

Lower Rio Grande Valley Development Council

**Meeting for
Public Comment on
Method of Distribution
For Disaster Recovery**

5:30 PM
Tuesday, November 24, 2009

HARLINGEN CULTURAL ARTS CENTER
576 '76 DRIVE
HARLINGEN, TX

**LRGVDC Staff: Kenneth N. Jones, Executive Director
Manuel Cruz, Director, Homeland Security
Marcie Oviedo, Program Administrator
Ludy Saenz, Planner**

Mr. Ken Jones: Good afternoon everyone, for the record my name is Ken Jones, we had another Public Meeting on the 19th of November and some of you attended that one as well. We are taking a little different approach in the number of Public Meetings, HUD and TDRA only require two (2) Public meetings as part of the process but the Board approved five (5) meetings.

The State of Texas Hurricanes Dolly and Ike Disaster Recovery Supplemental Funding (HUD Funds) were as follows: 1st Round \$55,000,000 was given for the three county regions and for the 2nd Round, \$184,920,160 for a total Allocation of \$239,920,160. Some have not received the Grant awards from round one. TDRA is anticipating that those awards should be finalized and in the system by November 20, 2009. In the first round Hidalgo County had \$24,750,000, Cameron County had \$24,750,000 and Willacy County had \$5,000,000.

For Round two, the LRGVDC was allocated \$184,920,160 out of that amount \$104,925,787 is for Housing, \$15,108,600 was for Affordable Rental Program*, \$64,885,773 was for Total Non-housing, \$63,481,528 is the General Non-housing and \$1,404,245 was set aside for Healthcare Facilities*. The two asterisks means that in those two pots of money, although they're allocated to our region, those are competitive applications that will go from applicant to TDRA. There has to be a 100% spent, if not, that percentage goes somewhere else.

Lower Rio Grande Valley Development Council's Method of Distribution (MOD) must include TOTAL Housing \$104,925,787 and Non-Housing \$63,481,528. The LRGVDC's MOD cannot transfer responsibility for developing an MOD to a unit of general local government (one MOD for each region); Priority to projects that meet Low Medium Income (LMI) material objective; Program criteria that encourage long-term strategies for reducing the risk of damage from future natural disasters; No local competitions or county MODs; All allocations by COGs will be conditional until the state reaches the 50% LMI requirements for the entire allocation; Deadline for submitting MOD has been set for January 2010; and TDRA Encourages COGS to make direct allocations to specific regional projects.

The four COG Regions affected have requested that TDRA extend the timeline and it has been approved. If we stick to our timeline, our MOD will go ahead, before anyone else and hopefully that should mean that whatever projects we identify with the MOD should be considered for funding before everybody else. The other counties like Starr County and other Counties have to do an application directly to the state.

Mr. Jones introduced the LRGVDC Staff: Marcie Oviedo, Ludy Saenz & Manuel Cruz

Mr. Jones then proceeded to explain the timeline; Comments to be considered in the development of the MOD will be due on December 11, 2009. A meeting of the Disaster Recovery Advisory Committee (DRAC) to consider the developed MOD will be held on December 15, 2009. Once the MOD is developed and approved by the DRAC; it will be made available for public comment with three additional public meetings scheduled for the first week of January, one in each county Raymondville, Weslaco, and Brownsville. If there are any modifications that need to be done, those will be presented to the DRAC with recommendation on January 13, 2010, and

then the final MOD will be submitted to the LRGVDC Board of Directors for final approval on January 28, 2010.

Mr. Jones then reviewed the housing portion of the MOD. He stated that a Housing Survey Questionnaire was developed and sent to all interested entities to see what the actual need on housing may be and where. Surveys were submitted, but it is still unclear as to actual need and how much it would cost to repair or reconstruct units. There are two avenues to take on the housing. The LRGVDC can either allocate the dollars by county, or there is a potential to maximize the benefit of the housing funds and try to keep it on a regional basis, through the COG. The LRGVDC would hire a firm to do the housing solicitation, find the people, do the applications, take care of the environmental etc.

On the Non-housing we have received comments and a listing of projects from the drainage districts within the region to consider on the MOD for project specific distribution of the dollars for drainage. These projects still have to meet a 50% LMI requirement, so the projects must fit the criteria. The State is recommending we consider regional projects for the Non-housing dollars.

Sunny K. Philip, City of La Feria:

People who need the assistance is because their insurance didn't cover it or they didn't have any insurance. Also, if they did go through FEMA, they were probably denied. Lack of housing; wasn't enough. They needed some additional funding. There are still existing problems that have not been fixed. Someone needs to fix them.

Alan Moore, Drainage District #5:

I think it's important to emphasize the need to improve the drainage aspect. If we spend the \$104 million on housing that's wonderful but if we haven't improved the drainage the next time it floods we're going to end up fixing those same houses again. I think it's important that we emphasize the need to improve the drainage and to prioritize those projects on regional basis and identify the specific areas. It's also important to have that safety valve where if the housing money is not utilized, some of that could be transferred over to non-housing.

Remi Garza, City of Combes:

First of all, the MOD I think we're not being honest with ourselves by saying there are not objective verifiable numbers to identify the damages in the community during the storm. The FEMA numbers used from the cities were incomplete because not everybody submitted the information that was required. There had been several applications from people seeking assistance from FEMA. Someone could provide those figures to us as to how many requests were made, denied, etc. in order to give us a good picture of where the damages were sustained because I think the previous MOD it was used quickly and a lot of funds were not allocated to areas that were affected severely by the storm. Second, I hope you are able to focus on non-housing on these grants because they're disaster relief funds for citizens that were impacted. I think the drainage issue is extremely important; however this drainage issue is a long existing problem. The damage dollars are for the citizens that tried to get their roofs repaired, they either couldn't because they were renting or they didn't qualify. We should focus on projects like these in order to help citizens with this. There are still people who still can't get the funding.

With the MOD we could identify these people in order to help them out. Please don't go with population figures.

Diana Serna, Hidalgo Urban County Program:

Commented and acknowledged that we do need the money in the area. However, from her office there is no way to determine who actually got assistance from FEMA and who actually had insurance to pay for it. She would like to concentrate on drainage improvements. If Hidalgo County gets flooded, more than likely so will Cameron County and Willacy County. If the counties concentrate on the drainage improvement and join together as a Rio Grande Valley it will improve the living conditions of the people that live here. With housing a regional project, can provide more residents with what they need, since there are people who do need housing improvements. We need to have non-profits get involved so if there is a chance for them to apply for funding and if they have non-profits with good records they will be able to help more people. Drainage improvement is a high priority for Hidalgo County. Whatever way it goes, we will take the money but I do think that our main concern is drainage improvement.

Ken Jones:

We would have specific projects listed. For example; on the non-housing component if the method of distribution is project oriented then our MOD would say x amount of money for the county a, b or c that would be doing a specific project or county would enter an inter-local for example the drainage district, to implement a particular project for a certain amount of money. This would identify the LMI benefit. We will prioritize the projects till money runs out. If a project is not eligible we will go to the next one on the list. Some drainage improvement in Hidalgo County may also have beneficial impact to Willacy County. There is regional impact even though the actual construction may be in one county it could affect a big area and benefit the whole region. The \$104 million for housing may be targeted on those areas of drainage improvement also. We can develop an MOD in such a way that if there is more funding from the state, they could leverage dollar per dollar. The LRGVDC is trying to maximize the resources by coming up with a MOD that would benefit more people or the region as a whole. We do projects specific, so if there is one that gets denied there will be one that follows right after.

Jaime Gutierrez, Consultant:

We don't want this to become a regional project verses the community. There are a lot of colonias who experienced very serious flooding. If we don't know what those regional projects are and where they will be situated, it would be very difficult to get support. If there is a regional project we need to know where it is and how it's going to benefit everyone. The last thing we want is for it to become the big cities vs. the little cities. If we have all these colonias out here and we don't fix the flooding we won't accomplish anything. We all need to group together. If the communities feel that they are not going to benefit from these projects, they will not support you.