



Travis County Commissioners Court Agenda Request

Meeting Date: December 30, 2013

Prepared By/Phone Number: Christy Moffett, LMSW 854-3460

Elected/Appointed Official/Dept. Head:

Sherri E. Fleming, County Executive of Travis County Health and Human Services & Veterans Service

Commissioners Court Sponsor: Judge Samuel T. Biscoe

AGENDA LANGUAGE:

Consider and take appropriate action regarding approval of the Program Year 2013 Community Development Block Grant Agreement provided by HUD.

BACKGROUND/SUMMARY OF REQUEST AND ATTACHMENTS:

Under the provisions of Title 1 of the Housing and Community Development Act of 1974 (42 USC 5301), the Federal government sponsors a program that provides annual grants to cities and counties to develop viable urban communities by providing decent housing and a suitable living environment, by expanding economic opportunities for low and moderate income persons. This grant agreement approves Travis County's PY 2013 Action Plan. Beginning in 2006, the program is operating under its second Consolidated Plan and starting its eighth year.

The grant agreement is the same document executed annually for the last seven years. The County Attorney's and Auditor's Office have reviewed and approved the agreement.

The HUD letter and grant agreement are attached with one addition to the grant agreement: Per the County Attorney's office request, "by" was added to the signature line. HUD recognizes the County Judge as the certifying official for all transactions unless the Commissioners Court delegates the responsibility to someone else.

STAFF RECOMMENDATIONS:

Staff recommends approval.

ISSUES AND OPPORTUNITIES:

With the execution of this agreement, the County assumes HUD's responsibility for all environmental reviews with any HUD funding source within the County, but outside the City of Austin.

The County has 60 days to execute the agreement from the date of the letter or forfeit funds.

FISCAL IMPACT AND SOURCE OF FUNDING:

Executing the agreement allows the County to have access to \$855,534 in federal funding and to implement the projects approved for PY 2013.

REQUIRED AUTHORIZATIONS:

County Attorney's Office
Auditor's Office

CC:

Leslie Browder, PBO
Aerin Toussaint, PBO
Jason Walker, Purchasing Office
Kendra Tolliver, TCHHS&VS
DeDe Bell, Auditor's Office
Steven Manilla, TNR
Cynthia McDonald, TNR
Mary Etta Gerhardt, County Attorney's Office

Jessica Rio, PBO
Cyd Grimes, Purchasing Office
Kathleen Haas, TCHHS&VS
Nicki Riley, Auditor's Office
Janice Cohoon, Auditor's Office
Lee Turner, TNR



U.S. Department of Housing and Urban Development
San Antonio Field Office, Region VI
Office of Community Planning and Development
H.F Garcia Federal Bldg/U.S Courthouse
615 E. Houston Street, Suite 347
San Antonio, Texas 78205-3601
Phone (210) 475-6820 Fax: (210) 472-6825
www.hud.gov www.espanol.hud.gov

Ms. Sherri Fleming
Executive Manager
Travis County HHSVS
P.O. Box 1748
Austin, TX 78767

Dear Ms. Fleming:

SUBJECT: Approval of 2013 One-Year Action Plan Submission - Community Planning and Development Block Grant Program (CDBG) B-13-UC-48-0503

We want to thank you and your staff for the submission of the County's 2013 Action Plan. The plan is a requirement for the County's Entitlement Community Development Block Grant (CDBG) program. The Plan covers the period beginning October 1, 2013 and ending on September 30, 2014. This letter serves as official approval notification of the AP for the 3rd year of the County's Three-year Consolidated Plan Strategy (CPS). The County was originally scheduled to receive \$909,925 in CDBG funding for the 2013 Program year. However, as stated in HUD's letter to the County dated November 8, 2013, a financial sanction in the amount of \$54,391.00 was imposed on the County for failure to comply with the Timely Expenditure Requirements of the CDBG Program. As a result of this sanction the revised Grant amount for the 2013 Program is approved for the following amount:

CDBG (Revised) \$855,534.00

Note: The County will be expected to complete the process to amend its 2013 Action Plan to account for this grant reduction within the next 60 days.

We appreciate the hard work of the CDBG staff in producing the One Year AP. The information contained in the document was well written, detailed and organized. The numerous detailed Maps included in the plan were helpful, informative and clearly highlighted the different areas and groups of low-mod individuals that the County is serving. The Action Plan provided project descriptions on the use of the new program year funding. The projects identified are reflective of the County's Three Year CPS and are a continuing effort to meet the various goals and objectives established in the CPS. Our review of the County's Citizen participation process determined that the county has met the requirements in accordance with 24 CFR, part 91.220(b) which requires the AP to contain a summary of the citizen participation and consultation process, a summary of comments or views, and a summary of comments or views not accepted and the reasons for non acceptance. The two basic regulatory requirements for approval of the plan have been met. The Plan is substantially complete in addressing all regulatory requirements and is consistent with the purposes of the National Affordable Housing Act. Our conclusions for approval and the comments cited in this review will be part of the national database within

HUD's Grant Management System (GMS). Based on our review of the County's funded projects the following comments are provided:

Street Improvement Projects: During our monitoring review conducted June 25-28, 2013, it was noted that current County policy prohibits the use of CDBG funds for street improvement projects on streets that have already been accepted into the County's Road Maintenance Program. Our monitoring report informed the county that although local policy could establish such stringent policy, it was HUD's position that CDBG funds could in fact be used for these accepted roads. In light of the County's timeliness issues, we recommend that the County consider expanding the areas of consideration for their street improvement projects to include those roads accepted by the County's Maintenance program.

Owner Occupied Home Rehabilitation: Funded amount: \$177,940.00. The program is finally on track after many years of non-performance. The County's 1st completed home under this program occurred during the month of June 2013. The program now seems to be well organized and has the potential to expend CDBG funds very quickly. We found that the subrecipient, Meals on Wheels and More is well versed in housing construction and seems to have the operations capacity and ability to make this program very successful. The County must continue the momentum into the 2013 program year. We highly recommend that it keep in constant communications with the subrecipient to ensure they maximize their outreach efforts. The success of the County's CDBG will rest highly on the success of this program.

Owner Occupied Housing, Direct Homeownership Assistance Program: The Action plan states that \$745,000.00 is being carried over from previous funding years (2009 & 2010). Per discussions with County CDBG Staff, this program will no longer be funded and the remaining funds will be reprogrammed to another activity. Due to the large amount of funds to be reprogrammed and in light of the County's timeliness issues, the County must ensure that the actions taken to reprogram these funds be done quickly. This program was listed as a primary activity in the County's 2010 AP submission. The following alternate activities were also listed and therefore could be implemented (up to the stated amounts) without having to go thru the substantial amendment process:

Homeowner Rehabilitation:	Up to \$200,000.00
Navarro Street Improvements:	Up to \$125,000

Alternate Activities: This office initially approved the submission of alternate activities in the County's 2012 Action Plan (AP). Our approval allows the County to implement these alternate activities in the event that the primary projects identified in that specific year Action Plan were delayed, canceled, or performed at a lower cost than the budgeted amounts. To further clarify our original guidance the following is provided:

- An alternate activity can only be used to replace a new primary activity that was listed in the same Action Plan year. At no time can an alternate activity be used to replace a new primary activity from another program year.
- An activity that has money left over from one program year and carried over to the next or subsequent program years is not considered a new primary activity. Therefore, the use of any alternate activity for an activity listed as "carry over" in the AP submission is not authorized for

use. The County could however identify when the “Carry over” activity was listed in the AP as a new primary activity and use any alternate activity identified in that AP.

Office of Fair Housing and Equal Opportunity (OFHEO): The OFHEO has reviewed the County’s Action Plan and the following comments are provided:

The County is reminded of required compliance with all applicable civil rights laws, including Section 109 of the Housing and Community Development Act of 1974; Section 504 of the Rehabilitation Act of 1973; applicable provisions of title VI of the Civil Rights Act of 1964; the Fair Housing Act; and HUD regulations issued pursuant thereto. In particular, the grantee is reminded of the site and neighborhood standards required when using home funds. *See* 24 CFR 92.202 and the Fair Housing for HOME Participants guidance. The grantee is also reminded that in accordance with the Fair Housing Act, it must ensure that programs are administered in a manner to affirmatively further the policies of the Fair Housing Act in accordance with the certification at 24 CFR 91.225(a)(1) and 570.601. If you have any questions regarding these comments, please contact Joe Castillo at 210-475-6800, x2309.

San Antonio Office of Public Housing review (SAOPH): Your Action Plan was reviewed and approved by the SAOPH.

General to all Projects

Approval of your Action Plan does not give automatic eligibility approval to the specific projects identified in the AP. It is the responsibility of each grantee to ensure that each project is eligible and can meet a national objective in accordance with HUD regulations. Grantees are required to properly document and justify each project’s eligibility and national objective in its files for future HUD on-site monitoring reviews. Each file should include all elements required in the regulations cited at 24 CFR 570.506, *Records to be maintained*. This should include, among other things, agreements, maps indicating service areas and the basis for the determinations, income limits, eligibility documents, etc.

Approval of your Action Plan does not give automatic eligibility approval to subsequent projects created by amendments. The reallocation of funds which results in amendments or substantial amendments to the action plan must be processed in accordance with 24 CFR Part 91.505 and the County’s Citizen’s Participation Plan. The reallocation of funds should be reviewed carefully and approved only as “an exception” to the process and should not become “the norm”. The amendments resulting from these reallocations are generally time consuming to process and could eventually affect the County’s ability to meet timeliness expenditure requirements.

We remind the County that certain activities are subject to the provisions of 24 CFR Part 58 (Environmental Review Procedures for the CDBG Program). Funds for such activities may not be obligated or expended unless there is a written release of funds notification from our Field Office. To initiate this process for these activities, the County must submit to our office an executed HUD form 7015.15 - Request for Release of Funds and Certification. Only units of general local government can assume responsibility for environmental reviews under 24 CFR Part 58. Sponsors can supply the required information to the responsible entity to prepare the review. Please contact your San Antonio CPD Representative if you have any questions regarding the environmental review approval process.

Enclosed are three signed copies of the Grant Agreements and Funding Approvals for each program that constitutes the contracts between the Department of Housing and Urban Development and the County of Travis. Please sign each original Grant Agreement. Retain one original for your records and return the other two agreements to us. Our office will retain one original Grant Agreement and send the third copy to the HUD Accounting Center to record the obligation. Failure to return the executed Grant Agreements within 60 days may be deemed to constitute rejection of the grants and cause for HUD to determine that funds are available for reallocation to other grantees.

Should there be a need to establish or change the depository account where the grant funds are being wired to, a Direct Deposit sign-up form (SF-1199A) must be completed by both the County and involved financial institution and mailed to our Field Office.

Please note that your upcoming Consolidated Annual Performance Report (CAPER) is due in this office no later than December, 31, 2013. Additionally, the County's next Consolidated Plan Strategy and Action Plan will be due to this office by August 15, 2014. These plans will be required to be submitted to HUD via the IDIS On-Line ECON Planning Suite. We highly recommend that the County's CDBG office visit the website below to become familiar with this new ECON Planning Suite:

http://portal.hud.gov/hudportal/HUD?src=/program_offices/comm_planning/about/conplan/cp_idis

We do appreciate Travis County's time and efforts spent in working to meet the needs of the County's low- to moderate-income residents and the Department looks forward to a successful partnership with the County during the upcoming year. We caution the County that failure to meet the 1.5 standard at the County's next 60-day test on July 31, 2014, may result in a reduction of the 2014 Grant. The Department remains concerned that the County has been untimely for five of the last six years however we wish you success in meeting the CDBG timely performance requirements by next July.

If you have any questions regarding this approval notification or if we may be of assistance, please contact David Rios, Community Planning and Development Representative, at (210) 475-6800, extension 2314.

Sincerely,



Elva F. Garcia, Director
Office of Community Planning
and Development

Attachments

cc:

The Honorable Samuel T. Biscoe, Judge, Travis County
Ms. Christy Moffett, Senior Planner

Funding Approval/Agreement

Title I of the Housing and Community Development Act (Public Law 930383)
 HI-00515R of 20515R

U.S. Department of Housing and Urban Development
 Office of Community Planning and Development
 Community Development Block Grant Program

OMB Approval No.
 2506-0193 (exp 1/31/2015)

1. Name of Grantee (as shown in item 5 of Standard Form 424) County of Travis		3a. Grantee's 9-digit Tax ID Number: 746000192	3b. Grantee's DUNS Number: 030908842	4. Date use of funds may begin (mm/dd/yyyy): 10/01/2013
2. Grantee's Complete Address (as shown in item 5 of Standard Form 424) P.O. Box 1748 Austin, Texas 78767		5a. Project/Grant No. 1 B-13-UC-48-0503		6a. Amount Approved \$855,534
		5b. Project/Grant No. 2		6b. Amount Approved
		5c. Project/Grant No. 3		6c. Amount Approved

Grant Agreement: This Grant Agreement between the Department of Housing and Urban Development (HUD) and the above named Grantee is made pursuant to the authority of Title I of the Housing and Community Development Act of 1974, as amended, (42 USC 5301 et seq.). The Grantee's submissions for Title I assistance, the HUD regulations at 24 CFR Part 570 (as now in effect and as may be amended from time to time), and this Funding Approval, including any special conditions/addendums, constitute part of the Agreement. Subject to the provisions of this Grant Agreement, HUD will make the funding assistance specified here available to the Grantee upon execution of the Agreement by the parties. The funding assistance specified in the Funding Approval may be used to pay costs incurred after the date specified in item 4 above provided the activities to which such costs are related are carried out in compliance with all applicable requirements. Pre-agreement costs may not be paid with funding assistance specified here unless they are authorized in HUD regulations or approved by waiver and listed in the special conditions to the Funding Approval. The Grantee agrees to assume all of the responsibilities for environmental review, decision making, and actions, as specified and required in regulations issued by the Secretary pursuant to Section 104(g) of Title I and published in 24 CFR Part 58. The Grantee further acknowledges its responsibility for adherence to the Agreement by sub-recipient entities to which it makes funding assistance hereunder available.

U.S. Department of Housing and Urban Development (By Name) Elva F. Garcia		Grantee Name County of Travis	
Title Director, Community Planning and Development		Title Samuel T. Biscoe, Travis County Judge	
Signature <i>For David Lion, Act. by Director</i>		Signature	
Date (mm/dd/yyyy) Dec 6, 2013		Date (mm/dd/yyyy)	

7. Category of Title I Assistance for this Funding Action (check only one) <input checked="" type="checkbox"/> a. Entitlement, Sec 106(b) <input type="checkbox"/> b. State-Administered, Sec 106(d)(1) <input type="checkbox"/> c. HUD-Administered Small Cities, Sec 106(d)(2)(B) <input type="checkbox"/> d. Indian CDBG Programs, Sec 106(a)(1) <input type="checkbox"/> e. Surplus Urban Renewal Funds, Sec 112(b) <input type="checkbox"/> f. Special Purpose Grants, Sec 107 <input type="checkbox"/> g. Loan Guarantee, Sec 108	8. Special Conditions (check one) <input checked="" type="checkbox"/> None <input type="checkbox"/> Attached	9a. Date HUD Received Submission (mm/dd/yyyy) 08/14/2013	10. check one <input checked="" type="checkbox"/> a. Orig. Funding Approval <input type="checkbox"/> b. Amendment Amendment Number	
		9b. Date Grantee Notified (mm/dd/yyyy) 12/6/2013		
		9c. Date of Start of Program Year (mm/dd/yyyy) 10/01/2013		
11. Amount of Community Development Block Grant				
		FY (2013)	FY ()	FY ()
a. Funds Reserved for this Grantee		855,534		
b. Funds now being Approved		855,534		
c. Reservation to be Cancelled (11a minus 11b)				

12a. Amount of Loan Guarantee Commitment now being Approved	12b. Name and complete Address of Public Agency
Loan Guarantee Acceptance Provisions for Designated Agencies: The public agency hereby accepts the Grant Agreement executed by the Department of Housing and Urban Development on the above date with respect to the above grant number(s) as Grantee designated to receive loan guarantee assistance, and agrees to comply with the terms and conditions of the Agreement, applicable regulations, and other requirements of HUD now or hereafter in effect, pertaining to the assistance provided it.	12c. Name of Authorized Official for Designated Public Agency
	Title
	Signature

HUD Accounting use Only

Batch	TAC	Program	Y	A	Reg	Area	Document No.	Project Number	Category	Amount	Effective Date (mm/dd/yyyy)	F
	153											
	176											
			Y					Project Number		Amount		
								Project Number		Amount		
			Y					Project Number		Amount		

Date Entered PAS (mm/dd/yyyy)	Date Entered LOCCS (mm/dd/yyyy)	Batch Number	Transaction Code	Entered By	Verified By
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