

HCDD CDBG DR-2 Program Guidelines Waiver Request

Request No. 15: Transfer of DR1 applications into DR2

Date: December 9, 2013

The City of Houston (the City), for the Hurricane Ike/Dolly Round II Community Development Block Grant Disaster Recovery Program (the Program), believes that it is in the best interest of the residents of the City to modify the Texas General Land Office (GLO) approved Round 2 Outreach Plan and Program Guidelines and therefore requests the following waiver.

The purpose of this waiver is to transfer of remaining Hurricane Ike Round 1 (Round 1) applicants into the Round 2 program.

The Round 1 Program was originally intended to assist 242 homeowners. The Program has successfully assisted 222 homeowners. Due to the fact that (i) twice as many houses are being demolished and reconstructed than originally anticipated, and (ii) construction costs have increased, the Round 1 Program lacks the funds to assist the remaining twenty homeowners. The City wants to insure that these twenty homeowners are served. Furthermore, the City desires to serve two additional eligible homeowners who are the last two remaining alternates under the Round 1 Program. Therefore, the City requests to transfer these applicants (see Attachment A) into the Round 2 program.

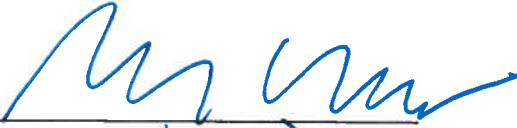
Construction contracts have been signed for all applicants using plans based on the bedroom calculation method from the Round 1 Program Guidelines. Since construction contracts have been signed, the City requests a waiver of the HOP requirements under the Round 2 Program for only these twenty-two homeowners listed in Attachment A.

The Outreach Plan states that the City will commit Round 2 funding to specified target areas. The City requests a waiver for only these 22 homes from this requirement as 16 of these 22 homes are located outside of those target areas.

Since all of the homeowners in the Round 1 Program have had their incomes certified within the required timeframe (12 months) using the Part 5 calculation method, the City requests a waiver to use the Part 5 income calculation method as completed for the homeowners in question instead of using the AGI method approved for Round 2. The requirements under the Part 5 method are more stringent than the requirements under the AGI method; therefore, the Program is not at risk of qualifying applicants over the 80% AMFI limit.

The City of Houston respectfully requests that GLO grant this waiver to the Round 2 Guidelines and the Outreach Plan.

Submitted by:



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Director
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City of Houston

(FOR)

1/15/14
Date

Approved by:

Jorge Ramirez
GLO

Date