and Neighborhood Stabilization programs’ developments that are new construction must conform to Section 504 standards, which require that at least five percent of the development’s units be accessible for persons with physical disabilities and at least two percent of the units be accessible for persons with hearing and visual impairments.

According to the *2010 Housing Tax Credit Program QAP*, the Housing Tax Credit Program offers additional application points during the award process for developments that propose to set aside 10 percent of the units for persons with special needs, including persons with disabilities, persons with

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<sup>7</sup> Cooper, E., Korman, H., O’Hara, A., & Zovistoski, A. (2009, April). Priced out in 2008: The housing crisis for people with disabilities. Retrieved from <http://www.endlongtermhomelessness.org/downloads/news/Priced%20Out%202008.pdf>.

alcohol and/or drug addictions, Colonia residents, victims of domestic violence, persons with HIV/AIDS, homeless populations and migrant farmworkers.

TDHCA's Section 8 Housing Choice Vouchers Program administers the Project Access program to assist low-income non-elderly persons with disabilities in transitioning from institutions into the community by providing access to affordable housing. Eligible households are those that meet the Section 8 criteria, have a permanent disability, are less than 62 years of age and are either an At-Risk Applicant and a previous resident or a current resident of a nursing facility, intermediate care facility, or board and care facility at the time of voucher issuance.

The Community Development Block Grant Disaster Recovery Program Round Two's Sabine Pass Restoration Program allows homeowners with a disability or elderly households the opportunity to apply for an additional \$15,000 in assistance for accessibility-related costs associated with elevating the dwelling.

#### *INTEGRATED HOUSING RULE*

An issue of particular concern for advocates for persons with disabilities involved the Department's policies related to integrated housing. Integrated housing, as defined by SB 367 and passed by the 77th Texas Legislature, is "housing in which a person with a disability resides or may reside that is found in the community but that is not exclusively occupied by persons with disabilities and their care providers." The Department, with the assistance of the TDHCA Disability Advisory Workgroup, developed an integrated housing rule to address this concern. The Integrated Housing Rule, for use by all Department housing programs, is found at 10 TAC 1.15 and is summarized as follows

- A housing development may not restrict occupancy solely to people with disabilities or people with disabilities in combination with other special needs populations.
- Large housing developments (50 units or more) shall provide no more than 18 percent of the units of the development set aside exclusively for people with disabilities. The units must be dispersed throughout the development.
- Small housing developments (less than 50 units) shall provide no more than 36 percent of the units of the development set aside exclusively for people with disabilities. These units must be dispersed throughout the development.
- Set-aside percentages outlined above refer only to the units that are to be solely restricted for persons with disabilities. This section does not prohibit a property from having a higher percentage of occupants that are disabled.
- Property owners may not market a housing development entirely, nor limit occupancy to, persons with disabilities.

Exceptions to the above rule include (1) scattered site development and tenant-based rental assistance; (2) transitional housing that is time limited with a clear and convincing plan for permanent integrated housing upon exit from the transitional situation; (3) housing developments designed exclusively for the elderly; (4) housing developments designed for other special needs populations; and (5) TDHCA Board waivers of this rule to further the purposes or policies of Chapter 2306, Texas Government Code, or for other good cause.

#### *HOUSING AND HEALTH SERVICES COORDINATION COUNCIL*

The 81st Legislature created the Housing and Health Services Coordination Council (Council) through SB 1878. The Council's purpose is to increase the amount of service-enriched housing for seniors and people with disabilities; improve interagency understanding of housing and services and increase the number of staff in state housing and state health services agencies that are conversant in both housing and health care policies; offer a continuum of home and community-based services that is affordable to the state and the target population. The Council includes 16 members including the Executive Director of

TDHCA, 8 members appointed by the Governor, and 7 members appointed by State Agencies. Starting November 2009, the Council will meet quarterly. TDHCA provides clerical and advisory support.

*PROMOTING INDEPENDENCE ADVISORY COMMITTEE*

With the advent of the Olmstead decision, the Health and Human Services Commission (HHSC) initiated the Promoting Independence Initiative and appointed the Promoting Independence Advisory Board, as directed by then-Governor George Bush's Executive Order GWB 99-2. Governor Rick Perry's Executive Order RP 13 complements GWB 99-2. Now known as the Promoting Independence Advisory Committee, the PIAC assists the Health and Human Services Commission in creating the State's response to the Olmstead decision through the biannual Promoting Independence Plan. This plan highlights the State's efforts to assist those individuals desirous of community placement, appropriate for community placement as determined by the state's treatment professionals and who do not constitute a fundamental alteration in the state's services, to live in the community. TDHCA participates in PIAC meetings and is a member of the Housing subcommittee.

*DISABILITY ADVISORY WORKGROUP*

TDHCA has found that directly involving program beneficiary representatives, community advocates and potential applicants for funding in the process of crafting its policies and rules is extremely helpful. This process is often done through a working group format. The working groups provide an opportunity for staff to interact with various program stakeholders in a more informal environment than that provided by the formal public comment process. TDHCA has actively maintained a Disability Advisory Workgroup which provides ongoing guidance to the Executive Director on how TDHCA's programs can most effectively serve persons with disabilities.

**ELDERLY POPULATIONS (SPECIAL NEEDS)**

According to the 2006 to 2008 American Community Survey, there were approximately 2,396,684 Texans aged 65 and over during that time period. This made up approximately 10 percent of the Texas population.<sup>1</sup> The State of Texas Senior Housing Assessment found that 91 percent of survey respondents expressed a desire to stay in their own homes as long as possible and two-thirds believed that they would always live in their homes.<sup>2</sup> Of all elderly households nationwide, 73 percent owned their own homes free and clear. However, elderly homeowners generally live in older homes than the majority of the population; the median year of construction for homes owned by elderly households was 1965 and 5.3 percent had physical problems.<sup>3</sup> Due to their age, homes owned by the elderly are often in need of weatherization and repair.

*Policy-Driven Action:* The Community Service Block Grant, CDBG Disaster Recovery, Comprehensive Energy Assistance, Weatherization Assistance, HOME, Housing Tax Credit and Multifamily Bond programs have specific activities that service elderly Texans. In addition, TDHCA plays an active role in the Housing and Health Services Coordination Council, which works to Increase the amount of service-enriched housing for seniors and people with disabilities. A description of this Council is included under the Persons with Disabilities special needs category above.

Community Service Block Grant eligible entities operate programs targeting the elderly. Such programs include Meals-on-Wheels, congregate meal programs, senior activity centers, and home care services.

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<sup>1</sup> U.S. Census Bureau, 2006-2008 American Community Survey. (n.d.). Subject tables. Retrieved from <http://factfinder.census.gov>.

<sup>2</sup> Texas Department of Aging and Disability Services (2005). The State of Our State on Aging. 27. Retrieved from [http://www.dads.state.tx.us/news\\_info/publications/studies/2005\\_sos\\_exec\\_summary.pdf](http://www.dads.state.tx.us/news_info/publications/studies/2005_sos_exec_summary.pdf).

<sup>3</sup> U.S. Department of Health and Human Services. (2005). *A Profile on Older Americans: 2005*. 11.

The CDBG Disaster Recovery Program Round Two's Sabine Pass Restoration Program allows homeowners with a disability or elderly households the opportunity to apply for an additional \$15,000 in assistance for accessibility-related costs associated with elevating the dwelling.

The Department's energy assistance and weatherization programs, Comprehensive Energy Assistance and Weatherization Assistance programs respectively, give preference to the elderly as well as other special needs and priority populations. Subrecipients must conduct outreach activities for these special needs populations.

The Homeowner Rehabilitation activity, offered through the HOME Program, provides funds for the repair and rehabilitation of homes owned by very low-income households and many of the assisted households are elderly.

A Qualified Elderly Development is a development type that is eligible for funding through the Housing Tax Credit and Multifamily Bond programs. A Qualified Elderly Development is a development in which elderly residents occupy 80 to 100 percent of the units.

### **PERSONS WITH ALCOHOL AND SUBSTANCE ABUSE ISSUES (SPECIAL NEEDS)**

The National Surveys on Drug Use and Health found that from 2006 to 2007 approximately 6.4 percent of Texans aged 12 or older had used an illicit drug in the past month. The Texas rate is lower than the national average of 8 percent. Also, 2.7 percent of Texans aged 12 or older were dependent on or abused an illicit drug in the past year, compared to 2.8 percent nationwide.<sup>4</sup> In 2006, the Texas Department of State Health Services (DSHS) admitted 14,488 adult clients with alcohol problems and 40,667 adult clients with other drug addictions to state-funded treatment programs. The average age of adult clients was 34 and approximately 21 percent of adult clients were employed. That same year DSHS admitted 566 youth clients with alcohol problems and 7,013 youth clients with other drug problems to state-funded treatment programs.<sup>5</sup> The population of persons with alcohol or other drug addiction is diverse and often overlaps with the mentally disabled or homeless populations.

Supportive housing programs needed for persons with alcohol and/or other substance abuse issues range from short-term, in-patient services to long-term, drug-free residential housing environments for recovering addicts. Better recovery results may be obtained by placing individuals in stable living environments.

*Policy-Driven Action:* The Housing Tax Credit Program addresses the needs of people with alcohol and substance abuse issues.

According to the *2010 Housing Tax Credit Program QAP*, the Housing Tax Credit Program offers additional points during the award process for developments that propose to set aside 10 percent of the units for persons with special needs, including persons with alcohol and/or drug addictions, Colonia residents, persons with disabilities, victims of domestic violence, persons with HIV/AIDS, homeless populations and migrant farmworkers.

### **PERSONS WITH HIV/AIDS (SPECIAL NEEDS)**

Human Immunodeficiency Virus (HIV) is the virus that causes Acquired Immunodeficiency Syndrome (AIDS). HIV infects cells and attacks the immune system, which weakens the body and makes it especially susceptible to other infections and diseases. According to the Texas Department of State Health

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<sup>4</sup> Maxwell, J. C. (2009, June). Substance abuse trends in Texas: June 2009. Retrieved from [http://www.utexas.edu/research/cswr/gcattc/documents/Texas2009\\_002.pdf](http://www.utexas.edu/research/cswr/gcattc/documents/Texas2009_002.pdf)

<sup>5</sup> Texas Department of State Health Services. (2007, December 12). Substance abuse statistics: Texas statewide totals. Retrieved from <http://www.dshs.state.tx.us/sa/research/statewide-totals/>

Services (DSHS), as of December 2007, there were 62,714 reported persons living with HIV/AIDS in Texas.<sup>6</sup> Because of increased medical costs or the loss of the ability to work, people with HIV/AIDS may be at risk of losing their housing arrangements.

DSHS addresses the housing needs of AIDS patients through the Housing Opportunities for Persons with AIDS Program (HOPWA), which is a federal program funded by HUD. In Texas, HOPWA funds provide emergency housing assistance, which funds short-term rent, mortgage and utility payments to prevent homelessness; and tenant-based rental assistance, which enables low-income individuals to pay rent and utilities until there is no longer a need or until they are able to secure other housing. In addition to the DSHS statewide program, the cities of Austin, Dallas, Fort Worth, Houston, San Antonio and El Paso receive HOPWA funds directly from HUD.

*Policy-Driven Action:* The Housing Tax Credit Program addresses the needs of people with HIV/AIDS.

According to the *2010 Housing Tax Credit Program QAP*, HTC offers additional points during the award process for developments that propose to set aside 10 percent of the units for persons with special needs, including persons with HIV/AIDS, persons with alcohol and/or drug addictions, Colonia residents, persons with disabilities, victims of domestic violence, homeless populations and migrant farmworkers.

### **PUBLIC HOUSING RESIDENTS (SPECIAL NEEDS)**

According to HUD data, there are 55,098 units of public housing and 252,515 Section 8 Housing Choice Vouchers in Texas.<sup>7</sup> TDHCA believes that the future success of Public Housing Authorities (PHAs) will center on ingenuity in program design, emphasis on resident participation towards economic self-sufficiency and partnerships with other organizations to address the needs of this population. While TDHCA does not have any direct or indirect jurisdiction over the management or operations of public housing authorities, it is important to maintain a relationship with these service providers.

*Policy-Driven Action:* TDHCA has developed a strong relationship with the Texas Housing Association and the Texas chapter of the National Association of Housing and Redevelopment Officials, which represent the public housing authorities of Texas. TDHCA has worked to promote programs that will repair substandard housing and develop additional affordable housing units.

### **COLONIA RESIDENTS (SPECIAL NEEDS)**

According to Section 2306.581 of the Texas Government Code:

“Colonia” means a geographic area located in a county some part of which is within 150 miles of the international border of this state, consists of 11 or more dwellings that are located in close proximity to each other in an area that may be described as a community or neighborhood and

- has a majority population composed of individuals and families of low income and very low income, based on the federal Office of Management and Budget poverty index and meets the qualifications of an economically distressed area under Section 17.921, Water Code; or
- has the physical and economic characteristics of a colonia, as determined by the department.

Major issues affecting colonias include high rates of unemployment, extremely low incomes, lack of sufficient infrastructure for water and sewer service, higher rates of certain diseases, lack of educational

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<sup>6</sup>Texas Department of Health, HIV/STD Epidemiology Division, Surveillance Branch. Texas HIV/STD surveillance report: 2007 Annual Report. Austin, TX: 1. Retrieved from Texas HIV/STD Annual Report 2007; <http://www.dshs.state.tx.us/hivstd/info/annual/2007.pdf>

<sup>7</sup> HUD (n.d.). Public housing agency profiles. Retrieved from <http://www.hud.gov/offices/pih/systems/pic/haprofiles/index.cfm>.

resources, substandard housing and use of contract for deed. The latter two issues are directly related to housing. Housing in colonias is often constructed by residents using only available materials; professional builders are not often used.<sup>8</sup> According to 2000 Census data, colonias have a 75 percent homeownership rate. Despite this rate, colonia homes are inadequate: 4.9 percent of colonia dwellings lack kitchen facilities and 5.3 percent lack plumbing facilities. It is estimated that 50 percent of colonia residents lack basic water and sewage systems: 51 percent use septic tanks, 36 percent use cesspools, 7 percent use outhouses, and 6 percent use other wastewater systems.<sup>9</sup>

*Policy-Driven Action:* The Office of Colonia Initiatives (OCI), HOME and Housing Tax Credit programs all address the special needs of colonia residents.

In 1996, in an effort to place more emphasis on addressing the needs of colonias, the Office of Colonia Initiatives (OCI) at TDHCA was created and charged with the responsibility of coordinating all Department and legislative initiatives involving border and colonia issues and managing a portion of the Department's existing programs targeted at colonias. The fundamental goal of the OCI is to improve the living conditions and lives of border and colonia residents and to educate the public regarding the services that the Department has to offer.

As part of its plan to improve the living conditions in colonias, OCI offers OCI Border Field Offices. The three OCI border field offices provide technical assistance to the counties and colonia self-help centers.

The HOME Program also administers the Homeownership Assistance Program's Contract for Deed Conversion to assist households in the colonias. Contract for Deed Conversions facilitate homeownership by converting contracts for deed into traditional mortgages.

According to the *2010 Housing Tax Credit Program QAP*, HTC offers additional points during the award process for developments that propose to set aside 10 percent of the units for persons with special needs, including Colonia residents, persons with alcohol and/or drug addictions, persons with disabilities, victims of domestic violence, persons with HIV/AIDS, homeless populations and migrant farmworkers.

### **MIGRANT FARMWORKERS (SPECIAL NEEDS)**

According to the US Department of Health and Human Services Migrant and Seasonal Farmworker Enumeration Profiles Study in 2000, a seasonal farmworker describes an individual whose principal employment (at least 51 percent of time) is in agriculture on a seasonal basis and who has been so employed within the preceding twenty-four months; a migrant farmworker meets the same definition, but establishes temporary housing for purposes of employment. As of 2000, the US Department of Health and Human Services estimated that there are 362,724 migrant and seasonal farm workers and families residing in Texas. Of this population, 26 percent reside in Cameron, Hidalgo, and Starr Counties.<sup>10</sup>

Farmworkers have a particularly difficult time finding available, affordable housing because of extremely low and sporadic incomes and mobility. Many of the small, rural communities where migrant workers may seek employment do not have the rental units available for the seasonal influx. Overcrowding and substandard housing are significant housing problems for farmworkers.<sup>11</sup> In addition, migrant workers may not be able to afford security deposits, pass credit checks, or commit to long-term leases.

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<sup>8</sup> Federal Reserve Bank of Dallas. (n.d.). Texas colonias. Retrieved from <http://www.dallasfed.org/ca/pubs/colonias.html>.

<sup>9</sup> Moncada, N. (2001). A Colonias Primer. A briefing presented to the US Department of Housing and Urban Development. Retrieved from <http://www.nationalmortgagenews.com/nmn/plus93.htm>.

<sup>10</sup> Larson, A. (2000, September). Migrant and seasonal farmworker enumeration profiles study: Texas. *US Department of Health and Human Services, Health Resources and Services Administration, Bureau of Primary Health Care*. Retrieved from <http://www.ncfh.org/enumeration/PDF10 Texas.pdf>

<sup>11</sup> Holden, C. (2001, October). Monograph no. 8: housing. Buda, TX: national center for farmworker health inc. *Migrant Health Issues*: 40. Retrieved from <http://www.ncfh.org/docs/08%20-%20housing.pdf>

*Policy-Driven Action:* TDHCA addresses farmworker issues by licensing and inspecting migrant farmworker housing and conducting periodic studies on farmworker needs. In addition, the Community Service Block Grant and Housing Tax Credit programs serve seasonal farmworkers.

In HB 1099, the 79th Texas Legislative Session transferred the license and inspection of migrant farmworker housing facilities from the Texas Health and Human Services Commission to TDHCA.

Additionally, the bill directed TDHCA to complete a study on quantity, availability, need and quality of migrant farm labor housing facilities in Texas. See <http://www.tdhca.state.tx.us/ppa/housing-center/pubs.htm#reports> for a copy of the report.

TDHCA utilized \$214,594 of Community Service Block Grant discretionary funds to fund two organizations serving migrant seasonal farmworkers; Funds were awarded during the 2009 Community Service Block Grant State Discretionary Funds Notice of Fund Availability cycle. The Community Service Block Grant also includes Native Americans with migrant farmworker special populations category in the Community Service Block Grant State Plan approved by Health and Human Services. During the 2009 Community Service Block Grant State Discretionary Funds Notice of Fund Availability cycle, TDHCA awarded \$225,000 to two Native American tribes.

According to the *2009 Housing Tax Credit Program QAP*, the Housing Tax Credit Program offers additional points during the award process for developments that propose to set aside 10 percent of the units for persons with special needs, including migrant farmworkers, persons with alcohol and/or drug addictions, Colonia residents, persons with disabilities, victims of domestic violence, persons with HIV/AIDS, and homeless populations.

## **TDHCA ALLOCATION PLANS**

The Department has developed allocation formulas for many TDHCA programs in order to target available housing resources to the neediest households in each uniform state service region. These formulas are based on objective measures of need in order to ensure an equitable distribution of funding.

### **2010 REGIONAL ALLOCATION FORMULA**

Sections 2306.111(d) and 2306.1115 of the Government Code require that TDHCA use a Regional Allocation Formula (RAF) to allocate its HOME, HTC and Housing Trust Fund funding. This RAF objectively measures the affordable housing need and available resources in 13 State Service Regions used for planning purposes. Within each region, the RAF further targets funding to rural and urban areas.

As a dynamic measure of need, the RAF is revised annually to reflect updated demographic and resource data; respond to public comment; and better assess regional housing needs and available resources. The RAF is submitted annually for public comment.

Slightly modified versions of the RAF are used for HOME, HTC and Housing Trust Fund because the programs have different eligible activities, households and geographical service areas. For example, because 95 percent of HOME funding must be set aside for non-Participating jurisdictions, the HOME RAF only uses need and available resource data for non-Participating jurisdictions.

The RAF uses the following 2000 U.S. Census data to calculate this regional need distribution:

- **Poverty:** Number of persons in the region who live in poverty.
- **Cost Burden:** Number of households with a monthly gross rent or mortgage payment to monthly household income ratio that exceeds 30 percent.
- **Overcrowded Units:** Number of occupied units with more than one person per room.
- **Units with Incomplete Kitchen or Plumbing:** Number of occupied units that do not have all of the following: sink with piped water; range or cook top and oven; refrigerator, hot and cold piped water, flush toilet and bathtub or shower.

There are a number of other funding sources that can be used to address affordable housing needs. To mitigate any inherent inequities in the regional allocation of these funds, the RAF compares each region's level of need to its level of resources. Resources from the following sources were used in the RAF: HTC, Housing Trust Fund, HUD (HOME, HOPWA, PHA capital funding and Section 8 funding), Bond Financing and United States Department of Agriculture (USDA) housing programs.

**HOUSING TRUST FUND PROGRAM REGIONAL ALLOCATION FORMULA**

Pursuant to §2306.111(d-1) of the Texas Government Code, Housing Trust Fund programs will be regionally allocated unless the funding allocation for that program is mandated by state statute and the program's allocation represents less than 10 percent of the annual allocation for Housing Trust Fund; or serves people with disabilities; or do not exceed \$3 million.

**Housing Trust Fund Program RAF**

Region	Large MSA within Region for Geographical Reference	Regional Funding Amount*	Regional Funding %	Rural Funding Amount	Rural Funding %	Urban Funding Amount	Urban Funding %
1	Lubbock	\$71,030	3.6%	\$29,326	41.3%	\$41,704	58.7%
2	Abilene	\$35,931	1.8%	\$15,885	44.2%	\$20,046	55.8%
3	Dallas/Fort Worth	\$461,861	23.1%	\$37,520	8.1%	\$424,342	91.9%
4	Tyler	\$89,108	4.5%	\$46,785	52.5%	\$42,323	47.5%
5	Beaumont	\$56,294	2.8%	\$33,468	59.5%	\$22,826	40.5%
6	Houston	\$396,973	19.8%	\$28,994	7.3%	\$367,979	92.7%
7	Austin/Round Rock	\$116,569	5.8%	\$11,911	10.2%	\$104,657	89.8%
8	Waco	\$89,670	4.5%	\$17,955	20.0%	\$71,714	80.0%
9	San Antonio	\$172,680	8.6%	\$19,400	11.2%	\$153,280	88.8%
10	Corpus Christi	\$70,755	3.5%	\$26,031	36.8%	\$44,724	63.2%
11	Brownsville/Harlingen	\$298,047	14.9%	\$106,836	35.8%	\$191,211	64.2%
12	San Angelo	\$47,507	2.4%	\$19,195	40.4%	\$28,312	59.6%
13	El Paso	\$93,577	4.7%	\$14,600	15.6%	\$78,976	84.4%
	<b>Total</b>	<b>\$2,000,000</b>	<b>100.0%</b>	<b>\$407,905</b>	<b>20.4%</b>	<b>\$1,592,095</b>	<b>79.6%</b>

*\*This table is a depiction of the amounts available in each region if the required RAF amount was \$2,000,000; it is not an accurate depiction of the allocation for the total Housing Trust Fund funding available in each region. Every Housing Trust Fund program listed in a separate Notice of Funding Availability (NOFA) will be subject to its own RAF. In FY 2010, each NOFA for the Housing Trust Fund programs will make available approximately \$2,000,000, which will be run through its own RAF.*

*HOUSING TAX CREDIT REGIONAL ALLOCATION FORMULA*

In accordance with Senate Bill 264, TDHCA allocates HTC Program funds to each region using a need-based formula developed by the Department. Using the Regional Allocation Formula, each region will receive the following amount of funding for use with activities subject to the formula. Funding figures will be included in the final document.

**HTC Program RAF**

Region	Large MSA within Region for Geographical Reference	Regional Funding Amount	Regional Funding %	Rural Funding Amount	Rural Funding %	Urban Funding Amount	Urban Funding %
1	Lubbock	\$1,558,000	3.8%	\$603,804	38.8%	\$954,196	61.2%
2	Abilene	\$737,042	1.8%	\$519,826	70.5%	\$217,216	29.5%
3	Dallas/Fort Worth	\$9,434,562	23.2%	\$974,403	10.3%	\$8,460,159	89.7%
4	Tyler	\$1,499,416	3.7%	\$839,696	56.0%	\$659,720	44.0%
5	Beaumont	\$1,113,019	2.7%	\$611,466	54.9%	\$501,552	45.1%
6	Houston	\$8,846,755	21.8%	\$822,918	9.3%	\$8,023,837	90.7%
7	Austin/Round Rock	\$2,753,132	6.8%	\$574,058	20.9%	\$2,179,074	79.1%
8	Waco	\$2,103,405	5.2%	\$556,581	26.5%	\$1,546,825	73.5%
9	San Antonio	\$3,307,200	8.1%	\$588,962	17.8%	\$2,718,237	82.2%
10	Corpus Christi	\$1,388,922	3.4%	\$548,423	39.5%	\$840,499	60.5%
11	Brownsville/Harlingen	\$5,058,743	12.4%	\$1,845,292	36.5%	\$3,213,451	63.5%
12	San Angelo	\$876,067	2.2%	\$523,566	59.8%	\$352,502	40.2%
13	El Paso	\$1,961,182	4.8%	\$552,755	28.2%	\$1,408,427	71.8%
	<b>Total</b>	<b>\$40,637,446</b>	<b>100.0%</b>	<b>\$9,561,752</b>	<b>23.5%</b>	<b>\$31,075,694</b>	<b>76.5%</b>

As required by state statute, 15% of that ceiling is deducted for the At-Risk Set-Aside, which is not awarded regionally. The balance of the estimated ceiling is regionally allocated using this formula.

*HOMELESSNESS PREVENTION AND RAPID RE-HOUSING REGIONAL ALLOCATION FORMULA*

Please see the Homeless Prevention and Rapid Re-housing RAF under the *Recovery Act* chapter below.

*TAX CREDIT ASSISTANCE PROGRAM REGIONAL ALLOCATION PROGRAM*

Please see the Tax Credit Assistance RAF under the *Recovery Act* chapter below.

*HOUSING TAX CREDIT EXCHANGE PROGRAM REGIONAL ALLOCATION FORMULA*

Please see the Housing Tax Credit Exchange RAF under the *Recovery Act* chapter below.

## **TDHCA GOALS AND OBJECTIVES**

The Strategic Plan goals reflect program performance based upon measures developed with the State’s Legislative Budget Board and Governor’s Office of Budget and Planning. The goals are also based upon Riders attached to the Department’s Appropriations. The Department believes that the goals and objectives for the various TDHCA programs should be consistent with its mandated performance requirements.

The State’s Strategic Planning and Performance Budgeting System (SPPB) is a goal-driven, results-oriented system. The system has three major components including strategic planning, performance budgeting and performance monitoring. As an essential part of the system, performance measures are part of TDHCA’s strategic plan, are used by decision makers in allocating resources, are intended to focus the Department’s efforts on achieving goals and objectives and are used as monitoring tools providing information on accountability. Performance measures are reported quarterly to the Legislative Budget Board.

The State’s Strategic Planning and Performance Budgeting System is based on a two-year cycle; goals and targets are revisited each biennium. The targets reflected in this document are based on the Department’s requests for 2009–2010.

Because all applicants for funding are encouraged to apply for and leverage funds from multiple agency programs, HUD funds are frequently leveraged along with funds from other federal and State sources. TDHCA HOME Program funds may be used in conjunction with other TDHCA programs, however, each program area reports its performance separately.

### **AFFORDABLE HOUSING GOALS AND OBJECTIVES**

The following goals address performance measures established by the 81st Legislature. Refer to program-specific statements outlined in the Action Plan portion of this document for strategies that will be used to accomplish the goals and objectives listed below. Included for each strategy are the target numbers for the 2009 goal, the 2009 actual performance and the goal for 2010.

Goals one through five are established through interactions between TDHCA, the Legislative Budget Board and the Legislature. They are referenced in the General Appropriations Act enacted during the most recent legislative session.

**GOAL 1:** TDHCA will increase and preserve the availability of safe, decent and affordable housing for very low-, low- and moderate-income persons and families.

#### **Strategy 1.1**

Provide mortgage financing and homebuyer assistance through the Single-Family Mortgage Revenue Bond Program

Strategy Measure	2009 Target	2009 Actual	% of Goal	2010 Target
Number of single-family households Assisted through the First Time Homebuyer Program	1,716	835	48%	1,911

**Explanation of Variance:** Due to volatility in the housing market in 2009, the resulting mortgage crisis and the disruption in the investor markets, the Department has been unable to structure and make available a mortgage revenue bond program. Therefore, our performance figures are much lower than originally projected.

**Strategy 1.2**

Provide funding through the HOME Program for affordable single family housing

Strategy Measure	2009 Target	2009 Actual	% of Goal	2010 Target
Number of single-family households assisted with HOME funds	1,255	783	62%	952

**Explanation of Variance:** Due to programmatic changes and based on public input, there was an increase in the investment per unit, which resulted in a reduction of the total number of households assisted by Rehabilitation Activities. Additionally, due to current economic and housing market challenges, there was significantly less demand for Homebuyer Assistance. There was an increase in the number of households assisted through Tenant-Based Rental Assistance; the increase in the investment per household is reflected in households serving special needs families.

**Strategy 1.3**

Provide funding through the HTF program for affordable single family housing

Strategy Measure	2009 Target	2009 Actual	% of Goal	2010 Target
Number of single-family households assisted through the Housing Trust Fund	209	275	132%	344

**Explanation of Variance:** The Department received approximately \$5.8 million in appropriations for the Housing Trust Fund for the 2008-2009 biennium. In accordance with the funding plan, \$1,000,000 was awarded for the Texas Veterans Housing Assistance Program. During the third quarter, this program provided assistance to 30 Veteran Households. The Department also released a Homeownership SuperNOFA, making available \$1,000,000 from the annual appropriation. This program provided assistance to 83 Texas families. Additionally, the Department was able to award \$50,000 as gap financing for the Disaster Recovery effort in Southeast Texas, supporting the rehabilitation of 8 units. The Department was able to exceed the target due to the lower amount of assistance provided per household for the gap financing for Disaster Recovery and Veteran's Housing Assistance programs.

**Strategy 1.4**

Provide tenant-based rental assistance through Section 8 certificates

Strategy Measure	2009 Target	2009 Actual	% of Goal	2010 Target
Number of households assisted through Statewide Housing Assistance Payments Program	1,494	956	64%	1,100

**Explanation of Variance:** The targeted measure of 1,494 voucher was developed when HUD provided Section 8 Housing Assistance Program funds based on a specified number of vouchers. The methodology for the allocation of Section 8 Housing Assistance Program funds has changed and the Department no longer received funds based on a specified number of vouchers but rather receives a set amount of funding that limits the number of households served to approximately 1,100 a year. Consequently, the number of households served will be below target.

**Strategy 1.5**

Provide federal tax credits to develop rental housing

Strategy Measure	2009 Target	2009 Actual	% of Goal	2010 Target
Number of multifamily households assisted with Housing Tax Credits	11,779	8,998	82%	10,928

**Explanation of Variance:** The Housing Tax Credit program activity for this measure is a combination of 4% (multifamily bond related) and 9% (competitive application cycle) rental development funding awards. The 4% credits are tied to the bond market which is experiencing a dramatic slowdown nationally due to the recession in the economy.

**Strategy 1.6**

Provide funding through the HOME Program for affordable multifamily housing

Strategy Measure	2009 Target	2009 Actual	% of Goal	2010 Target
Number of multifamily households assisted with HOME funds	526	620	118%	262

**Explanation of Variance:** The Department maintained a continuous open-cycle Notice of Funding Availability (NOFA) for rental development throughout FY 2009. Additional HOME funds that were deobligated from non-performing contracts were made available for this strategy. This allowed the Department to maintain a continuous award process and facilitate the timely commitment and expenditure of HOME funds in accordance with federal requirements.

**Strategy 1.7**

Provide funding through the Housing Trust Fund for affordable multifamily housing

Strategy Measure	2009 Target	2009 Actual	% of Goal	2010 Target
Number of multifamily households assisted through the Housing Trust Fund	800	160	20%	38

**Explanation of Variance:** The Department utilized all funds set-aside for the HTF Multifamily Housing Activity during the 3rd Quarter. Due to programming, the investment of HTF funds was fixed to subsidized units--those units required to assist very low or extremely low income during the affordability period. As a result, there has been a significant increase of investment per unit and a decrease in the estimated number of units assisted.

**Strategy 1.8**

Provide funding through the Mortgage Revenue Bond Program for affordable multifamily housing

Strategy Measure	2009 Target	2009 Actual	% of Goal	2010 Target
Number of households assisted through the Mortgage Revenue Bond Program	2,217	504	31%	1,627

**Explanation of Variance:** This measure is tied to the bond market which is experiencing a dramatic slowdown. Economic conditions in the equity markets have made it very difficult for developers to present financially feasible applications to the Department. This Strategy correlates to Strategy 1.1.

**GOAL 2:** TDHCA will promote improved housing conditions for extremely low-, very low- and low-income households by providing information and technical assistance.

### Strategy 2.1

Provide information and technical assistance to the public through the Public Affairs Division and the Housing Resource Center

Strategy Measure	2009 Target	2009 Actual	% of Goal	2010 Target
Number of information and technical assistance requests completed	4,900	5,281	108%	5,000

**Explanation of Variance:** None needed.

### Strategy 2.2

To provide technical assistance to colonias through field offices

Strategy Measure (A)	2009 Target	2009 Actual	% of Goal	2010 Target
Number of on-site technical assistance visits conducted annually from the field offices	800	948	119%	800

**Explanation of Variance:** As the Department continues to improve the Texas Bootstrap Loan Program and the colonia SHC Program, OCI Field Staff continues to provide technical assistance to units of local governments and nonprofit organizations. The Texas Bootstrap Loan Program Reservation System has necessitated increased technical activities. In addition, technical assistance visits have increased for the colonia SHC Program due to environmental assessments, labor laws, changes to rules and processes and other related federal regulations.

Strategy Measure (B)	2009 Target	2009 Actual	% of Goal	2010 Target
Number of colonia residents receiving assistance	8,000	11,707	146%	12,000

**Explanation of Variance:** The Department focuses on empowering the units of local government and nonprofit organizations to work with the colonia residents on a one-on-one basis through the colonia SHCs. Due to increased outreach efforts more colonia residents are utilizing the programs and activities of the colonia SHCs. In addition, targeted performance for 2009 has increased due to Val Verde County conducting two solid waste removal activities during the 3rd Quarter and one during the 4th Quarter and Webb County conducting one during the 3rd Quarter. This activity is reported as area wide and benefiting all colonia residents in the targeted area.

Strategy Measure (C)	2009 Target	2009 Actual	% of Goal	2010 Target
Number of entities and/or individuals receiving informational resources	1,000	636	63%	1,000

**Explanation of Variance:** The Office of Colonia Initiatives (OCI) staff provides technical assistance to county governments and local nonprofits. Local nonprofits are the primary conduits of information since the Department (OCI) does not provide direct services to individuals. As a consequence, a majority of informational resources is provided through our nonprofits and county governments rather than through OCI staff. It is also important to note that in FY2008 the OCI released a biennial NOFA under the Texas Bootstrap Loan Program.

**GOAL 3:** TDHCA will improve living conditions for the poor and homeless and reduce the cost of home energy for very low-income Texans.

### Strategy 3.1

Administer homeless and poverty-related funds through a network of community action agencies and other local organizations so that poverty-related services are available to very low-income persons throughout the state.

Strategy Measure (A)	2009 Target	2009 Actual	% of Goal	2010 Target
Number of persons assisted through homeless and poverty related funds	512,224	590,481	115%	531,498

**Explanation of Variance:** This measure is impacted by the number of persons assisted through the CSBG and ESGP. CSBG and ESGP subrecipients served 51,045 more persons in SFY 2009 than in 2008. Of that increase, 12,931 persons were assisted by ESGP subrecipients and 38,114 by CSBG subrecipients. There are more persons who are homeless or at risk of homelessness. CSBG subrecipients have also had an increase in the number of persons seeking assistance due to the increase in unemployment and poverty.

Strategy Measure (B)	2009 Target	2009 Actual	% of Goal	2010 Target
Number of persons assisted that achieve incomes above poverty level.	2,200	1,770	80%	2,800

**Explanation of Variance:** The tough economic times facing Texas have impacted the ability of CSBG subrecipients assisting persons to transition out of poverty. Staff resources at the subrecipient level also have to focus on providing more emergency assistance and services to families facing unemployment and poverty.

Strategy Measure (C)	2009 Target	2009 Actual	% of Goal	2010 Target
Number of shelters assisted through the Emergency Shelter Grant Program	76	77	105%	76

**Explanation of Variance:** None needed.

### Strategy 3.2

Administer the state energy assistance programs by providing grants to local organizations for energy related improvements to dwellings occupied by very low-income persons and for assistance to very low-income households for heating and cooling expenses and energy related emergencies.

Strategy Measure (A)	2009 Target	2009 Actual	% of Goal	2010 Target
Number of households assisted through Community Energy Assistance Program	51,502	129,907	252%	66,050

**Explanation of Variance:** Federal funding increased.

Strategy Measure (B)	2009 Target	2009 Actual	% of Goal	2010 Target
Number of dwelling units weatherized through Weatherization Assistance Program	2,960	4,489	151%	3,809

**Explanation of Variance:** Federal funding increased.

**GOAL 4:** TDHCA will ensure compliance with the Texas Department of Housing and Community Affairs' federal and state program mandates.

#### Strategy 4.1

The Portfolio Management and Compliance Division will monitor and inspect for Federal and State housing program requirements.

Strategy Measure (A)	2009 Target	2009 Actual	% of Goal	2010 Target
Total number of monitoring reviews conducted	965	956	99%	864

**Explanation of Variance:** None needed.

Strategy Measure (B)	2009 Target	2009 Actual	% of Goal	2010 Target
Total number of units administered	252,766	248,191	98%	209,444

**Explanation of Variance:** None needed.

#### Strategy 4.2

The Portfolio Management and Compliance Division will administer and monitor federal and state subrecipient contracts for programmatic and fiscal requirements.

Strategy Measure (A)	2009 Target	2009 Actual	% of Goal	2010 Target
Total number of monitoring reviews conducted	258	593	229%	208

**Explanation of Variance:** More monitoring reviews were conducted than anticipated.

Strategy Measure (B)	2009 Target	2009 Actual	% of Goal	2010 Target
Number of contracts administered	430	256	59%	525**

**Explanation of Variance:** During this reporting period, there were few new contracts which would result in contract administration. The numbers reported reflect activity on existing contracts.

\*\*The performance measure for 2010 has been changed to "Number of contracts monitored".

**GOAL 5:** To protect the public by regulating the manufactured housing industry in accordance with state and federal laws.

### Strategy 5.1

Provide titling and licensing services in a timely and efficient manner.

Strategy Measure (A)	2009 Target	2009 Actual	% of Goal	2010 Target
Number of manufactured housing statements of ownership and location issued	90,000	63,767	70.8%	80,000

**Explanation of Variance:** This measure is under the targeted amount due to the excessive number of applications which were incomplete, as a result of law changes effective January 2008. Approximately 38% of the applications received were rejected, but will ultimately be resubmitted for issuance.

Strategy Measure (B)	2009 Target	2009 Actual	% of Goal	2010 Target
Number of licenses issued	4,000	2,318	57.9%	3,100

**Explanation of Variance:** Performance is under the targeted projection due to receiving fewer applications for new and renewed licenses. Effective in January 2008, the licenses were renewed every two years as opposed to every year, which caused a reduction in the number of renewals for this fiscal year.

### Strategy 5.2

Conduct inspections of manufactured homes in a timely manner.

Strategy Measure (A)	2009 Target	2009 Actual	% of Goal	2010 Target
Number of routine installation inspections conducted	6,000	4,801	80.0%	5,000

**Explanation of Variance:** The measure was below the targeted projection. However, there were 5,315 attempted inspections; but, due to lack of accessibility, only 4,801 could be successfully completed. If all attempted inspections had been successful, then the measure would have been exceeded. The Department is meeting the program's statutory requirement to inspect at least 25% of the installation inspections received. The actual year-to-date inspection rate is 38%.

Strategy Measure (B)	2009 Target	2009 Actual	% of Goal	2010 Target
Number of non-routine installation inspections conducted	2,200	2,239	101.8%	2,300

**Explanation of Variance:** No explanation required.

**Strategy 5.3**

To process consumer complaints, conduct investigations and take administrative actions to protect the general public and consumers.

Strategy Measure	2009 Target	2009 Actual	% of Goal	2010 Target
Number of complaints resolved	1,250	629	50.3%	850

**Explanation of Variance:** The Department has received fewer complaints than expected, resulting in fewer complaints resolved.

Goals six through eight are established in legislation as riders to TDHCA’s appropriations, as found in the General Appropriations Act.

**GOAL 6:** TDHCA will target its housing finance programs resources for assistance to extremely low-income households.\*

**Strategy 6.1**

The housing finance divisions shall adopt an annual goal to apply \$30,000,000 of the division’s total housing funds toward housing assistance for individuals and families earning less than 30 percent of median family income.

Strategy Measure	2009 Target	2009 Actual	% of Goal	2010 Target
Amount of housing finance division funds applied towards housing assistance for individuals and families earning less than 30 percent of median family income.	\$30,000,000	\$42,328,192	141%	\$30,000,000

**Explanation of Variance:** The performance is higher than expected because the Rider 5 report now captures actual incomes of households served by TDHCA and not projected income groups.

Note: For more information, see Rider 5 of TDHCA’s Appropriations as found in HB 1 (General Appropriations Act), 81st Legislature, Regular Session.

**GOAL 7:** TDHCA will target its housing finance resources for assistance to very low-income households.

**Strategy 7.1**

The housing finance divisions shall adopt an annual goal to apply no less than 20% of the division’s total housing funds toward housing assistance for individuals and families earning between 31% and 60% of median family income.

Strategy Measure	2009 Target	2009 Actual	% of Goal	2010 Target
Percent of housing finance division funds applied towards housing assistance for individuals and families earning between 31% and 60% of median family income.	20%	56%	282%	20%

**Explanation of Variance:** The majority of TDHCA housing programs serve households under 60% of median family income. The Rider 5 Report includes Section 8, HOME Single Family, HOME Multifamily, Housing Trust Fund Single Family, Housing Trust Fund Multifamily, and Housing Tax Credit Programs.

Note: For more information, see Rider 5 of TDHCA’s Appropriations as found in HB 1 (General Appropriations Act), 81st Legislature, Regular Session.

**GOAL 8:** TDHCA will provide contract for deed conversions for families who reside in a colonia and earn 60 percent or less of the applicable area median family income.

**Strategy 8.1**

Help colonia residents become property owners by converting their contracts for deed into traditional mortgages.

Strategy Measure	2009 Target	2009 Actual	% of Goal	2010 Target
Amount of TDHCA funds applied towards contract for deed conversions for colonia families earning less than 60% of median family income.	100	25	25%	100

**Explanation of Variance:** Rider 6 of the Department's appropriations act requires that the Department direct \$2,000,000 a year towards completing 100 contract for deed conversions. The decline in the number of contract for deed requests has inhibited the ability of the Department to attain the target.

Note: For more information, see Rider 6 of TDHCA's Appropriations as found in HB 1 (General Appropriations Act), 81st Legislature, Regular Session.

The following TDHCA-designated goal addresses the housing needs of persons with special needs.

**GOAL 9:** TDHCA will work to address the housing needs and increase the availability of affordable and accessible housing for persons with special needs.

**Strategy 9.1**

Dedicate five percent (5%) of the HOME project allocation for benefits of persons with disabilities who live in any area of this state.\*

Strategy Measure	2009 Target	2009 Actual	% of Goal	2010 Target
Amount of HOME project allocation awarded to applicants that target persons with disabilities.	\$2,196,677	\$5,167,301	235%	\$2,000,000**

**Explanation of Variance:** These include funds from the Persons with Disabilities Set-Aside and HOME general funds that were used to assist households with persons with disabilities. It is important to note that while funds from the set-aside may be used anywhere in the state, HOME general funds may only be utilized in non-participating jurisdictions, those communities that do not receive funds directly from HUD.

\*\*Estimate based on \$40,000,000 prior to finalized Congressional appropriation.

Note: For more information, see 2306.111(c)(2).

**Strategy 9.2:**

Compile information and accurately assess the housing needs of and the housing resources available to persons with special needs.

**Strategy Activities:**

- Assist counties and local governments in assessing local needs for persons with special needs.
- Work with State and local providers to compile a statewide database of available affordable and accessible housing.
- Set up a referral service to provide this information at no cost to the consumer.

- Promote awareness of the database to providers and potential clients throughout the State through public hearings, the TDHCA web site as well as other provider web sites, TDHCA newsletter and local informational workshops.

**Strategy 9.3:**

Increase collaboration between organizations that provide services to special needs populations and organizations that provide housing.

**Strategy Activities:**

- Promote the coordination of housing resources available among State and federal agencies and consumer groups that serve the needs of special needs populations.
- Continue working with agencies, advocates and other interested parties in the development of programs that will address the needs of persons with special needs.
- Increase the awareness of potential funding sources for organizations to access, to serve special needs populations, through the use of TDHCA planning documents, web site and newsletter.

**Strategy 9.4:**

Discourage the segregation of persons with special needs from the general public.

**Strategy Activities:**

- Increase the awareness of the availability of conventional housing programs for persons with special needs.
- Support the development of housing options and programs, which enable persons with special needs to reside in noninstitutional settings.



## **SECTION 5: RECOVERY ACT**

On February 13, 2009, the United States Congress passed the American Recovery and Reinvestment Act of 2009 (Recovery Act). A direct response to the economic crisis, the Recovery Act has three immediate goals:

1. Create new jobs as well as save existing ones
2. Spur economic activity and invest in long-term economic growth
3. Foster unprecedented levels of accountability and transparency in government spending

TDHCA administers several programs funded through the Recovery Act. These programs are grouped and discussed in their own chapter rather than the Action Plan because of their temporary nature; most of them will conclude in two to three years. However, the Recovery Act programs are included in the Action Plan's Housing Support Continuum because of their administration through the Department and their creation to serve the needs of low- to moderate-income Texas.

Nationally, the Recovery Act will provide more than \$150 billion in assistance to low-income and vulnerable households. The Department may receive up to approximately \$1.16 billion in Recovery Act funds if the Department is awarded all pending applications and receives all eligible funds.

Recovery Act programs administered by the Department include the Community Services Block Grant Program, Homebuyer Tax Credit Programs, Homelessness Prevention and Rapid Re-Housing Program, Housing Tax Credit Recovery Act Programs, and the Weatherization Assistance Program. The following table provides summary information about each of the Department's Recovery Act programs.

### **Texas Department of Housing and Community Affairs Recovery Act Programs**

<b>Program</b>	<b>Total Funding</b>
Community Services Block Grant Program	\$48,148,071
Homebuyer Tax Credit Programs (Mortgage Advantage Program and the 90-Day Down Payment Assistance Program)	\$4,571,183
Homelessness Prevention and Rapid Re-Housing Program	\$41,472,772
Housing Tax Credit Recovery Act Programs (Housing Tax Credit Exchange Program and Tax Credit Assistance Program)	Up To \$594,091,929 for the Housing Tax Credit Exchange Program \$148,354,769 for the Tax Credit Assistance Program
Weatherization Assistance Program	\$326,975,732
<b>Total</b>	<b>\$1,163,614,456</b>

## COMMUNITY SERVICES BLOCK GRANT

### *PROGRAM DESCRIPTION*

The Recovery Act expanded the funds available for the Department's existing Community Services Block Grant (CSBG) Program. The CSBG funds are distributed through the U.S. Department of Health and Human Services (USHHS). TDHCA received \$48,148,071 in CSBG Recovery funds. CSBG is administered through the Community Affairs Division.

The CSBG Program funds eligible entities and activities that support the intent of the CSBG Act. Activities typically allowed under the program include administrative support for poverty programs, such as Head Start and Meals on Wheels; and direct services such as credit counseling, short-term rental assistance and transportation. The Department provides administrative support funds to Community Action Agencies (CAAs) and other human-service-delivery organizations that offer emergency and poverty-related programs to lower-income persons.

Ninety-nine percent of the new funding available through the Recovery Act must be made available to the CSBG eligible entities and one percent of funding must be used to help clients enroll in federal, state, and local benefits programs. In addition, the Recovery Act raises the income limit from 125 percent to 200 percent of the federal poverty guidelines. This income limit increase will result in the eligibility of more households in Texas.

### *IMPLEMENTATION AND ALLOCATION*

The Department submitted the CSBG Recovery Act plan to USHHS on May 28, 2009, and received notice of approval on July 24, 2009. The Department applied the existing CSBG allocation formula to the Recovery Act funds available for the CSBG-eligible entities. Allocations are based on two factors: (1) the number of persons living in poverty within the designated service-delivery area for each organization and (2) a calculation of population density. Poverty population is given ninety-eight percent weight and the ratio of inverse population density is given two percent weight. The formula also includes a base award for each organization before the factors are applied as well as a minimum award, also known as a floor.

Subrecipient contracts were executed in September 2009 and program services must be rendered by September 30, 2010.

### *ADDITIONAL RESOURCES*

See State of Texas Federal FY 2009 and Federal FY 2010 Community Services Block Grant Program (CSBG) Recovery Act Plan as approved by USHHS posted on the TDHCA website at <http://www.tdhca.state.tx.us/recovery/docs/09-CSBGR RecoveryActPlan.pdf>.

## **HOMEBUYER TAX CREDIT PROGRAMS**

The Recovery Act created a tax credit program for qualifying taxpayers who bought a home before December 1, 2009. The Department created two programs in late Spring 2009 to help Texas families take advantage of the Recovery Act tax credit program for first-time homebuyers. The 90-day Down Payment Assistance Program (DPAP) and the Mortgage Advantage Program (MAP) both provided short-term loans at 0 percent interest to eligible families in exchange for them filing for and receiving the federal first-time homebuyer tax credit. Upon receipt, borrowers were required to either repay the 2<sup>nd</sup> lien in full or make monthly payments for the duration of the term of the loan. Due to the overwhelming popularity of the program and limited availability of funds, applications were only accepted through September 23, 2009.

The Recovery Act's homebuyer tax credit program allowed homebuyers to claim a tax credit on either their 2008 or 2009 tax return. Homebuyers do not have to repay the credit to the IRS if the home remains their main residence for 36 months after the purchase date. Homebuyers can claim 10 percent of the purchase price up to \$8,000 for individuals or married couples, or \$4,000 for married couples filing separately. Taxpayers whose adjusted gross income is less than \$75,000 for individual filers or \$150,000 for joint filers were eligible to claim the credit. A first-time homebuyer is an individual or a married couple who has not owned a principal residence during the three-year period ending on the date of purchase. Homebuyers applying for the Department's DPAP or MAP needed to complete a homebuyer education course, be eligible to claim the federal tax credit and file the appropriate IRS forms to receive the credit.

### **90-DAY DOWN PAYMENT ASSISTANCE PROGRAM**

#### *PROGRAM DESCRIPTION*

The Department's Board gave staff the authority to utilize up to \$5 million in Supplemental Bond Contingency Reserve Funds for down payment and closing cost assistance. The 90-day DPAP allowed a maximum of \$7,000 for this purpose. DPAP offered 90 days interest-free for the homebuyer to access the tax credit and repay the loan. If the homeowner did not repay the loan within the specified period, the homeowners were responsible for repayment of a second lien note with a two year term and an interest rate of 10 percent.

### **MORTGAGE ADVANTAGE PROGRAM**

#### *PROGRAM DESCRIPTION*

The Department's Board gave staff the authority to utilize up to \$2.5 million from funds within the Mortgage Credit Certificate (MCC) Program and Mortgage Revenue Bond (MRB) Program 70. Like DPAP, MAP provided short-term loans at 0 percent interest to eligible families in exchange for them filing for and receiving the federal first-time homebuyer program tax credit. MAP funds were only available in conjunction with the Department's First Time Homebuyer Program or the Mortgage Credit Certificate Program. MAP allowed a maximum of \$6,000 for down payment and/or closing cost assistance interest-free for 120 days for the homebuyer to access their tax credit and repay the loan. If the homeowner did not repay the loan within the specified period, the homeowners were responsible for repayment of a second lien note with a five year term and an interest rate of 7 percent.

*IMPLEMENTATION AND ALLOCATION FOR DPAP AND MAP*

The TDHCA Board approved the use of funds for the Mortgage Advantage Program on April 23, 2009. On May 21, 2009 the TDHCA Board approved the use of Supplemental Bond Contingency Funds for the 90-day Down Payment Assistance Program.

First-time homebuyers accessed this program through a participating lender. The second lien for qualified borrowers was processed by TDHCA's Texas Homeownership Division. Although applications were accepted through September 23, 2009, loans were allowed to close up to December 1, 2009.

*ADDITIONAL RESOURCES FOR DPAP AND MAP*

For more information about the Recovery Act tax credit program for first-time homebuyers, see <http://www.irs.gov>. For information about other programs the Department may have available for first time homebuyers, please visit the Division's website at [www.myfirsttexashome.com](http://www.myfirsttexashome.com).

## HOMELESS PREVENTION AND RAPID RE-HOUSING PROGRAM

### *PROGRAM DESCRIPTION*

The Recovery Act created the Homelessness Prevention and Rapid Re-Housing Program (HPRP) to enable persons who are homeless or at risk of homelessness to maintain housing. The HPRP funds are administered through the U.S. Department of Housing and Urban Development (HUD). The Department received \$41,472,772 in HPRP funds. HPRP is administered through the Community Affairs Division.

The intent of HPRP is to transition program participants to stability, either through their own means or with public assistance, as appropriate. HPRP is not intended to provide long-term support for program participants (assistance is limited to 18 months). This program was created in response to the financial stress on individuals and households due to the impact of the current economic downturn. HPRP funds homeless prevention assistance to individuals and households who would otherwise become homeless and assists in re-housing persons rapidly who are homeless, as defined by Section 103 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11303). To be eligible, households must have incomes at or below 50 percent of area median income.

Two target populations facing housing instability are eligible to receive funding under HPRP. The first target population eligible for homeless prevention assistance includes individuals and families who are currently housed but are at risk of becoming homeless; they may need temporary rent or utility assistance to prevent them from becoming homeless or assistance to move to another unit. The second target population eligible for rapid re-housing assistance includes individuals and families who are experiencing homelessness (e.g. residing in emergency or transitional shelters or places not intended for habitation) and need temporary assistance in order to obtain and retain housing.

Homelessness Prevention services to at-risk populations include:

- Assistance to locate, secure, and/or maintain housing, including mediation or outreach to property owners to help avoid eviction;
- Assistance for certain financial needs, such as utility payment, utility security deposit assistance, housing search and moving costs;
- Counseling and other activities to help repair credit ratings; and
- Case management to ensure that appropriate programs are accessed to help achieve and maintain self-sufficiency.

### *IMPLEMENTATION AND ALLOCATION*

The Department submitted a substantial amendment to its Consolidated Plan 2008 Action Plan that also served as the Department's application for HPRP funds to HUD in May 2009, and HUD approved the Department's substantial amendment on June 26, 2009.

TDHCA released a Notice of Funding Availability (NOFA) for the HPRP funds, authorized by its Governing Board based on public input for both competitive portions of the HPRP funds. Applications were due May 29, 2009. Eligible applicants included units of general local government and private nonprofit organizations with an exemption under Section 501(c)(3) of the Internal Revenue Code exemption and whose professional activities included the promotion of social welfare and the prevention or elimination of homelessness.

To allocate funds regionally across the State, the Department used a regional allocation based on the 13 Uniform State Service Regions. Calculation of regional allocations utilized 2000 US Census data for

individuals in poverty as well as unemployment figures for December 2008, January and February 2009 provided by the Texas Workforce Commission.

Region	Geographical Reference	Regional Funding Amount
1	Lubbock	\$ 1,243,246
2	Abilene	\$ 850,679
3	Dallas/Fort Worth	\$ 9,227,080
4	Tyler	\$ 1,783,793
5	Beaumont	\$ 1,414,642
6	Houston	\$ 8,572,937
7	Austin/Round Rock	\$ 2,301,128
8	Waco	\$ 1,632,540
9	San Antonio	\$ 3,132,547
10	Corpus Christi	\$ 1,353,832
11	Brownsville/Harlingen	\$ 4,339,138
12	San Angelo	\$ 864,583
13	El Paso	\$ 1,646,169
		\$ 38,362,314
	2.5% State Admin	\$ 1,036,819
	5% Statewide Pilot	\$ 2,073,639
	<b>Total TDHCA Allocation</b>	<b>\$ 41,472,772</b>

In July 2009, the TDHCA Board of Directors awarded HPRP funds to 59 eligible applicants. All HPRP contracts were executed in October 2009. HPRP is administered through the Community Affairs Division at the Department. According to the Recovery Act, 60 percent of the HPRP funds must be expended within two years and 100 percent within three years, and the Department is on target to meet this deadline.

#### *ADDITIONAL RESOURCES*

See the Substantial Amendment to the *Consolidated Plan 2008 Action Plan for the Homelessness Prevention and Rapid Re-Housing Program (HPRP)* as approved by HUD posted on the TDHCA website at <http://www.tdhca.state.tx.us/recovery/docs/HPRP-ConPlanAmendment.pdf>.

## **HOUSING TAX CREDIT RECOVERY ACT PROGRAMS**

Two Recovery Act programs are administered by the Department to assist with the existing Low Income Housing Tax Credit (HTC) Program, the Tax Credit Assistance Program and the Housing Tax Credit Exchange Program. The HTC Program is an existing Department program and is the primary program used to develop affordable rental housing for working families. Through the HTC Program, the federal government encourages private investment in affordable rental housing by providing investors a dollar-for-dollar reduction on their federal tax liability for every dollar of eligible construction expenses. The current economic crisis has decreased demand for tax credits by investors. As a result, the pricing of tax credits has plummeted, and many approved developments now lack the total funding needed for completion. This devaluation undermines the ability to develop housing with recently awarded tax credits.

### **HOUSING TAX CREDIT EXCHANGE PROGRAM**

#### *PROGRAM DESCRIPTION*

Through the Recovery Act, the Housing Tax Credit Exchange Program (HTC EX) administered through the U.S. Department of the Treasury (Treasury) allows developments allocated HTCs in 2007, 2008 and through September 2009 to return their tax credits. The Department can exchange the returned credits with the Treasury for cash at a rate of \$0.85 for each dollar in credit returned. The total amount of national funding is estimated at \$3 billion and the Department received \$594,091,929. Administration of the program is shared by several Department divisions including the HOME and Multifamily Finance Production divisions with support from the Real Estate Analysis and Program Services divisions.

The HTC Program can only be used for the new construction or rehabilitation/ reconstruction of rental properties affordable to households earning up to 60 percent of the Area Median Family Income (AMFI), as determined by HUD.

#### *IMPLEMENTATION AND ALLOCATION*

The Department anticipates the submission of an application for HTC EX funds to Treasury in November 2009.

Eligible applicants include HTC applicants that:

- received an allocation of HTC for award years 2007, 2008, and/or 2009;
- have paid all required tax credit commitment fees; and
- intend to return 100 percent of their HTC allocation.

The 2007 and 2008 HTC developments with a legally binding tax credit carryover will have priority for the allocation of HTC EX funds. Requests for HTC EX funds for 2009 HTCs will be distributed based on each applicant's original selection score and the application of a modified Regional Allocation Formula. Changes to the Regional Allocation Formula emphasize at-risk and rural developments. At-risk funding targets will increase to 20 percent from 15 percent and the funding targets for rural developments will increase to 40 percent from 20 percent.

Region	Place for Geographical Reference	Regional Funding Amount	Regional Funding %	Rural Funding Amount	Rural Funding %	Urban Funding Amount	Urban Funding %
At Risk	\$ 40,994,344						
1	Lubbock	\$ 5,657,957	3%	\$ 4,313,395	76%	\$ 1,344,563	24%
2	Abilene	\$ 3,338,146	2%	\$ 2,878,352	86%	\$ 459,795	14%
3	Dallas/Fort Worth	\$ 37,647,159	23%	\$ 14,021,418	37%	\$ 23,625,741	63%
4	Tyler	\$ 5,814,100	4%	\$ 5,161,505	89%	\$ 652,596	11%
5	Beaumont	\$ 4,139,371	3%	\$ 3,726,499	90%	\$ 412,872	10%
6	Houston	\$ 39,981,663	24%	\$ 14,457,096	36%	\$ 25,524,567	64%
7	Austin/Round Rock	\$ 10,877,111	7%	\$ 5,028,700	46%	\$ 5,848,411	54%
8	Waco	\$ 7,783,586	5%	\$ 4,321,030	56%	\$ 3,462,556	44%
9	San Antonio	\$ 11,690,316	7%	\$ 5,330,933	46%	\$ 6,359,382	54%
10	Corpus Christi	\$ 6,063,919	4%	\$ 4,149,254	68%	\$ 1,914,665	32%
11	Brownsville/Harlingen	\$ 20,846,297	13%	\$ 11,730,698	56%	\$ 9,115,599	44%
12	San Angelo	\$ 2,810,393	2%	\$ 2,774,920	99%	\$ 35,473	1%
13	El Paso	\$ 7,327,359	4%	\$ 4,094,889	56%	\$ 3,232,470	44%
<b>Total Regional</b>		<b>\$ 163,977,377</b>	<b>100%</b>	<b>\$ 81,988,688</b>	<b>50%</b>	<b>\$ 81,988,688</b>	<b>50%</b>
<b>Grand Total</b>		<b>\$ 204,971,721</b>	<b>100%</b>	<b>\$ 81,988,688</b>	<b>40%</b>	<b>\$ 81,988,688</b>	<b>40%</b>

#### ADDITIONAL RESOURCES

For more information, see the Department's website at <http://www.tdhca.state.tx.us/recovery/detail-htc-exchange.htm>. The Tax Credit Exchange Policy as adopted by the Board is available at <http://www.tdhca.state.tx.us/recovery/docs/09-TCE-ExchangePolicyBoardRes.pdf>; and the Tax Credit Exchange Policy Supplement is available at <http://www.tdhca.state.tx.us/recovery/docs/09-TCE-ExchangePolicySupp.pdf>.

### TAX CREDIT ASSISTANCE PROGRAM

#### PROGRAM DESCRIPTION

The Tax Credit Assistance Program (TCAP) provides funding through the HOME Program to compensate for the current state of the investor market for Housing Tax Credits (HTCs). TDHCA received \$148,354,769 in TCAP funding. TCAP is administered through the HOME Division.

The HOME Program is funded through HUD and typically provides funding to local governments and states for a variety of affordable housing activities benefiting low-income households. The Recovery Act seeks to address the loss in value of HTCs by allowing the Department to award federal HOME funds to HTC developments adversely affected by current HTC market conditions. Eligible recipients for this funding are previously-awarded 2007 and 2008 HTC applicants, as well as recipients of 2009 HTC awards. The HTC Program can only be used for the new construction or rehabilitation/reconstruction of rental properties affordable to households earning up to 60 percent of the Area Median Family Income (AMFI), as determined by HUD.

#### IMPLEMENTATION AND ALLOCATION

The TCAP Plan was submitted to HUD by June 3, 2009 after a five-day public comment period. The Department revised the TCAP Plan on July 16, 2009 and HUD approved the Plan on July 23, 2009.

The Department released TCAP funds through a competitive process open to eligible entities. TCAP funds were allocated according to the HTC Regional Allocation Formula distributing funds to 13 state regions and, within those regions, to urban and rural areas. The HTC Regional Allocation Formula is based on regional need for affordable housing and includes an at-risk set-aside of 15 percent and rural set-aside of 20 percent. TCAP funds must be expended by February 16, 2012.

Region	Place for Geographical Reference	Regional Funding Amount	Regional Funding %	Rural Funding Amount	Rural Funding %	Urban Funding Amount	Urban Funding %
1	Lubbock	\$4,344,197	3.4%	\$2,291,537	52.7%	\$2,052,659	47.3%
2	Abilene	\$2,590,427	2.1%	\$1,467,629	56.7%	\$1,122,798	43.3%
3	Dallas/Fort Worth	\$28,932,205	22.9%	\$3,691,363	12.8%	\$25,240,843	87.2%
4	Tyler	\$4,444,990	3.5%	\$2,893,936	65.1%	\$1,551,053	34.9%
5	Beaumont	\$3,187,599	2.5%	\$2,094,137	65.7%	\$1,093,463	34.3%
6	Houston	\$30,993,097	24.6%	\$3,605,180	11.6%	\$27,387,917	88.4%
7	Austin/Round Rock	\$8,295,464	6.6%	\$1,069,201	12.9%	\$7,226,263	87.1%
8	Waco	\$5,973,227	4.7%	\$1,884,930	31.6%	\$4,088,297	68.4%
9	San Antonio	\$9,002,345	7.1%	\$1,534,556	17.0%	\$7,467,789	83.0%
10	Corpus Christi	\$4,718,289	3.7%	\$2,101,631	44.5%	\$2,616,658	55.5%
11	Brownsville/Harlingen	\$16,014,660	12.7%	\$5,133,896	32.1%	\$10,880,763	67.9%
12	San Angelo	\$2,164,195	1.7%	\$832,664	38.5%	\$1,331,531	61.5%
13	El Paso	\$5,440,858	4.3%	\$1,070,292	19.7%	\$4,370,565	80.3%
<b>Total</b>		<b>\$126,101,554</b>	<b>100.0%</b>	<b>\$29,670,954</b>	<b>23.5%</b>	<b>\$96,430,600</b>	<b>76.5%</b>

#### ADDITIONAL RESOURCES

For more information regarding TCAP funds, see the Department's TCAP website at <http://www.tdhca.state.tx.us/recovery/detail-tcap.htm>. The TCAP plan as approved by HUD is available at <http://www.tdhca.state.tx.us/recovery/docs/09-TCAPplan.pdf>; the Board Resolution is available at <http://www.tdhca.state.tx.us/recovery/docs/09-TCAP-PolicyBdResolution.pdf>; and the TCAP Policy Supplement is at <http://www.tdhca.state.tx.us/recovery/docs/09-TCAP-PolicySupplement.pdf>.

## **WEATHERIZATION ASSISTANCE PROGRAM**

### *DESCRIPTION OF PROGRAM*

The Weatherization Assistance Program (WAP) is funded through the U.S. Department of Energy (DOE). The Recovery Act expands the Department's existing Weatherization Assistance Program, which was previously funded approximately \$13,000,000 per year through the DOE and the U.S. Health and Human Services' Low Income Home Energy Assistance Program (LIHEAP). The Department received \$326,975,732 in WAP Recovery Funds. WAP is administered through the Community Affairs Division.

The Weatherization Assistance Program allocates funding to help households control energy costs through the installation of weatherization measures and through energy conservation education. Activities include measures to reduce air infiltration, such as replacement of doors and windows, repairing of holes and caulking; installation of ceiling, wall, and floor insulation; replacement of energy inefficient appliances and heating and cooling units; and energy education to help families reduce their energy consumption.

The Recovery Act WAP program is able to benefit from the success of the pre-existing program. Of the \$326.9 million, approximately \$288 million is being made available for contracts with subrecipients for weatherization activities; the balance is designated for training and technical assistance and administrative funds. The Recovery Act allowed the increase of the income limit for households served from 125 percent to 200 percent of federal poverty guidelines, and the Department has increased the income limits to 200 percent. This income limit increase will result in the eligibility of more households in Texas. The Recovery Act increased the maximum percentage of funds that can be used for training and technical assistance from 10 to 20 percent of the total award amount. The Recovery Act also raised the monetary cap (WAP funds only) that may be spent on each household from \$3,044 in 2009 to \$6,500. Priority households include the elderly, persons with disabilities, families with young children, households with the highest energy costs or needs in relation to income (highest home energy burden), and households with high energy consumption.

### *IMPLEMENTATION AND ALLOCATION*

The Department submitted a Plan for WAP Recovery Act funds to DOE on March 23, 2009. The DOE approved the Department's WAP Plan and the release of half the total funds on July 10, 2009.

The allocation formula for WAP uses the following five factors and corresponding weights to distribute funds to all 254 counties in Texas through the existing network of providers: non-elderly poverty household factor (40 percent); elderly poverty household factor (40 percent); inverse poverty household density factor (5 percent); median income variance factor (5 percent); and weather factor (10 percent).

The pre-existing Weatherization Assistance Program is administered by an existing subrecipient network comprised of 33 agencies that provide weatherization services to all 254 counties in Texas. Moreover, 12 cities were temporarily added to the existing network because of the significant increase in Recovery Act WAP funding compared to the historical WAP funding and the short timeframe for expenditure.

The projections for Recovery Act WAP awarded in 2009 with performance period lasting until March 2012: \$326,975,732 of funding allocated to weatherize 33,908 units. Note that Recovery Act WAP is a one-time multiyear funding award.

### *ADDITIONAL RESOURCES*

See the Department plan approved by DOE; U.S. Department of Energy State Plan; 2009 American Recovery and Reinvestment Act; and Weatherization Assistance Program for Low-Income Persons posted on the TDHCA website at <http://www.tdhca.state.tx.us/recovery/detail-wap.htm>.

## **SECTION 6: PUBLIC PARTICIPATION**

TDHCA strives to include the public in policy, program and resource allocation decisions that concern the Department. This section outlines how the public is involved with the preparation of the plan and includes a summary of public comment.

- *Participation in TDHCA Programs*: Discusses efforts to ensure that individuals of low income and their community-based institutions participate in TDHCA programs
- *Citizen Participation in Program Planning*: Discusses affirmative efforts to ensure the involvement of individuals of low income and their community-based institutions in the allocation of funds and the planning process

### **PARTICIPATION IN TDHCA PROGRAMS**

Texas is an economically, regionally and demographically diverse state. The Department recognizes this by establishing criteria to distribute funds based on the priorities established in TDHCA's governing statute. It is incumbent upon TDHCA to increase the public's awareness of available funding opportunities so that its funds will reach those in need across the state.

Below are the approaches taken by TDHCA to achieve this end:

- Throughout the year, the TDHCA staff reaches out to interested parties at informational workshops, roundtables, and conferences across the state to share information about TDHCA programs. Organizations interested in becoming affordable housing providers are actively encouraged to contact TDHCA for further technical assistance in accessing TDHCA programs.
- The Department's Division of Public Affairs is responsible for media releases, attends conferences and maintains conference information booths on behalf of TDHCA, as well as coordinates media interviews and speaking events.
- The TDHCA *Program Guide* provides a comprehensive, statewide housing resource guide for both individuals and organizations across the state. The *Program Guide* provides a list of housing and housing-related programs operated by TDHCA, HUD and other federal and state agencies.
- The TDHCA website, through its provision of timely information to consumers, is one of TDHCA's most successful marketing tools and affordable housing resources.
- TDHCA also operates a listserv e-mail service, where subscribed individuals and entities can receive email updated on TDHCA information, announcements and trainings.
- TDHCA is involved with a wide variety of committees and workgroups, which serve as valuable resources to gather input from people working at the local level. These groups share information on affordable housing needs and available resources and help TDHCA to prioritize these needs.

### **CITIZEN PARTICIPATION IN PROGRAM PLANNING**

The Department values and relies on community input to direct resources to meet its goals and objectives. In an effort to provide the public with an opportunity to more effectively give input on the Department's policies, rules, planning documents and programs, the Department has consolidated its public hearings. In addition to these annual public hearings, individual program sections hold various hearings and program workshops throughout the year. Furthermore, the TDHCA Board accepts extensive public comment on programmatic and related policy agenda items at monthly board meetings.

The Department ensures that all programs follow the citizen participation and public hearing requirements as outlined in the Texas Government Code. Hearing locations are accessible to all who choose to attend

and are held at times accessible to both working and non-working persons. The Department maintains a voluntary membership e-mail list which it uses to notify all interested parties of public hearings and public comment periods. Additionally, pertinent information is posted as an announcement in the *Texas Register* and on TDHCA's website. Participation and comments are encouraged and can be submitted either at a public hearing or in writing via mail, fax, or email.

## **PREPARATION OF THE PLAN**

Section 2306.0722 of the Texas Government Code mandates that the Department meet with various organizations concerning the prioritization and allocation of the Department's housing resources prior to preparation of the Plan. As this is a working document, there is no time at which the Plan is static. Throughout the year, research was performed to analyze housing needs across the state, focus meetings were held to discuss ways to prioritize funds to meet specific needs and public comment was received at program-level public hearings as well as at every Governing Board meeting.

The Department met with various organizations concerning the prioritization and allocation of the Department's resources and all forms of public input were taken into account in its preparation. Several program areas conducted workgroups and public hearings in order to receive input that impacted policy and shaped the direction of TDHCA programs.

Communication between TDHCA and numerous organizations results in a participatory approach towards defining strategies to meet the diverse affordable housing needs of Texans. In March 2006, TDHCA mailed out the 2006 Community Needs Survey to approximately 2,500 state representatives and senators, mayors, county judges, city managers, housing/planning departments, USDA local offices, public housing authorities, councils of governments, community action agencies and Housing Opportunities for Persons with AIDS (HOPWA) agencies to gather preliminary input on local perceptions of housing, community affairs and community development needs. TDHCA uses this input when preparing the Plan and in program planning and development.

## **PUBLIC HEARING**

From October to December 2009, TDHCA worked on the draft version of the *2010 State of Texas Low Income Housing Plan and Annual Report*. The draft was submitted to the TDHCA Board of Directors for approval at the December 2009 Board meeting and was released for public comment in accordance with §2306.0732 and §2306.0661.

The hearing notice was published in the *Texas Register*. During the comment period from January 4 to February 2, 2010, the public was encouraged to submit input toward the Plan in writing via mail, fax, or e-mail. A public hearing to gather public comment on the SLIHP was held on January 13, 2010 at the Stephen F. Austin Building at 11:15am. At the public hearing, there were seven attendees and four speakers who had comments on the SLIHP.

## **PUBLIC COMMENT**

The comments summarized below were received during the public hearing or submitted in writing directly to the Department. Eight comments were received and the Department responses are included after each comment.

### **1. Comment: Add Recovery Act Projections for the Weatherization Assistance Program**

The Weatherization Assistance Program (WAP) description is divided by the annual allocation in the Action Plan chapter and the Recovery Act allocation in the Recovery Act chapter. The Action Plan projects benchmarks for WAP but the Recovery Act chapter is more general and does not have benchmark numbers for WAP. Commenter encourages the Department to include a benchmark number, specifically the number of households served, by the Recovery Act WAP.

Department Response: The Recovery Act WAP description has been updated to include funding available and units weatherized, similar to the benchmark format in the Action Plan. Each unit weatherized represents one household served. While the Action Plan benchmarks for WAP's annual allocation are for fiscal year (FY) 2010, the Recovery Act WAP benchmarks are for a one-time multiyear funding award starting in 2009 and ending in 2012.

### **2. Comment: Use 2009 CHAS data in the SLIHP and Regional Allocation Formulas**

In January 2010, HUD released the 2009 Comprehensive Housing Affordability Strategy (CHAS) data. The Department currently uses data projections from the 2000 Census in the SLIHP Housing Analysis chapter and the regional allocation formula (RAF) in the Action Plan chapter. Commenter stated that while the 2000 data projections in the 2010 SLIHP account for changes in population, the projections do not take into account the prevalence of housing problems: Dallas, Houston and Austin have seen a significant increase in housing need over the rest of the state. Commenter believes that the projection does not account for above-projection growth in the number of extremely low-income households with extreme cost burden and that the current estimate of need underestimates the needs in Regions 3, 6 and 7. While commenter understands that the RAF has already been adopted, because the RAF is based on information in the SLIHP, commenter would like the Department to reopen the RAF so that it will be based on the most current data available.

Department Response: The Department strives to use the most current data available in its analysis and allocation formulas. With this goal, the Department used 2000 CHAS data updated with Ribbon Demographics' HISTA projections purchased by the Department. HISTA data is based on four-way cross tabulations of household data designed specifically for affordable housing analysis that has been built by Claritas, a provider of demographic data worldwide. The data is not based on extrapolations of Summary File (SF) 3 data. According to the U.S. Census website, "Summary File 3 consists of 813 detailed tables of Census 2000 social, economic and housing characteristics compiled from a sample of approximately 19 million housing units (about 1 in 6 households) that received the Census 2000 long-form questionnaire."

The data used for the SLIHP and RAF are based on CHAS data, specifically certain categories that address housing problems. Because the HISTA data does not provide all the CHAS data categories needed for the Department's analysis, the Department applied the HISTA data to create projections to the CHAS data.

Although the 2009 CHAS data was released by HUD in January 2010, HUD only released 2009 CHAS data for Metropolitan Statistical Areas (MSAs) and did not release updated CHAS data for rural areas. The 2009 CHAS data only includes 116 counties out of 254 counties in Texas. Therefore it is not possible to compare the SLIHP data projections against the 2009 CHAS data for Regions 3, 6 and 7 because the 2009 CHAS data does not have information for each county in

the region. Because the Department serves all of Texas, the SLIHP and the RAF must use data from all counties in order to be accurate in its analysis and allocations. In order to use consistent data, the Department will not update its SLIHP or RAF with 2009 CHAS data because not all counties are available. In 2011, the RAF will again be updated based on current data available to the Department.

### **3. Comment: Creation of Income Category Below 30 Percent of Area Median Family Income (AMFI)**

Commenter would like the Department, along with other State agencies, to develop an income threshold between 0-15% AMFI, so that the State can plan for and allocate resources to a group that commenter believes is currently slipping through the cracks of housing and human service programs.

To evaluate housing needs, the Department currently uses three income categories for low-income Texans: Low Income (80% AMFI or below); Very Low Income (50% AMFI or below); and Extremely Low Income (30% AMFI or below). These divisions are also present in state law and allow TDHCA to allocate funds differently among these categories of low- and moderate-income populations. Commenter believes that no progress has been made over the past decade to reduce the proportion of need within this lowest income category. Evidence suggests that these groups include, but are not limited to, those living on Supplemental Security Income (SSI), Social Security Disability Insurance (SSDI) or other entitlement programs. According to the 2008 Old Age, Survivors, and Disability Insurance (OASDI, a.k.a. Social Security) Data, in Texas there are 597,297 beneficiaries receiving SSDI and 566,504 receiving SSI, many of whom rely solely on these benefits for income.

Commenter believes that the SLIHP should recognize that the unmet needs of the extremely low-income population results to a large degree from households not able to access current programs targeting extremely low-income households. Commenter believes that often, people making extraordinarily low income do not have the revenue needed to enter the most affordable of housing programs. Below 16% AMFI, the need for subsidies increases significantly, as rent levels fail to cover operating costs and replacement reserves. Moreover, these groups are more difficult to locate, contact, and market to than their higher income earning counterparts. For these reasons, money earmarked for below 30% AMFI largely goes to the population nearest the 30% threshold.

The following organizations support this statement: Advocacy, Inc; Coalition for Texans with Disabilities; Easter Seals Central Texas; Mary Lee Foundation; Texas Council for Developmental Disabilities; Texas Low Income Housing Information Service.

Department Response: The Department acknowledges the needs of the extremely low-income population at 30% AMFI and below. As a result, the Department strives to effectively serve this population by providing services through its programs, adjusting programmatic guidelines and developing policy priorities to address the needs of this population. The creation of a separate income category for 0-15% AMFI is not necessary to prioritize and adequately these households, which are served within the 0-30% AMFI income category.

Texans at 0-30% AMFI may be eligible for the following TDHCA programs and services:

- Emergency shelter funded through the Emergency Shelter Grants Program or Homeless Housing and Services Program;
- Human services including child care; health and human services; nutrition; transportation; job training and employment services; education services; activities designed to make better use of available income; housing services; emergency assistance; activities to achieve greater participation in the affairs of the community; youth development programs; information and referral services; activities to promote self-

sufficiency; and other related services through community action agencies that receive Community Services Block Grant funds;

- Energy education, financial assistance for utility bills and HVAC replacement through the Comprehensive Energy Assistance;
- Emergency rental assistance to prevent eviction through the Emergency Shelter Grants Program or Homeless Prevention and Rapid Re-housing Program;
- A rental subsidy through Section 8 Housing Choice Vouchers or Tenant-Based Rental Assistance through the HOME Program or Rental Assistance through the Housing Trust Fund;
- Reduced rent based on income level in an apartment complex created by the Housing Tax Credit Program, the Multifamily Bond Program, the HOME Program or the Housing Trust Fund;
- Home repairs or rehabilitation funded through the HOME Program;
- Weatherization of the housing unit in order to save on electricity bills through the Weatherization Assistance Program; or
- Homebuyer assistance through self-help owner-builder programs funded through the Office of Colonia Initiatives.

The Department provides incentives for funding to serve 0-30% AMFI on the programmatic level:

- The Department makes layering funds possible in many of its programs in order to provide opportunities for program recipients to reach this extremely low-income;
- The Housing Tax Credit complexes are prohibited from denying rental assistance to residents with Section 8 vouchers, creating deeply affordable rents to tenants with a Section 8 voucher living in a reduced-rent apartment;
- The Housing Tax Credit, Multifamily Revenue Bond and Housing Trust Fund Programs all provide point incentives for multifamily development applications that commit to serve households at 0-30% AMFI;
- The HOME Program's multifamily development funds require 5-10% of the units to be committed to serve households at 0-30% AMFI.
- Single-family activities, such as HOME's Homeowner Rehabilitation, Homebuyer Assistance and Tenant-Based Rental Assistance (TBRA) activities, offer additional points for applicants committed to serve households at 0-30% AMFI to meet the threshold point requirements.
- Homeowner rehabilitation and TBRA do not rely on rents for operating/administration costs and can serve households at 0-30% AMFI.

Commenter takes for example people on SSI, SSDI or other entitlement programs as within the 0-15% AMFI. The Department has based policy priorities for people with special needs including elderly populations (many of which rely on SSI) and persons with disabilities (many of whom rely on SSDI). The SLIHP's Action Plan Policy Priorities section outlines what policy-driven actions the Department takes to meet the needs of these populations.

The 0-15% AMFI income category is within the 0-30% AMFI income category that the Department serves. The Rider 5 report, submitted to the Legislative Budget Board, tracks income

levels of households served for many of the Department's programs. The most recent Rider 5 report shows that in 2006 the Department's Section 8, HOME, Housing Trust Fund and Housing Tax Credit programs expended \$42,328,192 to serve 8,172 households in the 0-30% AMFI category. This was approximately 37% of the total funding available in 2006 and 30% of the total households served for those programs during 2006.

Finally, separating the 0-15% AMFI households out of the 0-30% category would reduce the consistency of the Department's data based on national standards. Because HUD uses the 0-30% AMFI category, it is more appropriate for the public to compare national data with TDHCA's data if the 0-30% AMFI category remained.

#### **4. Comment: Support of 15% AMFI Category to Meet the Needs of Persons with Disabilities**

Commenter added a statement of support to the creation of an income category at 15% AMFI to address the income level of many people with disabilities when it comes to seeking safe and decent affordable integrated housing and accessible housing. In addition, commenter noted that the needs of persons with disabilities don't necessarily fit the 30 percent income level, especially when dealing with individuals who are on Social Security Disability benefits.

Department Response: The response to the creation of the 15% AMFI category is outlined in the Department Response to the Comment 3 above.

The Department addresses the needs of persons with disabilities through several policies outlined in the SLIHP Action Plan's Policies Priorities section. The Comprehensive Energy Assistance, Weatherization Assistance, HOME, Housing Trust Fund, Housing Tax Credit, Multifamily Bond, Section 8, Neighborhood Stabilization, and Community Development Block Grant Disaster Recovery programs all have specific measures to address the needs of people with disabilities. The Integrated Housing Rule also works to meet the needs of people with disabilities. In addition, TDHCA plays an active role in the Housing and Health Services Coordination Council, Promoting Independence Advisory Committee, and the Disability Advisory Workgroup which all collaborate with groups representing people with disabilities.

#### **5. Comment: Support of 15% AMFI Category to Meet the Needs of Persons with Developmental Disabilities and/or Severe Mental Illness**

Commenter described the situation of individuals with severe mental illness and/or developmental disabilities who cannot work, live on Supplemental Security Income (SSI) and are looking for affordable housing. Commenter explained that these individuals are permanently disabled, do not have Section 8 vouchers and have not been able to find available TDHCA units within Caldwell County, Travis County or Hays County. These individuals are already at self-sufficiency levels permissible with their disabilities, so a self-sufficiency plan required under tenant-based rental assistance would not improve their situations. As a result, commenter supported the creation of an income category of 0-15% AMFI which would possibly help the Department better serve individuals with mental illness and/or developmental disabilities.

Department Response: The response to the creation of the 15% AMFI category is outlined in the Department Response to Comment 3 above.

The Department addresses the needs of persons with developmental disabilities and/or Severe Mental Illness as outlined in several policies found in the SLIHP Action Plan's Policies Priorities section. This population is included in the "persons with disabilities" section. The U.S. Department of Housing and Urban Development (HUD) provides the following definition: "A person shall be considered to have a disability if such a person has a physical, mental, or emotional impairment that

1. is expected to be of long-continued and indefinite duration,

2. substantially impedes his or her ability to live independently, and
3. is of such a nature that the ability could be improved by more suitable housing conditions.

#### **6. Comment: Provide Housing with Support Services for the Mentally Ill Population**

Commenter stressed the need for the Department to provide safe, affordable, permanent housing for the mentally ill and integrate support services, tailored to individual needs, into this housing. Commenter outlined the severely mentally ill subpopulation's barriers to obtaining housing, including extremely low incomes which may consist only of SSI or SSDI, abnormal behaviors, inability to provide self-care and, in some cases, felony convictions. Commenter cited experts, studies and statistics stating that 20-30 percent of jail/prison population is mentally ill, 67-69 percent of the mentally ill in jail/prison also have co-occurring substance abuse and recidivism is inordinately high; the mentally ill subpopulation cycle through emergency rooms and state hospitals and are often discharged before they are sufficiently stable; and most of the chronically homeless are mentally ill. Without housing and support services, the recovery rate is low and the cost to society in taxes and quality of life is higher than if society provided these services.

Department response: The Department recognizes the special needs of the mentally ill populations and people with disabilities. In an effort to meet those needs, the Department collaborates with groups representing people with disabilities, such as the Housing and Health Services Coordination Council, Promoting Independence Advisory Committee, and the Disability Advisory Workgroup. The most current effort is the Housing and Health Services Coordination Council (Council), which is tasked with increasing state efforts to create service-enriched housing for persons who are elderly and persons with disabilities and to offer a continuum of home and community-based services that are affordable to the state and the target population. The Council's tasks are outlined in the SLIHP Action Plan's Policies Priorities section and further information can be found on the Council website: <http://www.tdhca.state.tx.us/hhsc>.

Additionally, the Comprehensive Energy Assistance, Weatherization Assistance, HOME, Housing Trust Fund, Housing Tax Credit, Multifamily Bond, Section 8, Neighborhood Stabilization, and Community Development Block Grant Disaster Recovery programs all have specific measures to address the needs of people with disabilities.

#### **7. Comment: Deeply Affordable Rents Needed for Individuals with Intellectual and/or Mental Health Disabilities**

The Action Plan's Policy Priorities section called "Persons with Disabilities (Special Needs)" states that the Department meets with advocates for the elderly and persons with disabilities and stresses the primary goal of this subpopulation to live independently and remain in their own home. Commenter noted that the Department's statement in the "Person's with Disabilities (Special Needs)" section focuses on rehabilitation and physical access of properties and not on this subpopulation's need for deeply affordable rents. Commenter states that although a segment of this subpopulation consists of people with physical and not cognitive disabilities, a high percentage of this subpopulation consists of people with intellectual and/or mental health disabilities, in which case they would need the deeply affordable assistance and not assistance with physical access. Commenter recommends that the Department recognize the needs for deeply affordable rents for individuals with intellectual and/or mental health disabilities in the "Persons with Disabilities (Special Needs)" Policy Priority.

Department Response: The Department has worked and continues to work to provide deeply affordable assistance to people with intellectual and/or mental health disabilities. Therefore, the Department has added a sentence to the "Persons with Disabilities (Special Needs)" policy priority section in the Action Plan to include the recognized need of deeply affordable rents for persons with disabilities.

The Department offers many programs aimed at providing deeply affordable rents to people with extremely low-incomes that often includes persons with disabilities:

- Section 8 - The Department administers the Section 8 Housing Choice Voucher Program, which requires 75 percent of all new households admitted to the program to be at or below 30% of the area median income.
- The Project Access Program - The Department uses 60 Section 8 Housing Choice Vouchers to assist low-income non-elderly persons with disabilities to transition from institutions into the community by providing access to affordable housing.
- Tenant Based Rental Assistance - The Department's HOME program administers the Tenant Based Rental Assistance (TBRA) Program. Clients of the TBRA program must only contribute the greater of 10 percent of gross income or 30 percent of adjusted gross income towards their rent. The project sponsor pays the balance of the rent up to the fair market rent value. In addition, 5 percent of the HOME program funding is set aside for people with disabilities in any part of the state.

Furthermore, several of the Department's programs have requirements, provide incentives or provide the flexibility to layer funding sources so that the developer or administrator will provide services for people with disabilities, as stated in the SLIHP Action Plan's Policy Priorities section. For example, Section 8 vouchers can be used in developments funded through TDHCA which offer rents based on income levels, creating deeply affordable rents when the income-based rents are combined with Section 8 vouchers.

Finally, the Department addresses the needs of persons with intellectual and/or mental health disabilities through several policies outlined in the SLIHP Action Plan's Policies Priorities section.

#### **8. Comment: Clarification of Set-Asides in the Housing Tax Credit and Housing Trust Fund Programs**

Commenter questioned the amount that the Housing Tax Credit and Housing Trust Fund programs are reserving for people with special needs. The Action Plan's Policy Priority section indicates that the Housing Tax Credit Program has a 10% set-aside for several populations with special needs. Commenter asked if the 10 percent is all-encompassing or if the 10 percent is spread across all of those unique needs.

Also, for the Housing Trust Fund, the 2 million in the Rental Housing Development for Unique Housing Needs is listed under several special needs population in the Action Plan's Policy Priorities section. Commenter asked if that 2 million is for each of those special needs populations or for all of them combined.

Department Response: According to the *2010 Qualified Allocation Plan and Rules*, the Housing Tax Credit Program's 10 percent set-aside is for people with special needs including persons with alcohol and/or drug addictions, Colonia residents, persons with disabilities, victims of domestic violence, persons with HIV/AIDS, homeless populations and migrant farmworkers. This is not 10 percent for each population, but 10 percent for all seven subpopulations combined. Language was added in the Action Plan's Policy Priority section to clarify this statement.

The \$2 million for Housing Trust Fund's Rental Housing Development for Unique Housing Needs was for several different types of subpopulations and not \$2 million for each subpopulation; the applicant would have been able to define unique housing needs. However, as a result of a 5 percent reduction in General Revenue, TDHCA has postponed the Rental Housing Development for Unique Housing Needs. Until additional funds are available, this program has been removed from the SLIHP. The Action Plan's Policy Priorities section describes other measures taken through the Department's programs to provide for special needs populations.

## **SECTION 7: 2010-2011 COLONIA ACTION PLAN**

### **POLICY GOALS**

In 1996, in an effort to place more emphasis on addressing the needs of colonias, the TDHCA Office of Colonia Initiatives (OCI) was established to administer and coordinate efforts to enhance living conditions in colonias along the Texas-Mexico border region. OCI's fundamental goal is to improve the living conditions of colonia residents and to educate the public regarding the services that TDHCA has to offer.

The OCI Division was created to do the following:

- Expand housing opportunities to colonia and border residents living along the Texas-Mexico border.
- Increase knowledge and awareness of programs and services available through the Department.
- Implement initiatives that promote improving the quality of life of colonia residents and border communities.
- Train and increase the capacity of organizations that serve the targeted colonia population.
- Provide consumer education to colonia and border residents.
- Develop cooperative working relationships between other state, federal and local organizations to leverage resources and exchange information.
- Promote comprehensive planning of communities along the Texas-Mexico border to meet current and future community needs.
- Solicit input from colonia residents on major funding decisions that will affect border communities.

### **OVERVIEW**

The US-Mexico border region is dotted with hundreds of rural subdivisions called colonias, which are characterized by high levels of poverty and substandard living conditions. Several different definitions of colonias are used by various funding sources and agencies due to differing mandates. Generally, these definitions include the concepts that colonias are rural and lacking services such as public water and wastewater systems, paved streets, drainage and safe and sanitary housing. Colonias are mostly unincorporated communities located along the US-Mexico border in the states of California, Arizona, New Mexico and Texas, with the vast majority located in Texas

While new colonias continue to develop, many have been in existence for over 50 years. A few colonia developments began as small communities of farm laborers employed by a single rancher or farmer while others originated as town sites established by land speculators as early as the 1900s. A majority of the colonias, however, emerged in the 1950s as developers discovered a large market of aspiring homebuyers who could not afford to purchase in cities or who did not have access to conventional financing mechanisms.

### **POPULATION AND POVERTY**

Data updated in 2006 by the Texas Office of the Attorney General recorded 2,060 colonias in 30 counties within 150 miles of the Texas-Mexico border. However, approximately 1,700 of those colonias are concentrated in just seven counties directly abutting the international boundary. It should be noted that these figures represent only the documented colonias. There may be many small, rural colonias that have gone unidentified. Currently, Hidalgo County has the largest number of colonias, with 847 counted in 2006. The 13 counties running along the Texas-Mexico border have an average Hispanic or Latino population of 74.2 percent, as compared to the statewide average of 34.6 percent.

Between 2000 and 2005 many Texas border counties experienced rapid population growth. El Paso, Maverick, Webb, Zapata, Starr, Hidalgo and Cameron counties have shown an average increase in population of 12.3 percent, surpassing the state average increase of 9.6 percent. Simultaneously, a 5.4 percent average decrease in population has actually occurred in several counties that are adjacent to the border counties over the same time period. Counties experiencing large decreases include Hudspeth, Reeves, Pecos, Terrell, Edwards, Kinney, Duval, Jim Hogg and Brooks.<sup>19</sup>

2003 U.S. Census data placed the median household income for Texas at \$39,967, while the median household income for the Texas-Mexico border counties averaged a much lower \$26,606. Zavala County, near the border, posted the lowest median household income at \$18,553. In the larger border-region cities El Paso, McAllen, Brownsville, Corpus Christi and Laredo, the average median values of owner-occupied housing units in 2000 was \$69,640. Laredo had the highest home values at \$77,900.<sup>2</sup>

The particular need for affordable housing in the border region can be largely attributed to the poverty level of the rapidly growing population. Counties along the Texas-Mexico border shoulder some of the highest poverty rates in the state. According to 2003 U.S. Census data, the poverty level in the state of Texas stood at 16.2 percent, while the average poverty level of counties along the Texas-Mexico border was 25.3 percent. Furthermore, the four counties with the greatest number of colonias (Hidalgo, El Paso, Starr, and Cameron), had an average poverty level of 31.5 percent, nearly double the state rate. Counties like Dimmit and Starr, at 32.7 percent and 36.2 percent respectively, were even higher.

## HOUSING

According to a review completed by the Texas Comptroller's Office, most homebuilders would have a difficult time constructing houses for a sale price of less than \$60,000 to \$70,000. Houses in this price range would typically be affordable to workers earning \$12 to \$14 an hour (assuming a housing debt to income ratio of 33 percent with no additional debts). Some builders indicate that it is difficult to build lower-priced homes because many of the construction costs, including the cost of acquisition and site development, are fixed, regardless of the size of the home.<sup>3</sup> Land acquisition and development can add \$10,000 to \$20,000 to the cost of a house.

Owner-builder construction in colonias can face additional significant obstacles. First, federal rules, such as those that govern the HOME Program, prohibit the use of affordable housing funds to acquire land unless the affordable structure is built within 12 months. Second, lenders are typically reluctant to lend funds for owner-builder construction because these borrowers may have little or no collateral. Third, owner-builders may not be sufficiently skilled and may end up building substandard housing without appropriate supervision or guidance. Some governmental housing programs limit the private housing market from serving border residents because they offer no profit incentive for housing professionals, builders, lenders and real estate agents to serve low-wage workers. Program administrators acknowledge profit as an ingredient in encouraging home construction.

## COLONIA NEEDS ASSESSMENT

The following table displays housing quality data from 19 of the 32 colonias served by the Department's Colonia Self-Help Center Program. This sample of data, reported by the participating counties as part of their colonia needs assessments, provides a representation of the acute need for housing-related assistance in these communities. Each county conducted its own needs assessment by different methods and not all counties reported specific data figures. As a result, the table below contains only the data that is available.

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<sup>1</sup> U.S. Census Bureau: State and County Quickfacts. <http://quickfacts.census.gov/qfd/states/48000.html> (Viewed July 27, 2006).

<sup>2</sup> U.S. Census Bureau: State and County Quickfacts. <http://quickfacts.census.gov/qfd/states/48000.html>. Viewed July 27, 2006.

<sup>3</sup> *Bordering the Future: Homes of Our Own*. Windows on State Government. Texas Comptroller of Public Accounts. July 1998. Interview with Clark Wilson Homebuilders, November 20, 1997.

For the purposes of this assessment, “substandard homes” refers to structures in need of repair or rehabilitation, while “dilapidated homes” refers to structures necessitating total replacement.

**Housing Structural Quality by Colonia, Selected Border Counties**

County	Colonia Name	Total Number of Homes	Number of Substandard Homes	Number of Dilapidated Homes
Hidalgo	South Tower Estates	273	69	120
Hidalgo	Muniz	150	22	32
Hidalgo	LJ #1	65	2	12
Hidalgo	Linda Vista Estates	150	14	8
Hidalgo	Sanchez Ranch	77	23	10
Val Verde	Val Verde Park Estates	840	113	22
Val Verde	Cienegas Terrace	421	108	36
Val Verde	Villareal	12	3	0
Val Verde	Escondido Estates	32	0	0
Cameron	Laguna Heights	583	343	60
Cameron	Cameron Park	1088	558	346
Cameron	La Paloma	128	24	26
Cameron	Sunny Skies	44	9	16
Willacy	Los Angeles	35	19	6
Webb	Los Altos	95	8	19
Webb	Tanquecitos I & II	102	34	22
Webb	San Carlos I & II	119	45	22
Webb	Ranchitos 359 East	43	21	6
Webb	D-5 Acres	31	8	4
<b>TOTAL</b>		4288	1423 33% of total	767 18% of total

**PROGRAM PLAN**

TDHCA, through its Office of Colonia Initiatives, administers various programs designed to improve the lives of colonia residents. This action plan outlines how various initiatives and programs will be implemented for 2008.

**FY 2009 and 2010 Office of Colonia Initiatives Funding**

Programs	Estimated Available Funding for FY 2010	Estimated Available Funding for FY 2011
Texas Bootstrap Loan Program	\$6,062,942	\$6,062,941
Colonia Self-Help Centers	\$1,800,000	\$1,800,000
<b>Total</b>	\$7,862,942	\$6,862,941

**TEXAS BOOTSTRAP LOAN PROGRAM**

The Texas Bootstrap Loan Program is a statewide loan program that funds certified non-profit organizations and enables owner-builders to purchase real estate and construct or renovate a home. In 2009 the 81<sup>st</sup> Legislature amended this program under Senate Bill 679 with a legislative directive requiring continuation of an Owner Builder Loan Program through 2020. TDHCA is required under Section 2306.753(d) of the Texas Government Code, to set aside two-thirds of the available funds for owner-builders whose property is located in a county that is eligible to receive financial assistance under Subchapter K, Chapter 17, of the Water Code. A county is only eligible to receive financial assistance under Subchapter K, Chapter 17, Water Code, if: 1) the county contains an area that meets the criteria for

an economically distressed area under Section 17.92(1), Water Code; and 2) the county has adopted and enforces the model rules under Section 16.343, Water Code. The remaining one-third is available statewide.

The program promotes and enhances homeownership for very low-income Texans by providing funds to purchase or refinance real property on which to build new residential housing, construct new residential housing or improve existing residential housing throughout Texas. Participating owner-builders must provide a minimum of 65 percent of the labor required to build or rehabilitate the home. Section 2306.753(a) of the Texas Government Code directs TDHCA to establish a priority in directing funds to Owner-Builders with an annual income of less than \$17,500. The maximum loan amount using TDHCA funds may not exceed \$45,000 per Owner-Builder. The total amount of loans made with TDHCA and any other source may not exceed a combined \$90,000 per household. The Department committed \$12 million in Fiscal Year 2009 to implement this initiative from the Housing Trust Fund.

TDHCA is required under Section 2306.7581 (a-1) of the Texas Government Code, to make available at least \$3,000,000 each state fiscal year for mortgage loans to very low-income families (60% Area Median Family Income) not to exceed \$45,000 per unit. In addition to the 2010 & 2011 Fiscal Year allocation of \$3,000,000 per year, TDHCA's Governing Board set-aside an additional \$3,500,000 for this program under the 2010/2011 Housing Trust Fund Plan. The remaining funds from FY2009 in the amount of \$2,125,883 were reallocated with the 2010/2011 allocation for a total of \$11,625,883.

In an effort to increase the Department's ability to more promptly assist households and expend funds and to better disseminate Bootstrap funds across a broader network of providers, the OCI Division of TDHCA is utilizing a reservation system concept similar to the TDHCA First Time Homebuyer Bond Program in order to distribute funding. This type of system allows program funds to be expended more rapidly and efficiently. Under the reservation system, participating nonprofit organizations must be certified by TDHCA as a Nonprofit Owner-Builder Housing Program (NOHP) in accordance with Section 2306.755 of the Texas Government Code and must execute a Loan Origination Agreement with the Department in order to assure full compliance with program rules and guidelines. After being certified as an NOHP, the NOHP will then be able to submit individual loan applications to TDHCA on behalf of the owner-builder applicant on a first-come, first-served basis. A nonprofit is allowed to have up to \$900,000 in reservations at any given time under the 2/3 set-aside and up to \$450,000 in reservations under the 1/3 for the rest of the state. Funds may be reserved up to twelve months for each reservation; however, the nonprofits are required to meet specific performance benchmarks within that time period in order to retain the funding.

### **COLONIA SELF-HELP CENTERS**

In 1995, the 74th Legislature passed Senate Bill 1509 (Texas Government Code Subchapter Z §2306.581 - §2306.591), a legislative directive to establish colonia self-help centers (SHCs) in Cameron/Willacy, Hidalgo, Starr, Webb and El Paso counties. This program also allows the Department to establish a colonia SHC in any other county if the county is designated as an economically distressed area. Five colonias in each county are identified to receive concentrated attention from its respective SHC. Operation of the colonia SHCs is managed by a local nonprofit organization, local community action agency, or local housing authority that has demonstrated the capacity to operate a center.

These colonia SHCs provide concentrated on-site technical assistance to low and very low-income individuals and families in a variety of ways including housing, community development activities, infrastructure improvements, outreach and education. In addition, on-site technical assistance is provided to colonia residents. Key services to the designated colonias within each county receive technical assistance in the areas of housing rehabilitation; new construction; surveying and platting; construction skills training; tool library access for self-help construction; housing finance; credit and debt counseling; infrastructure constructions and access; contract for deed conversions; and capital access for mortgages to

improve the quality of life for colonia residents in ways that go beyond the provision of basic infrastructure. The three OCI border field offices provide technical assistance to the counties and SHCs.

The colonia SHC program serves 32 colonias in the five counties designated by statute and two additional counties of Maverick and Val Verde, which were added to the program at the discretion of the Department. The total number of beneficiaries for all SHCs is approximately 32,000 residents. The Department contracts with the counties, which in turn subcontract with nonprofit organizations to administer the colonia SHC program or specific activities. The counties oversee the implementation of contractual responsibilities and ensure accountability. Before selecting subcontractor organizations, County officials conduct a needs assessment to prioritize needed services within the colonias and publish a Request for Proposal (RFP) to provide these services.

The Department designates a geographic area to receive the services provided by the colonia SHCs based upon funding proposals submitted by the counties. In consultation with the Colonia Residents Advisory Committee (C-RAC) and the appropriate unit of local government, the Department designates up to five colonias in each service area to receive concentrated attention from the colonia SHCs. The C-RAC is a committee of colonia residents appointed by the TDHCA Governing Board which advises the Board regarding the needs of colonia residents and the types of programs and activities which should be undertaken by the colonia SHCs. Each county nominates two colonia residents to serve on the committee, both of which must be colonia residents. The committee also includes a primary and secondary representative from each county. The Department's Board of Directors appointed the current members to the C-RAC on April 23, 2009. The C-RAC meets thirty days before a contract is scheduled to be considered for award by the Board in order for their concerns, if any, to be relayed to and evaluated by the Board.

Each SHC is allocated sufficient funds to provide services within the designated colonias and if applicable, can provide limited assistance outside the service area.

The operations of the colonia SHCs are funded by HUD through the Texas Community Development Block Grant Program (CDBG) 2.5 percent set-aside, which is approximately \$1.8 million per year. The CDBG funds are transferred to the Department through a memorandum of understanding with the Texas Department of Rural Affairs. CDBG funds can only be provided to eligible units of general local governments. Therefore, the Department must enter into a contract with each participating county government. The Department provides administrative and general oversight to ensure programmatic and contract compliance. In addition, colonia SHCs are encouraged to seek funding from other sources to help them achieve their goals and performance measures.

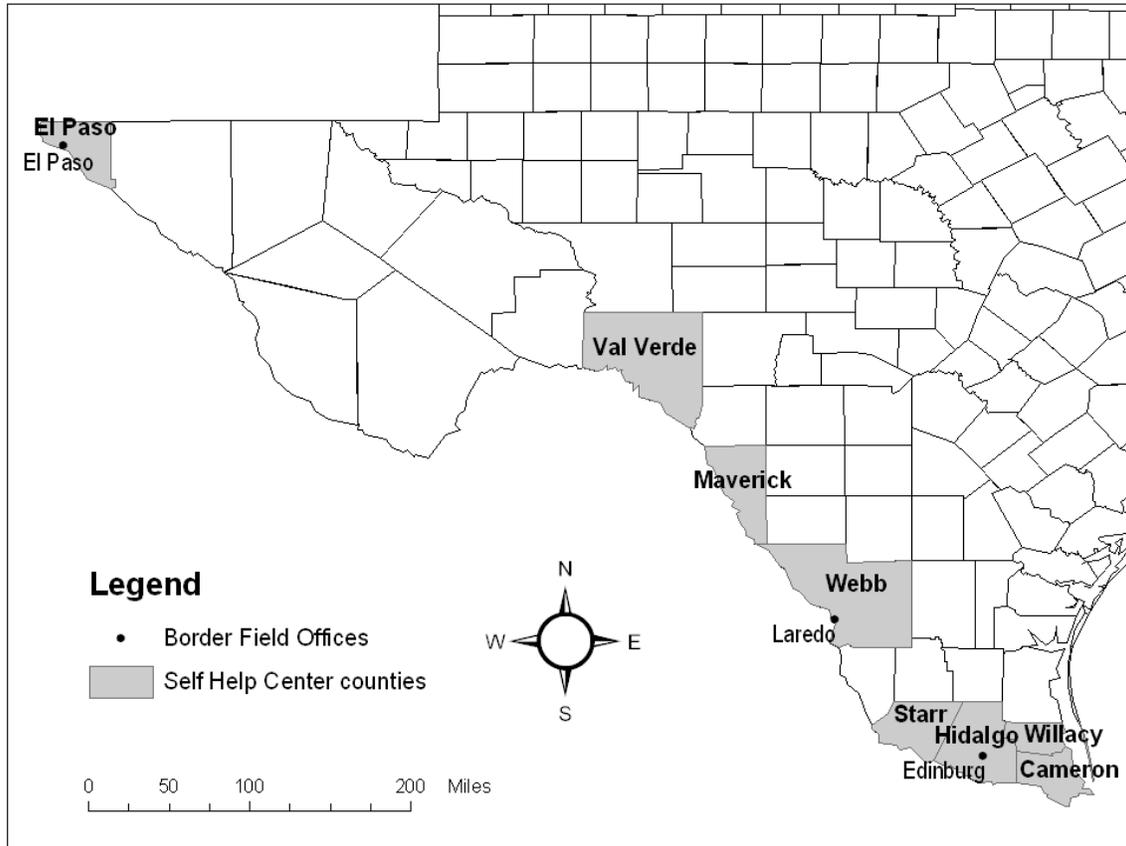
## **BORDER FIELD OFFICES**

OCI manages three border field offices located in El Paso, Laredo and Edinburg. These border field offices administer, at the local level, various OCI programs and services and provide technical assistance to nonprofits, for profits, units of general local government, other community organizations and colonia residents along the Texas-Mexico border region. Current funding for the border field offices is partially funded from General Revenue, Bond Funds and CDBG programs. OCI will continue to maintain these three border field offices and will continue to act as a liaison between nonprofit organizations and units of local government.

Occasionally, there is funding available to communities and organizations in the colonias to support local programs. Technical assistance is provided to help nonprofit organizations locate funding and learn to write successful grant proposals. However, the most important aspect in seeking funding is the ability of the communities or organizations to manage the funding within its rules and program guidelines. Many communities and nonprofit organizations struggle to deliver services to their colonia residents due to capacity and financial issues. Therefore, the Border Field Offices anticipate approximately 800 technical assistance visits for FY 2010 to nonprofit organizations and units of local government.

The Department recognizes the need for consumer education on topics such as filing homestead exemptions, knowing one's property rights under Contract for Deed and the challenges of homeownership. The Department assists as needed to provide homebuyers under its Contract for Deed Conversion and Texas Bootstrap Loan Programs a form to file their homestead exemption at the time of closing on their homes. Education services are available through the colonia SHCs and OCI Border Field Offices.

### Border Field Offices and Colonia Self Help Centers



## **SECTION 8: TEXAS STATE AFFORDABLE HOUSING CORPORATION ANNUAL ACTION PLAN**

According to Section 2306.0721(7), the Texas State Affordable Housing Corporation (Corporation) Annual Action Plan must be included as part of the 2010 State Low Income Housing Plan (SLIHP).

### **OVERVIEW**

This report is prepared in accordance with Texas Government Code, Section 2306.566, which requires the Texas State Affordable Housing Corporation (Corporation) to develop a plan to address the state's housing needs and provide the plan to the Texas Department of Housing and Community Affairs (TDHCA) for incorporation into the resource allocation plans in the State Low Income Housing Plan (SLIHP). In accordance with Section 2306.0722(n), TDHCA will provide the needs assessment information compiled for the report and plan to the Corporation. Additionally, the Corporation's plan must include specific proposals to help serve rural and other underserved areas of the state. Sec. 2306.566 of the Texas Government Code reads:

*COORDINATION REGARDING STATE LOW INCOME HOUSING PLAN.*

*The corporation shall review the needs assessment information provided to the corporation by the department under Section 2306.0722(b).*

*The corporation shall develop a plan to meet the state's most pressing housing needs identified in the needs assessment information and provide the plan to the department for incorporation into the state low income housing plan.*

*The corporation's plan must include specific proposals to help serve rural and other underserved areas of the state.*

### **HISTORY OF THE CORPORATION**

The Texas State Legislature created the Corporation as a self-sustaining non-profit entity to facilitate the provision of affordable housing for low-income Texans who do not have comparable housing options through conventional financial channels. Enabling legislation, as amended, may be found in the Texas Government Code, Chapter 2306, Subchapter Y, Sections 2306.551 et seq. All operations of the Corporation are conducted within the state of Texas. Corporate offices are located in Austin, Texas. A five-member board of directors appointed by the Governor with the advice and consent of the Senate oversees the business of the Corporation.

The Corporation issues mortgage revenue bonds and private activity bonds to finance the purchase and creation of affordable housing. Over the course of its history, the Corporation has utilized over \$338 million in single family and approximately \$540 million in multifamily bonding authority.

The following four programs allow homebuyers to finance the purchase of single family homes: (1) the Professional Educators Home Loan Program, (2) the Fire Fighter, Law Enforcement or Security Officer and Emergency Medical Services Personnel Home loan Program (more commonly referred to as the Homes for Texas Heroes Program), (3) the Home Sweet Texas Loan Program, and (4) the Mortgage Credit Certificate Program. The Corporation has served over 3000 income eligible individuals and/or families through its single family first-time homebuyer programs. These programs are provided at no cost to the state and its taxpayers. The Corporation does not receive any state funding and is not subject to the legislative appropriations process.

The Corporation is organized, operated and administered in accordance with its enabling legislation as a 501(c)(3) nonprofit corporation in order to access additional sources of funding to accomplish its mission.

The Corporation is an approved originating seller/servicer for single family loans with Fannie Mae, Freddie Mac, Ginnie Mae, U.S. Rural Development, FHA and VA. The Corporation has conduit sales agreements with Bank of America Home Loans and Wells Fargo Funding and with the Community Development Trust, Inc., for multifamily mortgage loans. The Corporation is also an associate member borrower of the Federal Home Loan Bank of Dallas.

## NEEDS ASSESSMENT REVIEW

According to an analysis of the Texas Department of Housing and Community Affairs' (TDHCA) Needs Assessment and other published studies on the subject, the following represent the most pressing housing needs in the state:

### GENERAL HOUSING NEEDS

- Between 2002 and 2008, Texas' population increased approximately 14.6 percent. The total population estimate for January 1, 2009 is 23,705,962 and it is expected to continue to grow, with projections putting the state's population at 35.7 million by 2040.<sup>20</sup>
- The population in Texas is also becoming older. In 2009, the percentage of the population that was 65 years or older was 10.3 percent. That number is expected to increase to 18.0 percent by 2040. Additionally, the American Community Survey found that 45.3 percent of those 65 years or older had a disability. Furthermore, 56 percent of older Texans spend more than 30 percent of their income on housing.<sup>21</sup>
- Based on the information found in the State's Needs Assessment, the expected rise of Texans older than 65 years-old will increase the demand for affordable senior housing and barrier removal or home modification programs.
- The ethnic makeup of the state's population is also expected to change in the next 30 years. It is projected that the Anglo percentage of the overall population will increase by 0.2 percent between 2009 and 2040, while the Hispanic population is expected to increase by 53.1 percent and the Black population by 20 percent in the same period.<sup>22</sup>
- Historically, there's been a substantial difference in income levels between Anglos and Blacks and Hispanics. Poverty levels among Blacks is 24.7 percent and 21.2 percent among Hispanics, both significantly higher than the 10.5 percent poverty level among Anglos.<sup>23</sup> Consequently, the Corporation anticipates that the need for affordable housing in Texas will increase with the projected change in our state's demographics.
- As a result of the growing population, housing demands will change substantially in the coming years with both owner and renter housing growing at nearly equal rates.<sup>24</sup>
- Affordable housing is in short supply for the extremely low, very low, low and moderate income brackets, which was caused primarily by the private sector's concentration of development, both

<sup>20</sup> Texas Department of Housing and Community Affairs, Center for Housing Research, Planning and Communications, 2010 State of Texas Low Income Housing Plan and Annual Report (Austin, TX: Texas Department of Housing and Community Affairs, 2009).

<sup>21</sup> Ibid.

<sup>22</sup> Ibid.

<sup>23</sup> Ibid.

<sup>24</sup> Texas A&M University, Center for Demographic and Socioeconomic Research and Education, *A Summary of the Texas Challenge in the Twenty-First Century: Implications of Population Change for the Future of Texas*, 2002.

single family and multifamily development, in larger metropolitan areas and targeting higher income individuals and families.<sup>25</sup>

- Many HUD-financed or HUD-subsidized properties, which represent a significant portion of the state's affordable housing portfolio, are at risk of becoming market rate properties.<sup>26</sup>

### **SINGLE FAMILY HOUSING NEEDS**

The Corporation administers the Professional Educators, Homes for Texas Heroes, and Home Sweet Texas Loan Programs. The programs are available statewide on a first come, first-served basis, to first-time homebuyers who wish to purchase a newly constructed or existing home.

- Texas is expected to add nearly 3.8 million more students over the next 40 years creating a high demand for educators.<sup>27</sup>
- The Texas nursing education system is operating close to capacity and faces several impediments to producing more graduates—faculty shortages due to retirement, inadequate salaries and fewer faculty applicants.<sup>28</sup>
- Lack of funds for down payment and closing costs has created one of the greatest obstacles that prevent first-time homebuyers of low-to-moderate-income families, such as the teachers, police officers and firefighters, from achieving the American dream of owning a home.<sup>29</sup>

### **MULTIFAMILY HOUSING NEEDS**

- Renter households are, on average, a lower income group than owner households. More than 37 percent of renter households earn less than 50 percent of the Area Median Family Income, compared to only 16.3 percent of owner households. As a result, renter households are more likely to be in need of housing assistance.<sup>30</sup>
- According to the results of the 2006 Community Needs Survey distributed by TDHCA to cities, counties, local housing departments, public housing authorities and the US Department of Agriculture/Rural Development field offices, approximately 35 percent of respondents indicated that their community's greatest need was the construction of new rental units.<sup>31</sup>
- The lack of affordable housing opportunities leads to severe and extreme housing cost burdens for lower-income groups; in particular, extremely low-income renter households.<sup>32</sup>
- Overcrowding may indicate a general lack of affordable housing in a community and lower income renter households experience overcrowded conditions more frequently than higher income households.<sup>33</sup>
- In the 2005-2009 State of Texas Consolidated Plan, it is estimated that 2 million people or 9.9 percent of the total population are 65 years of age and older. The Texas Department of Aging and Disability Services estimate that by year 2040, individuals age 60 and over will comprise 23

<sup>25</sup> Texas Department of Housing and Community Affairs, Center for Housing Research, Planning and Communications, 2005 State of Texas Low Income Housing Plan and Annual Report (Austin, TX: Texas Department of Housing and Community Affairs, 2004).

<sup>26</sup> Ibid.

<sup>27</sup> Texas A&M University, Center for Demographic and Socioeconomic Research and Education, *A Summary of the Texas Challenge in the Twenty-First Century: Implications of Population Change for the Future of Texas, 2002*.

<sup>28</sup> Health and Nurses in Texas – The Future of Nursing: Data for Action (Vol. 3 No. 1. 2000. San Antonio, TX: The Center for Health Economics and Policy (CHEP), the University of Texas Health Science Center at San Antonio).

<sup>29</sup> National Association of Home Builders, *News Details; March 24, 2004*.

<sup>30</sup> Texas Department of Housing and Community Affairs, Center for Housing Research, Planning and Communications, 2005 State of Texas Low Income Housing Plan and Annual Report (Austin, TX: Texas Department of Housing and Community Affairs, 2004).

<sup>31</sup> Texas Department of Housing and Community Affairs, Center for Housing Research, Planning and Communications, 2010 State of Texas Low Income Housing Plan and Annual Report (Austin, TX: Texas Department of Housing and Community Affairs, 2009)

<sup>32</sup> Ibid.

<sup>33</sup> Ibid.

percent of the population in Texas. Though the majority of the elderly Texans live in urban areas, rural areas have a higher percentage of elderly relative to the local population. According to the 2000 Census, 13.1 percent of seniors age 65 and over in Texas live below the poverty level. Approximately 30 percent of all elderly households pay more than 30 percent of their income on housing with 14 percent paying more than 50 percent of their income on housing. Lower incomes combined with rising healthcare costs contribute to the burden of paying for housing.<sup>34</sup>

- There is a shortage of affordable housing in the extremely low, very low, low and moderate income brackets. This is primarily caused by the private sector's concentration of development in larger metropolitan areas and targeting higher income individuals and families.<sup>35</sup> Cities with populations between 20,000 and 50,000 have a particularly hard time accessing funds. They cannot access USDA funding and are too small to effectively compete for other funding opportunities.<sup>36</sup>
- According to the US Census Related Comprehensive Housing Affordability Strategy (CHAS) Data, there are approximately 2,903,671 people living in rural areas of Texas. Of these, 574,843 people or 20 percent are living below the poverty level; 83,454 low-income households live with the cost burden of paying more than 30 percent of their income on housing expenses; 26,999 occupied units are "overcrowded"; and 5,211 units were found to have substandard conditions such as lack of piped water, utilities and waste facilities.<sup>37</sup>
- Preservation of existing affordable and subsidized housing stock is an important element of providing safe, decent and affordable housing. The explosive population growth in the metropolitan areas as well as the lack of new construction during the late 80's and early 90's created a huge demand for housing at all income levels. Adding to this problem is the loss of units in the federally subsidized Section 8 portfolio, the USDA/Rural Development portfolio and the pools of tax credit units that have reached their 15 year affordability periods. The USDA/Rural Development portfolio contains smaller rural rental properties which, in many cases, represent the sole affordable housing stock in Texas' smallest towns.<sup>38</sup>
- As of the most recent statistical information available, there were 2,676,060 renter occupied housing units in Texas. Eighty-four percent of these were constructed before 1990 with the highest production of rental housing (50.8 percent) built between 1970 and 1989. Therefore, the majority of rental housing stock in Texas is between 15-35 years old and may be in need of some type of moderate to substantial rehabilitation in order to preserve its functionality.<sup>39</sup>

## CORPORATION PROGRAM DESCRIPTIONS

### SINGLE FAMILY MORTGAGE REVENUE PRIVATE ACTIVITY BOND PROGRAMS

The Corporation administers the Professional Educators, Homes for Texas Heroes, and Home Sweet Texas Loan Programs. These Programs are the Corporation's Single Family Mortgage Revenue Private Activity Bond Programs. The first two Programs were established by the Legislature in 2001 and 2003 respectively, and allocate approximately \$60 million of the State's Ceiling for Private Activity Bond Cap for the exclusive purpose of making single family mortgage loans to Texas Professional Educators (\$30 million) and Fire Fighters, EMS Personnel, Law Enforcement Officers Corrections Officers, and Public Security Officers (\$26 million) who are first-time home buyers.

<sup>34</sup> Texas Department of Community Affairs, 2005-2009 State of Texas Consolidated Plan (Austin, Texas, February 2005).

<sup>35</sup> Texas Department of Housing and Community Affairs, Strategic Plan for Fiscal Years 2005-2009.

<sup>36</sup> Texas Department of Housing and Community Affairs, Report on the 2004 Regional Advisory Committee Meetings on Affordable Housing and Community Services Issues, November 2004.

<sup>37</sup> 2000 U.S. CHAS Data, Texas Department of Housing and Community Affairs

<sup>38</sup> Texas Department of Community Affairs, 2005-2009 State of Texas Consolidated Plan (Austin, Texas, February 2005).

<sup>39</sup> 2000 U.S. Census Data

In 2006 the Corporation created the Home Sweet Texas Loan Program which is funded by applying for bond cap after the collapse of the set-asides for all state issuers of bonds. The Home Sweet Texas Loan Program is available statewide with no professional requirements to those at or below 80 percent of the AMFI.

The Programs are available statewide on a first come, first-served basis, to first-time homebuyers who wish to purchase a newly constructed or existing home. Borrowers must meet income and purchase price limits set by the Corporation, while meeting standard mortgage underwriting requirements demonstrating credit worthiness. The borrower must also occupy the purchased home as his or her primary residence.

Through each Program, eligible borrowers are able to apply for a 30 year fixed rate mortgage loan and may receive down payment assistance in the form of a grant. The programs are accessible to eligible borrowers by directly contacting a trained, participating mortgage lender.

Since the inception of both the Professional Educator Home Loan Program in 2001 and the Fire Fighter and Law Enforcement or Security Officer Home Loan Program in 2003, the Corporation has only seen the demand for these programs increase. Over 2800 individuals and families have become homeowners through the assistance offered by the Corporation.

Given the volatility of the bond market in 2008 and 2009, the Corporation was not able to issue mortgage revenue bonds for its first-time homebuyers. In an effort to continue serving our homebuyers, the Corporation converted its bonding authority into mortgage credit certificates, thus establishing the Mortgage Credit Certificate (MCC) Program. Through the MCC Program an annual tax credit is made available to the same qualifying homebuyers mentioned above. With an MCC, the qualified homebuyer is eligible to take a portion of the annual interest paid on the mortgage as a special tax credit, up to \$2,000, each year that they occupy the home as their principal residence. An MCC has the potential of saving the homebuyer thousands of dollars over the life of the loan.

To date \$125 million in bonding authority has been converted which has served 395 first-time homebuyers.<sup>40</sup> The Corporation plans on serving over 745 first-time homebuyers under this program.

## **2010 IMPLEMENTATION PLAN**

The Corporation's primary goal for 2010 will be to continue to develop a financing structure that minimizes the Programs' mortgage interest rate and offers the best possible down payment assistance grant to the borrowers. Down payment assistance is especially critical when the spread between conventional mortgage rates and tax-exempt mortgage rates have reached historical lows. If the Corporation is unable to issue bonds, then other avenues to assist first-time homebuyers will be explored. A continuation of the Mortgage Credit Certificate Program may be an option.

The Corporation will also continue to advertise and to receive input about the Programs by attending home builder, real estate agent, lender and the various professional trade associations' conventions and trade shows in 2010. In addition, the Corporation will continue to train and develop relationships with mortgage lenders and realtors who represent the Programs to the borrowers.

Given the demand for first-time homebuyer programs, other financing options available to the Corporation through its enabling legislation will be explored. If demand continues, the Corporation will continue to submit applications to the Texas Bond Review Board requesting additional volume cap during the collapse to serve new first-time homeowners.

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<sup>40</sup> As of December 8, 2009.

**INTERIM CONSTRUCTION AND LAND ACQUISITION PROGRAM**

The Corporation's Interim Construction and Land Acquisition Loan Program (the "ICAP") supports our mission to serve the housing needs of low-, very low- and extremely low-income Texans who do not have comparable housing opportunities in rural and underserved communities. The program accomplishes this by providing short-term financing for site acquisition and interim construction to non-profit and for-profit developers for the creation of affordably priced homes for Texans.

The Corporation considers proposals for land development, new construction and the rehabilitation of existing homes. All homes built using the Corporation's funding must be affordable to households earning 80% of the area median income and must be constructed to meet the Corporation's housing construction standards. Developers may also propose to build multi-unit developments such as, condominiums, town homes or cooperative developments to meet the needs of dense urban areas.

The Corporation has funded the ICAP program through the commitment of its own cash reserves, and by leveraging grants, loans and other investments from private foundations and financial institutions. Since the program's creation in 2007, the Corporation has provided \$750,000 to build 57 affordable homes in rural Texas. Loan rates for the program are generally between 4% and 7% with terms of 18 to 24 months.

**2010 IMPLEMENTATION PLAN**

Due to the national and statewide decline in home sales, the Corporation is working to double its efforts to provide new opportunities to developers under the ICAP program. The Corporation has applied for more than \$1 million in program related investments from private institutions to increase its lending corpus. Additionally, the program's marketing efforts have been successful at increasing interest in the program and we are currently considering several loan proposals for the upcoming year. The Corporation is on track to provide more than \$1 million in loans to create more than 100 affordably priced homes for Texans in 2010.

**AFFORDABLE COMMUNITIES OF TEXAS PROGRAM**

The Affordable Communities of Texas (the "ACT") program was launched at the end of 2008 and has been working through a pilot stage in 2009. The program's primary purpose is to stabilize home prices in communities hardest hit by foreclosures by working with locally based nonprofit and government agencies to acquire and rehabilitate foreclosed homes. The ACT program will create and manage land banks in more than 14 communities in the coming year with support through the Neighborhood Stabilization Program (the "NSP").

The Corporation committed \$100,000 of its cash reserves to operate the pilot phase of the ACT program and has been successful at raising \$5 million in federal grants from the State of Texas' NSP program. At the end of 2010 fourteen local partners had been qualified for participation and in the program. The Corporation anticipates being able to acquire more than 100 foreclosed homes and vacant lots that will benefit households earning 80% of the area median income and below.

**2010 IMPLEMENTATION PLAN**

The ACT program will be focused on the successful implementation of its NSP grant from the State of Texas during 2010. The Corporation has also submitted an application for NSP funding directly to the U.S. Department of Housing and Urban Development ("HUD") for an additional \$36 million in funding. The Corporation has been working with several private foundations and banking institutions to leverage its NSP funding for additional capital to finance the construction and rehabilitation of foreclosed properties acquired under the ACT program. For 2010, the Corporation anticipates purchasing more than

100 homes using its NSP funds from the State of Texas and more than 500 additional homes if funding from HUD is awarded.

### **MULTIFAMILY PRIVATE ACTIVITY BOND PROGRAM**

In 2003, The Texas Legislature allocated 10 percent of the State's multifamily private activity bond ("PAB") cap to the Corporation in order to target underserved housing needs in Texas. The Corporation accomplishes this purpose by releasing an annual request for proposals ("RFP") that identifies the program's targeted housing needs, scoring criteria and process of application. The Corporation released its RFP in November 2009 and has approximately \$48 million in available bond cap for 2010. Nonprofit and for profit developers apply to the program to finance the acquisition and rehabilitation, or new construction of multifamily residential rental developments that serve low and very-low income households. Developers are encouraged to leverage the private activity bond funds using low income housing tax credits ("HTC") available through the Texas Department of Housing and Community Affairs ("TDHCA").

### **2010 IMPLEMENTATION PLAN**

The Corporation is concerned that the lack of investment by private and public institutions in PABs will limit the effectiveness of this program in 2010. While the demand and need for affordably priced rental housing continues to grow within the State, the lack of interest shown by financial institutions and investors in affordable housing over the past 18 months continues to limit opportunities for the Corporation's PAB program. The Corporation has identified the following housing needs for targeting in 2010.

- Preservation of Existing Affordable Rental Housing
- Housing in Rural Communities
- Senior and Assisted Living Developments
- Rental Housing in Communities Affected by Hurricanes Ike and Dolly

### **MULTIFAMILY 501(c)(3) BOND PROGRAM**

The Corporation's 501(c)(3) Multifamily Bond Program was created to finance the acquisition and rehabilitation, or new construction, of affordable multifamily housing units. Unlike the Corporation's PAB program, 501(c)(3) financing does not use the limited volume cap allocation available to the State. Only qualified nonprofit developers, designated under the internal revenue code as 501(c)(3) organizations, are eligible to apply for financing, and funds may not be combined with the State's housing tax credit program.

In addition to providing safe, decent and affordable rental housing to Texas residents, recipients of 501(c)(3) financing must adopt a dollar-for-dollar public benefit program, investing at least one dollar in rent reduction, capital improvement projects, or social, educational, and economic development services, for every dollar of abated property tax revenue they receive.

### **2010 IMPLEMENTATION PLAN**

The Corporation will continue to monitor market conditions but does not anticipate issuing new bonds under this program in 2010.

## MULTIFAMILY DIRECT LENDING PROGRAM

The Multifamily Direct Lending Program supports the Corporation's mission to promote equal access to safe, decent and affordable housing with an emphasis on serving rural and underserved markets. The program provides both short and long-term financing to non-profit and for-profit developers to develop affordable rental housing for low, very-low and extremely low-income families in Texas.

The Corporation commits its own cash reserves to leverage investments by private foundations and financial institutions. The Corporation has made more than \$8.2 million in loans since the programs creation in 2001, creating more than 1,800 affordably priced rental units. The Corporation has leveraged more than \$6.3 million in funding through investments from Wells Fargo Bank, the Federal Home Loan Bank of Dallas, and the Community Development Trust.

## 2010 IMPLEMENTATION PLAN

The Corporation will continue to work on building up its cash reserves and ability to provide increased funding to the Multifamily Direct Lending program over the next year. In 2009, the Corporation reviewed four loan applications approved a loan to one qualified development. In 2010, we hope to increase activity, especially in rural areas of the state, and are planning to increase the lending corpus of the program by an additional \$2 million through new investments and donations.

## ASSET OVERSIGHT AND COMPLIANCE

Asset oversight of properties is required by many bond issuers, including the Corporation and TDHCA, to monitor the financial and physical health of a property and to provide suggestions for improvement. Compliance monitoring ensures that the borrowers are providing the required number of affordable units to income eligible households and that quality resident services are being provided to all residents of the property. Annual on-site inspections and resident file reviews of affordable units ensure that federal requirements relating to the tax-exempt status of the bonds are followed.

For those properties funded by the Corporation, the Corporation has developed a convenient way for property managers/owners to submit their compliance reports online. Since that time, properties have been reporting as required on a monthly and quarterly basis streamline paper and provide convenience to the properties.

The Corporation is currently providing asset oversight and compliance reviews for 40 bond issued properties<sup>41</sup>. In May of 2006 TDHCA contracted with the Corporation to provide asset oversight services for multifamily properties financed through their bond program. The Corporation conducted 34 reviews for the Department before the contract ended in March of 2009. The number of asset oversight reviews conducted by the Corporation for the Texas Department of Housing and Community Affairs are as follows:

2006	73 site visits	16,956 units
2007	86 site visits	19,727 units
2008	99 site visits	22,279 units
2009	34 site visits	7,182 units

<sup>41</sup> As of December 8, 2009

**2010 IMPLEMENTATION PLAN**

The Corporation will continue to provide high quality asset oversight and compliance monitoring services to the properties in our current portfolio and intends to increase the effectiveness and efficiency of the program. The Corporation is currently developing Asset Oversight and Compliance training tools. The Corporation will continue to work toward contracting with other entities to expand our asset oversight and compliance monitoring portfolio of business. The Corporation will pursue new asset oversight and/or compliance business relationships with public agencies such as the Department of Housing and Urban Development, the Texas Department of Housing and Community Affairs, Housing Authorities, the United States Department of Agriculture, or partnering with private owners and property management companies.

**GRANT PROGRAM**

As a 501(c)(3) nonprofit entity, the Texas State Affordable Housing Corporation actively pursues fundraising and grant opportunities. Since 2006, the Corporation has been making considerable strides to fundraise for new programs, such as the Texas Foundations Fund, the Interim Construction and Land Acquisition Program, the Affordable Communities of Texas (ACT) Program and the HomeWorks Loan Program. In addition, the Corporation actively fundraises for other Texas initiatives, such as the Texas Foreclosure Prevention Task Force and the Texas Statewide Homebuyer Education Program.

To date, the Corporation has received \$8 million in grants and donations.<sup>42</sup>

**2010 IMPLEMENTATION PLAN**

The Corporation's mission of affordable housing matches many foundation and grant objectives. The Corporation will work to fundraise for grants and will pursue low-interest loans for the Texas Foundations Fund, the ACT Program, the HomeWorks Loan Program, the Multifamily Direct Lending Program and the Interim Construction and Land Acquisition Program. The Corporation will also seek to create and expand a pool of individual donors by undertaking an annual campaign, hosting events to promote the Texas Foundations Fund, and soliciting donations online. These are just a few of the fundraising activities and initiatives that the Corporation will undertake in 2010.

**HOMEWORKS PROGRAM**

The Corporation created HomeWorks, an employer assisted housing program, in April of 2008. Employer assisted housing programs are aimed not only at providing an affordable financing product to potential homebuyers, but aid in recruiting new businesses to the State. Such programs can enhance existing businesses by offering incentives not otherwise possible to employees they would like to recruit and retain.

This program is a partnership between the Corporation and participating employers and their employees. HomeWorks offers a 30-year fixed rate mortgage through the mortgage lender of the borrower's choice. The program offers up to \$4,000 in matching funds for down payment and closing cost assistance courtesy of the Corporation and participating employers across Texas.

The Corporation and the employer match dollar for dollar, up to \$2,000 each, of an employee's contribution toward down payment and closing costs. Matching assistance is provided to the employee in the form of a 3-year deferred forgivable second lien loan (*33.33 percent is forgiven each year*). If the employee leaves or is terminated by the employer, the remaining balance of the assistance is to be paid back to the Corporation and/or the employer.

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<sup>42</sup> *ibid.*

Participating employers contribute a maximum amount to the program and offer it to employees on a first-come, first-served basis. The employee must be employed by a participating employer for at least 6 months, with a 3 year commitment to the employer. The employee must participate in a homebuyer education course approved by the Corporation prior to closing on the loan. The employee must meet income (80 percent AMFI or below) and purchase price limits set by the Corporation, while meeting standard mortgage underwriting requirements demonstrating credit worthiness. The employee must also occupy the purchased home as his or her primary residence.

## **2010 IMPLEMENTATION PLAN**

The Corporation will continue to have discussions with interested employers across the State. The Corporation is committed to assisting borrowers to bridge the gap to homeownership while strengthening the economic viability and stability of the State. The Corporation will also continue its fundraising efforts to secure additional funding for this program.

## **TEXAS FOUNDATIONS FUND**

The Corporation created the Texas Foundations Fund (TFF) in early 2008 to improve the living standards of Texas residents of very low-income and extremely-low income, specifically those at 50 percent or below of the area median family income.

TFF provides grants of up to \$50,000 to nonprofit organizations and rural governmental entities (or their instrumentalities) for the construction, rehabilitation, and/or critical repair of single family homes for homeowners who are Texas residents of very low-income or extremely low-income, with a particular emphasis on serving very low-income disabled and rural Texans and the provision of additional supportive housing services for very low-income residents of multifamily rental units.

The Corporation accepts eligible project proposals through a competitive process. A notice of funding availability is published on an annual basis when the Board of Directors determines that sufficient funds exist to award grants. Proposals are first considered by the Corporation's Advisory Council, whose members are appointed by the Corporation's Board of Directors, with final approval provided by the Board of Directors.

In October 2008, five \$50,000 grants were awarded to the following organizations: Affordable Homes of South Texas, Foundation Communities, Midland Habitat for Humanity, Brazos Valley Affordable Housing Corporation, and United Cerebral Palsy of Texas.

In light of the devastation left behind by Hurricanes Ike and Dolly in 2009, the Corporation conducted a Hurricane Relief Cycle of the TFF. Four grant awards were made for the purpose of the rehabilitation and/or critical repair of owner-occupied single family located in any one or more counties affected by Hurricanes Ike and Dolly. The four organizations awarded were: Fort Bend CORPS, Southeast Texas Interfaith Organization, Self Help Housing of East Texas, and Community Development Corporation of Brownsville.

## **2010 IMPLEMENTATION PLAN**

A notice of funding availability for a third round of funding was released in October of 2009. It is anticipated that awards will be made and funds disbursed in early 2010.

The Corporation has funded the first two rounds, and set aside funding for the third round, of funding using revenue generated through its other programs. While our Board of Directors will determine how much revenue the Corporation will contribute to future rounds of Texas Foundations Fund, it is estimated that the Corporation will be able to conduct one round of funding annually.



## **APPENDIX A**

### **LEGISLATIVE REQUIREMENTS FOR THE STATE OF TEXAS LOW INCOME HOUSING PLAN AND ANNUAL REPORT**

#### ***SEC. 2306.072. ANNUAL LOW INCOME HOUSING REPORT***

1. Not later than March 18 of each year, the director shall prepare and submit to the board an annual report of the department's housing activities for the preceding year.
2. Not later than the 30th day after the date the board receives and approves the report, the board shall submit the report to the governor, lieutenant governor, speaker of the house of representatives, and members of any legislative oversight committee.
3. The report must include:
  - a. a complete operating and financial statement of the department;
  - b. a comprehensive statement of the activities of the department during the preceding year to address the needs identified in the state low income housing plan prepared as required by Section 2306.0721, including:
    - i. a statistical and narrative analysis of the department's performance in addressing the housing needs of individuals and families of low and very low income;
    - ii. the ethnic and racial composition of individuals and families applying for and receiving assistance from each housing-related program operated by the department; and
    - iii. the department's progress in meeting the goals established in the previous housing plan;
  - c. an explanation of the efforts made by the department to ensure the participation of individuals of low income and their community-based institutions in department programs that affect them;
  - d. a statement of the evidence that the department has made an affirmative effort to ensure the involvement of individuals of low income and their community-based institutions in the allocation of funds and the planning process;
  - e. a statistical analysis, delineated according to each ethnic and racial group served by the department, that indicates the progress made by the department in implementing the state low income housing plan in each of the uniform state service regions;
  - f. an analysis, based on information provided by the fair housing sponsor reports required under Section 2306.0724 and other available data, of fair housing opportunities in each housing development that receives financial assistance from the department that includes the following information for each housing development that contains 20 or more living units:
    - i. the street address and municipality or county in which the property is located;
    - ii. the telephone number of the property management or leasing agent;
    - iii. the total number of units, reported by bedroom size;
    - iv. the total number of units, reported by bedroom size, designed for individuals who are physically challenged or who have special needs and the number of these individuals served annually;
    - v. the rent for each type of rental unit, reported by bedroom size;
    - vi. the race or ethnic makeup of each project;
    - vii. the number of units occupied by individuals receiving government-supported housing assistance and the type of assistance received;
    - viii. the number of units occupied by individuals and families of extremely low income, very low income, low income, moderate income, and other levels of income;

- ix. a statement as to whether the department has been notified of a violation of the fair housing law that has been filed with the United States Department of Housing and Urban Development, the Commission on Human Rights, or the United States Department of Justice; and
- x. a statement as to whether the development has any instances of material noncompliance with bond indentures or deed restrictions discovered through the normal monitoring activities and procedures that include meeting occupancy requirements or rent restrictions imposed by deed restriction or financing agreements;
- g. a report on the geographic distribution of low income housing tax credits, the amount of unused low income housing tax credits, and the amount of low income housing tax credits received from the federal pool of unused funds from other states; and
- h. a statistical analysis, based on information provided by the fair housing sponsor reports required by Section 2306.0724 and other available data, of average rents reported by county.

***SEC. 2306.0721. LOW INCOME HOUSING PLAN***

1. Not later than March 18 of each year, the director shall prepare and submit to the board an integrated state low income housing plan for the next year.
2. Not later than the 30th day after the date the board receives and approves the plan, the board shall submit the plan to the governor, lieutenant governor, and the speaker of the house of representatives.
3. The plan must include:
  - a. an estimate and analysis of the housing needs of the following populations in each uniform state service region:
    - i. individuals and families of moderate, low, very low, and extremely low income;
    - ii. individuals with special needs; and
    - iii. homeless individuals;
  - b. a proposal to use all available housing resources to address the housing needs of the populations described by Subdivision (1) by establishing funding levels for all housing-related programs;
  - c. an estimate of the number of federally assisted housing units available for individuals and families of low and very low income and individuals with special needs in each uniform state service region;
  - d. a description of state programs that govern the use of all available housing resources;
  - e. a resource allocation plan that targets all available housing resources to individuals and families of low and very low income and individuals with special needs in each uniform state service region;
  - f. a description of the department's efforts to monitor and analyze the unused or underused federal resources of other state agencies for housing-related services and services for homeless individuals and the department's recommendations to ensure the full use by the state of all available federal resources for those services in each uniform state service region;
  - g. strategies to provide housing for individuals and families with special needs in each uniform state service region;
  - h. a description of the department's efforts to encourage in each uniform state service region the construction of housing units that incorporate energy efficient construction and appliances;
  - i. an estimate and analysis of the housing supply in each uniform state service region;

- j. an inventory of all publicly and, where possible, privately funded housing resources, including public housing authorities, housing finance corporations, community housing development organizations, and community action agencies;
  - k. strategies for meeting rural housing needs;
  - l. a biennial action plan for colonias that:
    - i. addresses current policy goals for colonia programs, strategies to meet the policy goals, and the projected outcomes with respect to the policy goals; and
    - ii. includes information on the demand for contract-for-deed conversions, services from self-help centers, consumer education, and other colonia resident services in counties some part of which is within 150 miles of the international border of this state;
  - m. a summary of public comments received at a hearing under this chapter or from another source that concern the demand for colonia resident services described by Subdivision (12); and
  - n. any other housing-related information that the state is required to include in the one-year action plan of the consolidated plan submitted annually to the United States Department of Housing and Urban Development.
4. The priorities and policies in another plan adopted by the department must be consistent to the extent practical with the priorities and policies established in the state low income housing plan.
  5. To the extent consistent with federal law, the preparation and publication of the state low income housing plan shall be consistent with the filing and publication deadlines required of the department for the consolidated plan.
  6. The director may subdivide the uniform state service regions as necessary for purposes of the state low income housing plan.
  7. The department shall include the plan developed by the Texas State Affordable Housing Corporation under Section 2306.566 in the department's resource allocation plan under Subsection (c)(5).

***SEC. 2306.0722. PREPARATION OF PLAN AND REPORT***

1. Before preparing the annual low income housing report under Section 2306.072 and the state low income housing plan under Section 2306.0721, the department shall meet with regional planning commissions created under Chapter 391, Local Government Code, representatives of groups with an interest in low income housing, nonprofit housing organizations, managers, owners, and developers of affordable housing, local government officials, residents of low income housing, and members of the Colonia Resident Advisory Committee. The department shall obtain the comments and suggestions of the representatives, officials, residents, and members about the prioritization and allocation of the department's resources in regard to housing.
2. In preparing the annual report under Section 2306.072 and the state low income housing plan under Section 2306.0721, the director shall:
  - a. coordinate local, state, and federal housing resources, including tax exempt housing bond financing and low income housing tax credits;
  - b. set priorities for the available housing resources to help the neediest individuals;
  - c. evaluate the success of publicly supported housing programs;
  - d. survey and identify the unmet housing needs of individuals the department is required to assist;
  - e. ensure that housing programs benefit an individual without regard to the individual's race, ethnicity, sex, or national origin;
  - f. develop housing opportunities for individuals and families of low and very low income and individuals with special housing needs;
  - g. develop housing programs through an open, fair, and public process;

- h. set priorities for assistance in a manner that is appropriate and consistent with the housing needs of the populations described by Section 2306.0721(c)(1);
- i. incorporate recommendations that are consistent with the consolidated plan submitted annually by the state to the United States Department of Housing and Urban Development;
- j. identify the organizations and individuals consulted by the department in preparing the annual report and state low income housing plan and summarize and incorporate comments and suggestions provided under Subsection (a) as the board determines to be appropriate;
- k. develop a plan to respond to changes in federal funding and programs for the provision of affordable housing;
- l. use the following standardized categories to describe the income of program applicants and beneficiaries:
  - i. 0 to 30 percent of area median income adjusted for family size;
  - ii. more than 30 to 60 percent of area median income adjusted for family size;
  - iii. more than 60 to 80 percent of area median income adjusted for family size;
  - iv. more than 80 to 115 percent of area median income adjusted for family size; or
  - v. more than 115 percent of area median income adjusted for family size;
- m. use the most recent census data combined with existing data from local housing and community service providers in the state, including public housing authorities, housing finance corporations, community housing development organizations, and community action agencies; and
- n. provide the needs assessment information compiled for the report and plan to the Texas State Affordable Housing Corporation.

***SEC. 2306.0723. PUBLIC PARTICIPATION REQUIREMENTS***

1. The Department shall consider the annual low income housing report to be a rule and in developing the report shall follow rulemaking procedures required by Chapter 2001.

***SEC. 2306.0724. FAIR HOUSING SPONSOR REPORT***

1. The department shall require the owner of each housing development that receives financial assistance from the department and that contains 20 or more living units to submit an annual fair housing sponsor report. The report must include the relevant information necessary for the analysis required by Section 2306.072(c)(6). In compiling the information for the report, the owner of each housing development shall use data current as of January 1 of the reporting year.
2. The department shall adopt rules regarding the procedure for filing the report.
3. The department shall maintain the reports in electronic and hard-copy formats readily available to the public at no cost.
4. A housing sponsor who fails to file a report in a timely manner is subject to the following sanctions, as determined by the department:
5. denial of a request for additional funding; or
6. an administrative penalty in an amount not to exceed \$1,000, assessed in the manner provided for an administrative penalty under Section 2306.6023.