

2007 State of Texas Low Income Housing Plan and Annual Report

Texas Department of Housing
and Community Affairs

January, 2007



Freeport Oaks Apartments, Freeport, TX

2007 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, Agency) is the State's lead agency responsible for affordable housing. TDHCA is also responsible for administering a wide variety of community affairs, energy assistance, and colonia programs and activities.

INSTITUTIONAL STRUCTURE

In 1991, the 72nd Texas Legislature created the Texas Department of Housing and Community Affairs. The Department's enabling legislation 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 (ORCA). However, TDHCA, through an interagency contract with ORCA, administers 2.5 percent of the CDBG funds used for the Self-Help Centers along the Texas-Mexico border. 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 as follows: 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. A primary function of TDHCA is to act as a conduit for federal grant funds for housing and community services. However, 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

Introduction

Texas Department of Housing and Community Affairs

(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.

The TDHCA Governing Board and staff are committed to meeting the challenges presented by examining the housing needs and presenting a broad spectrum of housing and community affairs programs based on the input of thousands of Texans. TDHCA's services address a broad spectrum of housing and community affairs issues that include homebuyer assistance, the rehabilitation of single family and multifamily units, rental assistance, the new construction of single family and multifamily housing, special needs housing, transitional housing, and emergency shelters. Community services include energy assistance, weatherization assistance, health and human services, child care, nutrition, job training and employment services, substance abuse counseling, medical services, and emergency assistance.

The Department is primarily a pass-through funding agency that collects funds from federal and state programs to use the combination of resources efficiently. To further the goal of providing a decent, safe, and affordable living environment for families who need assistance, the Department uses a series of competitive programs that focus on obtaining the public policy goals. This distribution is done using a number of techniques.

- Almost all housing development, rehabilitation, and rental assistance related funding is awarded through formal competitive Request for Proposals (RFP) and Notice of Funding Availability (NOFA) processes.
- First time homebuyer and down payment assistance is allocated through a network of participating lenders.
- Community Affairs' funds are predominantly allocated through a network of community based organizations who receive their funding on an annual, ongoing basis.

Funding sources for the services listed above include the US Department of Housing and Urban Development (HUD), US Treasury Department, US Department of Health and Human Services, and US 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. Recognizing that all the need may not ever be met, the Department looks at where the federal programs and state resources at its disposal could provide the most benefit by managing these limited resources to have the greatest impact.

TDHCA is only 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.

ADMINISTRATIVE STRUCTURE

Agency programs are grouped into three categories: Single Family Finance Production, Multifamily Finance Production, and Community Affairs. In addition, TDHCA includes the following divisions: Administrative Support; Bond Finance; Financial Administration; Information Systems; Internal Audit; Legal Services; Portfolio Management and Compliance; Real Estate Analysis; the Division of Policy and Public Affairs; and the Office of Colonia Initiatives. The Manufactured Housing Division is administratively attached to TDHCA, though it is an independent entity with its own governing board.

The following table outlines TDHCA's programs. For more detailed program information, please see "TDHCA Program Plans" in the Action Plan section of this document.

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Texas Department of Housing and Community Affairs

Activity	Program	Program Description	Eligible Households
Multifamily Development	HOME Investment Partnerships Program (HOME)	Loans or grants to develop or preserve affordable rental housing	<80% AMFI
	Housing Trust Fund (HTF)	Loans or grants for rental housing development, predevelopment, and other industry innovations	<80% AMFI
	Housing Tax Credit (HTC)	Tax credits to develop or preserve affordable rental housing	<60% AMFI
	Multifamily Bond (MFB)	Loans to develop or preserve affordable rental housing	<60% AMFI
Rental Assistance	HOME Program	Loans or grants for entities to provide tenant-based rental assistance for two years	<80% AMFI
	Section 8 Housing Choice Vouchers	Acts as a public housing authority to offer tenant-based rental assistance vouchers in certain areas	<50% AMFI
Single Family Development	HOME Program	Loans or grants for entities to construct single family housing and offer down payment assistance	<80% AMFI
	Colonia Model Subdivision	Loans for Community Housing Development Organizations (CHDOs) to develop residential subdivisions as an alternative to colonias	<60% AMFI
Home Purchase Assistance and Home Repair Assistance	Contract for Deed Conversion Initiative	Facilitates colonia-resident ownership by converting contracts for deed into traditional mortgages	<60% AMFI
	Grant Assistance	Grants in conjunction with the First Time Homebuyer Program for down payment and closing costs	<60% AMFI
	HOME Program	Loan and grants for entities to offer down payment and closing cost assistance	<80% AMFI
	HOME Program	Loans and grants for entities to provide home repair assistance	<80% AMFI
	Lone Star Loan	Market-rate loans with second liens for down payment assistance	<115% AMFI
	Mortgage Credit Certificate	Annual tax credit based on the interest paid on the homebuyer's mortgage loan	<115% AMFI
	Texas Bootstrap Loan	Funds entities to offer owner-builder loans programs	<60% AMFI
	Texas First Time Homebuyer	Low-interest loans for first time homebuyers	<115% AMFI
Homebuyer Education	Colonia Consumer Education Services	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)
Community Affairs Activities	Community Services Block Grant (CSBG)	Funds local agencies to provide essential services and poverty programs	<50% AMFI
	Emergency Shelter Grants (ESGP)	Funds entities to provide shelter and related services to the homeless	<30% AMFI (Homeless)
	Community Food and Nutrition (CFNP)	Distributes surplus food commodities and supports feedings	<80% AMFI
	Comprehensive Energy Assistance (CEAP)	Funds local agencies to offer energy education, financial assistance, and HVAC replacement	<50% AMFI
	Weatherization Assistance (WAP)	Funds local agencies to provide minor home repairs to increase energy efficiency	<50% AMFI
Manufactured Housing	Manufactured Housing Division	Regulates the manufactured housing industry. Licenses manufactured housing professionals, titles homes, inspects homes, and investigates manufactured housing complaints.	All

2007 STATE OF TEXAS LOW INCOME HOUSING PLAN AND ANNUAL REPORT

The *2007 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 (TGC). 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 whose annual changes reflect input received throughout the year.

The Plan is organized into eight sections:

- *Introduction*: An overview of TDHCA and the Plan
- *Annual Report*: A comprehensive statement of activities for 2006, including performance measures, actual numbers served, and a discussion of TDHCA's Strategic Plan goals
- *Housing Analysis*: An analysis of statewide and regional demographic information, housing characteristics, and housing needs
- *TDHCA Action Plan*: A description of TDHCA's initiatives, resource allocation plans, program descriptions, and goals
- *Public Participation*: Information on the Plan preparation and a summary of public comment
- *Colonia Action Plan*: A revised biennial plan for 2006–2007, 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 2006, and is included in accordance with legislation
- *Appendix*: Includes TDHCA's enabling legislation and a glossary of selected terms

Because the Plan's legislative requirements are rather extensive, TDHCA has prepared a collection of separate publications in order to fulfill requirements. This allows the requester to receive specific information in a format that is easier to use and cost-effective for both TDHCA and interested parties through lower printing and distribution costs. 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
- Basic Financial Statements and Operating Budget: Produced by TDHCA's Financial Administration Division and fulfill §2306.072(c)(2)

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2006 SLIHP

- 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: ANNUAL 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
- *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
- *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
- The diversity of serviced delivered to households
- TDHCA's progress in meeting its housing and community services goals

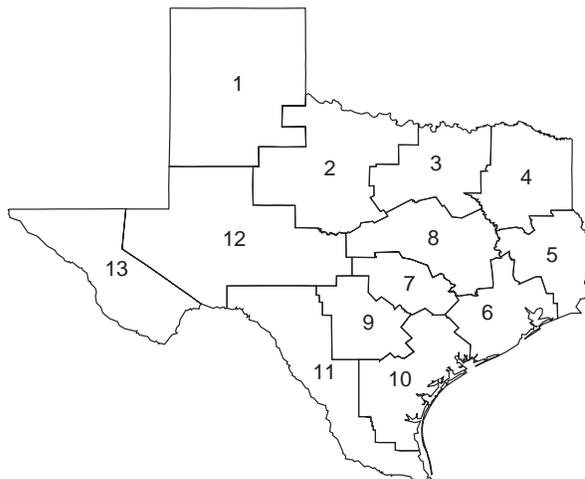


Figure 2.1 State Service Regions

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.

FUNDING COMMITMENTS AND HOUSEHOLDS SERVED BY ACTIVITY AND PROGRAM

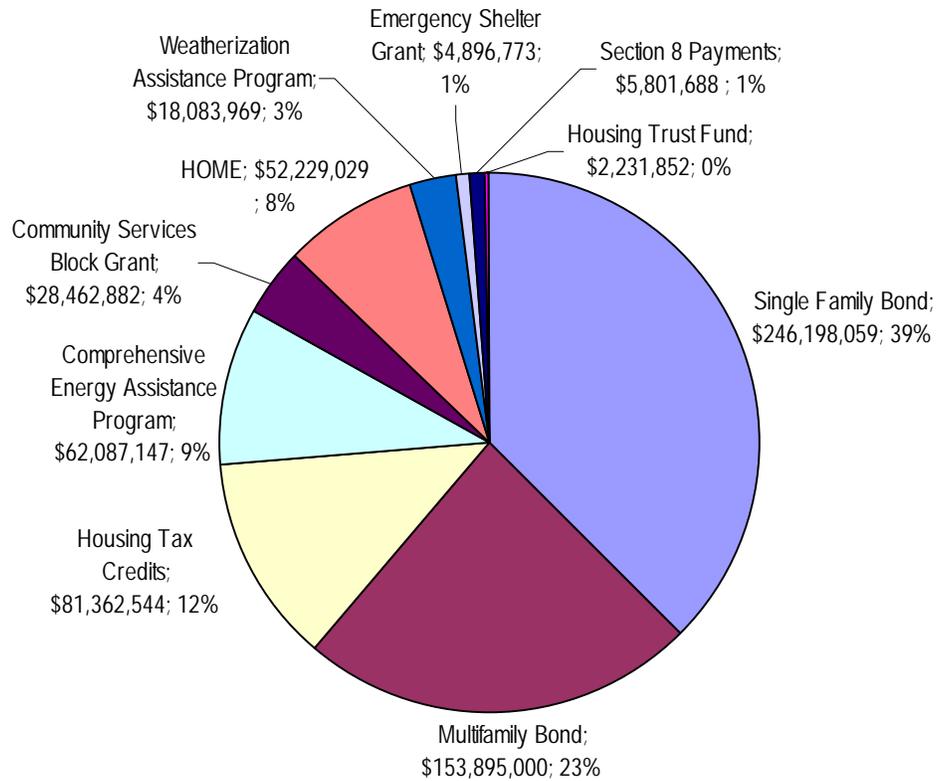
For the state and each region, a description of funding allocations, amounts committed, target numbers, and actual number of persons or households served for each program is provided. Along with the summary performance information, data on the following activity subcategories is provided.

- Renter
 - New Construction activities support multifamily development, such as the funding of developments, capacity building, and predevelopment funding.
 - Rehabilitation Construction activities support the acquisition, rehabilitation, and preservation of multifamily units.
 - Tenant Based Assistance is 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 2006, TDHCA receive \$655,248,943 in total funds. Almost all of this funding, 99 percent of the total, came from federal sources. TDHCA committed \$682,702,107 in 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 2006
 Total Funds Committed: \$655,248,943



Funding and Households/Persons Served by Activity, FY 2006, All Activities

Household Type	Activity	Committed Funds	Number of Households/Individuals Served	% of Total Committed Funds	% of Total Households/Individuals Served
Renter	New Construction	\$178,441,555	15,831	27%	3%
	Rehab Construction	\$71,682,737	7,084	11%	1%
	Rental Assistance	\$7,272,331	1,256	1%	<1%
Owner	Financing & Down Payment	\$254,433,405	2,742	39%	1%
	Rehabilitation Assistance	\$29,888,144	591	5%	<1%
	Supportive Services	\$28,462,882	312,176	4%	61%
	Energy Related	\$80,171,116	90,817	12%	18%
	Homeless Services	\$4,896,773	83,289	1%	16%
Total		\$655,248,943	513,786	100%	100%

Funding and Households/Persons Served by Housing Program, FY 2006

Household Type	Activity	SF Bond		HOME		HTF		HTC		MF Bond		Section 8*	
		Committed Funds	# of Households Served										
Renter	New Construction	\$0	0	\$11,923,773	973	\$412,850	694	\$64,569,932	12,492	\$101,535,000	1,672	\$0	0
	Rehab. Construction	\$0	0	\$2,495,125	218	\$35,000	100	\$16,792,612	5,165	\$52,360,000	1,601	\$0	0
	Rental Assistance	\$0	0	\$1,470,643	142	\$0	0	\$0	0	\$0	0	\$5,801,688	1,114
Owner	Financing & Down Pmt.	\$246,198,059	2,255	\$6,451,344	421	\$1,784,002	66	\$0	0	\$0	0	\$0	0
	Rehabilitation Asst.	\$0	0	\$29,888,144	591	\$0	0	\$0	0	\$0	0	\$0	0
Total		\$246,198,059	2,255	\$52,229,029	2,345	\$2,231,852	860	\$81,362,544	17,657	\$153,895,000	3,273	\$5,801,688	1,114

Funding and Households/Persons Served by Community Affairs Program, FY 2006

Activity	ESGP*		CSBG*		CEAP		WAP	
	Committed Funds	# of Individuals Served	Committed Funds	# of Individuals Served	Committed Funds	# of Households Served	Committed Funds	# of Households Served
Supportive Services	\$0	0	\$28,462,882	312,176	\$0	0	\$0	0
Energy Related	\$0	0	\$0	0	\$62,087,147	86,987	\$18,083,969	3,830
Homeless Services	\$4,896,773	83,289	\$0	0	\$0	0	\$0	0
Total	\$4,896,773	83,289	\$28,462,882	312,176	\$62,087,147	86,987	\$18,083,969	3,830

*Note: For these programs, figures are by individuals served, not households

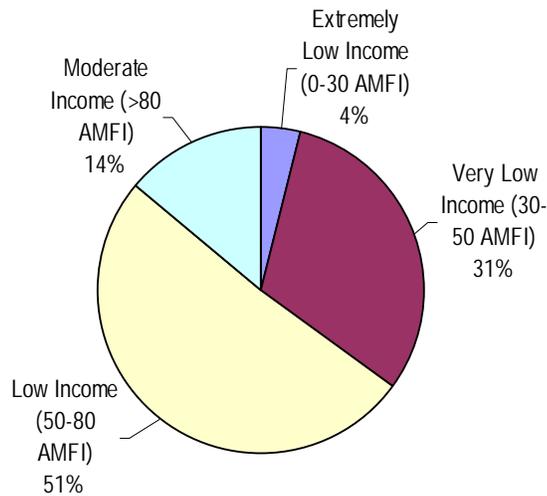
FUNDING COMMITMENTS AND HOUSEHOLDS SERVED BY INCOME GROUP

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

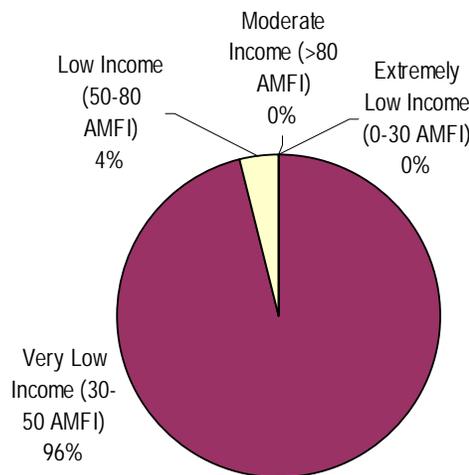
- Extremely Low Income (ELI): 0% to 30% area median family income (AMFI)
- Very Low Income (VLI): 31% to 50% (AMFI)
- Low Income (LI): 51% to 80% (AMFI)
- Moderate Income and Up (MI): >80% (AMFI)

The vast majority of households and individuals served through CEAP, WAP, and ESGP earn less than 30 percent area median family income. 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 2006



Total Households Served by Income Level, FY 2006



Funding and Households/Persons Served by Income Category, FY 2006

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)	\$27,548,954	2,399	4%	<1%
Very Low Income (30-50 AMFI)	\$200,076,608	491,076	31%	96%
Low Income (50-80 AMFI)	\$336,558,562	19,099	51%	4%
Moderate Income (>80 AMFI)	\$91,064,819	1,212	14%	<1%
Total	\$655,248,943	513,786	100%	100%

Activity	SF Bond		HOME		HTF		HTC		MF Bond		Section 8	
	Committed Funds	# of Households Served	Committed Funds	# of Households Served	Committed Funds	# of Households Served	Committed Funds	# of Households Served	Committed Funds	# of Households Served	Committed Funds	# of Households Served
Extremely Low Income (0-30 AMFI)	\$2,064,687	34	\$13,752,904	469	\$860,252	155	\$5,809,041	846	\$0	0	\$5,062,070	895
Very Low Income (30-50 AMFI)	\$31,976,264	398	\$23,865,031	873	\$1,012,500	147	\$14,364,991	2,746	\$14,640,198	431	\$686,853	199
Low Income (50-80 AMFI)	\$130,609,794	1,172	\$14,560,567	996	\$359,100	558	\$59,581,003	13,658	\$131,395,333	2,696	\$52,765	19
Moderate Income (>80 AMFI)	\$81,547,314	651	\$50,527	7	\$0	0	\$1,607,509	407	\$7,859,469	146	\$0	1
Total	\$246,198,059	2,255	\$52,229,029	2,345	\$2,231,852	860	\$81,362,544	17,657	\$153,895,000	3,273	\$5,801,688	1,114

Activity	ESGP*		CSBG*		CEAP		WAP	
	Committed Funds	# of Individuals Served	Committed Funds	# of Individuals Served	Committed Funds	# of Households Served	Committed Funds	# of Households Served
Extremely Low Income (0-30 AMFI)	-	-	-	-	-	-	-	-
Very Low Income (30-50 AMFI)	\$4,896,773	83,289	\$28,462,882	312,176	\$62,087,147	86,987	\$18,083,969	3,830
Low Income (50-80 AMFI)	-	-	-	-	-	-	-	-
Moderate Income (>80 AMFI)	-	-	-	-	-	-	-	-
Total	\$4,896,773	83,289	\$28,462,882	312,176	\$62,087,147	86,987	\$18,083,969	3,830

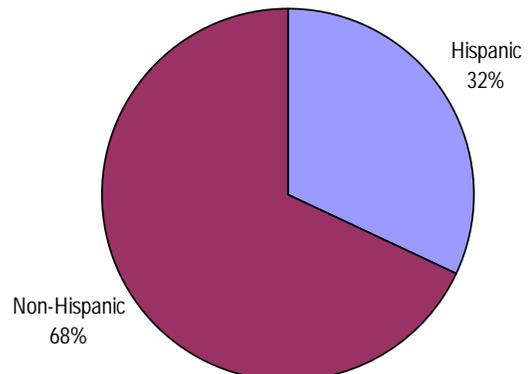
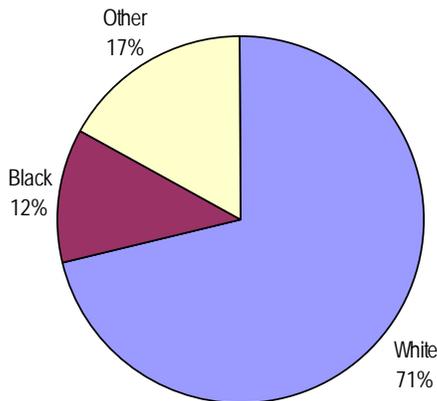
RACIAL AND ETHNIC COMPOSITION OF HOUSEHOLDS RECEIVING ASSISTANCE

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 subclassifications: 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 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

20,851,820 Total Individuals



Racial and ethnic data on housing programs is presented below under three general categories: Multifamily Rental Development Programs, Rental Assistance Programs, and Homeowner Programs. The Community Affairs programs, including the Weatherization Assistance Program, Comprehensive Energy Assistance Program, Community Services Block Grant program, and Emergency Shelter Grants Program allocate funding to several entities with service areas that span across two or more regions, so racial data for these programs is reported by entity. Office of Colonia Initiatives programs are reported 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.

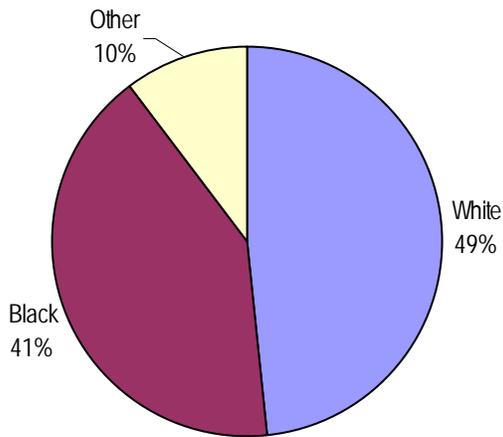
Housing Programs

Multifamily Rental Development

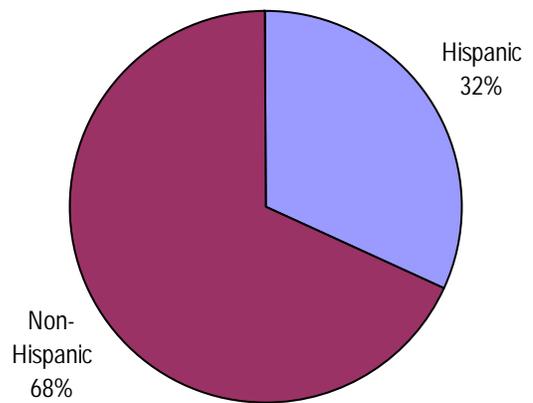
Multifamily properties receive funding through one or more of the following TDHCA programs: the Housing Tax Credit Program, Housing Trust Fund, HOME Investment Partnership Program, and Multifamily Bond Program. Data for these programs is collected from the 2005 Fair Housing Sponsor Report, which TDHCA-funded housing developments submit to the Agency every year. The report includes information about the property, including the racial composition of the tenants residing there as of December 31 of each year. Accordingly, the 2006 report is a snapshot of property characteristics as of December 31, 2005.

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. For racial analysis, only 82% of the unit data received from the monitored properties could be used, while only 49% of the data was usable for ethnicity analysis. As a result, the following charts present a picture of race and ethnicity based on samples, and may not represent actual percentages. TDHCA is implementing changes in the Housing Sponsor Report to ensure increased quality of future data collection.

Racial Composition of Households Residing in TDHCA-Funded Multifamily Developments



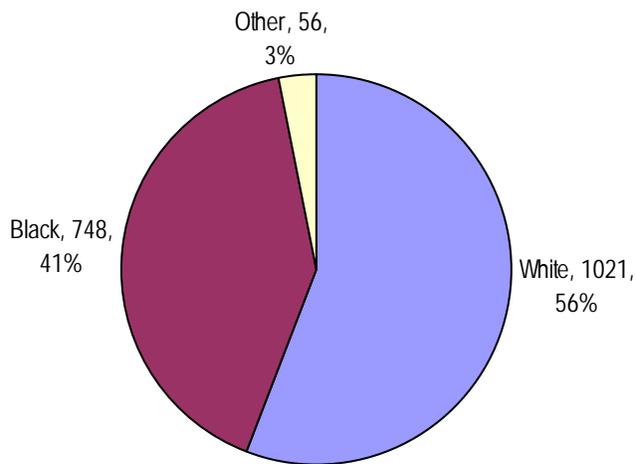
Ethnic Composition of Households Residing in TDHCA-Funded Multifamily Developments



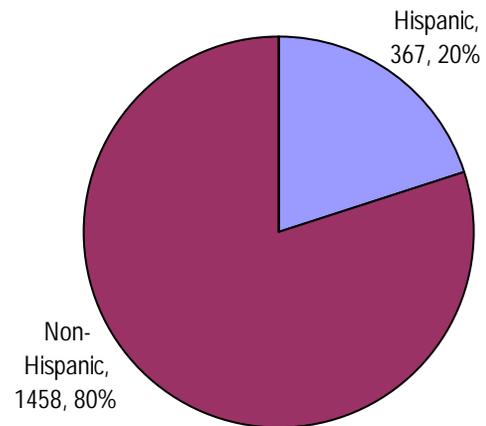
Rental Assistance

TDHCA's rental assistance comes from two sources: the Tenant Based Rental Assistance Program (TBRA) and the Section 8 Housing Choice Voucher Program. The following charts depict the racial and ethnic composition of households receiving assistance from these two rental assistance programs combined.

Racial Composition of Households Receiving Rental Assistance



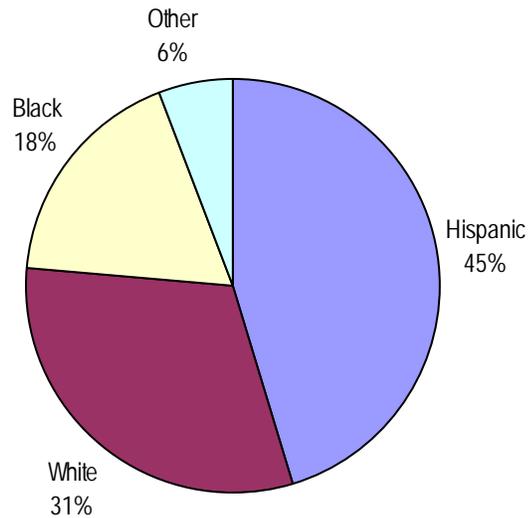
Ethnic Composition of Households Receiving Rental Assistance



Homeowner Programs

TDHCA homeowner assistance comes in the form of three programs: the Single Family Bond Program, HOME Owner-Occupied Home Repair Program, and HOME Homebuyer Assistance Program. The following chart depicts the racial and ethnic composition of households receiving assistance from these three programs combined. Due to the data reporting techniques of the Single Family Bond Program, race and ethnicity are combined into one category.

**Racial & Ethnic Composition of Households
Receiving Homeowner Assistance**



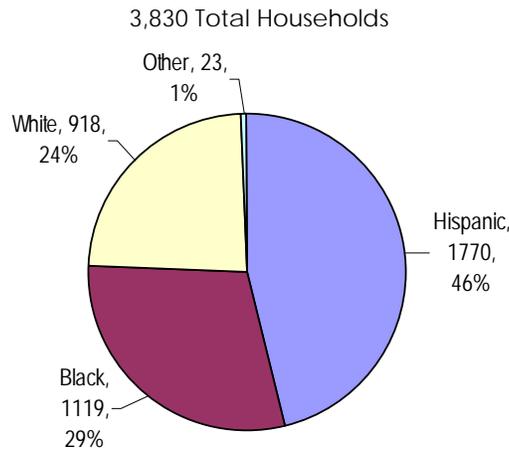
Community Affairs Programs

Due to the data reporting techniques of the Weatherization Assistance Program (WAP), 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

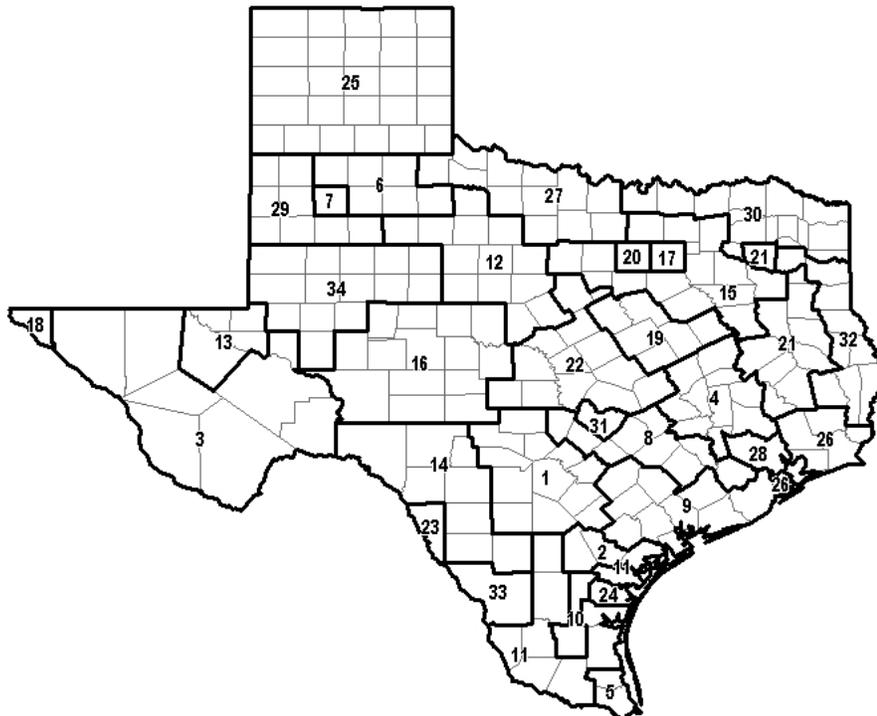
Weatherization Assistance Program

The Weatherization Assistance Program (WAP) funds a network of subcontractor organizations, some of which have a service area that spans across two or more regions. Because of this, WAP racial composition data for FY 2006 is listed according to subcontractor. A map is provided in order to locate subcontractor 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, FY 2006



WAP Subcontractor Service Areas, FY 2006



**Racial and Ethnic Composition of Households Receiving WAP Assistance
by Subcontractor, Statewide, FY 2006**

# on Map	Subcontractor	Counties Served	FY 2005 Funding	Households Served	White	Hispanic	Black	Other
1	ALAMO AREA COUNCIL OF GOVERNMENTS	Atascosa, Bandera, Bexar, Comal, Frio, Gillespie, Guadalupe, Karnes, Kendall, Kerr, Medina, Wilson	\$1,446,027	224	52	148	19	5
2	BEE COMMUNITY ACTION AGENCY	Bee, Live Oak, Refugio	\$75,151	21	4	15	2	0
3	BIG BEND COMMUNITY ACTION COMMITTEE, INC	Brewster, Crane, Culberson, Hudspeth, Jeff Davis, Pecos, Presidio, Terrell	\$226,316	57	3	54	0	0
4	BRAZOS VALLEY COMMUNITY ACTION AGENCY	Brazos, Bureson, Grimes, Leon, Madison, Montgomery, Robertson, Walker, Waller, Washington	\$591,452	121	39	5	77	0
5	CAMERON-WILLACY COS. COMM PROJECTS, INC.	Cameron, Willacy	\$515,252	89	0	89	0	0
6	CAPROCK COMMUNITY ACTION ASS'N, INC.	Crosby, Dickens, Floyd, Hale, King, Motley	\$180,385	52	8	36	8	0
7	CITY OF LUBBOCK	Lubbock	\$243,159	46	8	23	15	0
8	COMBINED COMMUNITY ACTION, INC	Austin, Bastrop, Blanco, Caldwell, Colorado, Fayette, Fort Bend, Hays, Lee	\$335,299	153	39	24	90	0
9	COMMUNITY ACTION COMMITTEE OF VICTORIA	Aransas, Brazoria, Calhoun, De Witt, Goliad, Gonzales, Jackson, Lavaca, Matagorda, Victoria, Wharton	\$466,368	89	32	26	31	0
10	COMMUNITY ACTION CORP. OF SOUTH TEXAS	Brooks, Jim Wells	\$88,094	16	1	15	0	0
11	COMMUNITY ACTION COUNCIL OF SOUTH TEXAS	Duval, Hidalgo, Jim Hogg, Kenedy, Kleberg, McMullen, San Patricio, Starr, Zapata	\$1,226,431	338	8	329	1	0
12	COMMUNITY ACTION PROGRAM, INC	Brown, Callahan, Comanche, Eastland, Haskell, Jones, Kent, Knox, Shackelford, Stephens, Stonewall, Taylor, Throckmorton	\$400,682	84	60	18	6	0
13	COMMUNITY COUNCIL OF REEVES COUNTY	Loving, Reeves, Ward, Winkler	\$67,993	11	1	8	2	0
14	COMMUNITY SERVICES AGENCY OF SOUTH TEX	Dimmit, Edwards, Kinney, La Salle, Real, Uvalde, Val Verde, Zavala	\$261,495	71	1	70	0	0
15	COMMUNITY SERVICES, INC.	Anderson, Collin, Denton, Ellis, Henderson, Hood, Hunt, Kaufman, Johnson, Navarro, Palo Pinto, Parker, Rockwall, Smith, Van Zandt	\$973,511	173	124	9	37	3
16	CONCHO VALLEY COMMUNITY ACTION AGENCY	Coke, Coleman, Concho, Crocket, Irion, Kimble, McCulloch, Menard, Reagan, Runnels, Schleicher, Sterling, Sutton, Tom Green	\$351,203	70	20	46	4	0
17	DALLAS COUNTY DEPT. OF HUMAN SERVICES	Dallas	\$1,341,191	316	56	100	157	3
18	EL PASO CAP-PROJECT BRAVO, INC.	El Paso	\$718,018	130	5	123	2	0
19	EOAC OF PLANNING REGION XI	Bosque, Falls, Freestone, Hill, Limestone, McLennan	\$369,343	37	24	0	13	0
20	FORT WORTH, CITY OF, HOUSING DEPARTMENT	Tarrant	\$753,462	164	25	22	112	5
21	GREATER EAST TEXAS COMM. ACTION (GETCAP)	Angelina, Cherokee, Gregg, Houston, Nacogdoches, Polk, Rusk, San Jacinto, Trinity, Wood	\$575,031	171	93	7	71	0

**Racial and Ethnic Composition of Households Receiving WAP Assistance
by Subcontractor, Statewide, FY 2006 (cont.)**

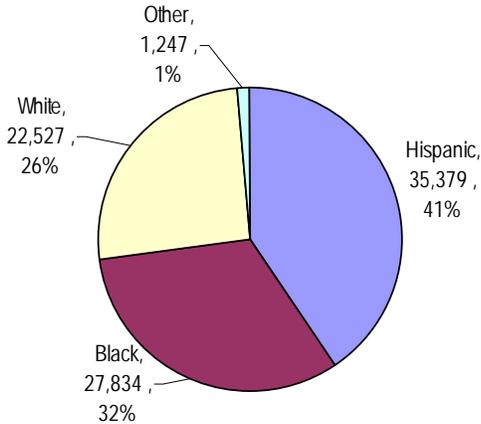
# on Map	Subcontractor	Counties Served	FY 2005 Funding	Households Served	White	Hispanic	Black	Other
22	HILL COUNTRY COMMUNITY ACTION ASS'N, INC	Bell, Burnet, Coryell, Erath, Hamilton, Lampasas, Llano, Mason, Milam, Mills, San Saba, Somervell, Williamson	\$432,895	97	51	36	9	1
23	MAVERICK COUNTY HUMAN SERVICES DEPT.	Maverick	\$96,254	20	0	20	0	0
24	NUECES COUNTY CAA	Nueces	\$305,893	79	4	61	14	0
25	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	\$608,946	145	63	54	28	0
26	PROGRAMS FOR HUMAN SERVICES	Chambers, Galveston, Hardin, Jefferson, Liberty, Orange	\$630,194	47	15	5	26	1
27	ROLLING PLAINS MANAGEMENT CORPORATION	Archer, Baylor, Cottle, Clay, Foard, Hardeman, Jack, Montague, Wichita, Wilbarger, Wise, Young	\$321,130	70	58	6	6	0
28	SHELTERING ARMS SENIOR SVCS, INC, THE	Harris	\$2,232,731	471	15	225	227	4
29	SOUTH PLAINS CAA	Bailey, Cochran, Garza, Hockley, Lamb, Lynn, Terry, Yoakum	\$152,601	33	8	20	5	0
30	TEXOMA COUNCIL OF GOVERNMENTS	Bowie, Camp, Cass, Cooke, Delta, Fannin, Franklin, Grayson, Hopkins, Lamar, Marion, Morris, Rains, Red River, Titus	\$586,563	112	47	4	61	0
31	TRAVIS COUNTY	Travis	\$451,894	114	22	56	35	1
32	TRI-COUNTY COMMUNITY ACTION, INC	Harrison, Jasper, Newton, Panola, Sabine, San Augustine, Shelby, Tyler, Upshur	\$338,062	60	16	0	44	0
33	WEBB COUNTY COMMUNITY ACTION AGENCY	Webb	\$231,246	48	0	48	0	0
34	WEST TEXAS OPPORTUNITIES, INC	Andrews, Borden, Dawson, Ector, Fisher, Gaines, Glasscock, Howard, Martin, Midland, Mitchell, Nolan, Scurry, Upton	\$489,699	101	16	68	17	0
	WAP Total	State	\$18,083,969	3830	918	1770	1119	23

Comprehensive Energy Assistance Program

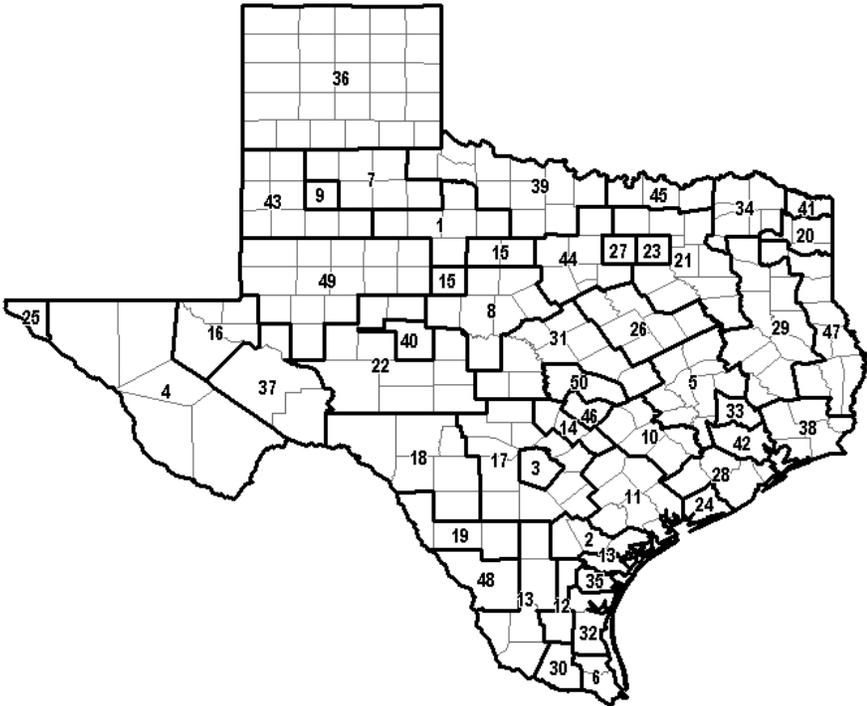
The Comprehensive Energy Assistance Program (CEAP) funds a network of subcontractor organizations, some of which have a service area that spans across two or more regions. Because of this, CEAP racial composition data for FY 2006 is listed according to subcontractor. A map is provided in order to locate 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 FY 2006

86,987 Total Households



CEAP Subcontractor Service Areas, FY 2006



**Racial and Ethnic Composition of Households Receiving CEAP Assistance
by Subcontractor, Statewide, FY 2006**

# on Map	Subcontractor	Counties Served	FY 2005 Funding	Households Served	White	Hispanic	Black	Other
1	ASPERMONT SMALL BUSINESS DEVELOPMENT	Haskell, Jones, Kent, Knox, Stonewall, Throckmorton	\$466,984	301	152	104	45	0
2	BEE COMMUNITY ACTION AGENCY	Bee, Live Oak, Refugio	\$258,013	854	159	646	42	7
3	BEXAR COUNTY DEPARTMENT OF COMMUNITY RCS	Bexar	\$3,736,536	3092	289	2290	498	15
4	BIG BEND COMMUNITY ACTION COMMITTEE, INC	Brewster, Culberson, Hudspeth, Jeff Davis, Presidio	\$511,371	953	86	864	0	3
5	BRAZOS VALLEY COMMUNITY ACTION AGENCY	Brazos, Burleson, Grimes, Leon, Madison, Robertson, Walker, Waller, Washington	\$1,507,873	1710	358	156	1184	12
6	CAMERON-WILLACY COS. COMM PROJECTS, INC.	Cameron, Willacy	\$1,768,998	1589	28	1558	3	0
7	CAPROCK COMMUNITY ACTION ASS'N, INC.	Crosby, Dickens, Floyd, Hale, King, Motley	\$619,310	1539	358	971	203	7
8	CENTRAL TEXAS OPPORTUNITIES, INC.	Brown, Callahan, Coleman, Comanche, Eastland, McCulloch, Runnels	\$704,801	1152	866	208	71	7
9	CITY OF LUBBOCK	Lubbock	\$834,831	1175	299	430	438	8
10	COMBINED COMMUNITY ACTION, INC	Austin, Bastrop, Colorado, Fayette, Lee	\$494,961	934	248	78	607	1
11	COMMUNITY ACTION COMMITTEE OF VICTORIA	Aransas, Calhoun, DeWitt, Goliad, Gonzales, Jackson, Lavaca, Victoria	\$862,829	1524	402	678	438	6
12	COMMUNITY ACTION CORP. OF SOUTH TEXAS	Brooks, Jim Wells	\$302,451	432	12	418	2	0
13	COMMUNITY ACTION COUNCIL OF SOUTH TEXAS	Duval, Jim Hogg, McMullen, San Patricio, Starr, Zapata	\$1,019,791	1876	52	1797	19	8
14	COMMUNITY ACTION INC. OF HAYS, CALDWELL	Blanco, Caldwell, Hays	\$340,783	608	232	227	145	4
15	COMMUNITY ACTION PROGRAM, INC	Shackelford, Stephens, Taylor	\$466,400	688	287	244	149	8
16	COMMUNITY COUNCIL OF REEVES COUNTY	Loving, Reeves, Ward, Winkler	\$233,438	523	47	441	30	5
17	COMMUNITY COUNCIL OF SOUTH CENTRAL TEXAS	Atascosa, Bandera, Comal, Frio, Gillespie, Guadalupe, Karnes, Kendall, Kerr, Medina, Wilson	\$1,228,063	2514	616	1754	132	12
18	COMMUNITY COUNCIL OF SOUTHWEST TEXAS	Edwards, Kinney, Real, Uvalde, Val Verde, Zavala	\$715,721	976	42	928	3	3
19	COMMUNITY SERVICES AGENCY OF SOUTH TEXAS	Dimmit, LaSalle, Maverick	\$512,530	774	10	759	5	0
20	COMMUNITY SERVICES OF NORTHEAST TEXAS	Camp, Cass, Marion, Morris	\$408,402	727	282	8	433	4
21	COMMUNITY SERVICES	Anderson, Collin, Denton, Ellis, Henderson, Hunt, Kaufman, Navarro, Rockwall, Van Zandt	\$2,220,811	2660	1420	221	974	45
22	CONCHO VALLEY COMMUNITY ACTION AGENCY	Coke, Concho, Crockett, Irion, Kimble, Menard, Reagan, Schleicher, Sterling, Sutton	\$600,900	763	292	461	7	3
23	DALLAS COUNTY DEPT. OF HUMAN SERVICES	Dallas	\$4,604,672	4553	598	421	3465	69
24	ECONOMIC ACTION COMMITTEE OF GULF COAST	Matagorda	\$157,025	179	26	43	108	2
25	EL PASO CAP-PROJECT BRAVO	El Paso	\$2,465,149	5533	199	5130	165	39
26	EOAC OF PLANNING REGION XI	Bosque, Falls, Freestone, Hill, Limestone, McLennan	\$1,268,054	1810	610	165	1034	1
27	FORT WORTH, CITY OF, GRANT ADMIN.	Tarrant	\$2,586,837	2670	694	467	1480	29

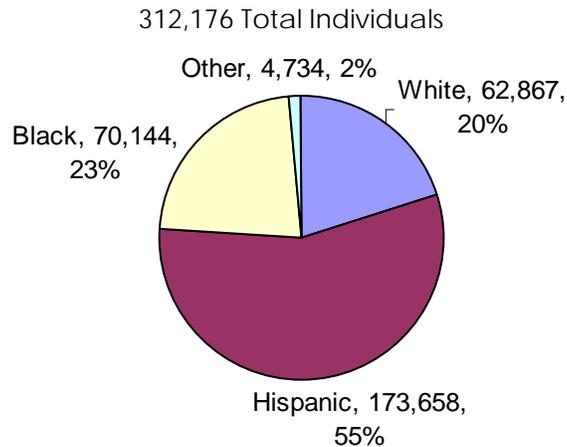
**Racial and Ethnic Composition of Households Receiving CEAP Assistance by Subcontractor,
Statewide, FY 2006 (cont.)**

# on Map	Subcontractor	Counties Served	FY 2005 Funding	Households Served	White	Hispanic	Black	Other
28	GALVESTON COUNTY COMM ACTION COUNCIL	Brazoria, Fort Bend, Galveston, Wharton	\$1,528,179	1896	365	373	1145	13
29	GREATER EAST TEXAS COMM. ACTION (GETCAP)	Angelina, Cherokee, Gregg, Houston, Nacogdoches, Polk, Rusk, San Jacinto, Smith, Trinity, Wood	\$2,484,110	4486	1514	214	2734	24
30	HIDALGO COUNTY COMMUNITY SERVICES AGENCY	Hidalgo	\$2,679,208	4195	21	4146	25	3
31	HILL COUNTRY COMM'Y ACTION ASS'N	Bell, Coryell, Hamilton, Lampasas, Llano, Mason, Milam, Mills, San Saba	\$1,071,885	2002	1227	304	444	27
32	KLEBERG COUNTY HUMAN SERVICES	Kenedy, Kleberg	\$511,669	306	19	236	49	2
33	MONTGOMERY COUNTY EMERGENCY ASSISTANCE	Montgomery	\$522,743	1843	909	88	831	15
34	NORTHEAST TEXAS OPPORTUNITIES	Delta, Franklin, Hopkins, Lamar, Rains, Red River, Titus	\$701,927	1038	543	21	474	0
35	NUECES COUNTY CAA	Nueces	\$1,050,212	1039	52	813	171	3
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	\$2,090,675	5190	2340	2087	763	0
37	PECOS COUNTY COMMUNITY ACTION AGENCY	Crane, Pecos, Terrell	\$265,632	489	32	455	1	1
38	PROGRAMS FOR HUMAN SERVICES	Chambers, Hardin, Jefferson, Liberty, Orange	\$1,532,187	1885	460	23	1323	79
39	ROLLING PLAINS MANAGEMENT CORPORATION	Archer, Baylor, Clay, Cottle, Foard, Hardeman, Jack, Montague, Wichita, Wilbarger, Young	\$1,003,692	1345	835	174	313	23
40	SAN ANGELO/TOM GREEN COUNTY HEALTH DEPT	Tom Green	\$342,338	743	298	377	66	2
41	SENIOR CITIZENS SERVICES OF TEXARKANA	Bowie	\$329,646	409	110	2	295	2
42	SHELTERING ARMS SENIOR SVCS	Harris	\$7,665,569	7608	842	1073	4998	695
43	SOUTH PLAINS CAA	Bailey, Cochran, Garza, Hockley, Lamb, Lynn, Terry, Yoakum	\$523,920	784	126	550	108	0
44	TEXAS NEIGHBORHOOD SERVICES	Erath, Hood, Johnson, Palo Pinto, Parker, Somervell, Wise	\$852,213	1945	1694	143	99	9
45	TEXOMA COUNCIL OF GOVERNMENTS	Cooke, Fannin, Grayson	\$573,854	566	384	15	163	4
46	TRAVIS COUNTY	Travis	\$1,551,475	1364	368	356	617	23
47	TRI-COUNTY COMMUNITY ACTION	Harrison, Jasper, Newton, Panola, Sabine, San Augustine, Shelby, Tyler, Upshur	\$1,160,657	1631	586	11	1030	4
48	WEBB COUNTY COMMUNITY ACTION AGENCY	Webb	\$793,932	845	0	845	0	0
49	WEST TEXAS OPPORTUNITIES, INC	Andrews, Borden, Dawson, Ector, Fisher, Gaines, Glasscock, Howard, Martin, Midland, Mitchell, Nolan, Scurry, Upton	\$1,681,267	2592	752	1430	394	16
50	WILLIAMSON-BURNET CO. OPPORTUNITIES	Burnet, Williamson	\$272,624	677	386	176	111	4
	CEAP Total	State	\$62,087,147	86,987	22,527	35,379	27,834	1,247

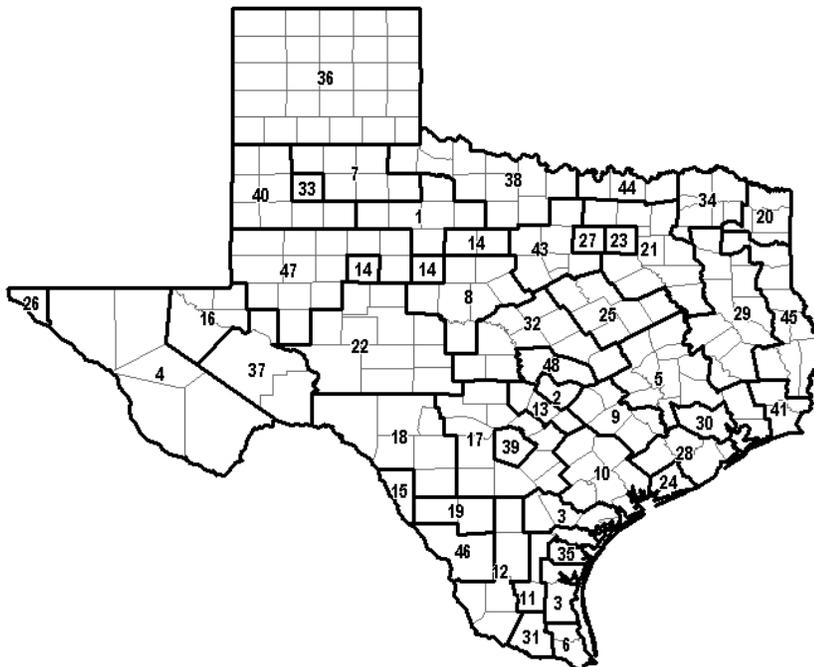
Community Services Block Grant Program

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 2006 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 Composition of Individuals Receiving CSBG Assistance, Statewide, FY 2006



CSBG Subcontractor Service Areas, FY 2006



**Racial Composition of Individuals Receiving CSBG Assistance
by Subcontractor, Statewide, FY 2006**

# on Map	Contractor	County Served	FY 2005 Funding	Individuals Served	White	Hispanic	Black	Other
1	Alabama-Coushatta Indian Reservation	Polk, Tyler	\$61,450	243	2	0	1	243
2	Asociacion Pro Servicios Sociales	Jim Hogg, Starr, Webb, Zapata	\$106,606	0	0	1054	0	0
3	Aspermont Small Business Development Center, Inc.	Haskell, Jones, Kent, Knox, Stonewall, Throckmorton	\$131,784	26	467	559	171	26
4	Austin, City of, Health and Human Services Department	Travis	\$779,184	927	3971	8559	8035	927
5	Bee Community Action Agency	Aransas, Bee, Kenedy, Kleberg, Live Oak, Refugio	\$245,522	81	794	2944	280	81
6	Big Bend Community Action Committee, Inc.	Brewster, Culberson, Hudspeth, Jeff Davis, Presidio	\$152,031	6	187	2500	5	6
7	Brazos Valley Community Action Agency	Brazos, Burleson, Chambers, Grimes, Leon, Liberty, Madison, Montgomery, Robertson, Walker, Waller, Washington	\$843,463	105	1904	1834	2833	105
8	*Cameron and Willacy Counties Community Projects, Inc.	Cameron, Willacy	\$1,009,006	2	75	7315	20	2
9	Caprock Community Action Association, Inc.	Crosby, Dickens, Floyd, Hale, King, Motley	\$185,157	48	716	3049	369	48
10	Central Texas Opportunities, Inc.	Brown, Callahn, Coleman, Comanche, Eastland, McCulloch, Runnels	\$227,406	13	1733	643	143	13
11	Combined Community Action, Inc.	Austin, Bastrop, Colorado, Fayette, Lee	\$197,784	5	553	247	1339	5
12	Community Action Committee of Victoria Texas	Calhoun, De Witt, Goliad, Gonzales, Jackson, Lavaca, Victoria	\$314,388	33	1305	2973	1361	33
13	Community Action Corporation of South Texas	Brooks, Jim Wells, San Patricio	\$152,912	2	73	1791	19	2
14	Community Action Council of South Texas	Duval, Jim Hogg, McMullen, Starr, Zapata	\$345,107	7	131	4332	2	7
15	Community Action Inc., of Hays, Caldwell and Blanco Counties	Blanco, Caldwell, Hays	\$213,243	33	728	1132	296	33
16	Community Action Program, Inc.	Mitchell, Shackelford, Stephens, Taylor	\$219,604	26	763	1001	498	26
17	*Community Action Social Services & Education	Maverick	\$234,799	0	0	2137	0	0
18	Community Council of Reeves County	Loving, Reeves, Ward, Winkler	\$177,472	10	168	1078	86	10
19	*Community Council of South Central Texas, Inc.	Atascosa, Bandera, Comal, Frio, Gillespie, Guadalupe, Karnes, Kendall, Kerr, Medina, Wilson	\$624,710	32	1907	6077	356	32
20	*Community Council of Southwest Texas, Inc.	Edwards, Kinney, Real, Uvalde, Val Verde, Zavala	\$372,765	20	133	4438	14	20
21	*Community Services Agency of South Texas	Dimmit, La Salle	\$146,862	0	22	1285	4	0
22	Community Services of Northeast Texas, Inc.	Bowie, Cass, Marion, Morris, Camp	\$273,059	19	1153	195	1372	19

**Racial Composition of Individuals Receiving CSBG Assistance
by Subcontractor, Statewide, FY 2006 (cont.)**

# on Map	Contractor	County Served	FY 2005 Funding	Individuals Served	White	Hispanic	Black	Other
23	Community Services, Inc.	Anderson, Collin, Denton, Ellis, Henderson, Hunt, Kaufman, Navarro, Rockwall, Van Zandt	\$857,395	199	3140	731	2397	199
24	Concho Valley Community Action Agency	Coke, Concho, Crockett, Irion, Kimble, Menard, Reagan, Schleicher, Sterling, Sutton, Tom Green	\$264,940	14	362	849	42	14
25	Dallas Inter-Tribal Center	Collin, Dallas, Denton, Ellis, Hood, Johnson, Kaufman, Parker, Rockwall	\$110,668	810	45	75	18	810
26	Dallas Urban League	Dallas	\$2,090,262	241	884	2081	8133	241
27	Economic Action Committee of The Gulf Coast	Matagorda	\$131,784	11	145	381	449	11
28	Economic Opportunities Advancement Corporation of Planning Region XI	Bosque, Falls, Freestone, Hill, Limestone, McLennan	\$519,983	24	1602	699	3498	24
29	El Paso Community Action Program, Project BRAVO, Inc.	El Paso	\$1,334,538	165	382	16108	472	165
30	Fort Worth, City of, Parks & Community Services Department	Tarrant	\$1,093,413	405	3207	10768	9922	405
31	Galveston County Community Action Council, Inc.	Brazoria, Fort Bend, Galveston, Wharton	\$704,286	149	941	1324	3426	149
32	Greater East Texas Community Action Program (GETCAP)	Angelina, Cherokee, Gregg, Houston, Nacogdoches, Polk, Rusk, San Jacinto, Smith, Trinity, Wood	\$984,108	252	5504	1332	8839	252
33	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	\$182,231	16	3667	8153	1291	16
34	Gulf Coast Community Services Association	Harris	\$3,695,069	167	643	5679	6740	167
35	*Hidalgo County Community Services Agency	Hidalgo	\$1,454,740	5	97	14665	14	5
36	Hill Country Community Action Association, Inc.	Bell, Coryell, Hamilton, Lampasas, Llano, Mason, Milam, Mills, San Saba	\$447,531	74	1989	665	957	74
37	Kickapoo Traditional Tribe of Texas	Maverick	\$49,227	69	0	1	0	69
38	Lubbock, City of, Community Development Department	Lubbock	\$370,888	26	99	126	68	26
39	Northeast Texas Opportunities, Inc.	Delta, Franklin, Hopkins, Lamar, Rains, Red River, Titus	\$250,969	145	1655	225	1458	145
40	Nueces County Community Action Agency	Nueces	\$531,229	47	168	2030	308	47

**Racial Composition of Individuals Receiving CSBG Assistance
by Subcontractor, Statewide, FY 2006 (cont.)**

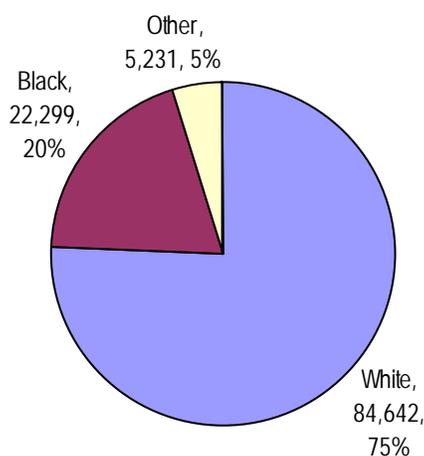
# on Map	Contractor	County Served	FY 2005 Funding	Individuals Served	White	Hispanic	Black	Other
41	Panhandle Community Services	Armstrong, Briscoe, Carson, Castro, Childress, Collingsworth, Dallam, Deaf Smith, Donley, Gray, Hall, Hansford, Hartley, Hemphill, Hutchinson, Lipscomb, Moore, Ochiltree, Oldham, Parmer, Potter, Randall, Roberts, Sherman, Swisher, Wheeler	\$618,706	75	5552	5675	1632	75
42	Pecos County Community Action Agency	Crane, Pecos, Terrell	\$131,784	10	99	963	0	10
43	Rolling Plains Management Corporation	Archer, Baylor, Clay, Cottle, Foard, Hardeman, Jack, Montague, Wichita, Wilbarger, Young	\$330,000	167	2549	862	1240	167
44	San Antonio, City of, Community Action Division	Bexar	\$1,959,188	210	2370	16191	3742	210
45	San Patricio County CAA	San Patricio	\$155,189	0				0
46	Sin Fronteras Organizing Project	El Paso	\$109,088	0	0	1686	0	0
47	South Plains Community Action Association, Inc.	Bailey, Cochran, Garza, Hockley, Lamb, Lynn, Terry, Yoakum	\$209,428	48	581	2871	458	48
48	Southeast Texas Regional Planning Commission	Hardin, Jefferson, Orange	\$569,557	166	1018	112	1638	166
49	Texas Homeless Network	Statewide		0	0	0	0	0
50	Texas Neighborhood Services	Erath, Hood, Johnson, Palo Pinto, Parker, Somervell, Wise	\$340,221	35	3526	458	211	35
51	Texoma Council of Governments	Cooke, Fannin, Grayson	\$218,921	49	1096	161	486	49
52	Tri-County Community Action, Inc.	Harrison, Jasper, Newton, Panola, Sabine, San Augustine, Shelby, Tyler, Upshur	\$417,621	74	2519	110	3542	74
53	Webb County Community Action Agency	Webb	\$452,524	12	6	6563	8	12
54	West Texas Opportunities, Inc.	Andrews, Borden, Dawson, Ector, Fisher, Gaines, Glasscock, Howard, Martin, Midland, Nolan, Scurry, Upton	\$681,677	91	1830	4969	1086	91
55	Williamson-Burnet County Opportunities, Inc.	Burnet, Williamson	\$181,403	55	1672	1038	621	55
	CSBG Total	State	\$28,462,882	312,176	64,133	162,694	79,900	5,449

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

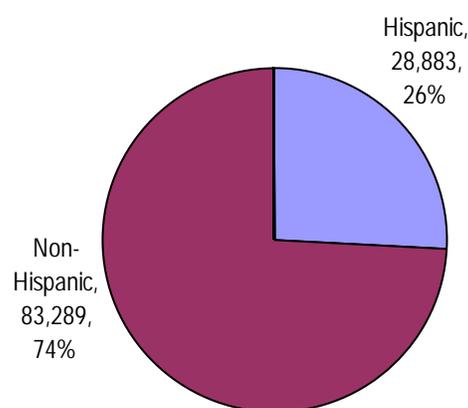
Emergency Shelter Grants Program

The Emergency Shelter Grants Program (ESGP) funds a network of subcontractor organizations, some of which have a service area that spans across two or more regions, or multiple subcontractors serve the same area. Because of this, ESGP racial composition data for FY 2006 is listed according to subcontractor. Racial composition for the state is available, but is unavailable at the regional level.

Racial Composition of Individuals Receiving ESGP Assistance, Statewide, FY 2006



Ethnic Composition of Individuals Receiving ESGP Assistance, Statewide, FY 2006



112,172 Total Individuals

Racial and Ethnic Composition of Individuals Receiving ESGP Assistance by Subcontractor, Statewide, FY 2006

Contractor	County Served	FY 2005 Funding	Total Individuals	White	Black	Other	Hispanic	Non-Hispanic
Caprock Community Action Association, Inc.	Crosby	\$42,770	297	283	14	0	126	171
Williamson-Burnet County Opportunities, Inc.	Williamson	\$45,000	185	160	22	3	40	145
Denton, City of	Denton	\$150,800	1050	837	153	60	213	837
Walker County Family Violence Council	Walker, Polk	\$43,223	500	392	75	33	101	399
Women's Haven of Tarrant County, Inc.	Tarrant	\$62,452	1793	1345	380	68	421	1372
Sabine Valley Center	Gregg	\$42,240	49	33	16	0	10	39
Wesley Community Center, Inc.	Harris	\$64,877	633	393	240	0	168	465
Bridge Over Troubled Waters, Inc., The	Harris	\$65,000	536	475	40	21	208	328
Collin Intervention To Youth, Inc.	Collin	\$65,000	259	165	58	36	29	230
Corpus Christi Metro Ministries, Inc.	Nueces	\$65,000	5906	5155	641	110	2190	3716
Highland Lakes Family Crisis Center	Burnet	\$37,500	899	839	4	56	188	711
Family Gateway, Inc.	Dallas	\$56,250	418	99	304	15	21	397
Grayson County Shelter, Inc.	Grayson	\$68,565	377	290	68	19	26	351
Youth and Family Alliance, dba	Travis	\$49,624	121	101	15	5	24	97

Contractor	County Served	FY 2005 Funding	Total Individuals	White	Black	Other	Hispanic	Non-Hispanic
LifeWorks								
SEARCH	Harris	\$130,000	9247	6130	2869	248	2229	7018
Fort Bend County Women's Center	Fort Bend	\$56,200	630	445	150	35	185	445
Family Place, The	Dallas	\$53,250	1455	895	478	82	343	1112
Texas Homeless Network	Travis	\$60,000	0	0	0	0	0	0
Amarillo, City of	Potter	\$135,455	7237	5948	1001	288	994	6243
Covenant House Texas	Harris	\$80,000	2246	1016	1179	51	298	1948
First Step of Wichita Falls, Inc.	Wichita	\$30,000	1236	1000	146	90	212	1024
New Beginning Center, Inc.	Dallas	\$58,695	1023	757	207	59	283	740
Advocacy Outreach	Bastrop	\$96,177	1956	1700	206	50	678	1278
San Antonio Metropolitan Ministry, Inc.	Bexar	\$65,000	5650	4355	813	482	1139	4511
Houston Area Women's Center	Harris	\$65,000	9757	7968	1447	342	3510	6247
Abilene Hope Haven, Inc.	Taylor	\$80,000	955	796	92	67	138	817
Family Services of Southeast Texas, Inc.	Jefferson	\$42,183	623	338	268	17	52	571
Hays County Women's Center, Inc.	Hays	\$69,095	807	718	53	36	273	534
Family Crisis Center, Inc.	Cameron	\$197,226	2477	2436	14	27	1179	1298
Child Crisis Center of El Paso	El Paso	\$48,000	1552	1445	68	39	697	855
Safe Place of the Permian Basin	Midland	\$73,274	2574	2343	165	66	847	1727
Institute of Cognitive Development, Inc.	Tom Green	\$31,568	788	666	27	95	262	526
Comal County Family Violence Shelter, Inc.	Comal	\$45,000	2239	2077	31	131	622	1617
Connection Individual and Family Services, Inc.	Comal	\$80,000	252	224	23	5	88	164
Bryan, City of	Brazos	\$57,190	1396	826	456	114	180	1216
Travis County Domestic Violence & Sexual Assault Survival Center	Travis	\$46,233	1345	1007	206	132	411	934
Kilgore Community Crisis Center, The	Gregg	\$63,795	2159	1036	1031	92	104	2055
Salvation Army - Tyler	Smith	\$65,000	2167	1360	676	131	160	2007
Family Violence Prevention Services, Inc.	Bexar	\$46,386	2324	2134	134	56	954	1370
Grayson County Juvenile Alternatives, Inc.	Grayson	\$56,341	101	81	17	3	12	89
Hutchinson County Crisis Center, Inc.	Hutchinson	\$34,000	91	86	5	0	28	63
Opportunity Center for the Homeless	El Paso	\$87,117	3843	3501	198	144	1498	2345
Women's Shelter of South Texas	Nueces	\$64,927	1248	1112	33	103	439	809
Star of Hope Mission	Harris	\$65,000	6969	2373	3515	1081	893	6076
Westside Homeless Partnership	Harris	\$64,850	111	80	31	0	34	77
Amistad Family Violence and Rape Crisis Center	Val Verde	\$49,416	715	698	8	9	333	382
Advocacy Resource Center for Housing	Hidalgo	\$34,000	496	496	0	0	247	249
Midland Fair Havens, Inc.	Midland	\$58,770	1698	1295	400	3	461	1237
Port Cities Rescue Mission Ministries	Jefferson	\$80,000	341	128	203	10	5	336
Legal Aid of Northwest Texas	Tarrant	\$62,687	270	136	125	9	23	247
Faith Mission and Help Center, Inc.	Washington	\$77,300	907	441	407	59	137	770
Seton Home	Bexar	\$59,930	216	183	33	0	81	135
Panhandle Crisis Center, Inc.	Ochiltree	\$72,673	616	607	0	9	194	422
Promise House, Inc.	Dallas	\$65,126	286	150	132	4	45	241
Wintergarden Women's Shelter, Inc.	Dimmit	\$47,153	1256	1226	0	30	608	648
Salvation Army - Abilene	Taylor	\$30,000	928	804	124	0	99	829
Boysville, Inc.	Bexar	\$60,418	264	216	45	3	99	165
Catholic Charities, Archdiocese of San Antonio, Inc.	Bexar	\$57,777	970	881	88	1	410	560
YWCA El Paso del Norte Region	El Paso	\$72,116	351	341	8	2	160	191
Compassion Ministries of Waco, Inc.	McLennan	\$40,000	222	160	31	31	56	166
La Posada Home, Inc.	El Paso	\$49,116	281	277	4	0	138	143

Annual Report

Statement of Activities

Contractor	County Served	FY 2005 Funding	Total Individuals	White	Black	Other	Hispanic	Non-Hispanic
Mary McLeod Bethune Day Nursery, Inc	Nueces	\$35,152	138	112	26	0	47	91
Salvation Army - McAllen	Hidalgo	\$98,000	3300	3238	53	9	1526	1774
Salvation Army - Victoria	Victoria	\$40,000	759	609	148	2	197	562
Women's Home, The	Harris	\$65,000	116	77	39	0	5	111
Women's Shelter, The	Tarrant	\$77,902	1731	1197	391	143	413	1318
Arlington Life Shelter	Tarrant	\$77,903	1306	822	461	23	103	1203
Focusing Families	Waller	\$65,000	440	378	59	3	118	322
Bonita Street House of Hope	Harris	\$62,790	84	25	59	0	11	73
Harmony House, Inc.	Harris	\$112,082	25	8	11	6	2	23
Providence Ministry Corporation dba La Posada Providencia	Cameron	\$36,450	913	859	48	6	448	465
Randy Sams Outreach Shelter	Bowie	\$65,000	194	112	74	8	4	190
Salvation Army - Beaumont	Jefferson	\$65,000	1684	1070	588	26	73	1611
Salvation Army - Galveston	Galveston	\$59,347	3221	2063	816	342	218	3003
Salvation Army - Waco	McLennan	\$57,190	861	531	329	1	86	775
Salvation Army - Fort Worth	Tarrant	\$58,212	102	82	20	0	29	73
ESGP Total	State	\$4,896,773	112,172	84,642	22,299	5,231	28,883	83,289

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.

To avoid duplication of information, progress made towards meeting those goals, the upcoming year's goals, and information on TDHCA's actual performance in satisfying in FY 2006 goals and strategies is provided in Section 4: Action Plan.

STATEMENT OF ACTIVITIES BY UNIFORM STATE SERVICE REGION

This section describes TDHCA's FY 2006 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 Program Homebuyer Assistance.

As required by legislation, TDHCA reports on the racial composition of individuals and families receiving assistance. Regional information has been organized into three general categories of housing activity type.

Multifamily Rental Development. Includes the Housing Tax Credit Program, the Multifamily Bond Program, Housing Trust Fund multifamily activities, and HOME multifamily activities

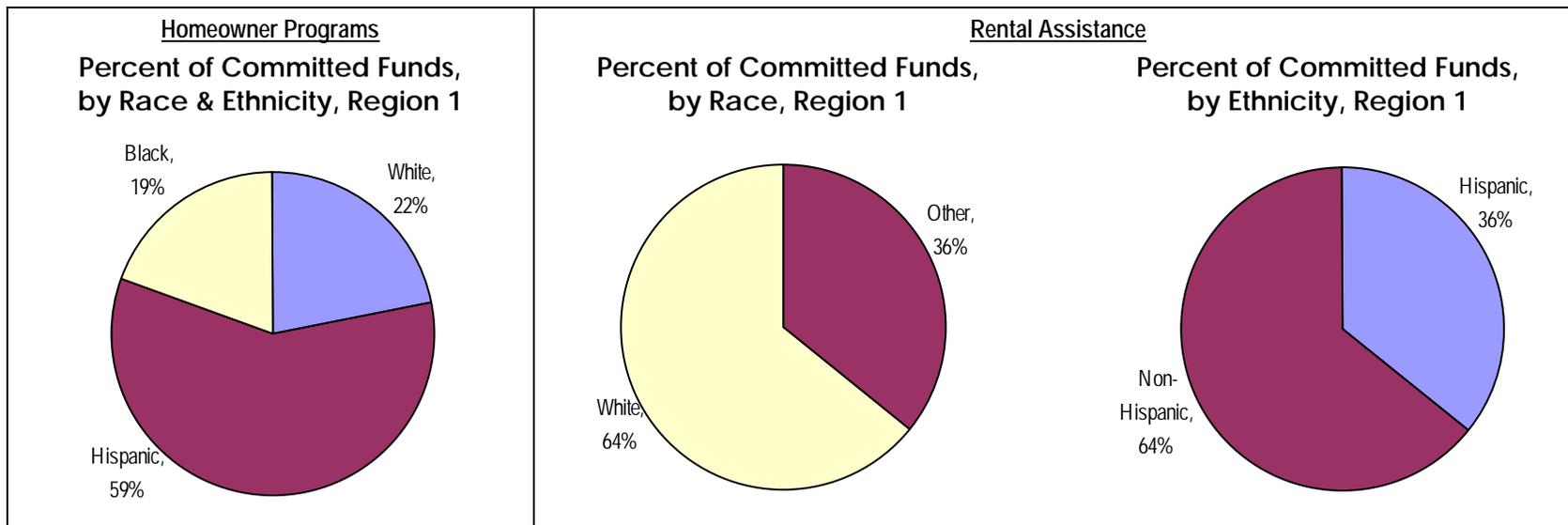
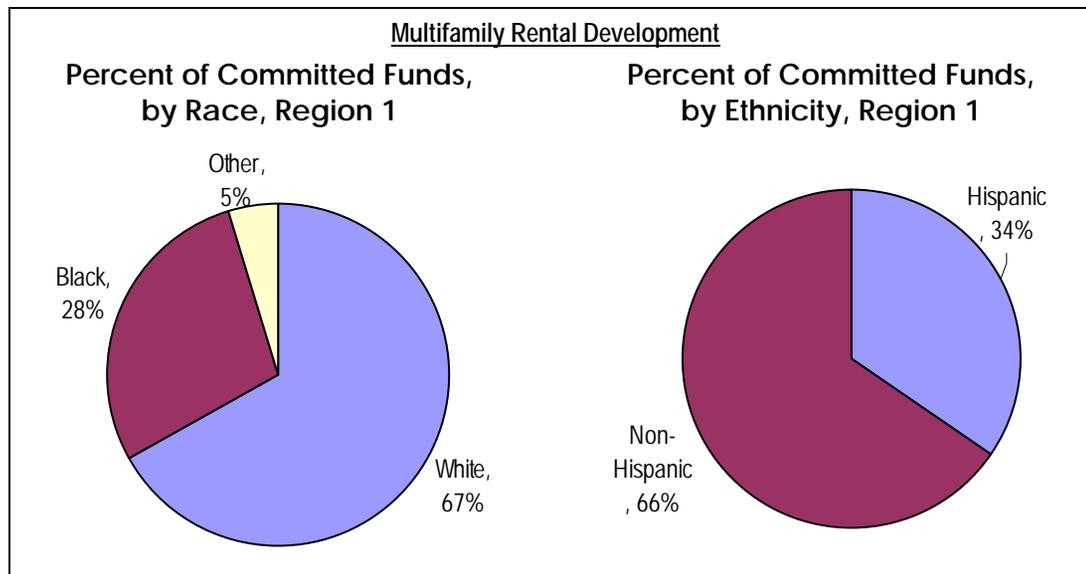
Rental Assistance. Includes the Section 8 Program and HOME Tenant Based Rental Assistance

Homeowner Programs. Includes the First Time Homebuyer Program, HOME Owner-Occupied Housing Assistance , HOME Homebuyer Assistance, and Housing Trust Fund single Family activities (Bootstrap Loan Program)

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

REGION 1

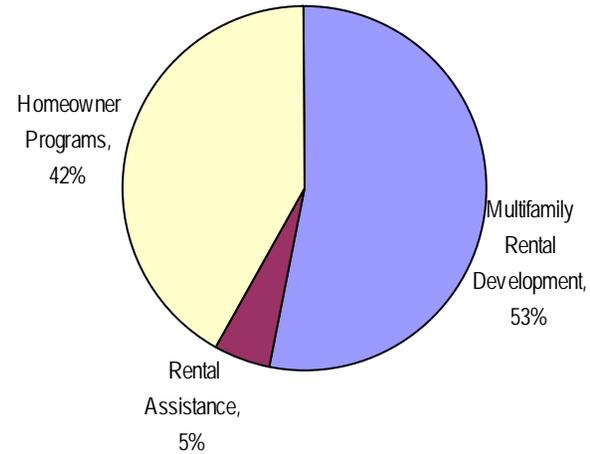
TDHCA allocated \$5,067,450 in the region in FY 2006. Multifamily development accounted for the largest segment of this total with 53%. "Very Low Income" households was the most served income group, receiving 36% of the funding in the region. Note: Because loan servicers do not record race and ethnicity data separately, data for homeowner programs are presented in one combined chart.



Funding and Households Served, by Activity, for All Housing Programs, Region 1

Activity	Committed Funds	Number of Households Served	% of Total Region Committed Funds	% of Total Region Households Served
Multifamily Rental Development	\$2,687,835	536	53%	89%
Rental Assistance	\$243,360	30	5%	5%
Homeowner Programs	\$2,136,255	36	42%	6%
Total	\$5,067,450	602		

Percent of Committed Funds, by Activity, Region 1



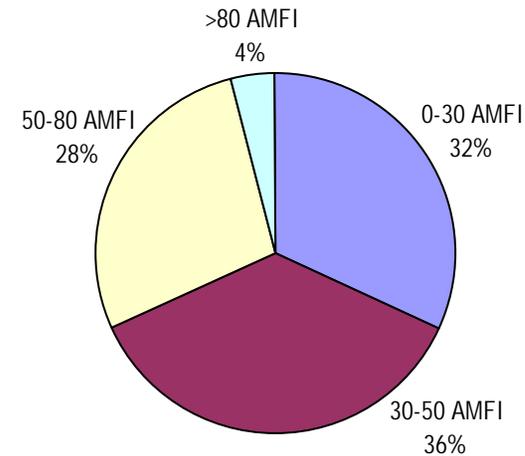
Funding and Households Served, by Activity and Housing Program, Region 1

Activity	SF Bond		HOME		HTF		HTC		MF Bond		Section 8	
	Committed Funds	# of Households Served										
Multifamily Rental Development	\$0	0	\$0	0	\$33,750	20	\$2,654,085	516	\$0	0	\$0	0
Rental Assistance	\$0	0	\$243,360	30	\$0	0	\$0	0	\$0	0	\$0	0
Homeowner Programs	\$452,911	7	\$1,683,344	29	\$0	0	\$0	0	\$0	0	\$0	0
Total	\$452,911	7	\$1,926,704	59	\$33,750	20	\$2,654,085	516	\$0	0	\$0	0

Funding and Households Served, by Income Category, for All Housing Programs

Activity	Committed Funds	Number of Households Served	% of Committed Funds	% of Households Served
Extremely Low Income (0-30 AMFI)	\$1,597,619	183	32%	30%
Very Low Income (30-50 AMFI)	\$1,836,860	124	36%	21%
Low Income (50-80 AMFI)	\$1,419,453	270	28%	45%
Moderate Income (>80 AMFI)	\$213,519	25	4%	4%
Total	\$5,067,451	602		

Percent of Committed Funds, by Income Category,

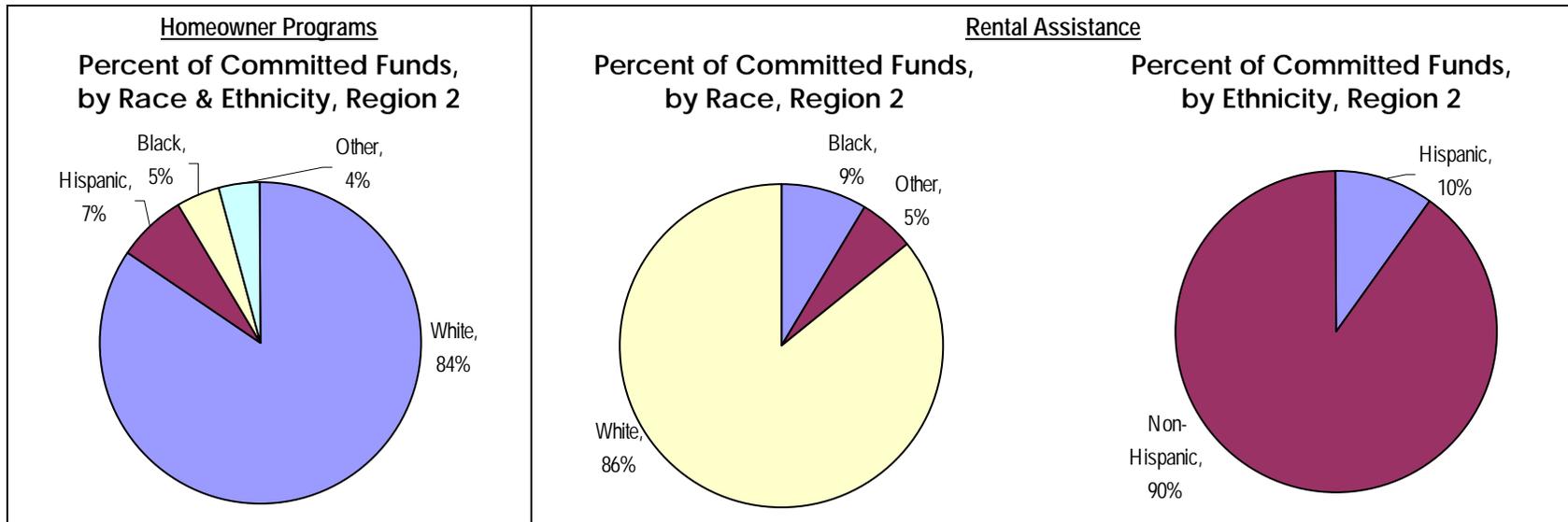
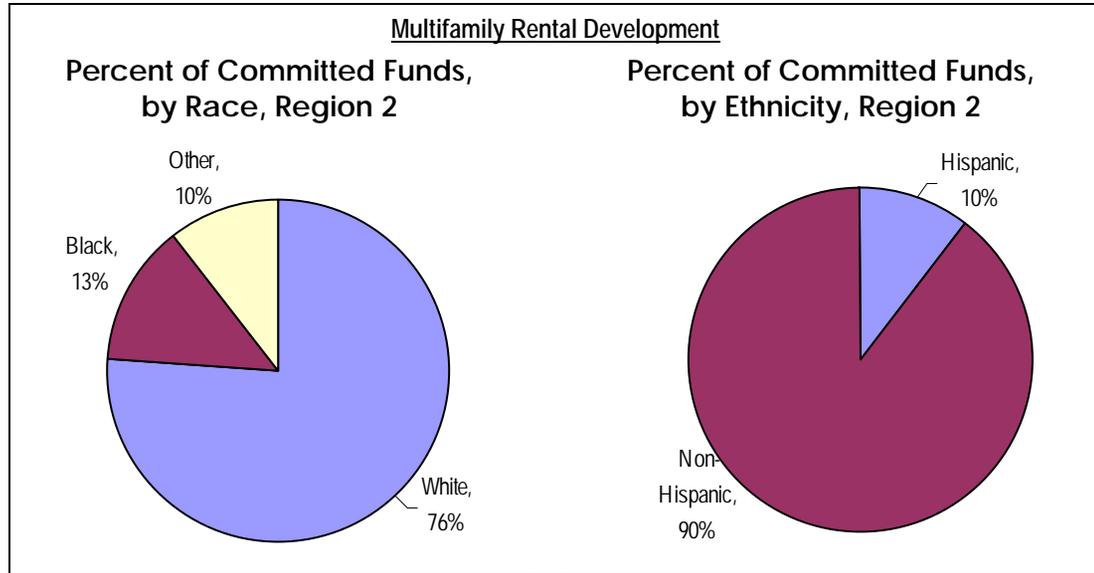


Funding and Households Served, by Income Category and Housing Program, Region 1

Activity	SF Bond		HOME		HTF		HTC		MF Bond		Section 8	
	Committed Funds	Number of Households Served	Committed Funds	Number of Households Served	Committed Funds	Number of Households Served	Committed Funds	Number of Households Served	Committed Funds	Number of Households Served	Committed Funds	Number of Households Served
Extremely Low Income	\$0	0	\$541,632	35	\$33,750	20	\$1,022,237	128	\$0	0	\$0	0
VeryLow Income	\$0	0	\$1,385,072	24	\$0	0	\$451,788	100	\$0	0	\$0	0
Low Income	\$320,923	5	\$0	0	\$0	0	\$1,098,530	265	\$0	0	\$0	0
Moderate Income	\$131,988	2	\$0	0	\$0	0	\$81,531	23	\$0	0	\$0	0
Total	\$452,911	7	\$1,926,704	59	\$33,750	20	\$2,654,086	516	\$0	0	\$0	0

REGION 2

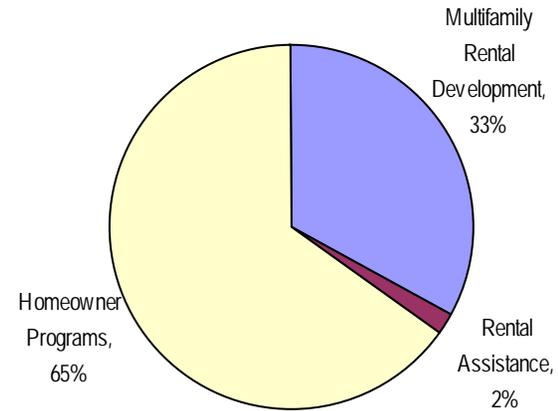
TDHCA allocated \$6,230,312 in the region in FY 2006. Homeowner programs accounted for the largest segment of this total with 65%. “Very Low Income” households was the most served income group, receiving 45% of the funding in the region. Note: Because loan servicers do not record race and ethnicity data separately, data for homeowner programs are presented in one combined chart.



Funding and Households Served, by Activity, for All Housing Programs, Region 2

Activity	Committed Funds	Number of Households Served	% of Total Region Committed Funds	% of Total Region Households Served
Multifamily Rental Development	\$2,029,551	226	33%	68%
Rental Assistance	\$121,478	39	2%	12%
Homeowner Programs	\$4,079,283	66	65%	20%
Total	\$6,230,312	331		

Percent of Committed Funds, by Activity, Region 2



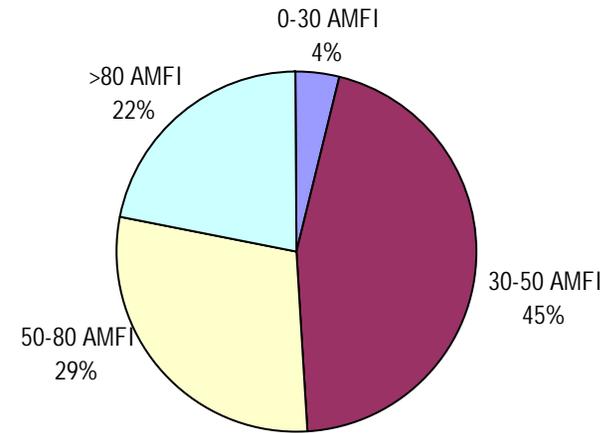
Funding and Households Served, by Activity and Housing Program, Region 2

Activity	SF Bond		HOME		HTF		HTC		MF Bond		Section 8	
	Committed Funds	# of Households Served										
Multifamily Rental Development	\$0	0	\$826,236	28	\$0	0	\$1,203,315	198	\$0	0	\$0	0
Rental Assistance	\$0	0	\$0	0	\$0	0	\$0	0	\$0	0	\$121,478	39
Homeowner Programs	\$2,935,283	46	\$1,144,000	20	\$0	0	\$0	0	\$0	0	\$0	0
Total	\$2,935,283	46	\$1,970,236	48	\$0	0	\$1,203,315	198	\$0	0	\$121,478	39

Funding and Households Served, by Income Category, for All Housing Programs, Region 2

Activity	Committed Funds	Number of Households Served	% of Committed Funds	% of Households Served
Extremely Low Income (0-30 AMFI)	\$231,751	35	4%	11%
Very Low Income (30-50 AMFI)	\$2,790,649	155	45%	47%
Low Income (50-80 AMFI)	\$1,834,699	77	29%	23%
Moderate Income (>80 AMFI)	\$1,373,213	64	22%	19%
Total	\$6,230,312	331		

Percent of Committed Funds, by Income Category, Region 2

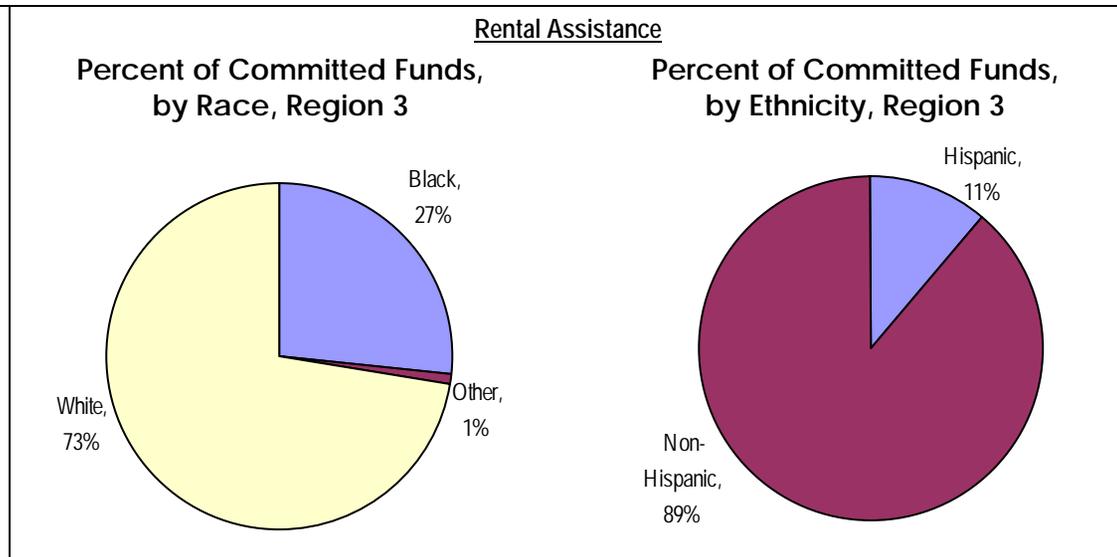
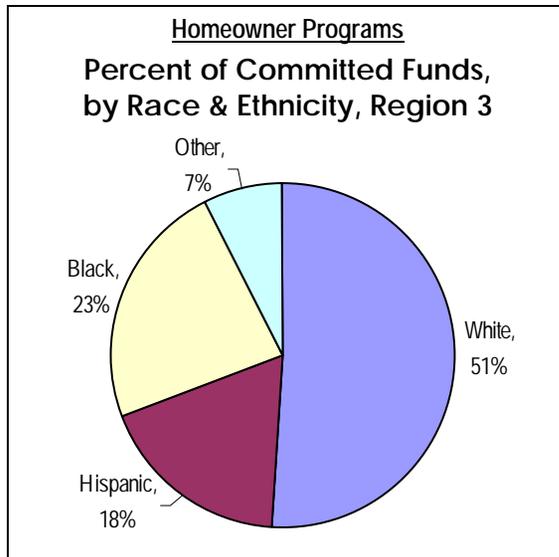
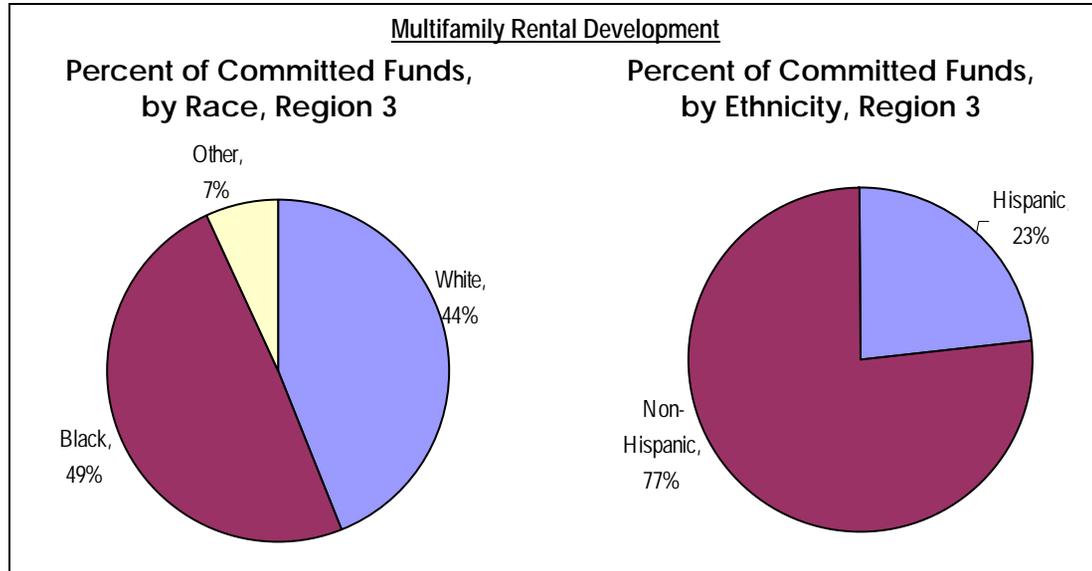


Funding and Households Served, by Income Category and Housing Program, Region 2

Activity	SF Bond		HOME		HTF		HTC		MF Bond		Section 8	
	Committed Funds	Number of Households Served	Committed Funds	Number of Households Served	Committed Funds	Number of Households Served	Committed Funds	Number of Households Served	Committed Funds	Number of Households Served	Committed Funds	Number of Households Served
Extremely Low Income	\$59,529	1	\$29,508	1	\$0	0	\$52,752	6	\$0	0	\$89,962	27
Very Low Income	\$320,102	7	\$1,940,728	47	\$0	0	\$498,303	89	\$0	0	\$31,516	12
Low Income	\$1,426,313	25	\$0	0	\$0	0	\$408,386	52	\$0	0	\$0	0
Moderate Income	\$1,129,339	13	\$0	0	\$0	0	\$243,874	51	\$0	0	\$0	0
Total	\$2,935,283	46	\$1,970,236	48	\$0	0	\$1,203,315	198	\$0	0	\$121,478	39

REGION 3

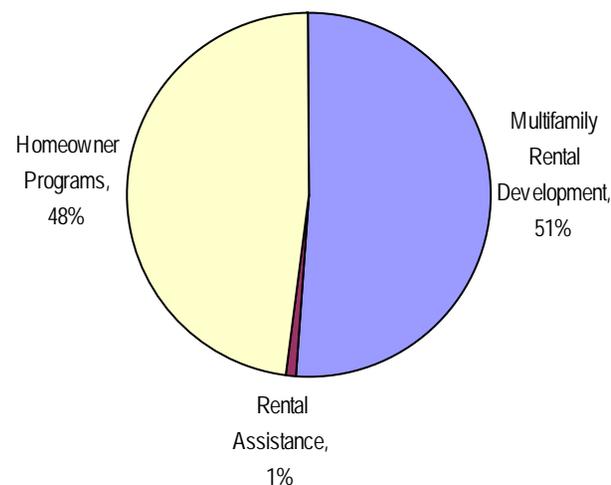
TDHCA allocated \$149,603,422 in the region in FY 2006. Multifamily rental development accounted for the largest segment of this total with 51%. "Low Income" households was the most served income group, receiving 61% of the funding in the region. Note: Because loan servicers do not record race and ethnicity data separately, data for homeowner programs are presented in one combined chart.



Funding and Households Served, by Activity, for All Housing Programs, Region 3

Activity	Committed Funds	Number of Households Served	% of Total Region Committed Funds	% of Total Region Households Served
Multifamily Rental Development	\$76,078,491	6,453	51%	86%
Rental Assistance	\$2,216,004	346	1%	5%
Homeowner Programs	\$71,308,927	703	48%	9%
Total	\$149,603,422	7,502		

Percent of Committed Funds, by Activity, Region 3



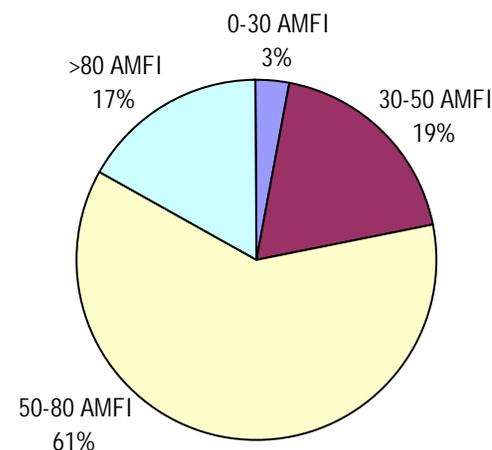
Funding and Households Served, by Activity and Housing Program, Region 3

Activity	SF Bond		HOME		HTF		HTC		MF Bond		Section 8	
	Committed Funds	# of Households Served										
Multifamily Rental Development	\$0	0	\$3,107,885	245	\$137,500	490	\$17,653,106	4342	\$55,180,000	1376	\$0	0
Rental Assistance	\$0	0	\$0	0	\$0	0	\$0	0	\$0	0	\$2,216,004	346
Homeowner Programs	\$67,445,727	575	\$3,203,200	106	\$660,000	22	\$0	0	\$0	0	\$0	0
Total	\$67,445,727	575	\$6,311,085	351	\$797,500	512	\$17,653,106	4,342	\$55,180,000	1,376	\$2,216,004	346

Funding and Households Served, by Income Category, for All Housing Programs, Region 3

Activity	Committed Funds	Number of Households Served	% of Committed Funds	% of Households Served
Extremely Low Income (0-30 AMFI)	\$4,918,079	527	3%	7%
Very Low Income (30-50 AMFI)	\$28,225,246	1,436	19%	19%
Low Income (50-80 AMFI)	\$91,215,851	5,172	61%	69%
Moderate Income (>80 AMFI)	\$25,244,246	367	17%	5%
Total	\$149,603,422	7,502		

Percent of Committed Funds, by Income Category, Region 3

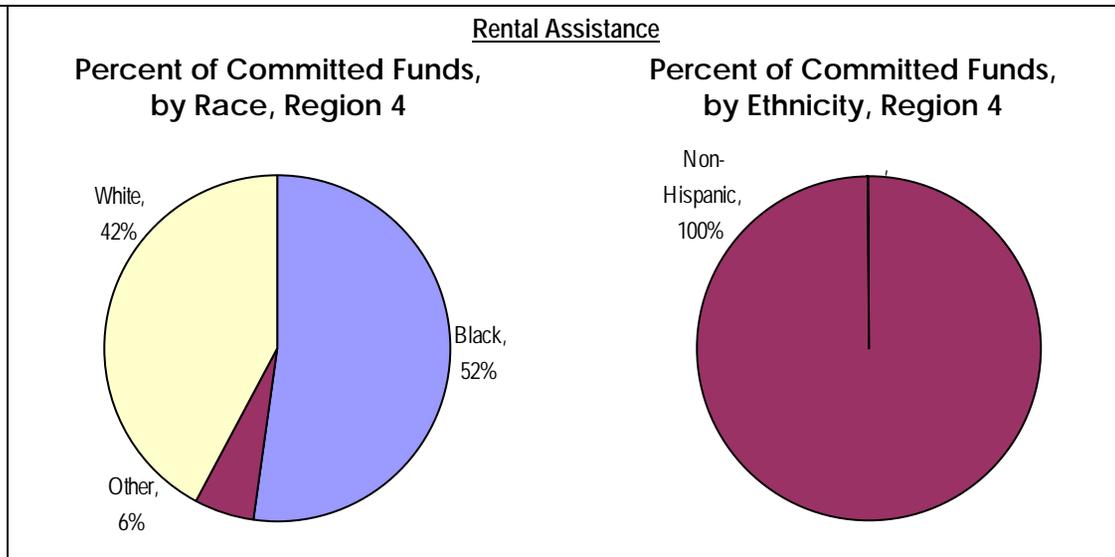
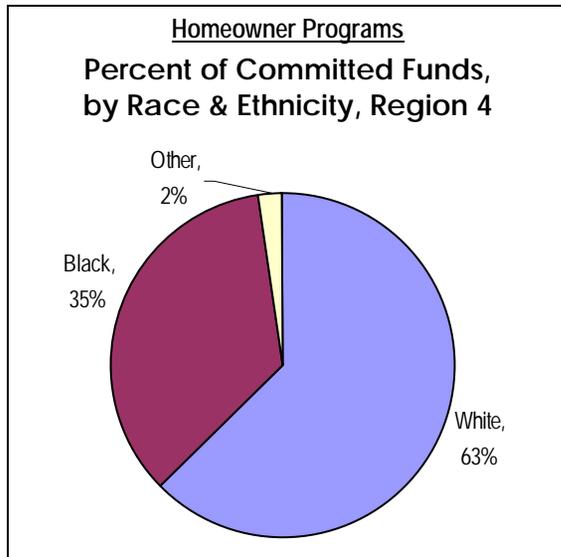
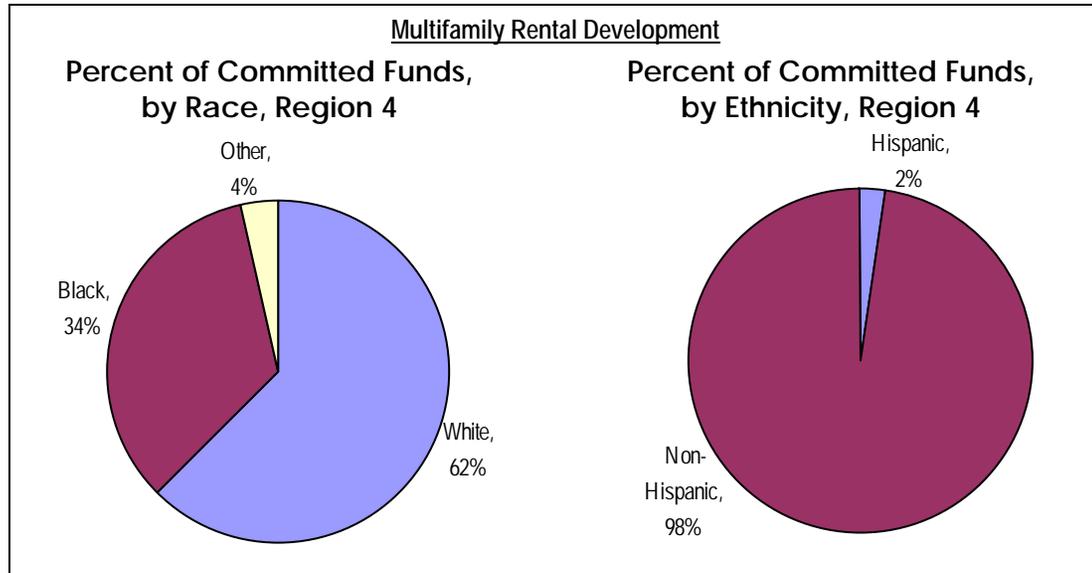


Funding and Households Served, by Income Category and Housing Program, Region 3

Activity	SF Bond		HOME		HTF		HTC		MF Bond		Section 8	
	Committed Funds	Number of Households Served	Committed Funds	Number of Households Served	Committed Funds	Number of Households Served	Committed Funds	Number of Households Served	Committed Funds	Number of Households Served	Committed Funds	Number of Households Served
Extremely Low Income	\$363,893	5	\$1,364,498	40	\$150,000	5	\$1,170,094	208	\$0	0	\$1,869,594	269
VeryLow Income	\$6,887,367	75	\$3,462,762	129	\$450,000	15	\$2,453,126	714	\$14,640,198	431	\$331,793	72
Low Income	\$37,633,721	321	\$1,483,825	182	\$197,500	492	\$13,676,013	3291	\$38,210,175	881	\$14,617	5
Moderate Income	\$22,560,746	174	\$0	0	\$0	0	\$353,873	129	\$2,329,627	64	\$0	0
Total	\$67,445,727	575	\$6,311,085	351	\$797,500	512	\$17,653,106	4342	\$55,180,000	1376	\$2,216,004	346

REGION 4

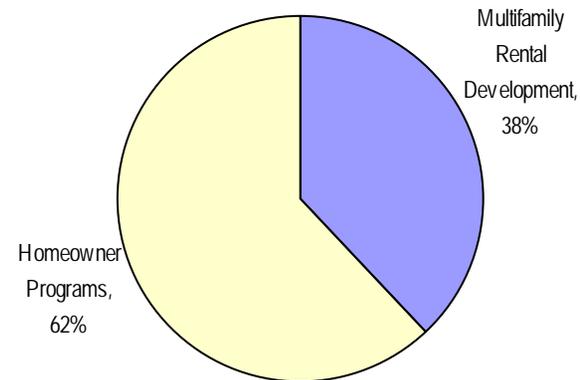
TDHCA allocated \$7,299,362 in the region in FY 2006. Homeowner programs accounted for the largest segment of this total with 62%. "Low income" households was the most served income group, receiving 43% of the funding in the region. Note: Because loan servicers do not record race and ethnicity data separately, data for homeowner programs are presented in one combined chart.



Funding and Households Served, by Activity, for All Housing Programs, Region 4

Activity	Committed Funds	Number of Households Served	% of Total Region Committed Funds	% of Total Region Households Served
Multifamily Rental Development	\$2,762,426	372	38%	69%
Rental Assistance	\$0	0	0%	0%
Homeowner Programs	\$4,536,936	165	62%	31%
Total	\$7,299,362	537		

Percent of Committed Funds, by Activity, Region 4



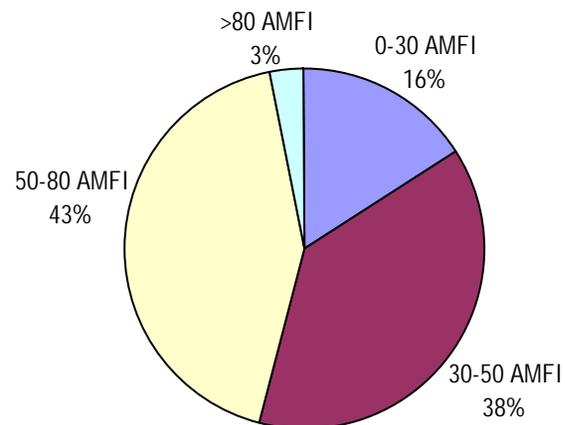
Funding and Households Served, by Activity and Housing Program, Region 4

Activity	SF Bond		HOME		HTF		HTC		MF Bond		Section 8	
	Committed Funds	# of Households Served										
Multifamily Rental Development	\$0	0	\$175,000	48	\$0	0	\$2,587,426	324	\$0	0	\$0	0
Rental Assistance	\$0	0	\$0	0	\$0	0	\$0	0	\$0	0	\$0	0
Homeowner Programs	\$352,392	6	\$4,184,544	159	\$0	0	\$0	0	\$0	0	\$0	0
Total	\$352,392	6	\$4,359,544	207	\$0	0	\$2,587,426	324	\$0	0	\$0	0

Funding and Households Served, by Income Category, for All Housing Programs, Region 4

Activity	Committed Funds	Number of Households Served	% of Committed Funds	% of Households Served
Extremely Low Income (0-30 AMFI)	\$1,131,872	48	16%	9%
Very Low Income (30-50 AMFI)	\$2,807,014	120	38%	22%
Low Income (50-80 AMFI)	\$3,160,168	366	43%	68%
Moderate Income (>80 AMFI)	\$200,309	3	3%	1%
Total	\$7,299,363	537		

Percent of Committed Funds, by Income Category, Region 4

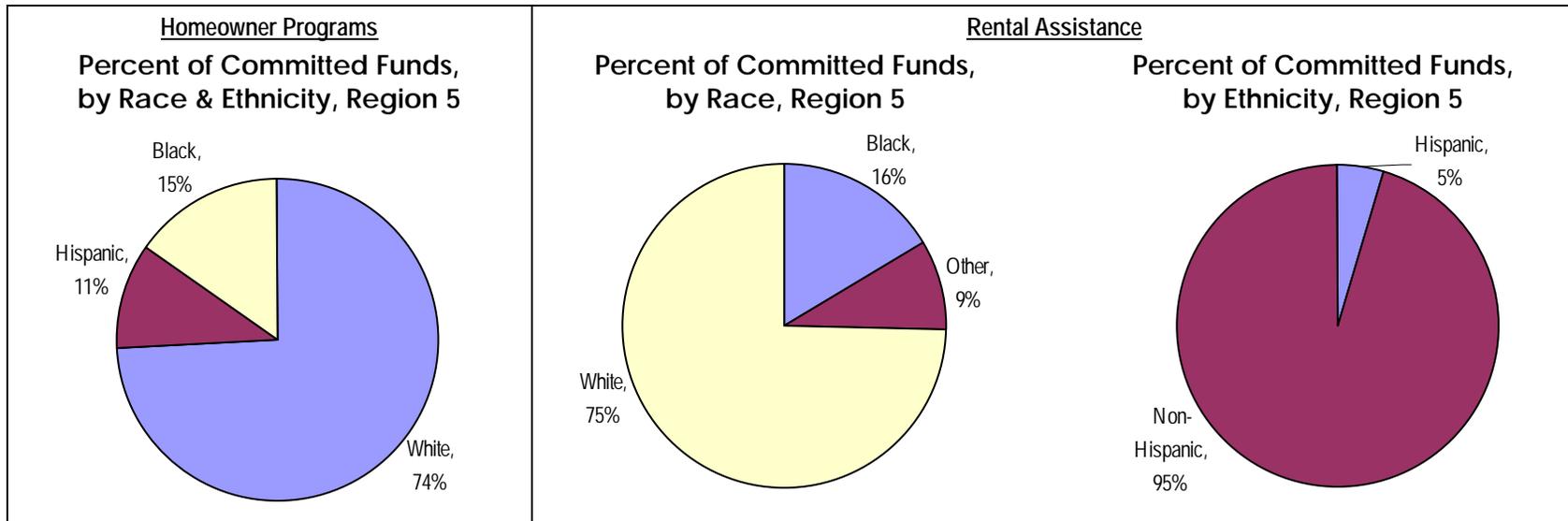
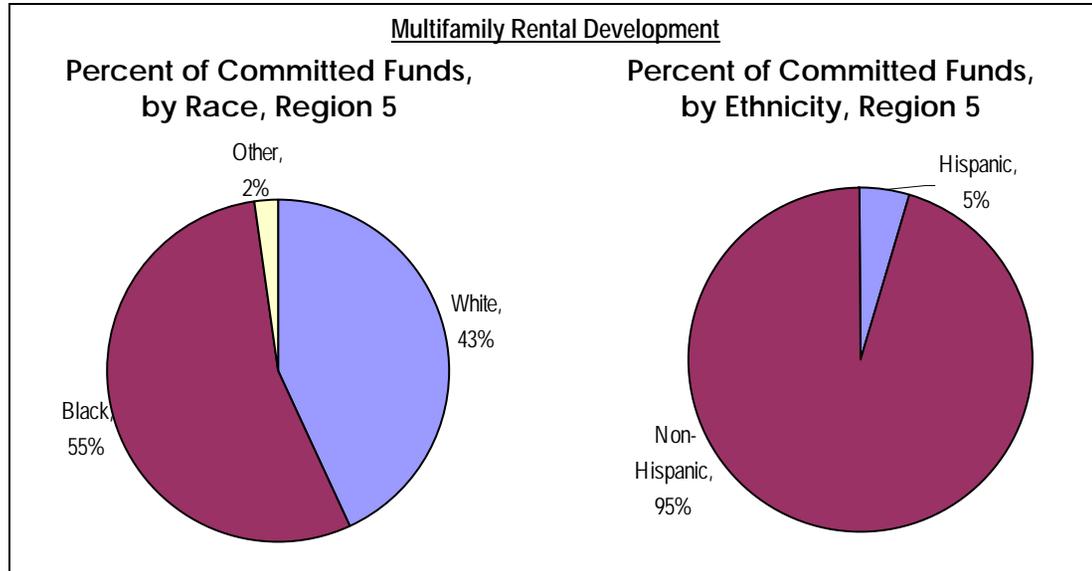


Funding and Households Served, by Income Category and Housing Program, Region 4

Activity	SF Bond		HOME		HTF		HTC		MF Bond		Section 8	
	Committed Funds	Number of Households Served	Committed Funds	Number of Households Served	Committed Funds	Number of Households Served	Committed Funds	Number of Households Served	Committed Funds	Number of Households Served	Committed Funds	Number of Households Served
Extremely Low Income	\$30,000	1	\$865,292	17	\$0	0	\$236,580	30	\$0	0	\$0	0
VeryLow Income	\$60,000	2	\$2,401,103	80	\$0	0	\$345,911	38	\$0	0	\$0	0
Low Income	\$70,200	1	\$1,093,149	110	\$0	0	\$1,996,819	255	\$0	0	\$0	0
Moderate Income	\$192,192	2	\$0	0	\$0	0	\$8,117	1	\$0	0	\$0	0
Total	\$352,392	6	\$4,359,544	207	\$0	0	\$2,587,427	324	\$0	0	\$0	0

REGION 5

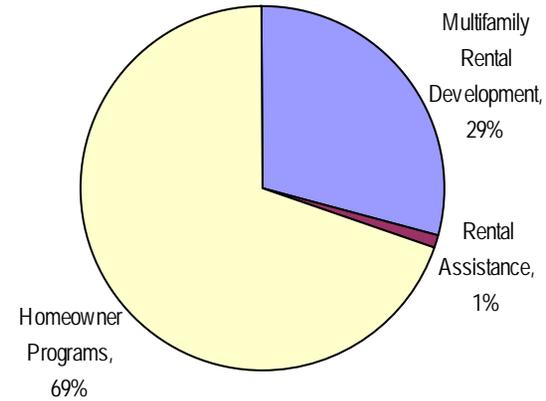
TDHCA allocated \$21,921,409 in the region in FY 2006. Homeowner programs accounted for the largest segment of this total with 69%. "Low Income" households was the most served income group, receiving 42% of the funding in the region. Note: Because loan servicers do not record race and ethnicity data separately, data for homeowner programs are presented in one combined chart.



Funding and Households Served, by Activity, for All Housing Programs, Region 5

Activity	Committed Funds	Number of Households Served	% of Total Region Committed Funds	% of Total Region Households Served
Multifamily Rental Development	\$6,427,454	814	29%	71%
Rental Assistance	\$286,000	32	1%	3%
Homeowner Programs	\$15,207,955	299	69%	26%
Total	\$21,921,409	1,145		

Percent of Committed Funds, by Activity, Region 5



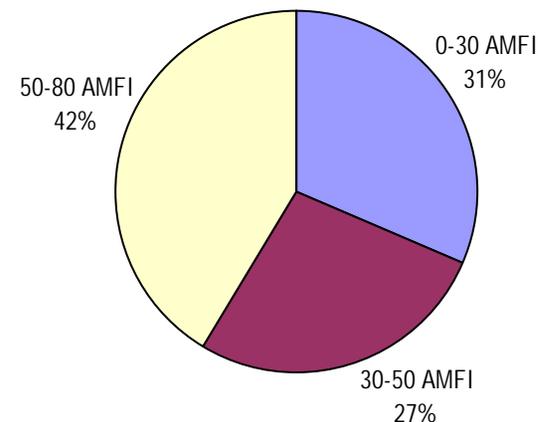
Funding and Households Served, by Activity and Housing Program, Region 5

Activity	SF Bond		HOME		HTF		HTC		MF Bond		Section 8	
	Committed Funds	# of Households Served	Committed Funds	# of Households Served	Committed Funds	# of Households Served	Committed Funds	# of Households Served	Committed Funds	# of Households Served	Committed Funds	# of Households Served
Multifamily Rental Development	\$0	0	\$712,669	72	\$0	0	\$5,714,785	742	\$0	0	\$0	0
Rental Assistance	\$0	0	\$286,000	32	\$0	0	\$0	0	\$0	0	\$0	0
Homeowner Programs	\$4,859,955	63	\$10,348,000	236	\$0	0	\$0	0	\$0	0	\$0	0
Total	\$4,859,955	63	\$11,346,669	340	\$0	0	\$5,714,785	742	\$0	0	\$0	0

Funding and Households Served, by Income Category, for All Housing Programs, Region 5

Activity	Committed Funds	Number of Households Served	% of Committed Funds	% of Households Served
Extremely Low Income (0-30 AMFI)	\$6,842,339	255	31%	22%
Very Low Income (30-50 AMFI)	\$5,909,842	358	27%	31%
Low Income (50-80 AMFI)	\$9,064,082	520	41%	45%
Moderate Income (>80 AMFI)	\$105,146	12	0%	1%
Total	\$21,921,409	1,145		

Percent of Committed Funds, by Income Category, Region 5

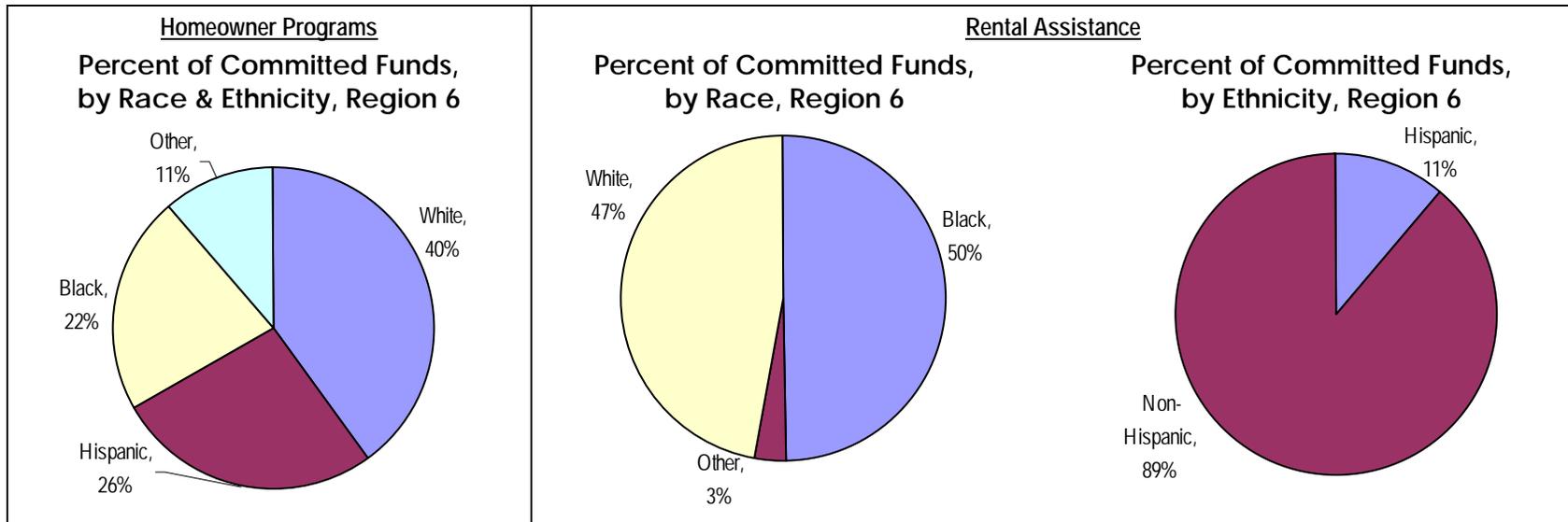
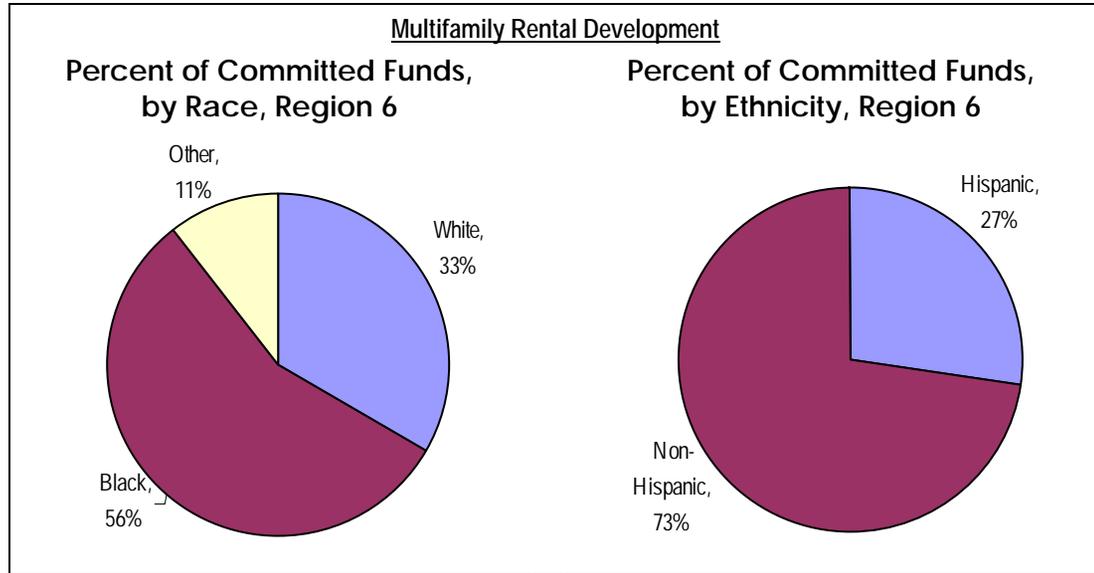


Funding and Households Served, by Income Category and Housing Program, Region 5

Activity	SF Bond		HOME		HTF		HTC		MF Bond		Section 8	
	Committed Funds	Number of Households Served	Committed Funds	Number of Households Served	Committed Funds	Number of Households Served	Committed Funds	Number of Households Served	Committed Funds	Number of Households Served	Committed Funds	Number of Households Served
Extremely Low Income	\$331,086	6	\$5,980,289	188	\$0	0	\$530,964	61	\$0	0	\$0	0
VeryLow Income	\$1,699,734	25	\$2,600,897	51	\$0	0	\$1,609,211	282	\$0	0	\$0	0
Low Income	\$2,829,135	32	\$2,735,789	98	\$0	0	\$3,499,158	390	\$0	0	\$0	0
Moderate Income	\$0	0	\$29,695	3	\$0	0	\$75,451	9	\$0	0	\$0	0
Total	\$4,859,955	63	\$11,346,670	340	\$0	0	\$5,714,784	742	\$0	0	\$0	0

REGION 6

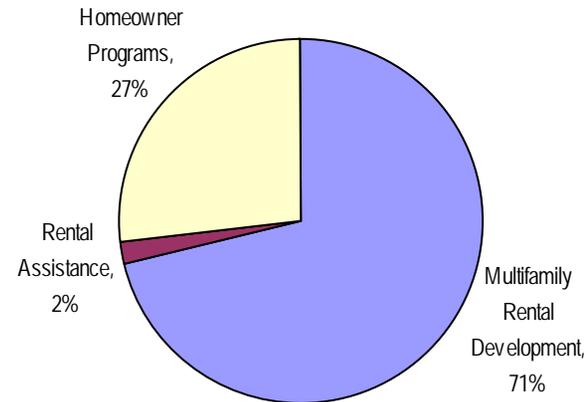
TDHCA allocated \$129,338,100 in the region in FY 2006. Multifamily rental development accounted for the largest segment of this total with 71%. "Low Income" households was the most served income group, receiving 77% of the funding in the region. Note: Because loan servicers do not record race and ethnicity data separately, data for homeowner programs are presented in one combined chart.



Funding and Households Served, by Activity, for All Housing Programs, Region 6

Activity	Committed Funds	Number of Households Served	% of Total Region Committed Funds	% of Total Region Households Served
Multifamily Rental Development	\$91,726,776	5,932	71%	89%
Rental Assistance	\$2,383,460	451	2%	7%
Homeowner Programs	\$35,227,864	312	27%	5%
Total	\$129,338,100	6,695		

Percent of Committed Funds, by Activity, Region 6



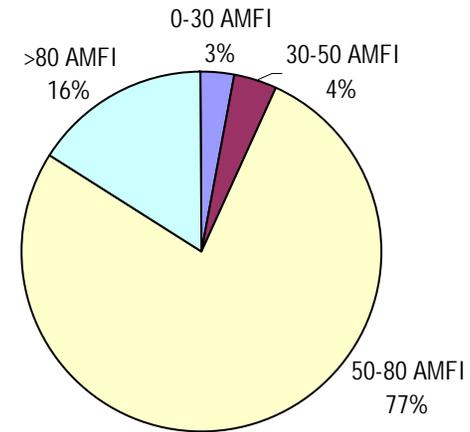
Funding and Households Served, by Activity and Housing Program, Region 6

Activity	SF Bond		HOME		HTF		HTC		MF Bond		Section 8	
	Committed Funds	# of Households Served										
Multifamily Rental Development	\$0	0	\$0	0	\$35,000	10	\$18,276,776	4453	\$73,415,000	1469	\$0	0
Rental Assistance	\$0	0	\$0	0	\$0	0	\$0	0	\$0	0	\$2,383,460	451
Homeowner Programs	\$33,511,864	282	\$1,716,000	30	\$0	0	\$0	0	\$0	0	\$0	0
Total	\$33,511,864	282	\$1,716,000	30	\$35,000	10	\$18,276,776	4,453	\$73,415,000	1,469	\$2,383,460	451

Funding and Households Served, by Income Category, for All Housing Programs, Region 6

Activity	Committed Funds	Number of Households Served	% of Committed Funds	% of Households Served
Extremely Low Income (0-30 AMFI)	\$3,825,955	517	3%	8%
Very Low Income (30-50 AMFI)	\$5,698,643	627	4%	9%
Low Income (50-80 AMFI)	\$98,675,614	5,239	77%	78%
Moderate Income (>80 AMFI)	\$21,137,888	312	16%	5%
Total	\$129,338,100	6,695		

Percent of Committed Funds, by Income Category, Region 6

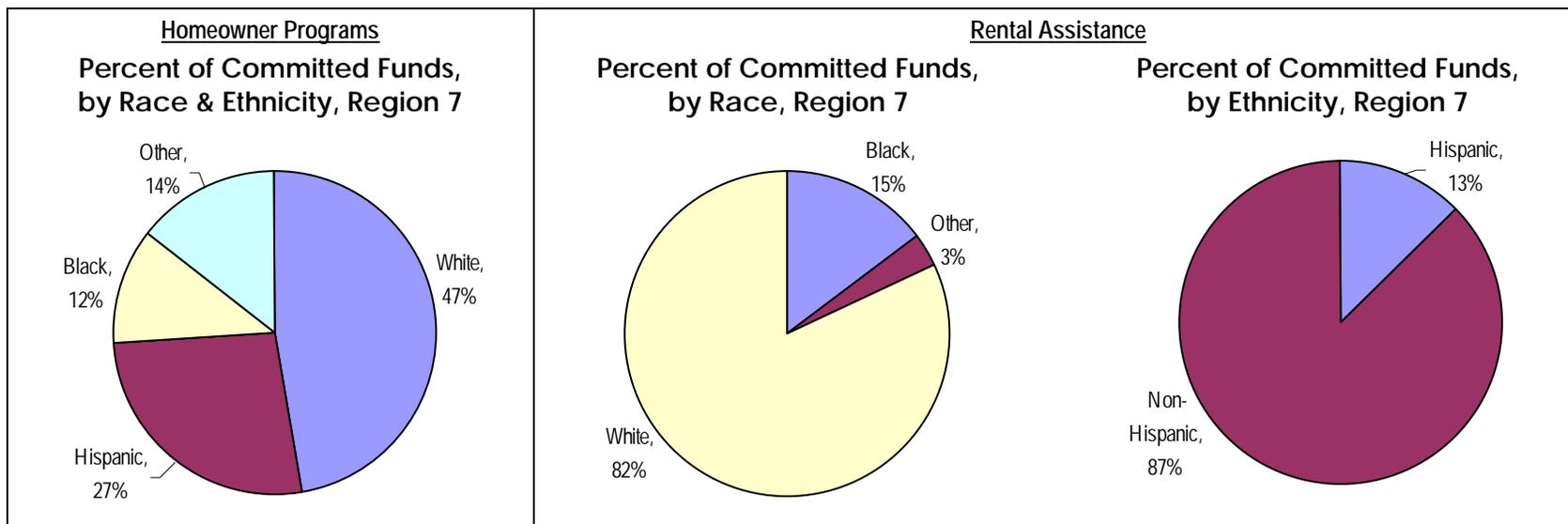
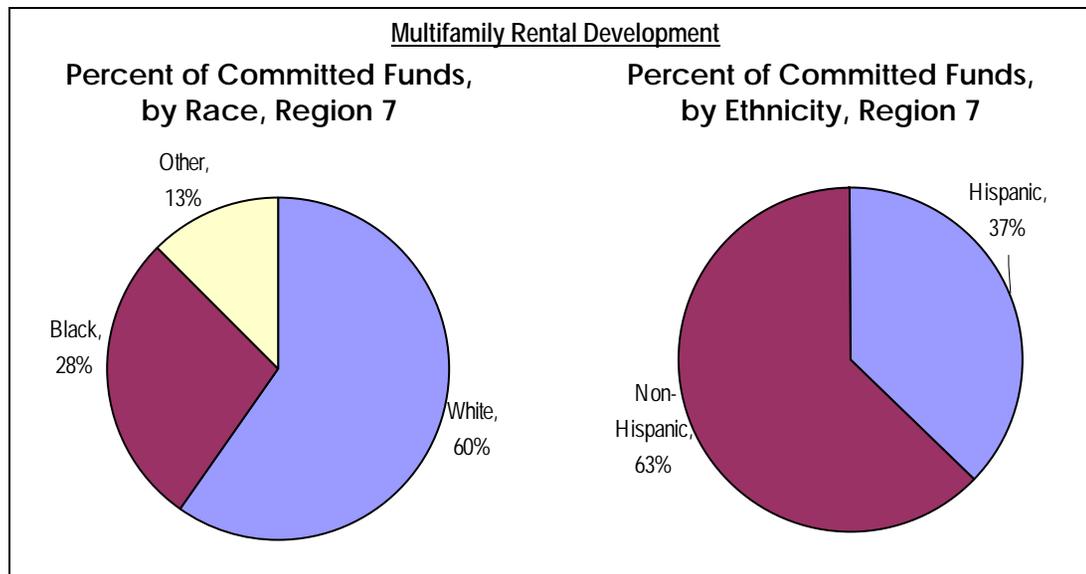


Funding and Households Served, by Income Category and Housing Program, Region 6

Activity	SF Bond		HOME		HTF		HTC		MF Bond		Section 8	
	Committed Funds	Number of Households Served	Committed Funds	Number of Households Served	Committed Funds	Number of Households Served	Committed Funds	Number of Households Served	Committed Funds	Number of Households Served	Committed Funds	Number of Households Served
Extremely Low Income	\$0	0	\$858,000	15	\$0	0	\$820,204	125	\$0	0	\$2,147,751	377
VeryLow Income	\$1,007,501	11	\$858,000	15	\$35,000	10	\$3,590,684	525	\$0	0	\$207,458	66
Low Income	\$15,765,777	141	\$0	0	\$0	0	\$13,279,762	3673	\$69,601,824	1417	\$28,251	8
Moderate Income	\$16,738,586	130	\$0	0	\$0	0	\$586,126	130	\$3,813,176	52	\$0	0
Total	\$33,511,864	282	\$1,716,000	30	\$35,000	10	\$18,276,776	4453	\$73,415,000	1469	\$2,383,460	451

REGION 7

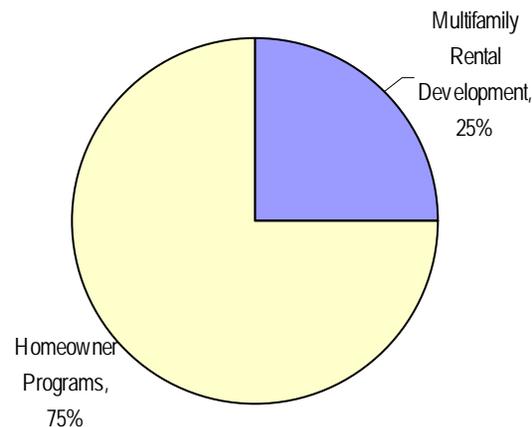
TDHCA allocated \$112,240,815 in the region in FY 2006. Homeowner programs accounted for the largest segment of this total with 75%. "Low income" households was the most served income group, receiving 63% of the funding in the region. Note: Because loan servicers do not record race and ethnicity data separately, data for homeowner programs are presented in one combined chart.



Funding and Households Served, by Activity, for All Housing Programs, Region 7

Activity	Committed Funds	Number of Households Served	% of Total Region Committed Funds	% of Total Region Households Served
Multifamily Rental Development	\$27,731,234	2,398	25%	76%
Rental Assistance	\$446,992	85	0%	3%
Homeowner Programs	\$84,062,589	688	75%	22%
Total	\$112,240,816	3,171		

Percent of Committed Funds, by Activity, Region 7



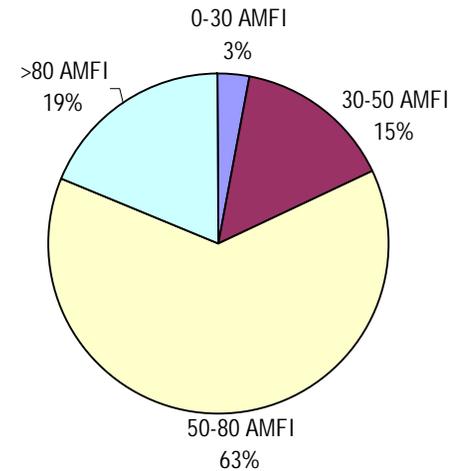
Funding and Households Served, by Activity and Housing Program, Region 7

Activity	SF Bond		HOME		HTF		HTC		MF Bond		Section 8	
	Committed Funds	# of Households Served										
Multifamily Rental Development	\$0	0	\$5,750,000	470	\$101,600	53	\$6,879,635	1627	\$15,000,000	248	\$0	0
Rental Assistance	\$0	0	\$0	0	\$0	0	\$0	0	\$0	0	\$446,992	85
Homeowner Programs	\$81,894,589	618	\$2,168,000	70	\$0	0	\$0	0	\$0	0	\$0	0
Total	\$81,894,589	618	\$7,918,000	540	\$101,600	53	\$6,879,635	1,627	\$15,000,000	248	\$446,992	85

Funding and Households Served, by Income Category, for All Housing Programs, Region 7

Activity	Committed Funds	Number of Households Served	% of Committed Funds	% of Households Served
Extremely Low Income (0-30 AMFI)	\$3,209,399	191	3%	6%
Very Low Income (30-50 AMFI)	\$16,496,367	797	15%	25%
Low Income (50-80 AMFI)	\$70,923,722	2,027	63%	64%
Moderate Income (>80 AMFI)	\$21,611,328	156	19%	5%
Total	\$112,240,816	3,171		

Percent of Committed Funds, by Income Category, Region 7

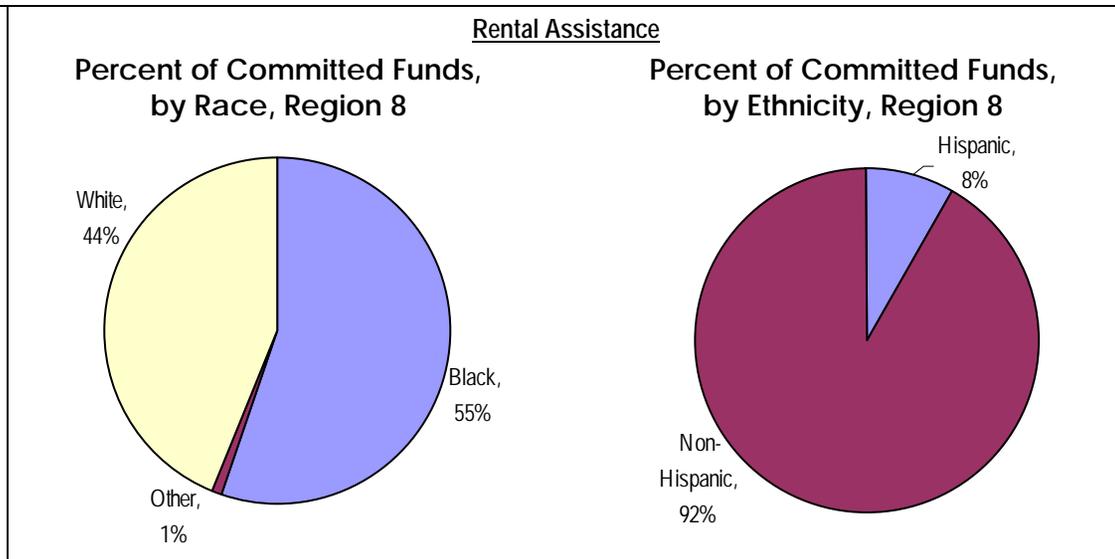
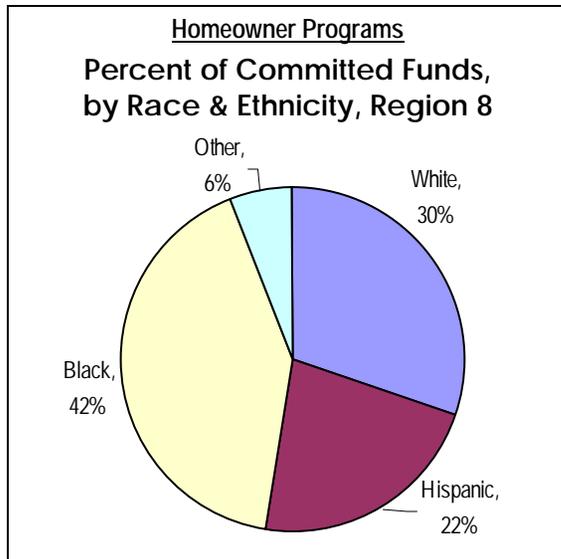
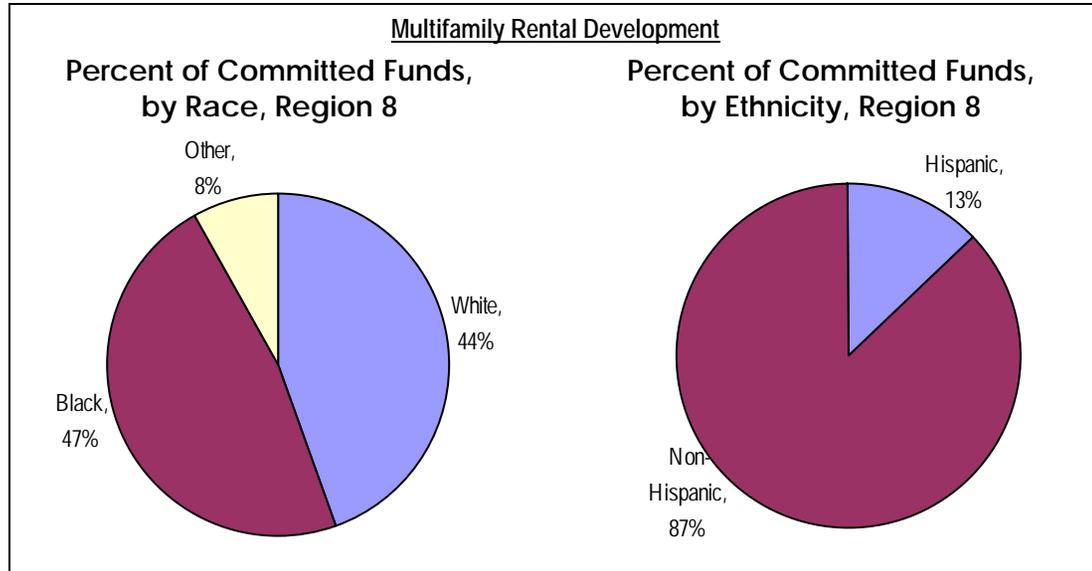


Funding and Households Served, by Income Category and Housing Program, Region 7

Activity	SF Bond		HOME		HTF		HTC		MF Bond		Section 8	
	Committed Funds	Number of Households Served	Committed Funds	Number of Households Served	Committed Funds	Number of Households Served	Committed Funds	Number of Households Served	Committed Funds	Number of Households Served	Committed Funds	Number of Households Served
Extremely Low Income	\$877,267	7	\$1,564,376	51	\$0	0	\$349,101	57	\$0	0	\$418,655	76
VeryLow Income	\$11,233,585	99	\$3,356,703	249	\$35,000	4	\$1,848,200	437	\$0	0	\$22,879	8
Low Income	\$48,217,036	364	\$2,996,921	240	\$66,600	49	\$4,637,707	1125	\$15,000,000	248	\$5,458	1
Moderate Income	\$21,566,701	148	\$0	0	\$0	0	\$44,627	8	\$0	0	\$0	0
Total	\$81,894,589	618	\$7,918,000	540	\$101,600	53	\$6,879,635	1627	\$15,000,000	248	\$446,992	85

REGION 8

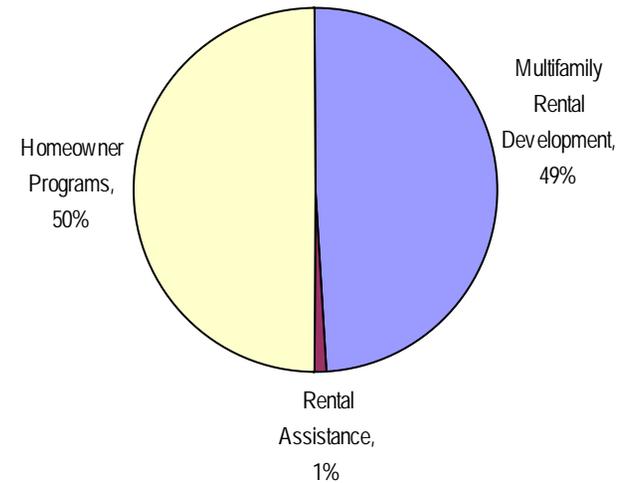
TDHCA allocated \$34,441,280 in the region in FY 2006. Homeowner programs accounted for the largest segment of this total with 50%. "Low Income" households was the most served income group, receiving 57% of the funding in the region. Note: Because loan servicers do not record race and ethnicity data separately, data for homeowner programs are presented in one combined chart.



Funding and Households Served, by Activity, for All Housing Programs, Region 8

Activity	Committed Funds	Number of Households Served	% of Total Region Committed Funds	% of Total Region Households Served
Multifamily Rental Development	\$17,007,766	1,080	49%	77%
Rental Assistance	\$309,475	100	1%	7%
Homeowner Programs	\$17,124,039	219	50%	16%
Total	\$34,441,280	1,399		

Percent of Committed Funds, by Activity, Region 8



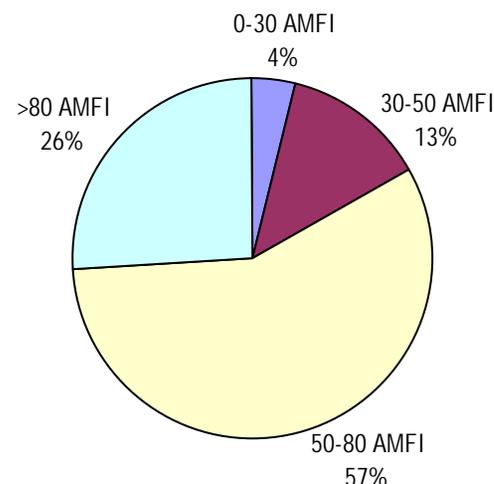
Funding and Households Served, by Activity and Housing Program, Region 8

Activity	SF Bond		HOME		HTF		HTC		MF Bond		Section 8	
	Committed Funds	# of Households Served										
Multifamily Rental Development	\$0	0	\$2,922,678	152	\$0	0	\$3,785,088	748	\$10,300,000	180	\$0	0
Rental Assistance	\$0	0	\$0	0	\$0	0	\$0	0	\$0	0	\$309,475	100
Homeowner Programs	\$14,609,239	143	\$1,944,800	57	\$570,000	19	\$0	0	\$0	0	\$0	0
Total	\$14,609,239	143	\$4,867,478	209	\$570,000	19	\$3,785,088	748	\$10,300,000	180	\$309,475	100

Funding and Households Served, by Income Category, for All Housing Programs, Region 8

Activity	Committed Funds	Number of Households Served	% of Committed Funds	% of Households Served
Extremely Low Income (0-30 AMFI)	\$1,274,454	128	4%	9%
Very Low Income (30-50 AMFI)	\$4,579,554	199	13%	14%
Low Income (50-80 AMFI)	\$19,666,210	950	57%	68%
Moderate Income (>80 AMFI)	\$8,921,062	122	26%	9%
Total	\$34,441,280	1,399		

Percent of Committed Funds, by Income Category, Region 8

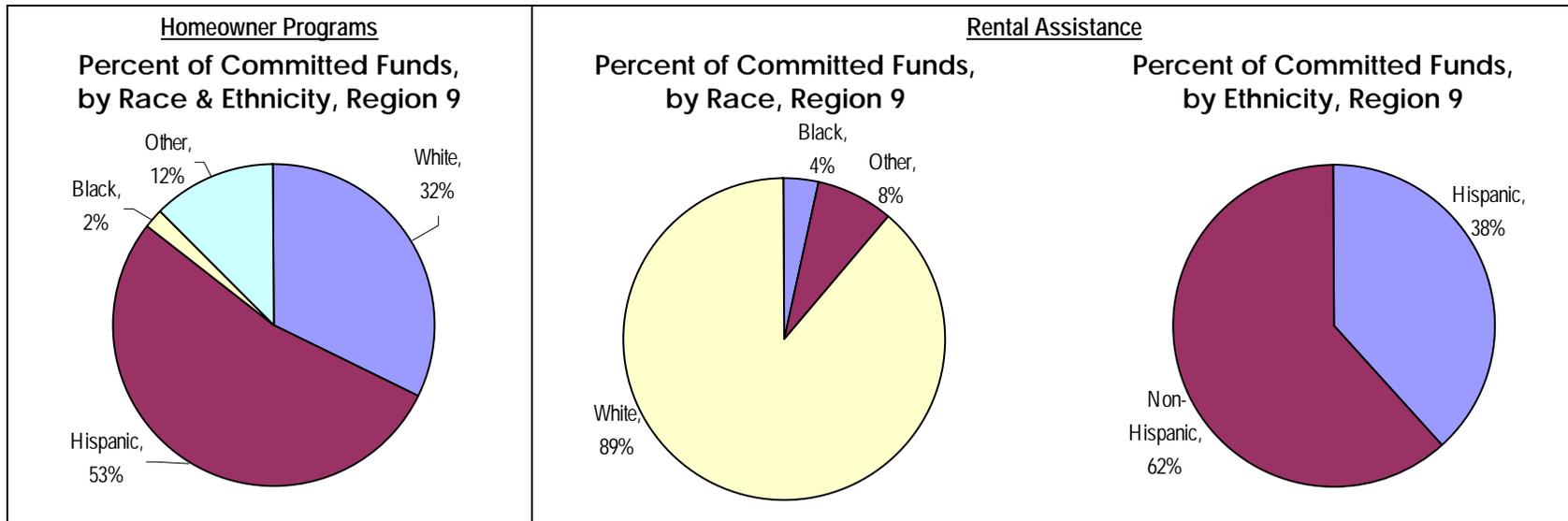
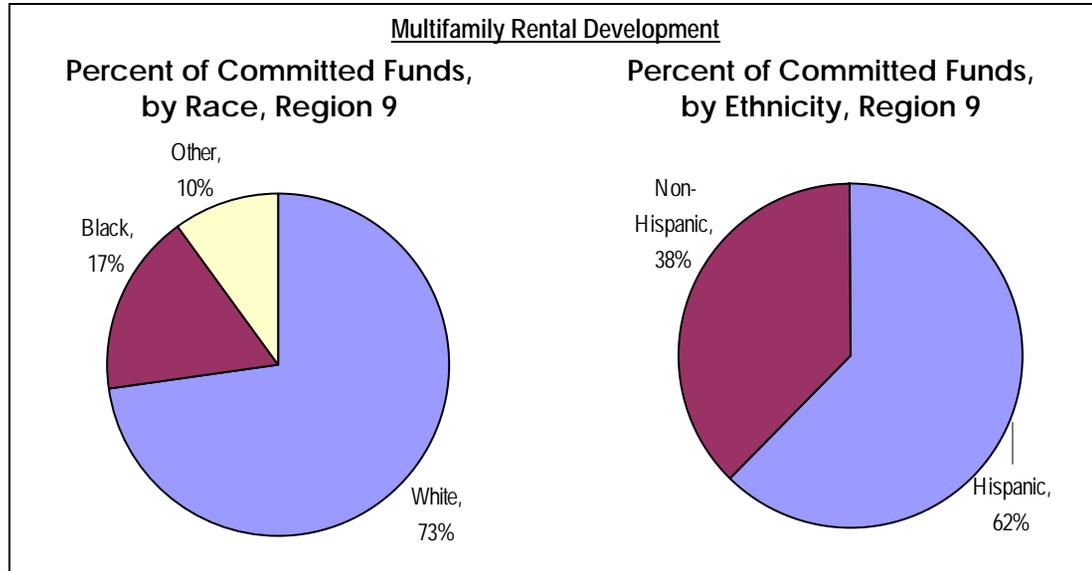


Funding and Households Served, by Income Category and Housing Program, Region 8

Activity	SF Bond		HOME		HTF		HTC		MF Bond		Section 8	
	Committed Funds	Number of Households Served	Committed Funds	Number of Households Served	Committed Funds	Number of Households Served	Committed Funds	Number of Households Served	Committed Funds	Number of Households Served	Committed Funds	Number of Households Served
Extremely Low Income	\$90,000	3	\$386,000	12	\$270,000	9	\$278,769	34	\$0	0	\$249,685	70
Very Low Income	\$779,442	17	\$2,982,336	90	\$270,000	9	\$492,425	58	\$0	0	\$55,351	25
Low Income	\$6,636,978	65	\$1,499,142	107	\$30,000	1	\$2,912,318	622	\$8,583,333	150	\$4,439	5
Moderate Income	\$7,102,819	58	\$0	0	\$0	0	\$101,576	34	\$1,716,667	30	\$0	0
Total	\$14,609,239	143	\$4,867,478	209	\$570,000	19	\$3,785,088	748	\$10,300,000	180	\$309,475	100

REGION 9

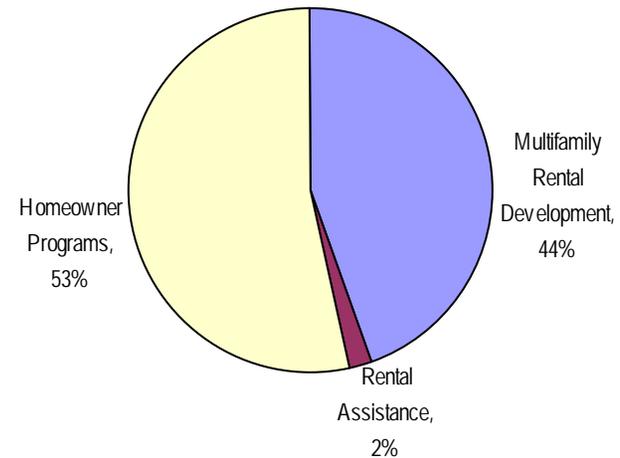
TDHCA allocated \$19,405,323 in the region in FY 2006. Homeowner programs accounted for the largest segment of this total with 53%. "Low income" households was the most served income group, receiving 71% of the funding in the region. Note: Because loan servicers do not record race and ethnicity data separately, data for homeowner programs are presented in one combined chart.



Funding and Households Served, by Activity, for All Housing Programs, Region 9

Activity	Committed Funds	Number of Households Served	% of Total Region Committed Funds	% of Total Region Households Served
Multifamily Rental Development	\$8,594,298	2,202	44%	93%
Rental Assistance	\$472,422	74	2%	3%
Homeowner Programs	\$10,338,603	104	53%	4%
Total	\$19,405,323	2,380		

Percent of Committed Funds, by Activity, Region 9



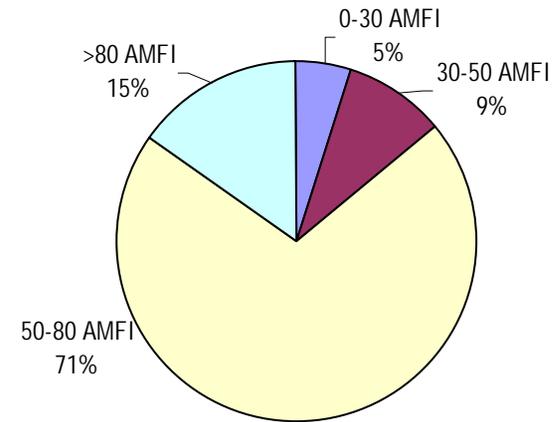
Funding and Households Served, by Activity and Housing Program, Region 9

Activity	SF Bond		HOME		HTF		HTC		MF Bond		Section 8	
	Committed Funds	# of Households Served										
Multifamily Rental Development	\$0	0	\$364,562	70	\$0	0	\$8,229,736	2132	\$0	0	\$0	0
Rental Assistance	\$0	0	\$286,000	20	\$0	0	\$0	0	\$0	0	\$186,422	54
Homeowner Programs	\$9,766,603	94	\$572,000	10	\$0	0	\$0	0	\$0	0	\$0	0
Total	\$9,766,603	94	\$1,222,562	100	\$0	0	\$8,229,736	2,132	\$0	0	\$186,422	54

Funding and Households Served, by Income Category, for All Housing Programs, Region 9

Activity	Committed Funds	Number of Households Served	% of Committed Funds	% of Households Served
Extremely Low Income (0-30 AMFI)	\$1,053,357	112	5%	5%
Very Low Income (30-50 AMFI)	\$1,722,056	173	9%	7%
Low Income (50-80 AMFI)	\$13,660,751	2,064	70%	87%
Moderate Income (>80 AMFI)	\$2,969,159	31	15%	1%
Total	\$19,405,323	2,380		

Percent of Committed Funds, by Income Category, Region 9

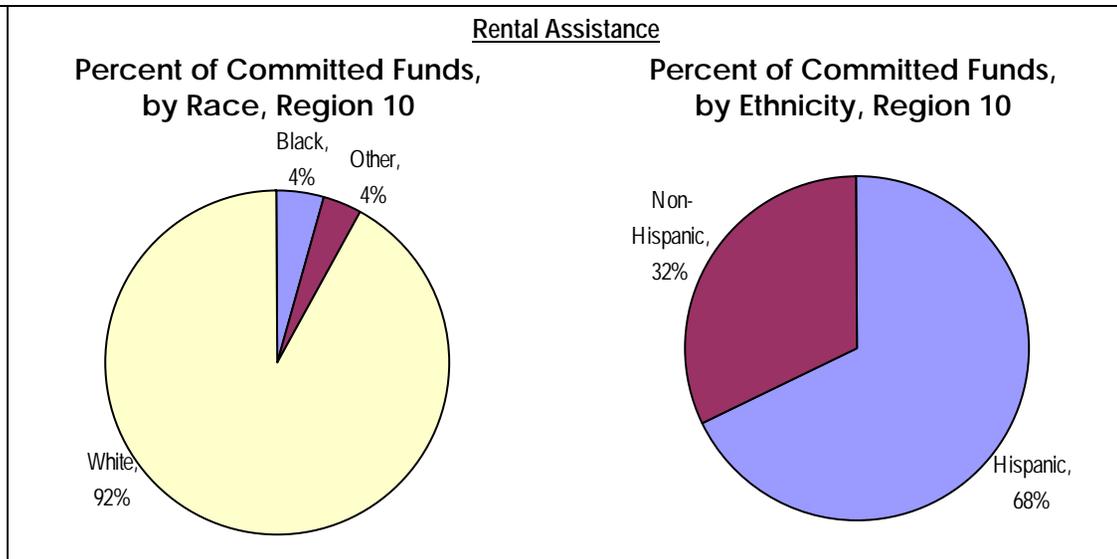
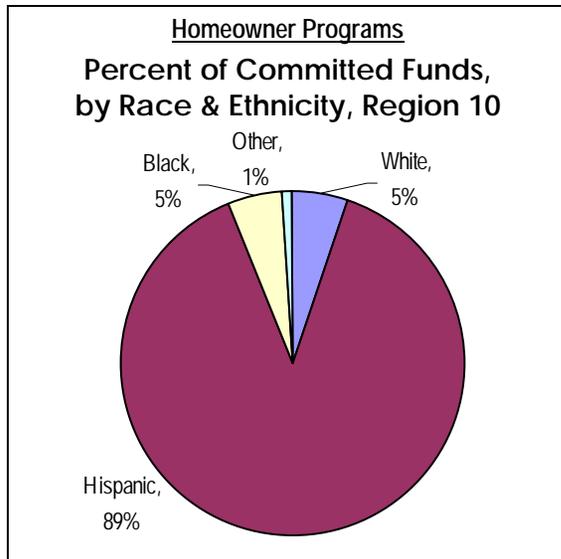
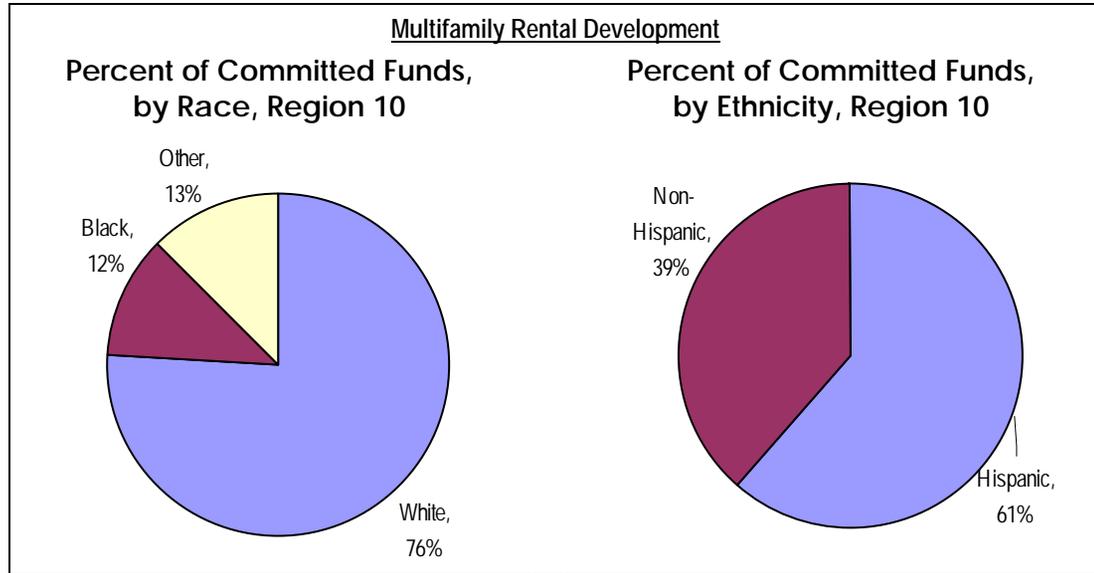


Funding and Households Served, by Income Category and Housing Program, Region 9

Activity	SF Bond		HOME		HTF		HTC		MF Bond		Section 8	
	Committed Funds	Number of Households Served	Committed Funds	Number of Households Served	Committed Funds	Number of Households Served	Committed Funds	Number of Households Served	Committed Funds	Number of Households Served	Committed Funds	Number of Households Served
Extremely Low Income	\$69,451	1	\$572,000	25	\$0	0	\$253,264	43	\$0	0	\$158,642	43
VeryLow Income	\$503,517	6	\$410,993	29	\$0	0	\$779,766	127	\$0	0	\$27,780	11
Low Income	\$6,245,308	60	\$218,737	42	\$0	0	\$7,196,706	1962	\$0	0	\$0	0
Moderate Income	\$2,948,327	27	\$20,832	4	\$0	0	\$0	0	\$0	0	\$0	0
Total	\$9,766,603	94	\$1,222,562	100	\$0	0	\$8,229,736	2132	\$0	0	\$186,422	54

REGION 10

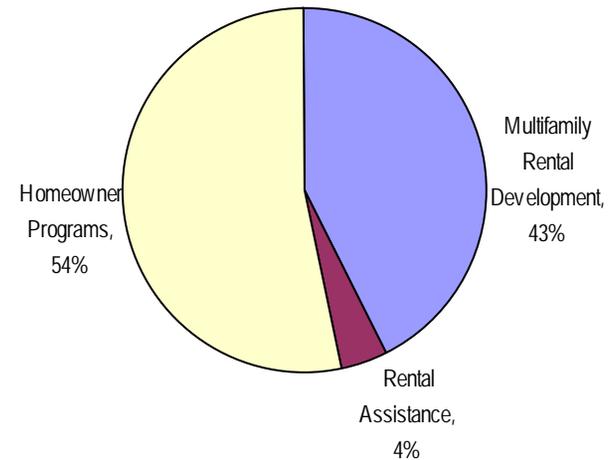
TDHCA allocated \$9,335,655 in the region in FY 2006. Homeowner programs accounted for the largest segment of this total with 54%. "Low Income" households was the most served income group, receiving 52% of the funding in the region. Note: Because loan servicers do not record race and ethnicity data separately, data for homeowner programs are presented in one combined chart.



Funding and Households Served, by Activity, for All Housing Programs, Region 10

Activity	Committed Funds	Number of Households Served	% of Total Region Committed Funds	% of Total Region Households Served
Multifamily Rental Development	\$3,974,493	819	43%	85%
Rental Assistance	\$343,065	38	4%	4%
Homeowner Programs	\$5,018,097	105	54%	11%
Total	\$9,335,655	962		

Percent of Committed Funds, by Activity, Region 10



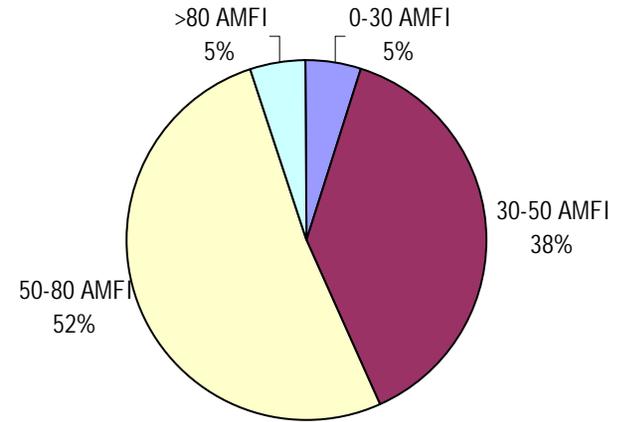
Funding and Households Served, by Activity and Housing Program, Region 10

Activity	SF Bond		HOME		HTF		HTC		MF Bond		Section 8	
	Committed Funds	# of Households Served										
Multifamily Rental Development	\$0	0	\$170,000	48	\$70,000	21	\$3,734,493	750	\$0	0	\$0	0
Rental Assistance	\$0	0	\$286,000	25	\$0	0	\$0	0	\$0	0	\$57,065	13
Homeowner Programs	\$1,904,097	23	\$2,964,000	77	\$150,000	5	\$0	0	\$0	0	\$0	0
Total	\$1,904,097	23	\$3,420,000	150	\$220,000	26	\$3,734,493	750	\$0	0	\$57,065	13

Funding and Households Served, by Income Category, for All Housing Programs, Region 10

Activity	Committed Funds	Number of Households Served	% of Committed Funds	% of Households Served
Extremely Low Income (0-30 AMFI)	\$498,411	64	5%	7%
Very Low Income (30-50 AMFI)	\$3,579,332	190	38%	20%
Low Income (50-80 AMFI)	\$4,750,457	704	51%	73%
Moderate Income (>80 AMFI)	\$507,455	4	5%	0%
Total	\$9,335,655	962		

Percent of Committed Funds, by Income Category, Region 10

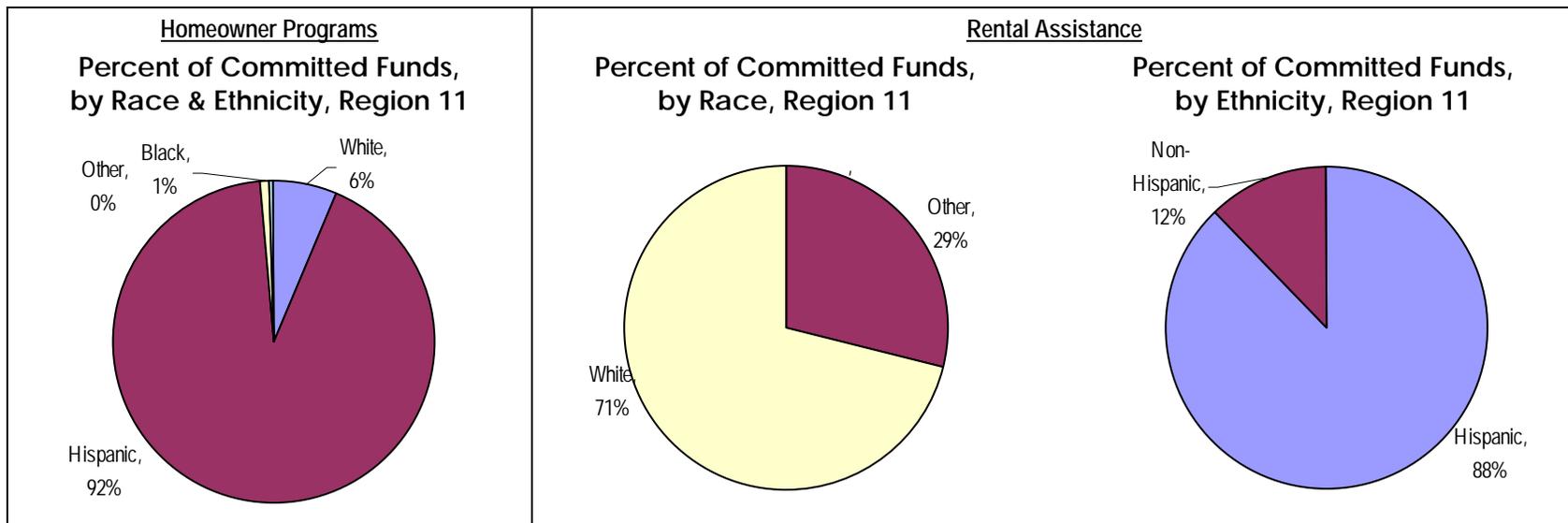
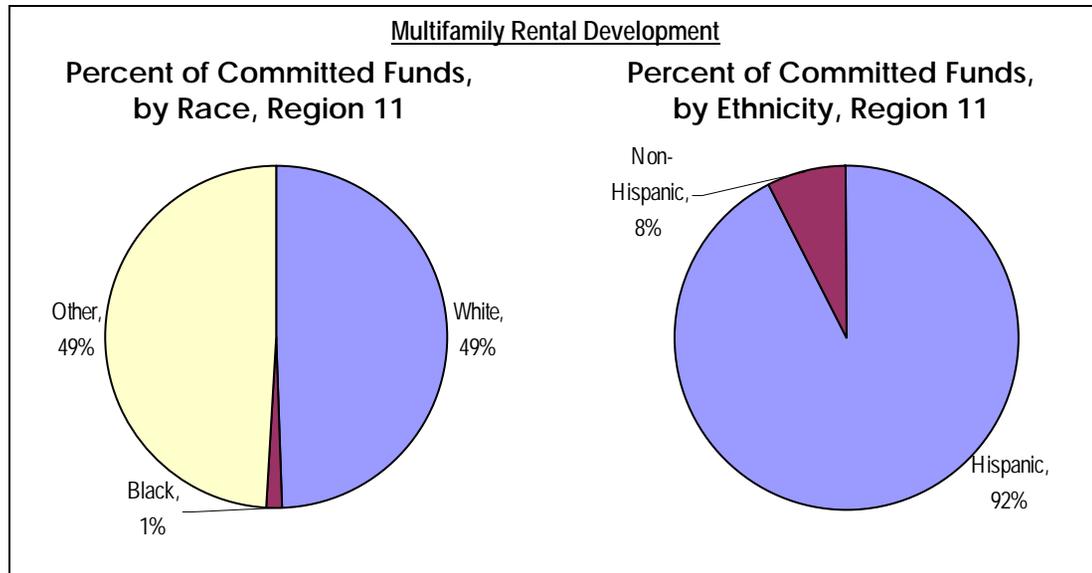


Funding and Households Served, by Income Category and Housing Program, Region 10

Activity	SF Bond		HOME		HTF		HTC		MF Bond		Section 8	
	Committed Funds	Number of Households Served	Committed Funds	Number of Households Served	Committed Funds	Number of Households Served	Committed Funds	Number of Households Served	Committed Funds	Number of Households Served	Committed Funds	Number of Households Served
Extremely Low Income	\$0	0	\$220,508	23	\$65,000	7	\$162,553	23	\$0	0	\$50,350	11
VeryLow Income	\$577,942	9	\$1,934,400	50	\$30,000	3	\$1,030,275	126	\$0	0	\$6,715	2
Low Income	\$818,700	10	\$1,265,092	77	\$125,000	16	\$2,541,665	601	\$0	0	\$0	0
Moderate Income	\$507,455	4	\$0	0	\$0	0	\$0	0	\$0	0	\$0	0
Total	\$1,904,097	23	\$3,420,000	150	\$220,000	26	\$3,734,493	750	\$0	0	\$57,065	13

REGION 11

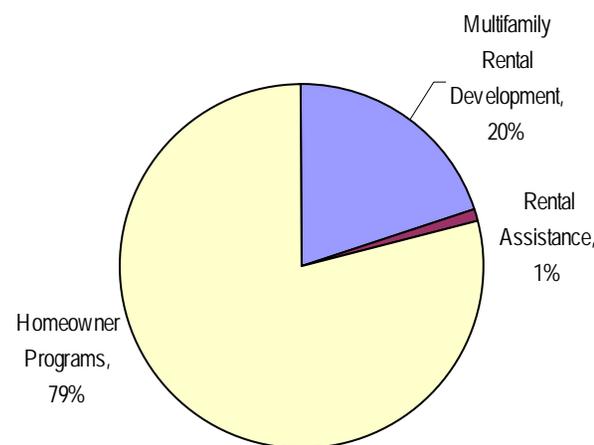
TDHCA allocated \$30,743,913 in the region in FY 2006. Homeowner Programs accounted for the largest segment of this total with 79%. "Low income" households was the most served income group, receiving 50% of the funding in the region. Note: Because loan servicers do not record race and ethnicity data separately, data for homeowner programs are presented in one combined chart.



Funding and Households Served, by Activity, for All Housing Programs, Region 11

Activity	Committed Funds	Number of Households Served	% of Total Region Committed Funds	% of Total Region Households Served
Multifamily Rental Development	\$6,061,874	925	20%	65%
Rental Assistance	\$324,944	37	1%	3%
Homeowner Programs	\$24,357,095	461	79%	32%
Total	\$30,743,913	1,423		

Percent of Committed Funds, by Activity, Region 11



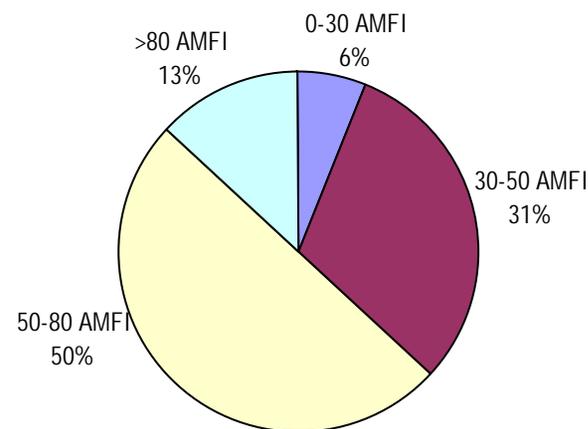
Funding and Households Served, by Activity and Housing Program, Region 11

Activity	SF Bond		HOME		HTF		HTC		MF Bond		Section 8	
	Committed Funds	# of Households Served	Committed Funds	# of Households Served	Committed Funds	# of Households Served	Committed Funds	# of Households Served	Committed Funds	# of Households Served	Committed Funds	# of Households Served
Multifamily Rental Development	\$0	0	\$389,868	58	\$0	0	\$5,672,006	867	\$0	0	\$0	0
Rental Assistance	\$0	0	\$286,000	30	\$0	0	\$0	0	\$0	0	\$38,944	7
Homeowner Programs	\$19,895,693	285	\$4,222,400	167	\$239,002	9	\$0	0	\$0	0	\$0	0
Total	\$19,895,693	285	\$4,898,268	255	\$239,002	9	\$5,672,006	867	\$0	0	\$38,944	7

Funding and Households Served, by Income Category, for All Housing Programs, Region 11

Activity	Committed Funds	Number of Households Served	% of Committed Funds	% of Households Served
Extremely Low Income (0-30 AMFI)	\$1,890,637	209,147	6%	87%
Very Low Income (30-50 AMFI)	\$9,483,832	30,294	31%	13%
Low Income (50-80 AMFI)	\$15,430,113	924	50%	0%
Moderate Income (>80 AMFI)	\$3,939,331	51	13%	0%
Total	\$30,743,913	240,416		

Percent of Committed Funds, by Income Category, Region 11

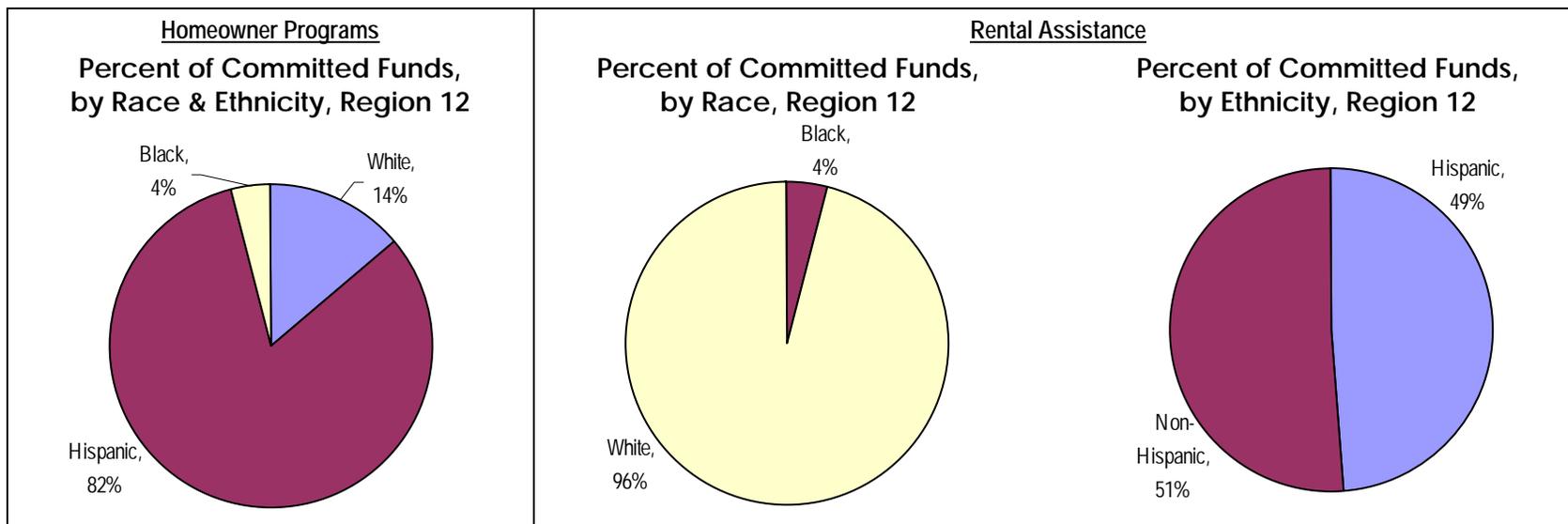
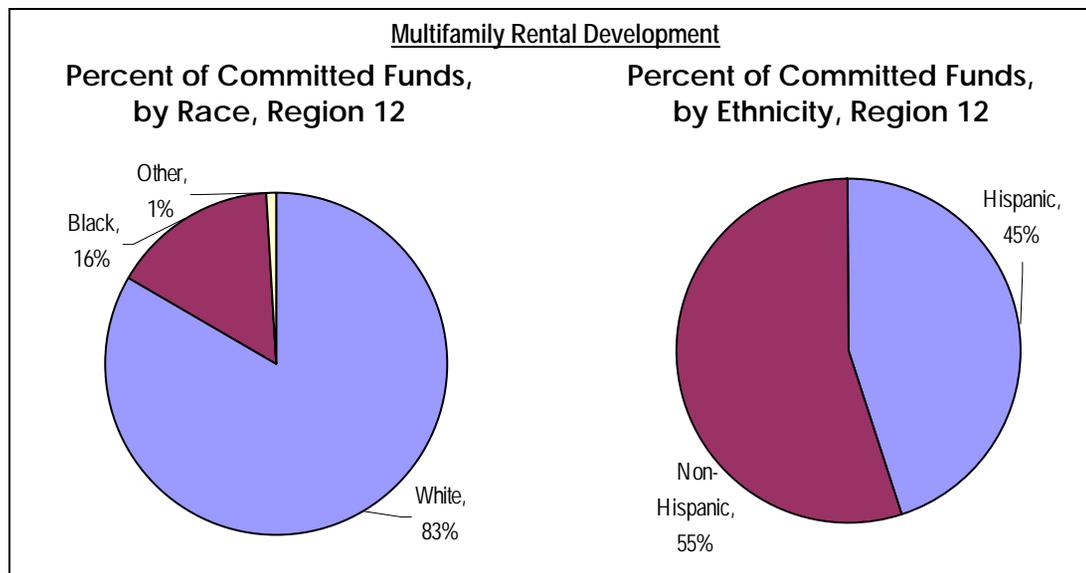


Funding and Households Served, by Income Category and Housing Program, Region 11

Activity	SF Bond		HOME		HTF		HTC		MF Bond		Section 8	
	Committed Funds	Number of Households Served	Committed Funds	Number of Households Served	Committed Funds	Number of Households Served	Committed Funds	Number of Households Served	Committed Funds	Number of Households Served	Committed Funds	Number of Households Served
Extremely Low Income	\$454,547	11	\$611,519	42	\$209,002	\$209,002	\$576,625	85	\$0	0	\$38,944	7
VeryLow Income	\$7,861,522	128	\$1,325,638	83	\$30,000	\$30,000	\$266,672	83	\$0	0	\$0	0
Low Income	\$7,681,087	104	\$2,961,111	130	\$0	0	\$4,787,915	690	\$0	0	\$0	0
Moderate Income	\$3,898,537	42	\$0	0	\$0	0	\$40,794	9	\$0	0	\$0	0
Total	\$19,895,693	285	\$4,898,268	255	\$239,002	239002	\$5,672,006	867	\$0	0	\$38,944	7

REGION 12

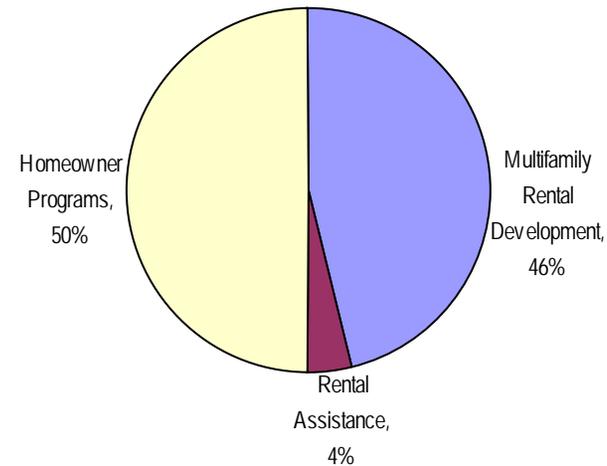
TDHCA allocated \$3,170,939 in the region in FY 2006. Homeowner programs accounted for the largest segment of this total with 50%. "Very Low Income" households was the most served income group, receiving 58% of the funding in the region. Note: Because loan servicers do not record race and ethnicity data separately, data for homeowner programs are presented in one combined chart.



Funding and Households Served, by Activity, for All Housing Programs, Region 12

Activity	Committed Funds	Number of Households Served	% of Total Region Committed Funds	% of Total Region Households Served
Multifamily Rental Development	\$1,459,809	248	46%	80%
Rental Assistance	\$125,131	23	4%	7%
Homeowner Programs	\$1,586,000	40	50%	13%
Total	\$3,170,940	311		

Percent of Committed Funds, by Activity, Region 12



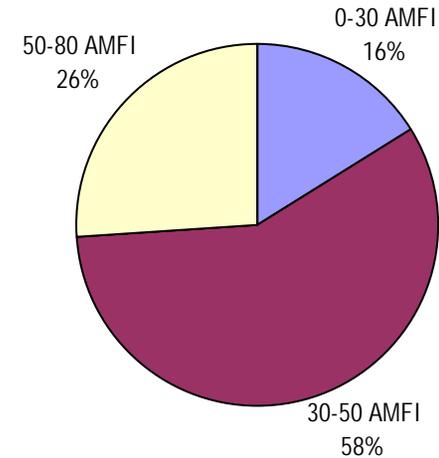
Funding and Households Served, by Activity and Housing Program, Region 12

Activity	SF Bond		HOME		HTF		HTC		MF Bond		Section 8	
	Committed Funds	# of Households Served										
Multifamily Rental Development	\$0	0	\$0	0	\$0	0	\$1,459,809	248	\$0	0	\$0	0
Rental Assistance	\$0	0	\$83,283	5	\$0	0	\$0	0	\$0	0	\$41,848	18
Homeowner Programs	\$0	0	\$1,586,000	40	\$0	0	\$0	0	\$0	0	\$0	0
Total	\$0	0	\$1,669,283	45	\$0	0	\$1,459,809	248	\$0	0	\$41,848	18

Funding and Households Served, by Income Category, for All Housing Programs, Region 12

Activity	Committed Funds	Number of Households Served	% of Committed Funds	% of Households Served
Extremely Low Income (0-30 AMFI)	\$494,953	34	16%	11%
Very Low Income (30-50 AMFI)	\$1,848,083	152	58%	49%
Low Income (50-80 AMFI)	\$818,787	124	26%	40%
Moderate Income (>80 AMFI)	\$9,117	1	0%	0%
Total	\$3,170,940	311		

Percent of Committed Funds, by Income Category, Region 12

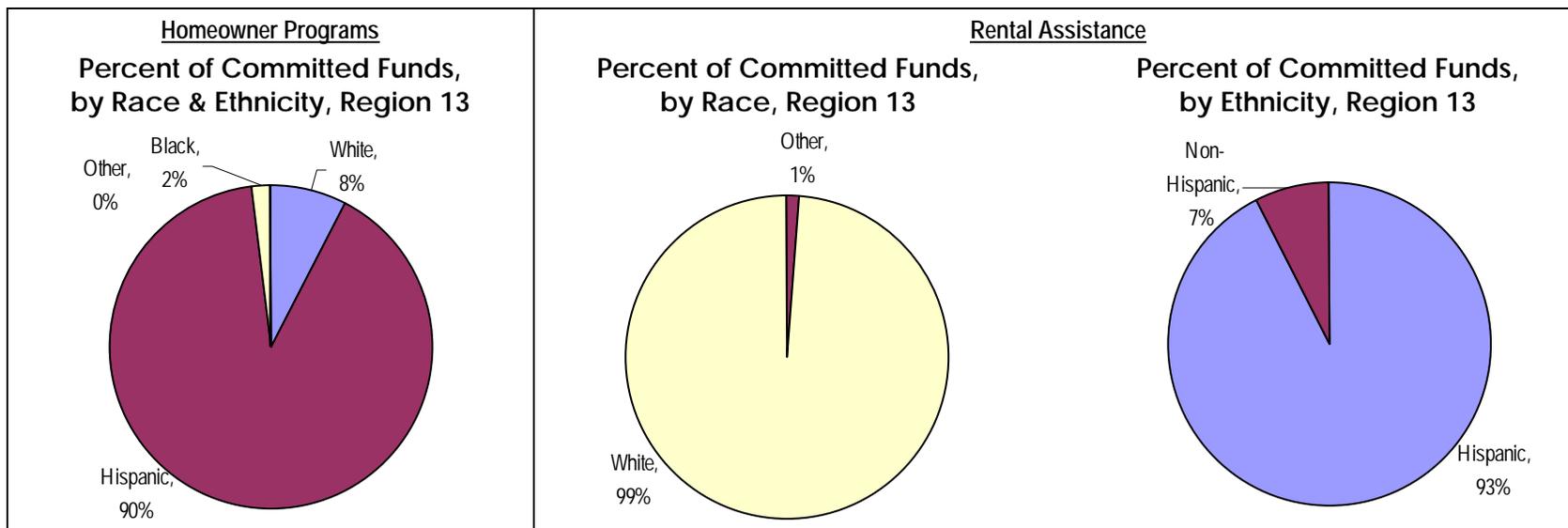
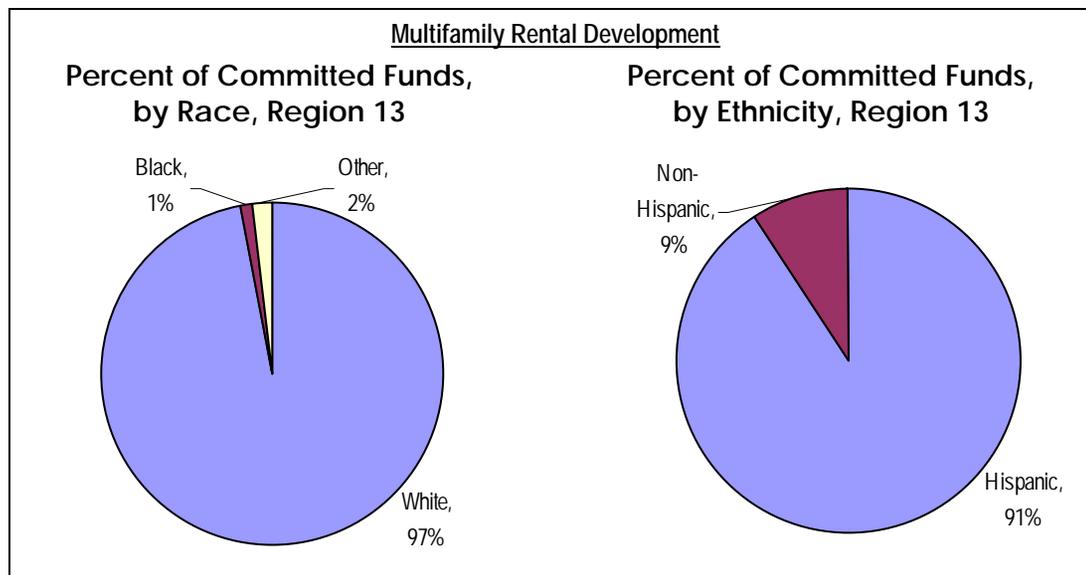


Funding and Households Served, by Income Category and Housing Program, Region 12

Activity	SF Bond		HOME		HTF		HTC		MF Bond		Section 8	
	Committed Funds	Number of Households Served	Committed Funds	Number of Households Served	Committed Funds	Number of Households Served	Committed Funds	Number of Households Served	Committed Funds	Number of Households Served	Committed Funds	Number of Households Served
Extremely Low Income	\$0	0	\$410,883	14	\$0	0	\$45,583	5	\$0	0	\$38,487	15
VeryLow Income	\$0	0	\$1,206,400	26	\$0	0	\$638,322	123	\$0	0	\$3,361	3
Low Income	\$0	0	\$52,000	5	\$0	0	\$766,787	119	\$0	0	\$0	0
Moderate Income	\$0	0	\$0	0	\$0	0	\$9,117	1	\$0	0	\$0	0
Total	\$0	0	\$1,669,283	45	\$0	0	\$1,459,809	248	\$0	0	\$41,848	18

REGION 13

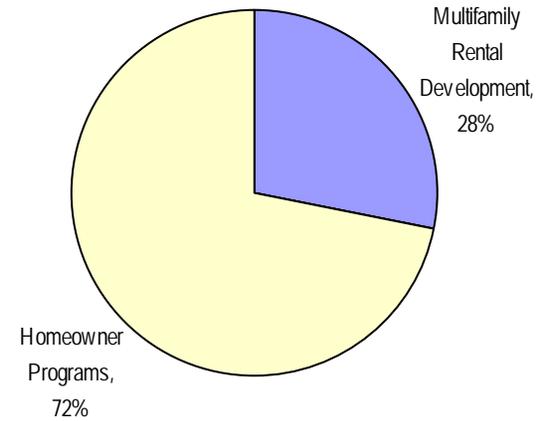
TDHCA allocated \$12,920,192 in the region in FY 2006. Homeowner programs accounted for the largest segment of this total with 72%. "Low Income" households was the most served income group, receiving 55% of the funding in the region. Note: Because loan servicers do not record race and ethnicity data separately, data for homeowner programs are presented in one combined chart.



**Funding and Households Served,
by Activity, for All Housing Programs, Region 13**

Activity	Committed Funds	Number of Households Served	% of Total Region Committed Funds	% of Total Region Households Served
Multifamily Rental Development	\$3,582,286	910	28%	87%
Rental Assistance	\$0	0	0%	0%
Homeowner Programs	\$9,337,906	135	72%	13%
Total	\$12,920,192	1,045		

**Percent of Committed Funds,
by Activity, Region 13**



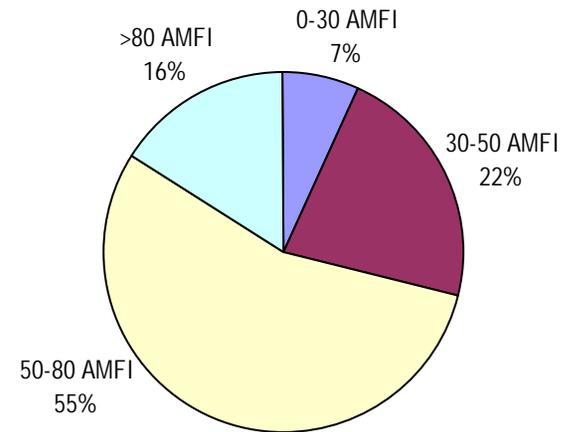
Funding and Households Served, by Activity and Housing Program, Region 13

Activity	SF Bond		HOME		HTF		HTC		MF Bond		Section 8	
	Committed Funds	# of Households Served	Committed Funds	# of Households Served	Committed Funds	# of Households Served	Committed Funds	# of Households Served	Committed Funds	# of Households Served	Committed Funds	# of Households Served
Multifamily Rental Development	\$0	0	\$0	0	\$70,000	200	\$3,512,286	710	\$0	0	\$0	0
Rental Assistance	\$0	0	\$0	0	\$0	0	\$0	0	\$0	0	\$0	0
Homeowner Programs	\$8,569,706	113	\$603,200	11	\$165,000	11	\$0	0	\$0	0	\$0	0
Total	\$8,569,706	113	\$603,200	11	\$235,000	211	\$3,512,286	710	\$0	0	\$0	0

Funding and Households Served, by Income Category, for All Housing Programs, Region 13

Activity	Committed Funds	Number of Households Served	% of Committed Funds	% of Households Served
Extremely Low Income (0-30 AMFI)	\$911,217	158	7%	15%
Very Low Income (30-50 AMFI)	\$2,877,009	187	22%	18%
Low Income (50-80 AMFI)	\$7,128,053	669	55%	64%
Moderate Income (>80 AMFI)	\$2,003,913	31	16%	3%
Total	\$12,920,192	1,045		

Percent of Committed Funds, by Income Category, Region 13



Funding and Households Served, by Income Category and Housing Program, Region 13

Activity	SF Bond		HOME		HTF		HTC		MF Bond		Section 8	
	Committed Funds	Number of Households Served	Committed Funds	Number of Households Served	Committed Funds	Number of Households Served	Committed Funds	Number of Households Served	Committed Funds	Number of Households Served	Committed Funds	Number of Households Served
Extremely Low Income	\$120,000	5	\$348,400	6	\$132,500	106	\$310,317	41	\$0	0	\$0	0
VeryLow Income	\$2,414,200	38	\$0	0	\$102,500	105	\$360,309	44	\$0	0	\$0	0
Low Income	\$4,094,017	51	\$254,800	5	\$0	0	\$2,779,236	613	\$0	0	\$0	0
Moderate Income	\$1,941,489	19	\$0	0	\$0	0	\$62,424	12	\$0	0	\$0	0
Total	\$8,569,706	113	\$603,200	11	\$235,000	211	\$3,512,286	710	\$0	0	\$0	0

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, TDHCA staff reach out to interested parties informational workshops and conferences across the state to share information about TDHCA programs. Organizations interested in becoming affordable housing providers are actively encouraged to contact the TDHCA for further technical assistance in accessing TDHCA programs.
- The Department's Division of Policy and 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 email service, where subscribed individuals and entities can receive email updated on TDHCA information, announcements, and trainings.
- A comprehensive database, including public housing authorities (PHAs), community development housing organizations (CHDOs), community development corporations (CDCs), area agencies on aging (AAAs), homebuyer education providers, local governments, and other community-based organizations, is used to streamline TDHCA efforts to inform interested parties of available funding, public hearings, and other activities.
- TDHCA establishes or serves on 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

TDHCA 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 TDHCA's policies, rules, planning documents, and programs, TDHCA has consolidated its public hearings. Each year there will be at least one hearing per Uniform State Service Region that will cover all TDHCA programs, and an additional Board hearing is held with the consolidated hearings so that citizens may provide comment directly to the Board members. Staff is available at each regional hearing to answer questions and lend technical assistance to attendees. In addition to these 13 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.

TDHCA 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. A database has been developed that includes citizen and nonprofit organizations, local governments, state legislators, public housing authorities, and local public libraries so that, when a public hearing or public comment period is scheduled, all interested parties are notified. Additionally, pertinent information is posted in the *Texas Register*, in *Breaking Ground* (the TDHCA newsletter), on TDHCA's website, in several association newsletters, and in the newspapers that are local to the hearing location. Participation and comments are encouraged and can be submitted either at a public hearing or in writing via mail, fax, email, and, in some cases, directly at the TDHCA website.

For information on the citizen participation process for the *2007 State of Texas Low Income Housing Plan and Annual Report*, please see Section 5: Public Participation.

FAIR HOUSING SPONSOR REPORT ANALYSIS

TDHCA requires that housing developments of 20 units or more that 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 cover: 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 by Texas county, based on housing sponsor report responses from TDHCA-funded properties.

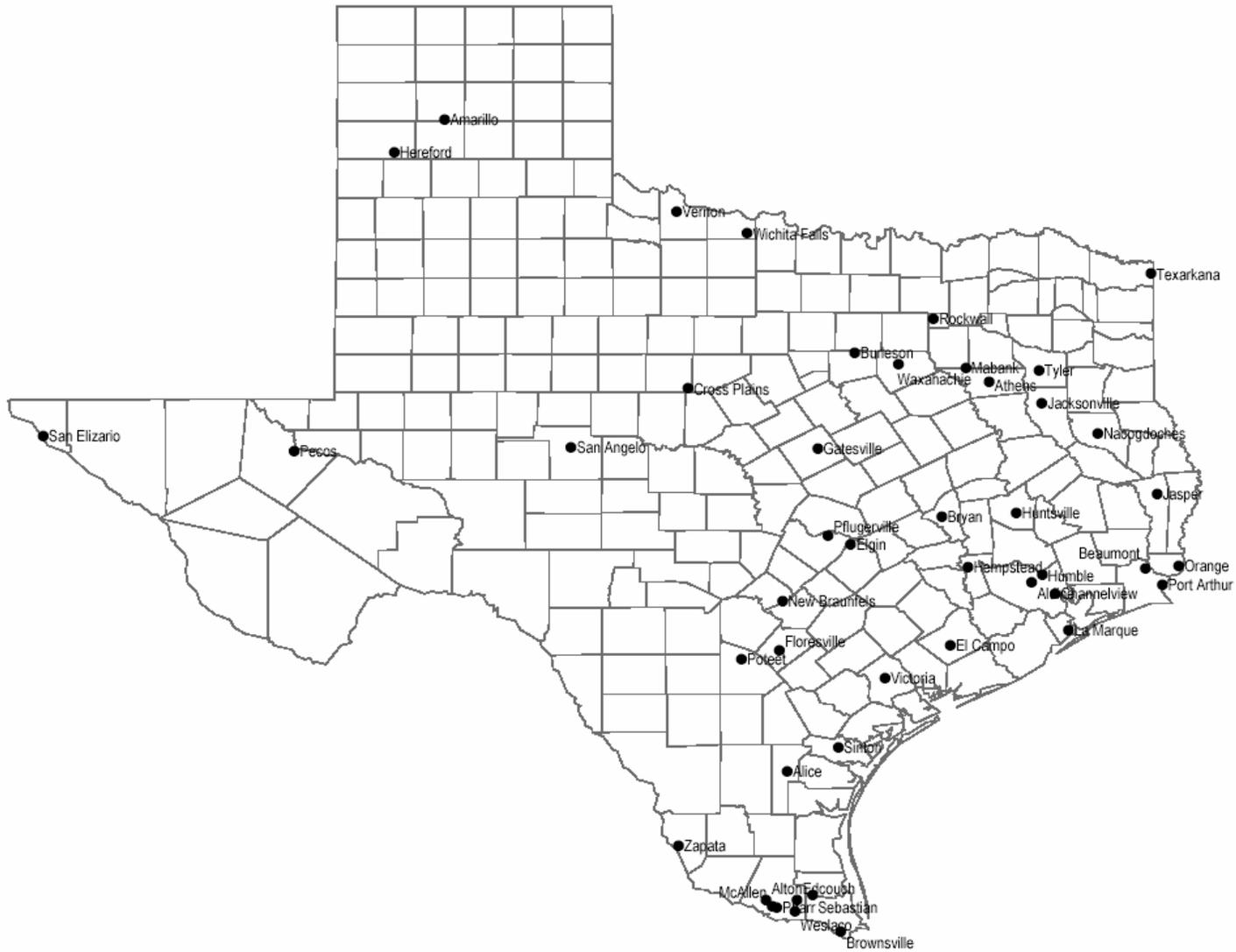
For more information and a copy of this report, please contact the TDHCA Division of Policy and Public Affairs at (512) 475-3976 or visit <http://www.tdhca.state.tx.us/ppa/housing-center/pubs.htm>.

GEOGRAPHIC DISTRIBUTION OF HOUSING TAX CREDITS

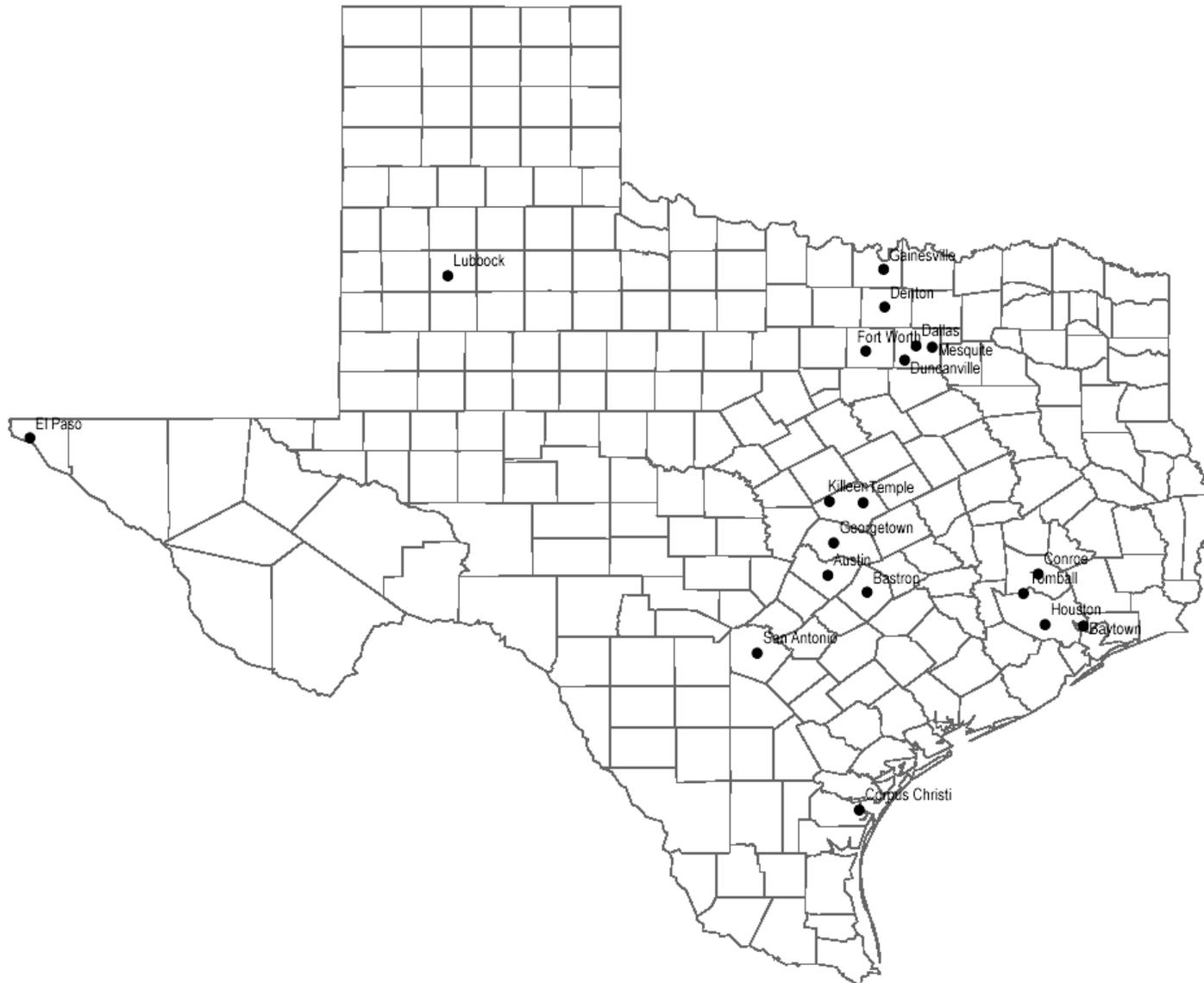
The Housing Tax Credit (HTC) Program receives authority from the US Treasury Department to provide tax credits to encourage the development and preservation of affordable rental housing. The Internal Revenue Code authorizes a state HTC volume cap based on a per capita amount of the state population. Tax credits are also awarded independently of the volume cap to developments with tax-exempt bond financing. These two credit types are typically referred to as the 9% and 4% HTCs, respectively. Section 2306.111(d) of the Government Code requires that TDHCA use a Regional Allocation Formula (RAF) to allocate its 9 % 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.

For FY 2006, TDHCA had \$48,273,334 credits to allocate through the 9% application process. This amount was comprised of the annual volume cap, recaptured credits, additional credits received pursuant to HR 4440 Gulf Opportunity Zone Act of 2005 and \$600,447 from the national pool of unused credits from other states. Over the course of the year, the total amount of 9% and 4% credits approved by the Board, including forward commitments, was: \$\$77,258,988.00 In July 2006, the TDHCA Board approved 84 applications for 9% HTCs, totaling \$54,306,491. Any remaining 2006 credit authority will be allocated to applicants on the 2006 waiting list. Alternately, if the credit balance meets the IRS de minimus requirements, it may be rolled into the 2007 credit ceiling. Under either scenario, TDHCA will be eligible to receive credits from the national pool of unused credits. The 4% awards, which are approved by the Board throughout the year, totaled \$22,952,497 for FY 2006. Information on these awards, as well as the entire HTC inventory, can be found on the HTC Program's web page at www.tdhca.state.tx.us. The following maps display the geographic distribution of the FY 2006 4% and 9% awards.

HTC 9% Distribution by Place, FY 2006



HTC 4% Distribution by Place, FY 2006



Distribution of TDHCA Housing Tax Credit (HTC) Awards, 2006

The following charts show the distribution of TDHCA's 4% and 9% HTC awards for 2005. The racial composition of each census tract containing 2005 HTC award units was compared with the racial composition of the county in which the tract is located. In addition, the income level of each census tract receiving an award was compared with the income level of the county in which the tract is located.

Awards were made within the following counties: Atascosa, Bastrop, Bell, Bexar, Bowie, Brazos, Callahan, Cameron, Cherokee, Comal, Cooke, Coryell, Dallas, Deaf Smith, Denton, El Paso, Ellis, Galveston, Harris, Henderson, Hidalgo, Jasper, Jefferson, Jim Wells, Johnson, Kaufman, Lubbock, Montgomery, Nacogdoches, Nueces, Orange, Potter, Reeves, Rockwall, San Patricio, Smith, Tarrant, Tom Green, Travis, Victoria, Walker, Waller, Wharton, Wichita, Wilbarger, Willacy, Williamson, Wilson, Zapata

Methodology

Racial Characteristics

The percentage racial composition was determined according to the standards set by the U.S. Census. Accordingly, "race" is broken down into three subclassifications: 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 the HTC program have been delineated according to these categories.

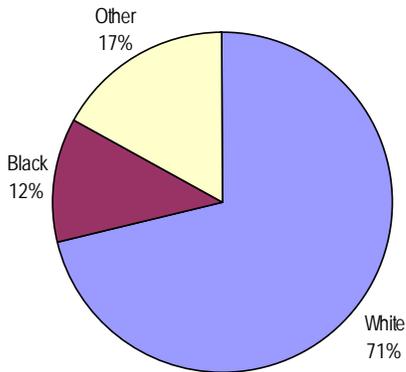
After determining which race comprised the largest percentage of the county's population, each census tract was categorized as a "Majority" or "Minority" tract. Majority tracts are those in which the race that comprised the highest percentage of the county population had an equal or greater percentage at the tract level. The "Majority" and "Minority" units in each county were then totaled to determine the percentage distribution. It should be noted that "White" was not always the majority county population. For example, in the San Antonio and El Paso areas, the Hispanic population comprised the majority county population.

Income Characteristics

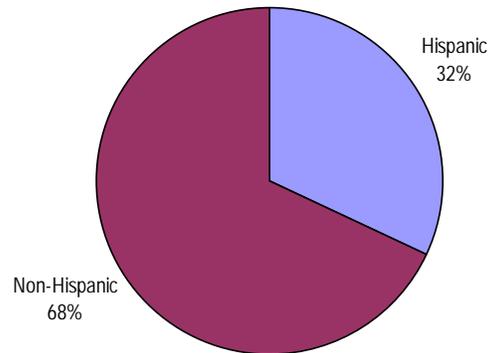
The median family income (MFI) of each tract awarded units was compared with the low income threshold of the county containing those tracts. A county's low income threshold was calculated as 60 percent of the MFI for the county. That is, tracts with an MFI that is less than 60 percent of the county's MFI are considered low income tracts. Tracts with an MFI that is greater than or equal to 60 percent of the county's MFI are considered non-low income tracts.

Racial Composition of the State of Texas

20,851,820 Total Individuals

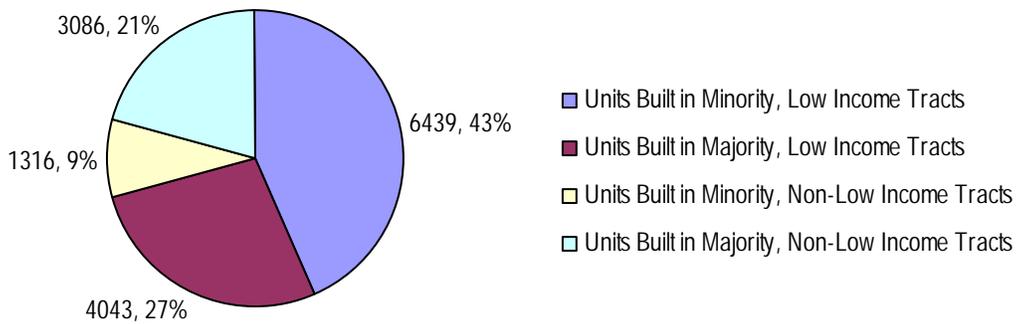


Ethnic Composition of the State of Texas

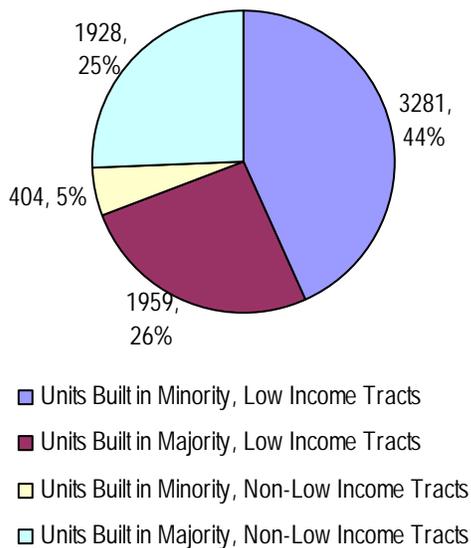


Source: 2000 Census

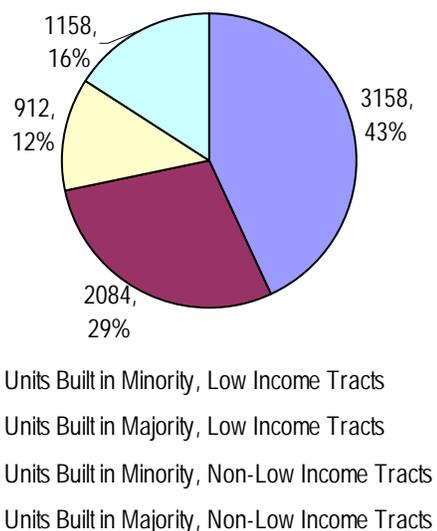
Total 2006 HTC Unit Distribution by Census Tract Racial Characteristics



Total 2006 4% HTC Unit Distribution by Census Tract Racial Characteristics



Total 2006 9% HTC Unit Distribution by Census Tract Racial Characteristics



EFFECT OF THE TWO TIMES PER CAPITA RULE

There are a number of conditions that affect a site's eligibility for HTC's. One of these conditions relates to the previous development of housing tax credits within a place or county as required by §2306.6703. Ineligibility for consideration is that an application will be ineligible if:

“(4) the development is located in a municipality or, if located outside a municipality, a county that has more than twice the state average of units per capita supported by housing tax credits or private activity bonds, unless the applicant:

(A) has obtained prior approval of the development from the governing body of the appropriate municipality or county containing the development; and

(B) has included in the application a written statement of support from that governing body referencing this section and authorizing an allocation of housing tax credits for the development.”

As of the close of the state fiscal year on August 31, 2006, the following municipalities had more than twice the state average of units per capita supported by housing tax credits or private activity bonds. It should be noted that this list is subject to periodic revisions with changes in the HTC property inventory and in the population estimates used for the per capita calculation.

Alamo	Coldspring	Floresville	Joaquin	Palacios
Albany	Commerce	Fort Stockton	Johnson City	Palestine
Alpine	Conroe	Fowlerton	Katy	Pearsall
Alto	Corinth	Frankston	Keene	Pflugerville
Anthony	Cotulla	Fredericksburg	Kirbyville	Pittsburg
Baird	Crockett	Gainesville	La Villa	Port Arthur
Bandera	Cross Plains	Georgetown	Laguna Vista	Port Isabel
Baytown	Dallas	Godley	Lancaster	Port Lavaca
Bellville	Dayton	Goliad	Lexington	Prairie View
Big Sandy	De Kalb	Granbury	Livingston	Queen City
Boerne	Decatur	Grandview	Llano	Quinlan
Bogata	Denton	Grapeland	Lone Star	Refugio
Brackettville	DeSoto	Greenville	Mabank	Rhome
Brownwood	Detroit	Groveton	Madisonville	Rockport
Bryson	Dilley	Hemphill	Marble Falls	Rosenberg
Bullard	Donna	Hempstead	Martindale	Runge
Burnet	Dripping Springs	Hereford	Mathis	Rusk
Caldwell	Eastland	Hillsboro	McKinney	San Augustine
Calvert	Edcouch	Hitchcock	Meadows Place	San Marcos
Cameron	Edgewood	Hondo	Menard	Sanger
Carrizo Springs	Eldorado	Honey Grove	Mercedes	Santa Anna
Cedar Park	Electra	Hubbard	Mount Vernon	Santa Rosa
Chandler	Elgin	Hughes Springs	Nacogdoches	Seven Points
Cleburne	Elkhart	Humble	Navasota	Shepherd
Cleveland	Ennis	Ingleside	Normangee	Sinton
Clifton	Eules	Jacinto City	Orange	Somerset
Clint	Evant	Jersey Village	Orange Grove	Sonora

Sour Lake	Tatum	Troup	Waxahachie	Yantis
South Houston	Terrell	Valley View	Weatherford	
Springtown	Three Rivers	Venus	Webster	
St. Jo	Timpson	Waller	Willis	
Sweeny	Tomball	Wallis	Wills Point	

The table below provides the funding distribution of FY 2006 awards by region. The table shows that there were only minor differences between the 9% HTC RAF target and the actual distribution. The table also reveals the limited geographic distribution of the 4% HTCs.

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	\$2,654,085	3.3%	\$629,797	2.1%	\$2,024,288	3.9%	4.7%	-0.8%
2	\$1,203,315	1.5%	-	0.0%	\$1,203,315	2.3%	2.7%	-0.4%
3	\$17,653,106	21.7%	\$9,222,033	31.3%	\$8,431,073	16.2%	16.4%	-0.2%
4	\$2,587,426	3.2%	-	0.0%	\$2,587,426	5.0%	5.0%	0.0%
5	\$5,714,785	7.0%	-	0.0%	\$5,714,785	11.0%	3.5%	7.5%
6	\$18,276,776	22.5%	\$8,407,130	28.5%	\$9,869,646	19.0%	24.2%	-5.2%
7	\$6,879,634	8.5%	\$3,261,743	11.1%	\$3,617,891	7.0%	7.6%	-0.6%
8	\$3,785,088	4.7%	\$759,591	2.6%	\$3,025,497	5.8%	6.1%	-0.3%
9	\$8,229,736	10.1%	\$5,164,972	17.5%	\$3,064,764	5.9%	5.8%	0.1%
10	\$3,734,493	4.6%	\$1,512,904	5.1%	\$2,221,589	4.3%	4.1%	0.2%
11	\$5,672,006	7.0%	-	0.0%	\$5,672,006	10.9%	12.1%	-1.2%
12	\$1,459,808	1.8%	-	0.0%	\$1,459,808	2.8%	2.9%	-0.1%
13	\$3,512,286	4.3%	\$489,934	1.7%	\$3,022,352	5.8%	4.8%	1.0%
Total	\$81,362,544	100.0%	\$29,448,104	100.0%	\$51,914,440	100.0%	100.0%	-0.8%

SECTION 3: 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 an undistorted assessment of housing need can be found only at the local level based on the direct experience of local households. The following issues should be considered when reviewing the information contained in this report:

- 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 CHAS data is primarily used in this report. 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 US 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 Comprehensive Housing Affordability Strategy (CHAS) reports. As such, it provides a systematic framework for housing market analysis. HUD collaborated with the US 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

Housing Analysis

Data Sources and Limitations

are extremely low income, very low income, low income, moderate income, and above 95 percent of HAMFI.¹

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 be also 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 0–1 bedroom unit, 90 percent for a two bedroom unit, and 104 percent for a 3+ 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, which include correctional facilities, hospitals, and juvenile institutions, as well as noninstitutional quarters, which include 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 US 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 US 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.

¹ 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.

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.² The 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.

² Texas Interagency Council for the Homeless, "Key Facts," <http://www.tich.state.tx.us/facts.htm> (accessed August 8, 2006).

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 is one of the fastest growing states in the nation. According to recent Census data, Texas population expanded by nearly a quarter (22.8 percent) between 1990 and 2000, far exceeding the national growth average of 13.2 percent for the same decade. The increase in state population by 3,865,310 persons was the largest of any decade in Texas history. More than one of every nine persons added to the population of the United States in the 1990s was added in Texas.³

Projected Population Change and Implications for Housing Need

- Looking at long-term demographic projections, it is clear that the demand for affordable and subsidized housing will increase in the coming years.
- The 2000 state population of 20.9 million is expected to surge to 50.4 million by 2040.
- The Anglo population will account for only 3.9 percent of net population growth from 2000 to 2040, meaning that more than 96 percent of the total net increase in Texas population between 2000 and 2040 will be due to the non-Anglo population.
- Anglo population is expected to grow by 10.4 percent between 2000 and 2040, while blacks are expected to increase by 65.0 percent and Hispanics by 348.7 percent.
- The population is becoming older: the median age will increase from 32.3 in 2000 to 38.3 in 2040. The percentage of the population that was 65 or older was 9.9 percent in 2000 but will increase to 20 percent by 2040.
- Growth in the number of households, projected at 162.1 percent over the period 2000-2040, will outstrip population growth: 142.6 percent during the same period.

Expected housing demand is directly linked to projected changes in population characteristics. The current ethnic shift is significant because of the substantial differences between the races in terms of income level. The absolute difference in median household income between Anglos and Blacks was \$13,602 in 1989, but \$17,857 in 1999; and the Anglo-Hispanic difference was \$12,242 in 1989, but \$17,289 in 1999. Similarly, the poverty rates of 23.4 percent for Blacks and 25.4 percent for Hispanics were still roughly three times as high as the 7.8 percent of persons in poverty among Anglos. Because of these disparities,

³ Information for the Housing Analysis comes from the 2000 US Census except where noted otherwise.

households in Texas will become poorer over the coming decades unless the relationship between ethnicity and income somehow changes.⁴

A correlation also exists between income and age. According to the 2000 Census, 13.1 percent of Texans age 65 and older live below the poverty level. Lower incomes combined with rising healthcare costs contribute to the burden of paying for housing. Approximately 30 percent of all elderly households spend more than 30 percent of their income on housing, while 14 percent spend more than 50 percent of their income on housing. These statistics take on new urgency when considered alongside the anticipated upsurge in the state's elderly population.

Not only will the demographics of the population be changing, but so will its needs. The faster growth in number of households than in total population is a reflection of the large number of non-Anglos who will enter household-formation ages during this time period. More young families mean an increased demand for housing.⁵

Poverty and Income

According to the 2000 Census, Texas has the ninth highest overall poverty rate in the nation, with a rate of 15.4 percent compared to the national rate of 12.4 percent. Poverty conditions along the Texas-Mexico border warrant special attention. Parts of the region, like McAllen-Edinburg-Mission, suffer from an unemployment rate double that of the state's (12 percent vs. 6.1 percent) and less than half of state's per capita income average. Fifteen counties along the border have a poverty rate of at least 25 percent, almost double the national average. Conditions are particularly acute in the colonias, unincorporated areas along the Texas-Mexico border lacking infrastructure and decent housing. It is estimated that 43 percent of colonia residents live below the poverty level.

The poverty rate for all family households in Texas, different from the overall poverty rate, is expected to increase from the 2000 figure of 11.4 percent to 15.4 percent by 2040.⁶ The primary reasons for this are the rapid growth of present minority populations and the dominance in the economy of low-paying, particularly service-industry, jobs.⁷ While manufacturing and mining continue to decline, Texas ranked third in the nation in 2003 for service industry job creation. According to US Bureau of Labor Statistics data, eight of the top ten most common jobs in Texas earn incomes that fall at least \$10,000 below the state median income of \$33,770.

Many families who rely on these 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

⁴ Center for Demographic and Socioeconomic Research and Education, *Texas Challenge in the Twenty-First Century: Implications of Population Change for the Future of Texas*, by Steve H. Murdock et. al. (Texas A&M University System, December 2002), <http://txsdc.utsa.edu/download/pdf/TxChall2002.pdf> (accessed May 17, 2006).

⁵ Center for Demographic and Socioeconomic Research and Education, *Texas Challenge in the Twenty-First Century*.

⁶ Center for Demographic and Socioeconomic Research and Education, *Texas Challenge in the Twenty-First Century*.

⁷ Center for Public Policy Priorities, *Making It: What it Really Takes to Live in Texas* (Austin, TX: Center for Public Policy Priorities, September 2002).

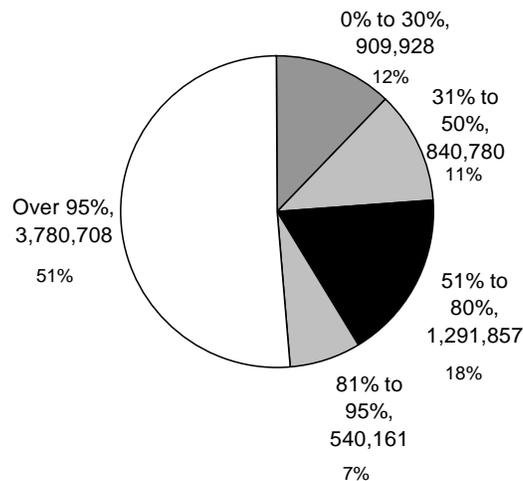
significant proportion of families throughout the state struggle paycheck-to-paycheck to make ends meet.” The study examined a typical family’s fundamental expenses, such as housing, food, child care, medical costs, transportation, taxes, etc., and compared the total bill to typical wages earned in the 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.⁸

The Texas Comptroller’s Economic Update predicts that the fastest growing sector of the state economy over the next decade will be largely in industries requiring specialized education and skills. These industries include high tech communications, engineering, and research.

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 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 in Texas, 2000



Source: 2000 CHAS data

⁸ Center for Public Policy Priorities, *Making It: What it Really Takes to Live in Texas*.

The chart above indicates the 2000 distribution of households by income group across Texas by number and percentage. A total of 41 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, 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 Housing Need by Income Group

		Renter Households			Owner 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	59,065	95,130	62.1%	100,876	151,597	66.5%
	Small Related	162,308	204,534	79.4%	76,492	102,443	74.7%
	Large Related	63,879	69,467	92.0%	39,256	44,325	88.6%
	Other Households	133,429	183,124	72.9%	39,368	59,120	66.6%
	Total Households	418,681	552,255	75.8%	255,992	357,485	71.6%
31-50% AMFI	Elderly Households	36,578	61,305	59.7%	62,920	168,088	37.4%
	Small Related	133,605	180,725	73.9%	79,006	240,138	32.9%
	Large Related	58,132	67,274	86.4%	53,907	104,329	51.7%
	Other Households	102,090	127,074	80.3%	24,401	68,290	35.7%
	Total Households	330,405	436,378	75.7%	220,234	406,282	54.2%
51-80% AMFI	Elderly Households	19,934	47,527	41.9%	41,173	210,720	19.5%
	Small Related	98,014	250,309	39.2%	121,204	282,336	42.9%
	Large Related	57,987	81,881	70.8%	81,842	132,264	61.9%
	Other Households	79,147	210,629	37.6%	35,978	79,867	45.0%
	Total Households	255,082	590,346	43.2%	280,197	705,187	39.7%
81-95% AMFI	Elderly Households	3,638	13,761	26.4%	9,883	78,918	12.5%
	Small Related	18,310	91,694	20.0%	40,150	147,881	27.2%
	Large Related	14,142	24,917	56.8%	25,542	53,828	47.5%
	Other Households	11,784	90,223	13.1%	14,049	40,543	34.7%
	Total Households	47,874	220,595	21.7%	89,624	321,170	27.9%
More Than 95% AMFI	Elderly Households	8,169	54,143	15.1%	23,454	497,428	4.7%
	Small Related	43,853	400,026	11.0%	131,939	1,749,473	7.5%
	Large Related	35,490	74,662	47.5%	92,229	360,855	25.6%
	Other Households	17,060	338,469	5.0%	34,919	303,446	11.5%
	Total Households	104,572	867,300	12.1%	282,541	2,911,202	9.7%
Total Households	Elderly Households	127,384	399,250	31.9%	238,306	1,345,057	17.7%
	Small Related	456,090	1,583,378	28.8%	448,791	2,971,062	15.1%
	Large Related	229,630	547,831	41.9%	292,776	988,377	29.6%
	Other Households	343,510	1,293,029	26.6%	148,715	699,981	21.2%
	Total Households	1,156,614	3,823,488	30.3%	1,128,588	5,829,914	19.4%

Source: 2000 CHAS data

Physical Inadequacy (Lack of Kitchen and Plumbing Facilities)

The measure of physical inadequacy available from the CHAS database tabulation of the 2000 Census 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. Figure

3.3 demonstrates that among the physically inadequate housing units for households under 80 percent of HAMFI, 44 percent are affordable to extremely low income households.

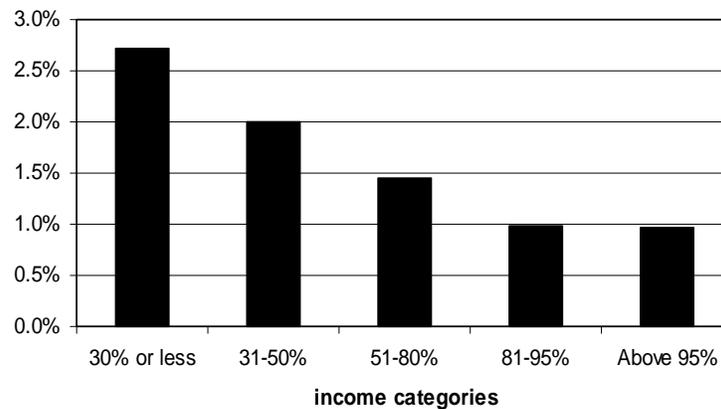
Units Lacking Kitchen and/or Plumbing Facilities by Affordability Category, 2000

	Number	Percent
0% to 30%	25,817	44%
31% to 50%	15,907	27%
51% to 80%	16,341	28%
Total	58,065	100%

Source: 2000 CHAS data

Slightly more than 1 percent of all renter households in Texas lack complete kitchen or plumbing facilities. The following table shows the distribution of this problem by income group. Households in the lowest income group, less than 30 percent HAMFI, have the highest incidence of physically inadequate housing.

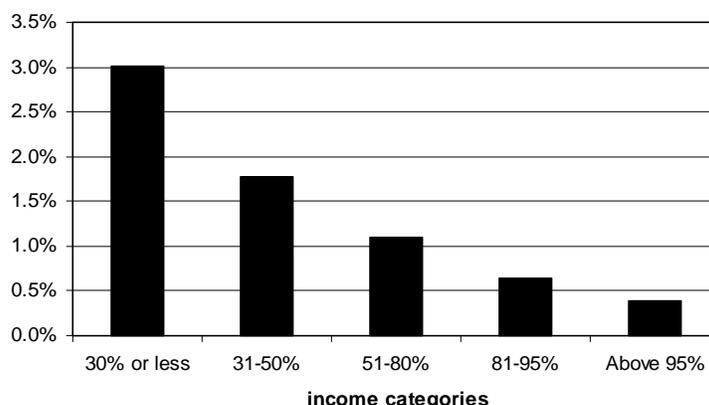
Renter-Occupied Units Lacking Complete Kitchen/Plumbing by Percent



Source: 2000 CHAS data

As is the case with renter households, inadequate kitchen and plumbing is a greater problem for the lowest income categories of owner households. A full 3 percent of owner households earning below 30 percent HAMFI lack full kitchen or plumbing facilities.

Owner-Occupied Units Lacking Complete Plumbing/Kitchen by Percent

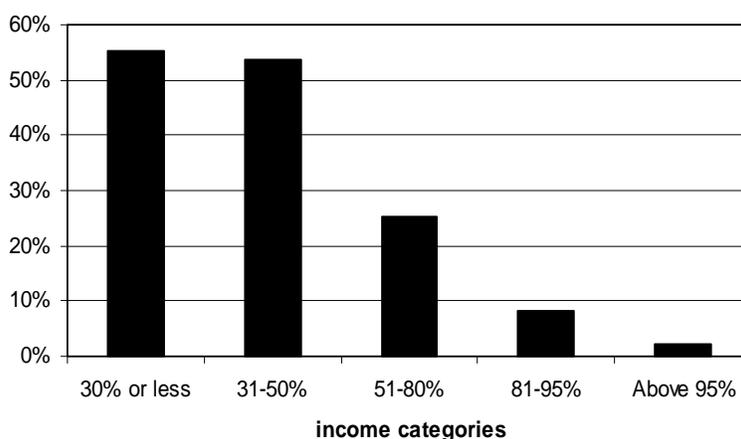


Source: 2000 CHAS data

Excess 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 540,000 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 experience the problem.

Renter Households with Excess Housing Cost Burden (>30% of Income) by percent

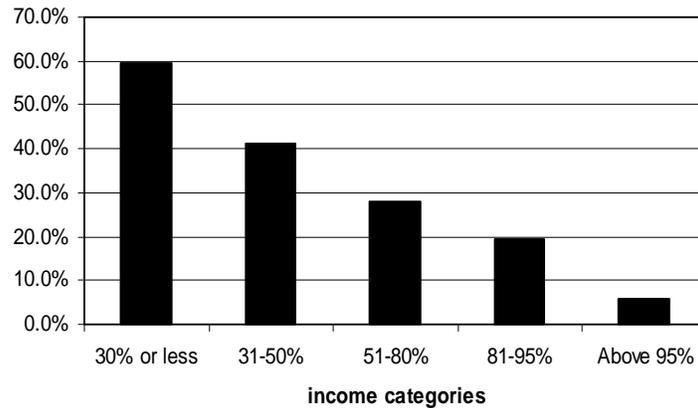


Source: 2000 CHAS data

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 owner income category and an owner household's likelihood of experiencing this problem.

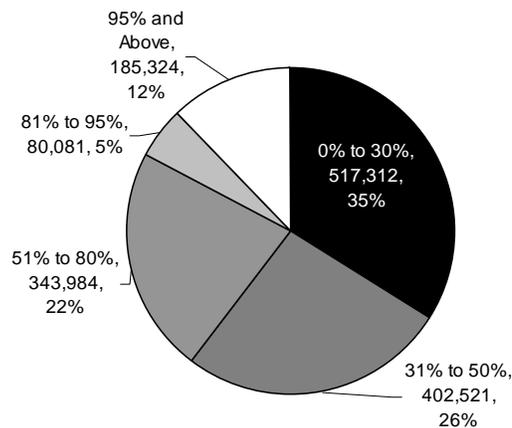
Owner Households with Excess Housing Cost Burden (>30% of Income) by percent



Source: 2000 CHAS 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, 2000



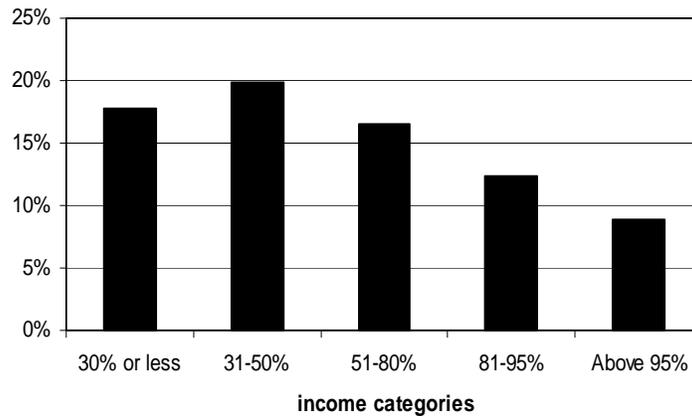
Source: 2000 CHAS Data

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.

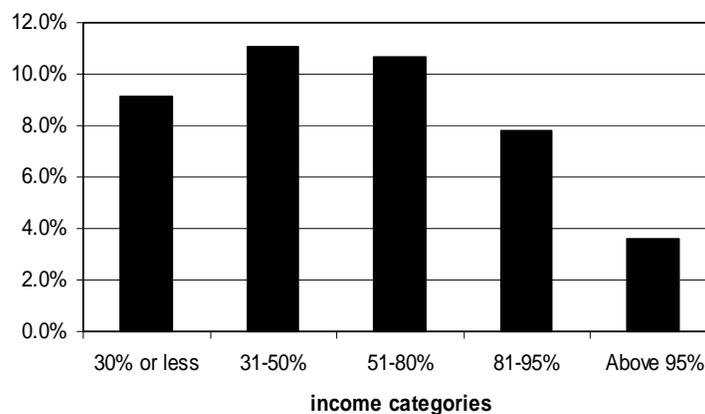
Renter Households with Incidence of Overcrowding by percent



Source: 2000 CHAS 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.

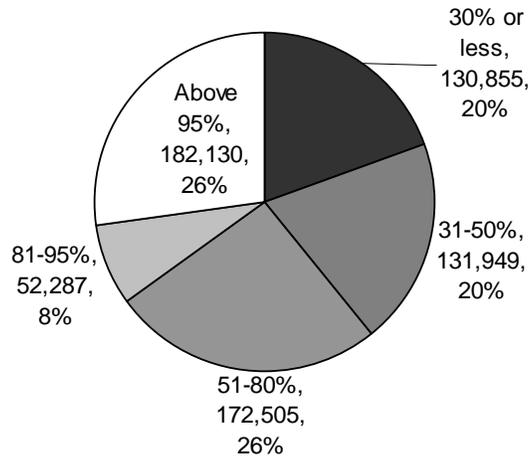
Owner Households with Incidence of Overcrowding by percent



Source: 2000 CHAS data

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

Overcrowded Households by Income Group, 2000



Source: 2000 CHAS Database

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, as shown in Figure 3.12, 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. Households in this category can afford units in any of the defined affordability categories. Therefore, non-low income households 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 PERCEPTION

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 an online 2006 CNS 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 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 needs, 15 percent chose capacity building assistance, and 7 percent chose homeless assistance.

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 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. A final report on the survey, Report on the 2006 State of Texas Community Needs Survey, will be available from the Division of Policy and Public Affairs towards the end of 2006.

STATE HOUSING SUPPLY

The 2000 US Census reported 8.2 million housing units in Texas, of which 90.6 percent are occupied. The number of housing units increased 16 percent from 7.0 million units that were on the ground in 1990. The breakdown of occupied units by type is 4.7 million owner occupied (a 28 percent increase over 1990) and 2.8 million renter occupied (a 13 percent increase over 1990). The average household size for owner-occupied units increased to 2.87 persons per unit in 2000 as compared to 2.85 units in 1990. The average household size for renter units decreased slightly to 2.53 persons per unit in 2000 as compared to 2.55 units in 1990.

Almost 67 percent of the housing units in Texas are single family units, 14 percent are multifamily up to 19 units, and 10 percent are within multifamily structures with 20 units or more. An additional 9.4 percent are mobile homes, RVs, or boats.

Housing Type, 2000

	Total	Percent
Housing Units	8,157,575	
One Unit	5,420,910	66.50%
2 to 19 Units	1,151,599	14.10%
Over 20 Units	819,101	10.00%
Mobile		
Homes	731,652	9.00%
Boats, RVs	34,313	0.40%

Source: 2000 US Census

ASSISTED HOUSING INVENTORY

The following table shows the number of multifamily units in the state financed through state and federal sources, including TDHCA; the US Department of Housing and Urban Development (HUD); public housing authorities (PHAs); Section 8 Housing Choice Vouchers; the United States Department of Agriculture (USDA); and local housing finance corporations (HFCs), which includes 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 2005, so all units included in the total have not yet been built. 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. TDHCA unit information will be updated in the final version of this document to include FY 2006 awards.

HUD unit data was obtained from HUD's March 2003 report, "Multifamily Inventory of Units for the Elderly and Persons and Disabilities," available at <http://www.hud.gov/offices/hsg/mfh/hto/state/tx.pdf>. Though this report specifically references units available to the elderly and persons with disabilities, the report also appears to contain information on family properties. Please note, however, that this may not be a current inventory of all HUD units, and that there may be double counting with units financed through other programs, including public housing. The total assisted units in each property are included.

Information on PHA units and Section 8 Housing Choice Vouchers were obtained directly from HUD staff by TDHCA in October 2005. TDHCA Section 8 vouchers are also included in this figure. USDA unit data was also obtained directly from USDA staff in October 2005. These figures will be updated with the most recent information in the final version of this document.

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 describes the total units financed by the HFCs through June 2005, 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. 2006 HFC unit information will be included in the final version of this document.

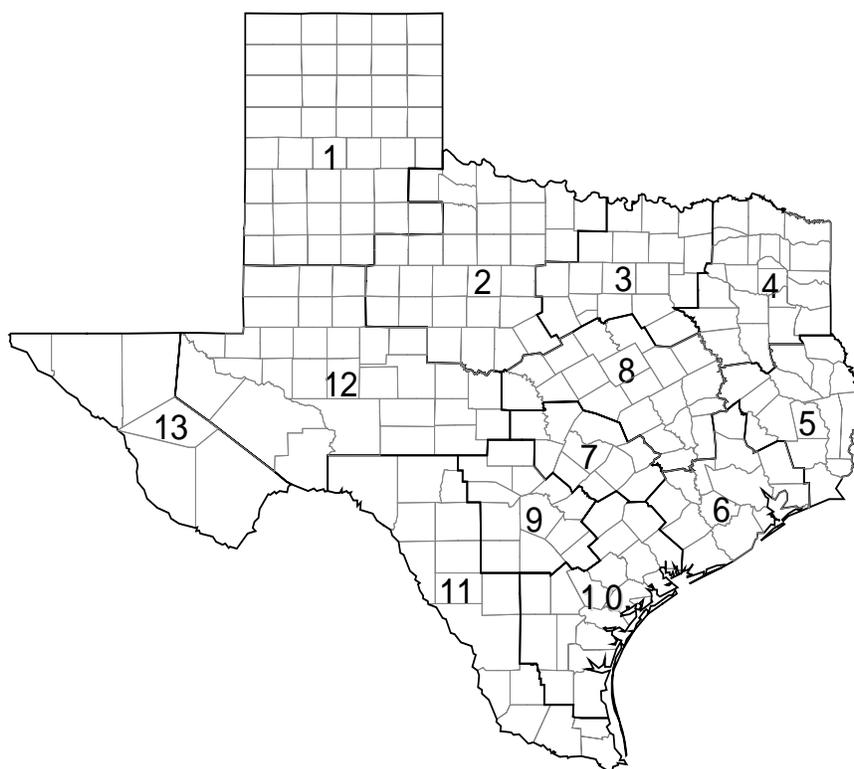
State Assisted Multifamily Units

	State Total	Percent of State Inventory
TDHCA Units	170,766	38.1 %
HUD Units	57,372	12.8%
PHA Units	59,431	13.3%
Section 8 Vouchers	133,944	29.9%
USDA Units	26,183	5.8%
HFC Units*	93,176	N/A
Total	447,696	100%

*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.

UNIFORM STATE SERVICE REGIONS

The Department uses 13 Uniform State Service Regions for research and planning purposes. These regions follow the Texas Comptroller of Public Accounts' grouping that creates 13 regions to better identify the unique characteristics of the border counties and to treat larger metropolitan areas as distinct regions. The Uniform State Service Regions are shown below.

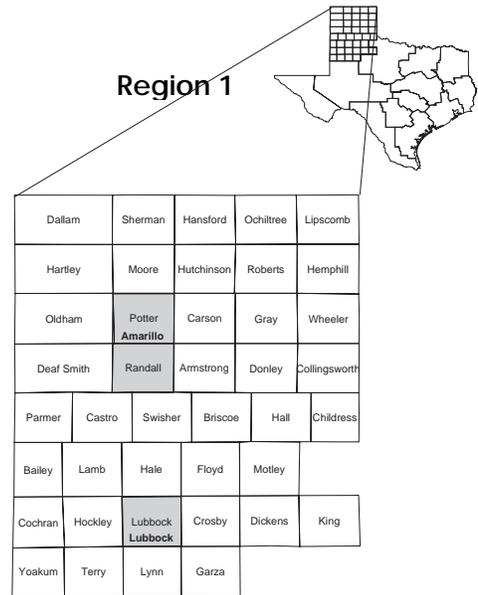


Map of the Uniform State Service Regions

The size and diversity of the state of Texas necessitates tailored regional sections. Each of the following Uniform State Service Region plans includes a general demographic description, which uses US Census housing data; a needs assessment, which examines housing problems in the area; an estimate of the existing housing supply; local input into the housing needs of the region; an estimate of the number of assisted multifamily units available, and the Department's resource allocation plans for the year.

REGION 1

This 41-county region in the northwest corner of Texas encompasses over 39,500 square miles of the Panhandle. According to the 2000 Census, the total population in Region 1 is 780,733, which represents 3.7 percent of the state's total population.



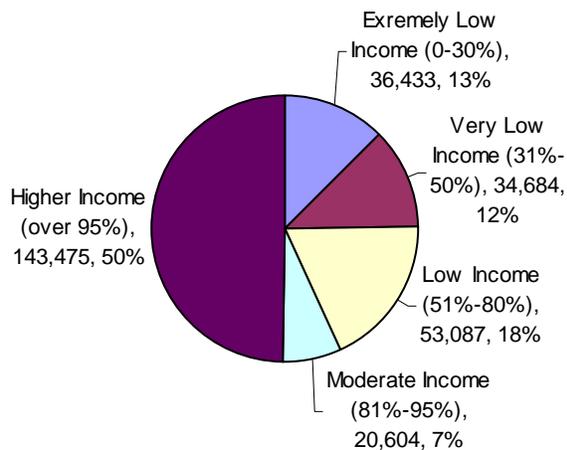
Region 1 Population Figures

	Region Total	Percent in Region	Percent of State Total
Total Population	780,733		3.7%
Persons with Disabilities	138,520	17.7%	3.8%
Elderly Persons (without disabilities)	50,862	6.5%	4.7%
Individuals in Poverty	122,991	15.8%	3.9%

Source: 2000 Census

Approximately 57 percent of the population lives in the urban areas, including Amarillo and Lubbock, and the rest live in rural areas of the region.

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. There are 122,991, or 15.8 percent, individuals living in poverty in the region.

2006 Multiple Listing Service data records the median home prices for Amarillo and Lubbock as \$116,700 and \$100,500, respectively.⁹

SPECIAL NEEDS POPULATIONS

According to 2000 Census data, there are 128,520 persons with disabilities residing in the region, which is 16.5 percent of the total region population. In addition, there are 50,862 elderly individuals without disabilities in the region, which is 6.5 percent of the region.

⁹ Real Estate Center at Texas A&M University, "Texas Residential MLS Activity," <http://recenter.tamu.edu/data/hs/trends4.html> (accessed October 31, 2006).

Housing Analysis

Uniform State Service Regions

Data on the number of homeless individuals in the region is difficult to collect because of the migratory nature of this population. The Texas Interagency Council for the Homeless estimates that there are 200,000 homeless individuals in Texas,¹⁰ but figures vary. According to the 2000 Census, there are 1,068 people in noninstitutional group homes, which include shelters, in the region. In its special tabulation on emergency and transitional shelters, the Census counted 167 homeless persons in Amarillo.

HOUSING SUPPLY

According to 2000 Census data, of the 322,045 housing units in the region, 288,175 are occupied, which is an 89.5 percent occupancy rate. 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 owner occupied and 33.7 percent are occupied by renters.

Region 1 Housing Units by Occupation

	Region Total	Percent in Region	Region Percent of State
Total Housing Units	322,045		3.9%
Total Occupied Housing Units	288,175	89.5%	3.9%
Owner-Occupied Units	191,161	66.3%	4.1%
Renter-Occupied Units	97,014	33.7%	3.6%

Source: 2000 Census

Data for the region shows that building permits for 2,375 single family units and 831 multifamily units were issued in 2005.¹¹

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. Of the total 288,273 households in the region, 79,798 owners and renters have housing problems; this represents 27.7 percent of all households.

¹⁰ Texas Interagency Council for the Homeless, "Key Facts."

¹¹ Real Estate Center at Texas A&M University, "Texas County Building Permit Activity," <http://recenter.tamu.edu/data/bpc/> (accessed August 7, 2006).

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)
Renter Households					
Extreme Cost Burden	29,555	14,026	9,256	5,092	1,181
Lacking Kitchen and/or Plumbing	1,638	553	322	301	88
Overcrowding	9,294	2,037	2,029	2,602	2,626
Owner Households					
Extreme Cost Burden	28,912	8,542	7,021	6,944	6,405
Lacking Kitchen and/or Plumbing	1,154	228	163	224	85
Overcrowding	9,245	897	1,223	2,399	4,726
Total	79,798	26,283	20,014	17,562	15,111

Source: 2000 CHAS

REGIONAL INPUT ON HOUSING NEEDS

Of respondents ranking their community's need for general assistance in the 2006 CNS, approximately 35 percent indicated that energy assistance was their first priority need, with 23 percent ranking housing assistance as their priority need. Approximately 21 percent of respondents indicated that the development of apartments was the first priority need, 15 percent indicated that capacity building assistance was their top need, and only 6 percent indicated that homeless assistance was the top need.

In terms of housing assistance, 39 percent indicated that home repair assistance was the greatest need. Regarding rental development activities, 43 percent indicated that their community's greatest need was the construction of new rental units, while 5 percent indicated that there was a minimal need for rental development in their areas and 11 percent had no opinion on the subject. When considering energy assistance activities, 41 percent 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, including 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	4,218	31.3%	2.5%
HUD Units	2,076	15.4%	3.6%
PHA Units	1,562	11.6%	2.6%
Section 8 Vouchers	3,987	29.6%	3.0%
USDA Units	1,612	12.0%	6.2%
HFC Units*	1,577		
Total	13,455	100%	3.0%

*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.

TDHCA ASSISTANCE FOR 2007

Based on allocation formulas for the programs listed below, TDHCA can estimate the amount of 2007 funding that will be allocated to the region. Please see "TDHCA Allocation Plans" in the Action Plan section for more information on the formulas. Not all TDHCA programs and funding are included; some TDHCA programs and certain program set-asides are not allocated regionally. Additionally, because the region system that organizes community service contractors is different from the 13 regions used for other TDHCA planning purposes, community affairs programs are not included here. See the applicable section of the Annual Report for region information on the Community Services Block Grant, Emergency Shelter Grant, Comprehensive Energy Assistance, and Weatherization Assistance Programs.

Region 9 Projected 2007 TDHCA Funding by Housing Program

Program	2007 Funding	Percent of Program's Funding
HOME	\$2,096,376	6.1%
Housing Tax Credit	\$2,096,099	4.9%
Housing Trust Fund	TBD	4.9%
Total	TBD	

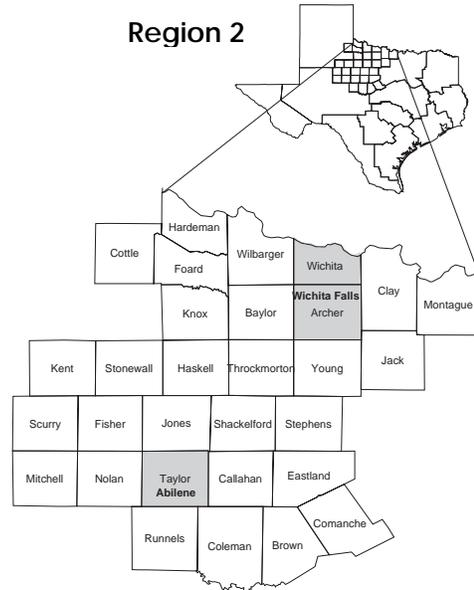
REGION 2

Region 2 surrounds the metropolitan areas of Wichita Falls and Abilene, shaded in the figure to the right. According to the 2000 Census, the total population in Region 2 is 549,267, which represents 2.6 percent of the state's total population.

Region 2 Population Figures

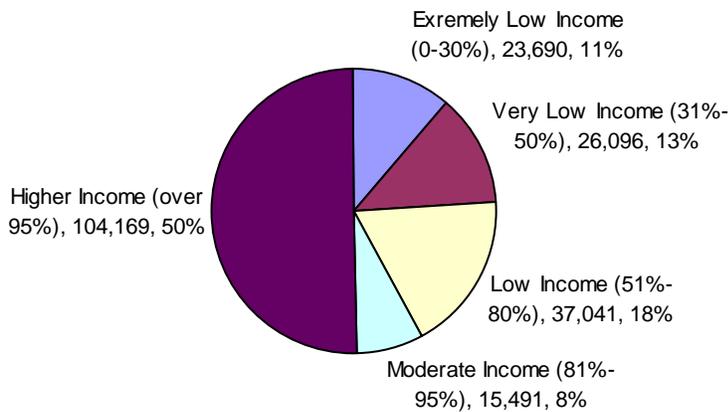
	Region Total	Percent in Region	Region Percent of State
Total Population	549,267		2.6%
Persons with Disabilities	105,325	19.2%	2.9%
Elderly Persons (without disabilities)	42,485	7.7%	3.9%
Individuals in Poverty	77,647	14.1%	2.5%

Source: 2000 Census



Approximately 52 percent of the population lives in urban areas of the region.

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 77,647, or 14.1 percent, individuals living in poverty in the region.

2006 Multiple Listing Service data records the median home prices for Wichita Falls and Abilene as \$97,700 and \$100,900,

respectively.¹²

SPECIAL NEEDS POPULATIONS

According to 2000 Census data, there are 105,325 persons with disabilities residing in the region, which is 19.2 percent of the total region population. In addition, there are 42,485 elderly individuals without disabilities in the region, which is 7.7 percent of the region.

Data on the number of homeless individuals in the region is difficult to collect because of the migratory nature of this population. The Texas Interagency Council for the Homeless

¹² Real Estate Center at Texas A&M University, "Texas Residential MLS Activity," <http://recenter.tamu.edu/data/hs/trends4.html> (accessed October 31, 2006).

Housing Analysis

Uniform State Service Regions

estimates that there are 200,000 homeless individuals in Texas,¹³ but figures vary. According to the 2000 Census, there are 609 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.

HOUSING SUPPLY

According to 2000 Census data, of the 243,506 housing units in the region, 206,388 are occupied, which is an 84.8 percent occupancy rate. 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 owner occupied and 30.9 percent are occupied by renters.

Region 2 Housing Units by Occupation

	Region Total	Percent in Region	Region Percent of State
Total Housing Units	243,506		3.0%
Total Occupied Housing Units	206,388	84.8%	2.8%
Owner-Occupied Units	142,603	69.1%	3.0%
Renter-Occupied Units	63,785	30.9%	2.4%

Source: 2000 Census

Data for the region shows that building permits for 659 single family units and 376 multifamily units were issued in 2005.¹⁴

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. Of the total 206,459 households in the region, 49,146 owners and renters have housing problems; this represents 23.8 percent of all households.

¹³ Texas Interagency Council for the Homeless, "Key Facts."

¹⁴ Real Estate Center at Texas A&M University, "Texas County Building Permit Activity," <http://recenter.tamu.edu/data/bpc/> (accessed August 7, 2006).

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)
Renter Households					
Extreme Cost Burden	16,557	7,546	5,733	2,699	559
Lacking Kitchen and/or Plumbing	968	330	161	237	71
Overcrowding	3,906	867	694	1,181	1,164
Owner Households					
Extreme Cost Burden	22,471	6,744	5,894	4,902	4,931
Lacking Kitchen and/or Plumbing	919	253	158	170	60
Overcrowding	4,325	411	558	1,159	2,197
Total	49,146	16,151	13,198	10,348	8,982

Source: 2000 CHAS

REGIONAL INPUT ON HOUSING NEEDS

Of respondents ranking their community's need for general assistance in the 2006 CNS, approximately 32 percent indicated that energy assistance was their first priority need, with 21 percent ranking housing assistance as their priority need. Approximately 18 percent of respondents indicated that the development of apartments was the first priority need, 18 percent indicated that capacity building assistance was their top need, and 12 percent indicated that homeless assistance was the top need.

In terms of housing assistance, 54 percent indicated that home repair assistance was the greatest need. Regarding rental development activities, 40 percent indicated that their community's greatest need was the construction of new rental units, while 7 percent indicated that there was a minimal need for rental development in their areas and 9 percent had no opinion on the subject. When considering energy assistance activities, 47 percent indicated that weatherization and minor home repairs was the greatest need, as 47 percent indicated that utility assistance was the greatest need.

ASSISTED HOUSING INVENTORY

The following table shows the number of total multifamily units in the region financed through state and federal sources, including 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 2 Assisted Multifamily Units

	Region Total	Percent in Region	Percent of State Total
TDHCA Units	2,753	26.9%	1.6%
HUD Units	1,655	16.2%	2.9%
PHA Units	3,905	38.1%	6.6%
Section 8 Vouchers	2,921	28.5%	2.2%
USDA Units	1,925	18.8%	7.4%
HFC Units*	280		
Total	10,241	100.0%	2.9%

*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.

TDHCA ASSISTANCE FOR 2007

Based on allocation formulas for the programs listed below, TDHCA can estimate the amount of 2007 funding that will be allocated to the region. Please see “TDHCA Allocation Plans” in the Action Plan section for more information on the formulas. Not all TDHCA programs and funding are included; some TDHCA programs and certain program set-asides are not allocated regionally. Additionally, because the region system that organizes community service contractors is different from the 13 regions used for other TDHCA planning purposes, community affairs programs are not included here. See the applicable section of the Annual Report for region information on the Community Services Block Grant, Emergency Shelter Grant, Comprehensive Energy Assistance, and Weatherization Assistance Programs.

Region 2 Projected 2007 TDHCA Funding by Housing Program

Program	2007 Funding	Percent of Program's Funding
HOME	\$1,564,996	4.5%
Housing Tax Credit	\$1,251,525	2.9%
Housing Trust Fund	TBD	2.9%
Total	TBD	

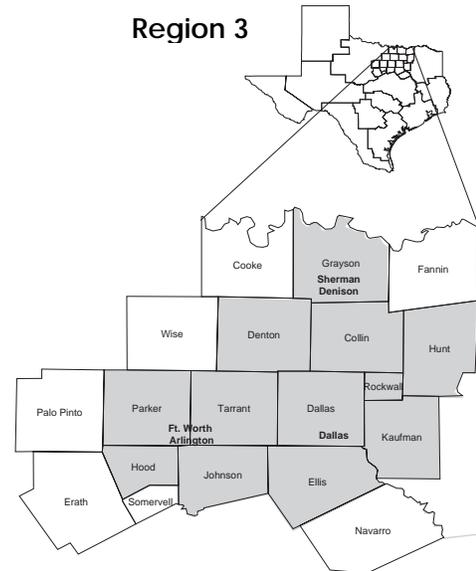
REGION 3

Region 3, including the metropolitan areas of Dallas, Fort Worth, Arlington, Sherman, and Denison, is the state's most populous region. According to the 2000 Census, the total population in Region 3 is 5,487,477, which represents 26.3 percent of the state's total population.

Region 3 Population Figures

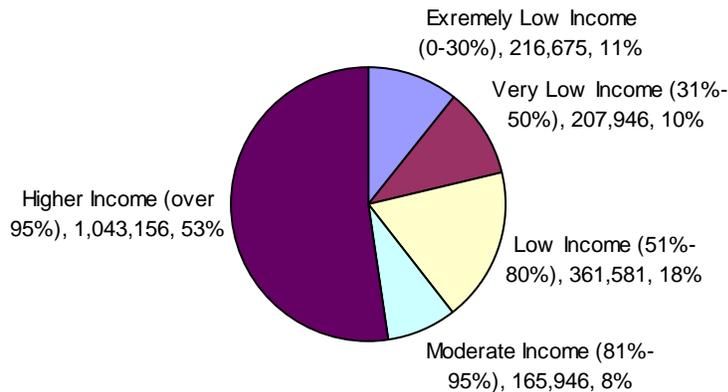
	Region Total	Percent in Region	Region Percent of State
Total Population	5,487,477		26.3%
Persons with Disabilities	888,217	16.2%	24.6%
Elderly Persons (without disabilities)	245,186	4.5%	22.6%
Individuals in Poverty	588,688	10.7%	18.9%

Source: 2000 Census



Approximately 93 percent of the population resides in urban areas.

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 588,688, or 10.7 percent, individuals living in poverty in the region.

According to 2006 Multiple Listing Service data, the highest median home price is in Collin County at \$193,100, while the lowest is in

Sherman-Denison at \$99,100.15

SPECIAL NEEDS POPULATIONS

¹⁵ Real Estate Center at Texas A&M University, "Texas Residential MLS Activity," <http://recenter.tamu.edu/data/hs/trends4.html> (accessed October 31, 2006).

Housing Analysis

Uniform State Service Regions

According to 2000 Census data, there are 888,217 persons with disabilities residing in the region, which is 16.2 percent of the total region population. In addition, there are 245,186 elderly individuals without disabilities in the region, which is 4.5 percent of the region.

Data on the number of homeless individuals in the region is difficult to collect because of the migratory nature of this population. The Texas Interagency Council for the Homeless estimates that there are 200,000 homeless individuals in Texas,¹⁶ but figures vary. According to the 2000 Census, there are 6,548 people in noninstitutional group homes, which include shelters, in the region. In its special tabulation on emergency and transitional shelters, the Census counted 1,923 homeless persons in Tarrant and Dallas counties.

HOUSING SUPPLY

According to 2000 Census data, of the 2,140,641 housing units in the region, 2,004,826 are occupied, which is a 93.7 percent occupancy rate. Of the total housing stock, almost 64 percent are one unit; 30 percent are over two units; and the rest are mobile homes, boats, and RVs. Approximately 60.9 percent are owner occupied and 39.1 percent are occupied by renters.

Region 3 Housing Units by Occupation

	Region Total	Percent in Region	Region Percent of State
Total Housing Units	2,140,641		26.2%
Total Occupied Housing Units	2,004,826	93.7%	27.1%
Owner-Occupied Units	1,220,939	60.9%	25.9%
Renter-Occupied Units	783,887	39.1%	29.3%

Source: 2000 Census

Data for the region shows that building permits for 50,307 single family units and 10,783 multifamily units were issued in 2005.¹⁷

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. Of the total 1,988,135 households in the region, 610,655 owners and renters have housing problems; this represents 30.7 percent of all households.

¹⁶ Texas Interagency Council for the Homeless, "Key Facts."

¹⁷ Real Estate Center at Texas A&M University, "Texas County Building Permit Activity," <http://recenter.tamu.edu/data/bpc/> (accessed August 7, 2006).

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)
Renter Households					
Extreme Cost Burden	206,011	78,911	67,156	48,746	11,198
Lacking Kitchen and/or Plumbing	10,144	2,968	2,087	2,247	675
Overcrowding	114,914	26,062	25,691	30,470	32,691
Owner Households					
Extreme Cost Burden	216,038	50,064	41,410	55,310	69,254
Lacking Kitchen and/or Plumbing	6,044	1,373	850	1,214	487
Overcrowding	57,504	5,876	9,070	16,460	26,098
Total	610,655	165,254	146,264	154,447	140,403

Source: 2000 CHAS

REGIONAL INPUT ON HOUSING NEEDS

Of respondents ranking their community's need for general assistance in the 2006 CNS, 50 percent indicated that housing assistance was their first priority need, followed by energy assistance with 35 percent. Approximately 5 percent of respondents indicated that the development of apartments was the first priority need, 8 percent indicated that capacity building assistance was their top need, and only 3 percent indicated that homeless assistance was the top need.

In terms of housing assistance, 52 percent indicated that home repair assistance was the greatest need. Regarding rental development activities, 26 percent indicated that the need for construction and rehabilitation was approximately the same, while 19 percent indicated that there was a minimal need for rental development in their areas and 9 percent had no opinion on the subject. When considering energy assistance activities, 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, including 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 3 Assisted Multifamily Units

	Region Total	Percent in Region	Percent of State Total
TDHCA Units	55,393	46.9%	32.4%
HUD Units	10,834	9.2%	18.9%
PHA Units	8,725	7.4%	14.7%
Section 8 Vouchers	39,149	33.1%	29.2%
USDA Units	4,076	3.4%	15.6%
HFC Units*	19,944		
Total	118,177	100.0%	26.4%

*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.

TDHCA ASSISTANCE FOR 2007

Based on allocation formulas for the programs listed below, TDHCA can estimate the amount of 2007 funding that will be allocated to the region. Please see "TDHCA Allocation Plans" in the Action Plan section for more information on the formulas. Not all TDHCA programs and funding are included; some TDHCA programs and certain program set-asides are not allocated regionally. Additionally, because the region system that organizes community service contractors is different from the 13 regions used for other TDHCA planning purposes, community affairs programs are not included here. See the applicable section of the Annual Report for region information on the Community Services Block Grant, Emergency Shelter Grant, Comprehensive Energy Assistance, and Weatherization Assistance Programs.

Region 3 Projected 2007 TDHCA Funding by Housing Program

Program	2007 Funding	Percent of Program's Funding
HOME	\$6,158,445	17.8%
Housing Tax Credit	\$8,598,298	20.0%
Housing Trust Fund	TBD	20.0%
Total	TBD	

REGION 4

Region 4, located in the northeast corner of the state, surrounds the urban areas of Texarkana, Longview-Marshall, and Tyler. According to the 2000 Census, the total population in Region 4 is 1,015,648, which represents 4.9 percent of the state's total population.

Region 4 Population Figures

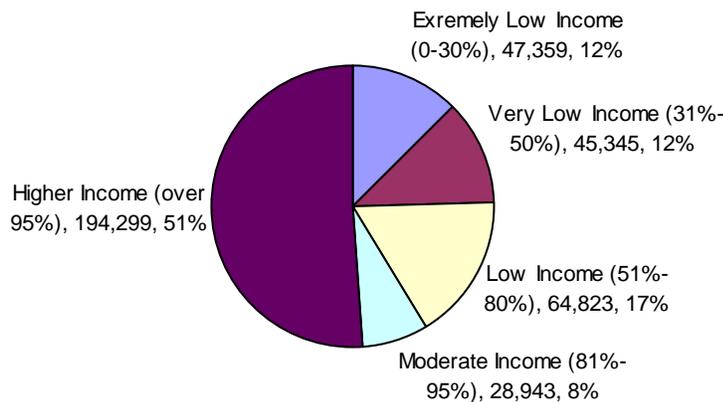
	Region Total	Percent in Region	Region Percent of State
Total Population	1,015,648		4.9%
Persons with Disabilities	213,753	21.0%	5.9%
Elderly Persons (without disabilities)	77,528	7.6%	7.1%
Individuals in Poverty	152,036	15.0%	4.9%

Source: 2000 Census

Region 4 has the highest percentage of rural population in the state at 61 percent.



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 152,036, or 15.0 percent, individuals living in poverty in the region.

2006 Multiple Listing Service data records the median home prices for Tyler and Longview-Marshall as \$131,900 and \$113,100,

respectively.¹⁸

SPECIAL NEEDS POPULATIONS

¹⁸ Real Estate Center at Texas A&M University, "Texas Residential MLS Activity," <http://recenter.tamu.edu/data/hs/trends4.html> (accessed October 31, 2006).

Housing Analysis

Uniform State Service Regions

According to 2000 Census data, there are 213,753 persons with disabilities residing in the region, which is 21.0 percent of the total region population. In addition, there are 77,528 elderly individuals without disabilities in the region, which is 7.6 percent of the region.

Data on the number of homeless individuals in the region is difficult to collect because of the migratory nature of this population. The Texas Interagency Council for the Homeless estimates that there are 200,000 homeless individuals in Texas,¹⁹ but figures vary. According to the 2000 Census, there are 1,309 people in noninstitutional group homes, which include shelters, in the region. In its special tabulation on emergency and transitional shelters, the Census counted 110 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 2000 Census data, of the 434,792 housing units in the region, 380,468 are occupied, which is an 87.5 percent occupancy rate. Of the total housing stock, almost 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 owner occupied and 26.2 percent are occupied by renters.

Region 4 Housing Units by Occupation

	Region Total	Percent in Region	Region Percent of State
Total Housing Units	434,792		5.3%
Total Occupied Housing Units	380,468	87.5%	5.1%
Owner-Occupied Units	280,896	73.8%	6.0%
Renter-Occupied Units	99,572	26.2%	3.7%

Source: 2000 Census

In the region, permits for 1,602 single family units and 231 multifamily units were issued in 2005.²⁰

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. Of the total 380,765 households in the region, 100,479 owners and renters have housing problems; this represents 26.4 percent of all households.

¹⁹ Texas Interagency Council for the Homeless, "Key Facts."

²⁰ Real Estate Center at Texas A&M University, "Texas County Building Permit Activity," <http://recenter.tamu.edu/data/bpc/> (accessed August 7, 2006).

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)
Renter Households					
Extreme Cost Burden	27,100	12,500	9,142	4,443	1,015
Lacking Kitchen and/or Plumbing	2,108	724	425	363	135
Overcrowding	8,851	1,951	1,688	2,215	2,997
Owner Households					
Extreme Cost Burden	49,419	15,258	11,379	11,530	11,152
Lacking Kitchen and/or Plumbing	2,742	775	429	508	187
Overcrowding	10,259	1,233	1,477	2,496	5,053
Total	100,479	32,441	24,540	21,555	20,539

Source: 2000 CHAS

REGIONAL INPUT ON HOUSING NEEDS

Of respondents ranking their community's need for general assistance in the 2006 CNS, approximately 43 percent indicated that housing assistance was their first priority need, with 29 percent ranking energy assistance as their priority need. Approximately 17 percent of respondents indicated that the development of apartments was the first priority need, 11 percent indicated that capacity building assistance was their top need, and 0 percent indicated that homeless assistance was the top need.

In terms of housing assistance, 53 percent indicated that home repair assistance was the greatest need. Regarding rental development activities, 34 percent indicated that the need for construction and rehabilitation was the same, while 11 percent indicated that there was a minimal need for rental development in their areas and 11 percent had no opinion on the subject. When considering energy assistance activities, 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, including 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 4 Assisted Multifamily Units

	Region Total	Percent in Region	Percent of State Total
TDHCA Units	5,182	23.6%	3.0
HUD Units	3,381	15.4%	5.9%
PHA Units	3,422	15.6%	5.8%
Section 8 Vouchers	6,090	27.7%	4.5%
USDA Units	3,872	17.6%	14.8%
HFC Units*	1,160		
Total	21,947	100.0%	4.9%

*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.

TDHCA ASSISTANCE FOR 2007

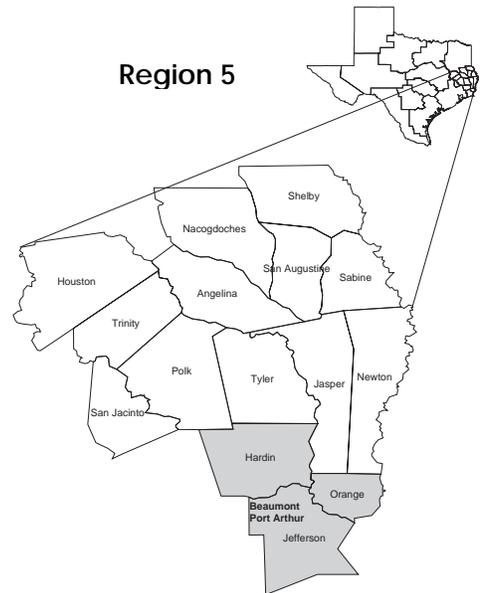
Based on allocation formulas for the programs listed below, TDHCA can estimate the amount of 2007 funding that will be allocated to the region. Please see “TDHCA Allocation Plans” in the Action Plan section for more information on the formulas. Not all TDHCA programs and funding are included; some TDHCA programs and certain program set-asides are not allocated regionally. Additionally, because the region system that organizes community service contractors is different from the 13 regions used for other TDHCA planning purposes, community affairs programs are not included here. See the applicable section of the Annual Report for region information on the Community Services Block Grant, Emergency Shelter Grant, Comprehensive Energy Assistance, and Weatherization Assistance Programs.

Region 4 Projected 2007 TDHCA Funding by Housing Program

Program	2007 Funding	Percent of Program's Funding
HOME	\$4,209,442	12.1%
Housing Tax Credit	\$2,286,522	5.3%
Housing Trust Fund	TBD	5.3%
Total	TBD	

REGION 5

Region 5 encompasses a 15-county area in east Texas including the urban areas of Beaumont and Port Arthur. According to the 2000 Census, the total population in Region 5 is 740,952, which represents 3.6 percent of the state's total population.



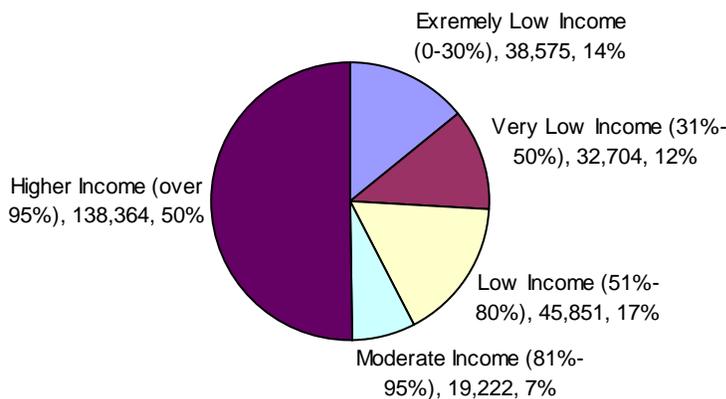
Region 5 Population Figures

	Region Total	Percent in Region	Region Percent of State
Total Population	740,952		3.6%
Persons with Disabilities	150,529	20.3%	4.2%
Elderly Persons (without disabilities)	53,148	7.2%	4.9%
Individuals in Poverty	120,585	16.3%	3.9%

Source: 2000 Census

The population in Region 5 is split, with 50 percent living in urban and 50 percent living in rural areas.

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 120,585, or 16.3 percent, individuals living in poverty in the region.

2006 Multiple Listing Service data records the median home prices for Beaumont and Port Arthur as \$113,200 and \$89,500,

respectively.²¹

SPECIAL NEEDS POPULATIONS

According to 2000 Census data, there are 150,529 persons with disabilities residing in the region, which is 20.3 percent of the total region population. In addition, there are 53,148 elderly individuals without disabilities in the region, which is 7.2 percent of the region.

²¹ Real Estate Center at Texas A&M University, "Texas Residential MLS Activity," <http://recenter.tamu.edu/data/hs/trends4.html> (accessed October 31, 2006).

Data on the number of homeless individuals in the region is difficult to collect because of the migratory nature of this population. The Texas Interagency Council for the Homeless estimates that there are 200,000 homeless individuals in Texas,²² but figures vary. According to the 2000 Census, there are 672 people in noninstitutional group homes, which include shelters, in the region. In its tabulation on emergency and 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, \$190,251,194.22 worth of damage was reported. Households affected by the hurricane have unexpected needs.

HOUSING SUPPLY

According to 2000 Census data, of the 325,047 housing units in the region, 275,233 are occupied, which is an 84.7 percent occupancy rate. Of the total housing stock, 69.3 percent are one unit; 11 percent are over two units; and the rest are mobile homes, boats, and RVs. Approximately 73.4 percent are owner occupied and 26.6 percent are occupied by renters.

Region 5 Housing Units by Occupation

	Region Total	Percent in Region	Region Percent of State
Total Housing Units	325,047		4.0%
Total Occupied Housing Units	275,233	84.7%	3.7%
Owner-Occupied Units	201,971	73.4%	4.3%
Renter-Occupied Units	73,262	26.6%	2.7%

Source: 2000 Census

In the region, permits for 1,223 single family units and 398 multifamily units were issued in 2005.²³

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. Of the total 274,543 households in the region, 72,650 owners and renters have housing problems; this represents 26.5 percent of all households.

²² Texas Interagency Council for the Homeless, "Key Facts."

²³ Real Estate Center at Texas A&M University, "Texas County Building Permit Activity," <http://recenter.tamu.edu/data/bpc/> (accessed August 7, 2006).

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)
Renter Households					
Extreme Cost Burden	21,116	10,733	6,894	2,890	599
Lacking Kitchen and/or Plumbing	1,450	549	300	270	76
Overcrowding	6,868	1,988	1,246	1,477	2,157
Owner Households					
Extreme Cost Burden	32,849	11,845	7,609	7,044	6,351
Lacking Kitchen and/or Plumbing	1,876	555	250	367	90
Overcrowding	8,491	925	970	1,991	4,605
Total	72,650	26,595	17,269	14,039	13,878

Source: 2000 CHAS

REGIONAL INPUT ON HOUSING NEEDS

Of respondents ranking their community's need for general assistance in the 2006 CNS, approximately 59 percent indicated that housing assistance was their first priority need, and 10 percent ranking energy assistance as their priority need. Approximately 14 percent of respondents indicated that the development of apartments was the first priority need, 10 percent indicated that capacity building assistance was their top need, and 7 percent indicated that homeless assistance was the top need.

In terms of housing assistance, 49 percent indicated that home repair assistance was the greatest need. Regarding rental development activities, 54 percent indicated that the need for construction and rehabilitation is the same, while 3 percent indicated that there was a minimal need for rental development in their areas. When considering energy assistance activities, 44 percent indicated that utility assistance was the greatest need followed

ASSISTED HOUSING INVENTORY

The following table shows the number of total multifamily units in the region financed through state and federal sources, including 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 5 Assisted Multifamily Units

	Region Total	Percent in Region	Percent of State Total
TDHCA Units	4,556	21.2%	2.7%
HUD Units	4,296	20.0%	7.5%
PHA Units	3,241	15.1%	5.5%
Section 8 Vouchers	7,992	37.2%	6.0%
USDA Units	1,371	6.4%	5.2%
HFC Units*	1,160		
Total	21,456	100.0%	4.8%

*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.

TDHCA ASSISTANCE FOR 2007

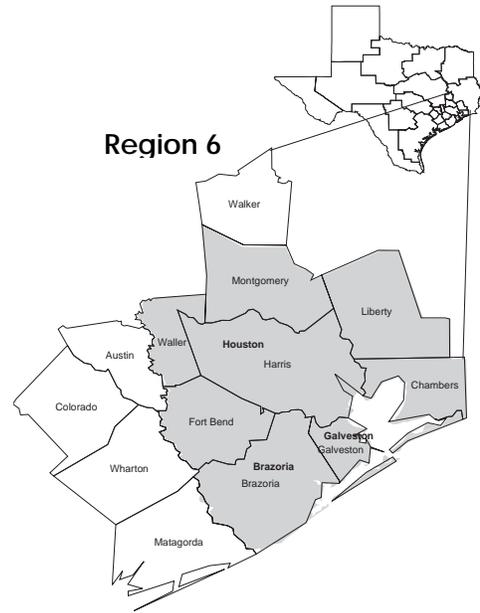
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Region 5 Projected 2007 TDHCA Funding by Housing Program

Program	2007 Funding	Percent of Program's Funding
HOME	\$2,087,440	6.0%
Housing Tax Credit	\$1,365,191	3.2%
Housing Trust Fund	TBD	3.2%
Total	TBD	

REGION 6

Region 6 includes the urban areas of Houston, Brazoria, and Galveston. According to the 2000 Census, the total population in Region 6 is 4,854,454, which represents 23.3 percent of the state's total population.



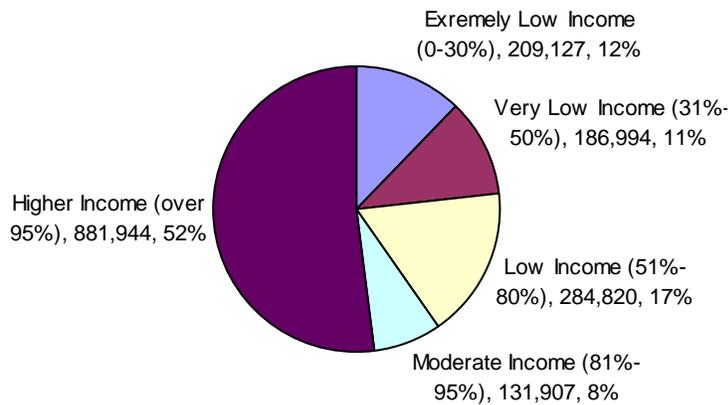
Region 6 Population Figures

	Region Total	Percent in Region	Region Percent of State
Total Population	4,854,454		23.3%
Persons with Disabilities	801,436	16.5%	22.2%
Elderly Persons (without disabilities)	206,438	4.3%	19.0%
Individuals in Poverty	656,239	13.5%	21.0%

Source: 2000 Census

Approximately 92 percent of the populations lives in the urban areas of Region 6.

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 656,239, or 13.5 percent, individuals living in poverty in the region.

2006 Multiple Listing Service data records the median home prices for Houston and Galveston as

\$148,800 and \$173,800, respectively.²⁴

SPECIAL NEEDS POPULATIONS

According to 2000 Census data, there are 801,436 persons with disabilities residing in the region, which is 16.3 percent of the total region population. In addition, there are 206,438 elderly individuals without disabilities in the region, which is 4.3 percent of the region.

²⁴ Real Estate Center at Texas A&M University, "Texas Residential MLS Activity," <http://recenter.tamu.edu/data/hs/trends4.html> (accessed October 31, 2006).

Housing Analysis

Uniform State Service Regions

Data on the number of homeless individuals in the region is difficult to collect because of the migratory nature of this population. The Texas Interagency Council for the Homeless estimates that there are 200,000 homeless individuals in Texas,²⁵ but figures vary. According to the 2000 Census, there are 7,792 people in noninstitutional group homes, which include shelters, in the region. In its special tabulation on emergency and transitional shelters, the Census counted 1,756 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, \$28,325,647.98 worth of damage was reported. Households affected by the hurricane have unexpected needs.

HOUSING SUPPLY

According to 2000 Census data, of the 1,853,854 housing units in the region, 1,702,792 are occupied, which is a 91.9 percent occupancy rate. Of the total housing stock, 71 percent are one unit; 18 percent are over two units; and the rest are mobile homes, boats, and RVs. Approximately 60.9 percent are owner occupied and 39.1 percent are occupied by renters.

Region 6 Housing Units by Occupation

	Region Total	Percent in Region	Region Percent of State
Total Housing Units	1,853,854		22.7%
Total Occupied Housing Units	1,702,792	91.9%	23.0%
Owner-Occupied Units	1,037,371	60.9%	22.0%
Renter-Occupied Units	665,421	39.1%	24.9%

Source: 2000 Census

In the region, permits for 51,525 single family units and 11,118 multifamily units were issued in 2005.²⁶

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. Of the total 1,691,811 households in the region, 541,869 owners and renters have housing problems; this represents 32.0 percent of all households.

²⁵ Texas Interagency Council for the Homeless, "Key Facts."

²⁶ Real Estate Center at Texas A&M University, "Texas County Building Permit Activity," <http://recenter.tamu.edu/data/bpc/> (accessed August 7, 2006).

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)
Renter Households					
Extreme Cost Burden	168,355	71,699	55,967	31,103	9,586
Lacking Kitchen and/or Plumbing	9,614	3,228	1,892	2,034	492
Overcrowding	117,586	29,482	27,886	30,141	30,077
Owner Households					
Extreme Cost Burden	173,411	44,640	34,996	42,008	51,767
Lacking Kitchen and/or Plumbing	6,691	1,650	983	1,279	410
Overcrowding	66,212	7,391	10,243	18,303	23,006
Total	541,869	158,090	131,967	124,868	115,338

Source: 2000 CHAS

REGIONAL INPUT ON HOUSING NEEDS

Of respondents ranking their community's need for general assistance in the 2006 CNS, approximately 70 percent indicated that housing assistance was their first priority need, with 9 percent ranking energy assistance as their priority need. Approximately 14 percent of respondents indicated that the development of apartments was the first priority need, 9 percent indicated that capacity building assistance was their top need, and 0 percent indicated that homeless assistance was the top need.

In terms of housing assistance, 46 percent indicated that home repair assistance was the greatest need. Regarding rental development activities, 31 percent indicated that the need for construction and rehabilitation was the same, while 21 percent indicated that there was a minimal need for rental development in their areas and 12 percent had no opinion on the subject. When considering energy assistance activities, 49 percent indicated that utility assistance was the greatest need followed by weatherization and minor home repairs 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, including 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 6 Assisted Multifamily Units

	Region Total	Percent in Region	Percent of State Total
TDHCA Units	46,254	52.4%	27.1%
HUD Units	13,076	14.8%	22.8%
PHA Units	5,795	6.6%	9.8%
Section 8 Vouchers	19,713	22.3%	14.7%
USDA Units	3,484	3.9%	13.3%
HFC Units*	37,116		
Total	88,322	100.0%	19.7%

*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.

TDHCA ASSISTANCE FOR 2007

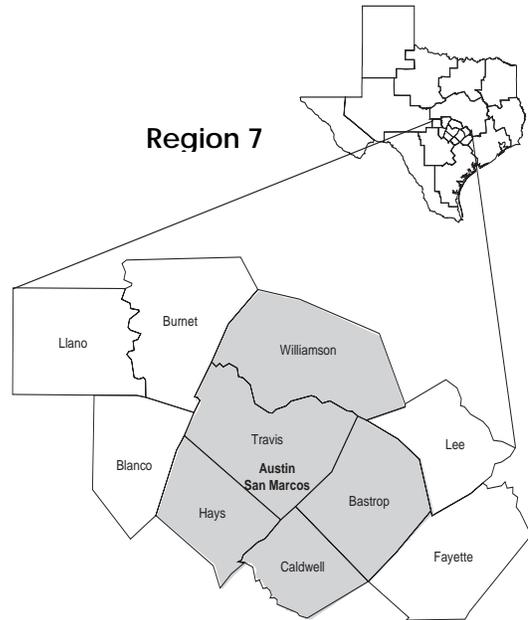
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Region 6 Projected 2007 TDHCA Funding by Housing Program

Program	2007 Funding	Percent of Program's Funding
HOME	\$2,390,795	6.9%
Housing Tax Credit	\$10,182,859	23.7%
Housing Trust Fund	TBD	23.7%
Total	TBD	

REGION 7

The urban area of Austin-San Marcos is at the center of Region 7. According to the 2000 Census, the total population in Region 7 is 1,346,833, which represents 6.5 percent of the state's total population.



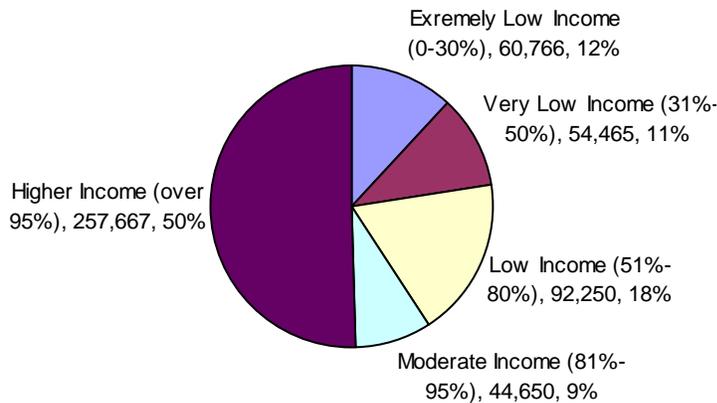
Region 7 Population Figures

	Region Total	Percent in Region	Region Percent of State
Total Population	1,346,833		6.5%
Persons with Disabilities	190,226	14.1%	5.3%
Elderly Persons (without disabilities)	61,229	4.5%	5.6%
Individuals in Poverty	145,060	10.8%	4.7%

Source: 2000 Census

Approximately 86 percent of the population lives in urban areas.

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 145,060, or 10.8 percent, individuals living in poverty in the region.

The 2006 Multiple Listing Service median home price for Austin is \$171,500.²⁷

SPECIAL NEEDS POPULATIONS

According to 2000 Census data, there are 190,226 persons with disabilities residing in the region, which is 14.1 percent of the total region population. In addition, there are 61,229 elderly individuals without disabilities in the region, which is 4.5 percent of the region.

Data on the number of homeless individuals in the region is difficult to collect because of the migratory nature of this population. The Texas Interagency Council for the Homeless

²⁷ Real Estate Center at Texas A&M University, "Texas Residential MLS Activity," <http://recenter.tamu.edu/data/hs/trends4.html> (accessed October 31, 2006).

estimates that there are 200,000 homeless individuals in Texas,²⁸ but figures vary. According to the 2000 Census, there are 2,354 people in noninstitutional group homes, which include shelters, in the region. In its special tabulation on emergency and transitional shelters, the Census counted 481 homeless persons in Austin.

HOUSING SUPPLY

According to 2000 Census data, of the 545,761 housing units in the region, 510,555 are occupied, which is a 93.5 percent occupancy rate. Of the total housing stock, 62 percent are one unit; 30 percent are over two units; and the rest are mobile homes, boats, and RVs. Approximately 59.8 percent are owner occupied and 40.2 percent are occupied by renters.

Region 7 Housing Units by Occupation

	Region Total	Percent in Region	Region Percent of State
Total Housing Units	545,761		6.7%
Total Occupied Housing Units	510,555	93.5%	6.9%
Owner-Occupied Units	305,294	59.8%	6.5%
Renter-Occupied Units	205,261	40.2%	7.7%

Source: 2000 Census

Data for the region shows that building permits for 18,113 single family units and 6,091 multifamily units were issued in 2004.²⁹

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. Of the total 509,798 households in the region, 164,537 owners and renters have housing problems; this represents 32.3 percent of all households.

²⁸ Texas Interagency Council for the Homeless, "Key Facts."

²⁹ Real Estate Center at Texas A&M University, "Texas County Building Permit Activity," <http://recenter.tamu.edu/data/bpc/> (accessed August 7, 2006).

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)
Renter Households					
Extreme Cost Burden	68,118	27,648	21,497	15,700	3,273
Lacking Kitchen and/or Plumbing	2,869	1,170	562	565	185
Overcrowding	22,581	5,433	5,070	5,645	6,433
Owner Households					
Extreme Cost Burden	56,638	11,452	10,018	16,282	18,884
Lacking Kitchen and/or Plumbing	2,013	519	291	423	110
Overcrowding	12,318	1,023	2,055	3,503	5,719
Total	164,537	47,245	39,493	42,118	34,604

Source: 2000 CHAS

REGIONAL INPUT ON HOUSING NEEDS

Of respondents ranking their community's need for general assistance in the 2006 CNS, approximately 32 percent indicated that the development of apartments was their first priority need, with 27 percent ranking housing assistance as their priority need. Approximately 14 percent of respondents indicated that energy assistance was the first priority need, 27 percent indicated that capacity building assistance was their top need, and 0 percent indicated that homeless assistance was the top need.

In terms of housing assistance, 34 percent indicated that home repair assistance was the greatest need. Regarding rental development activities, 45 percent indicated that their community's greatest need was the construction of new rental units, while 14 percent indicated that there was a minimal need for rental development in their areas. When considering energy assistance activities, 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, including 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 7 Assisted Multifamily Units

	Region Total	Percent in Region	Percent of State Total
TDHCA Units	15,315	49.0%	9.0%
HUD Units	2,889	9.2%	5.0%
PHA Units	3,522	11.3%	5.9%
Section 8 Vouchers	8,053	25.8%	6.0%
USDA Units	1,461	4.7%	5.6%
HFC Units*	8,076		
Total	31,240	100.0%	7.0%

*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.

TDHCA ASSISTANCE FOR 2007

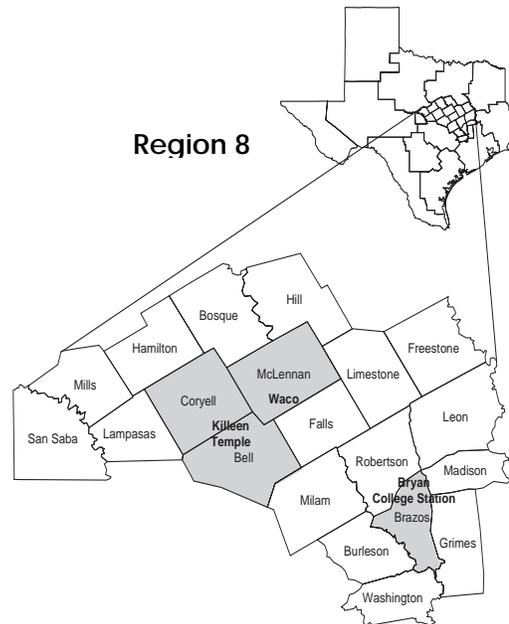
Based on allocation formulas for the programs listed below, TDHCA can estimate the amount of 2007 funding that will be allocated to the region. Please see “TDHCA Allocation Plans” in the Action Plan section for more information on the formulas. Not all TDHCA programs and funding are included; some TDHCA programs and certain program set-asides are not allocated regionally. Additionally, because the region system that organizes community service contractors is different from the 13 regions used for other TDHCA planning purposes, community affairs programs are not included here. See the applicable section of the Annual Report for region information on the Community Services Block Grant, Emergency Shelter Grant, Comprehensive Energy Assistance, and Weatherization Assistance Programs.

Region 7 Projected 2007 TDHCA Funding by Housing Program

Program	2007 Funding	Percent of Program's Funding
HOME	\$1,432,347	4.1%
Housing Tax Credit	\$1,919,458	4.5%
Housing Trust Fund	TBD	4.5%
Total	TBD	

REGION 8

Region 8, located in the center of the state, surrounds the urban areas of Waco, Bryan, College Station, Killeen, and Temple. According to the 2000 Census, the total population in Region 8 is 963,139 which represents 4.6 percent of the state's total population.



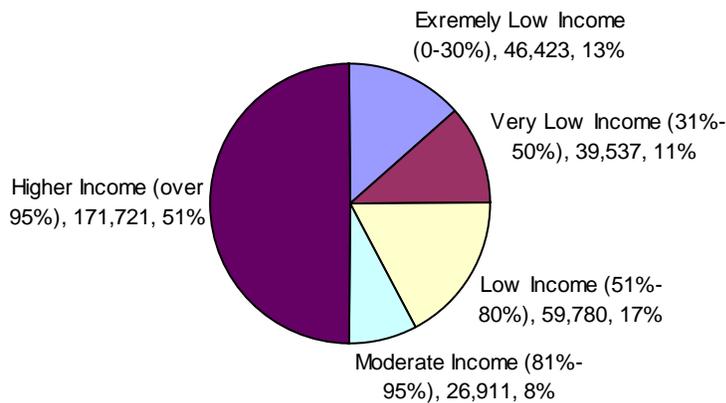
Region 8 Population Figures

	Region Total	Percent in Region	Region Percent of State
Total Population	963,139		4.6%
Persons with Disabilities	160,743	16.7%	4.5%
Elderly Persons (without disabilities)	55,854	5.8%	5.1%
Individuals in Poverty	149,480	15.5%	4.8%

Source: 2000 Census

Approximately 75 percent of the population lives in the urban areas of Region 8.

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 149,480, or 15.5 percent, individuals living in poverty in the region. 2006 Multiple Listing Service data records the median home price for Bryan-College Station as \$134,500.³⁰

SPECIAL NEEDS POPULATIONS

According to 2000 Census data, there are 160,743 persons with disabilities residing in the region, which is 16.7 percent of the total region population. In addition, there are 55,854 elderly individuals without disabilities in the region, which is 5.8 percent of the region.

³⁰ Real Estate Center at Texas A&M University, "Texas Residential MLS Activity," <http://recenter.tamu.edu/data/hs/trends4.html> (accessed October 31, 2006).

Data on the number of homeless individuals in the region is difficult to collect because of the migratory nature of this population. The Texas Interagency Council for the Homeless estimates that there are 200,000 homeless individuals in Texas,³¹ but figures vary. According to the 2000 Census, there are 1,003 people in noninstitutional group homes, which include shelters, in the region. In its special tabulation on emergency and transitional shelters, the Census counted 129 homeless persons in the Killeen area.

HOUSING SUPPLY

According to 2000 Census data, of the 387,627 housing units in the region, 344,575 are occupied, which is an 88.9 percent occupancy rate. Of the total housing stock, 67 percent are one unit; 20 percent are over two units; and the rest are mobile homes, boats, and RVs. Approximately 61.2 percent are owner occupied and 38.8 percent are occupied by renters.

Region 8 Housing Units by Occupation

	Region Total	Percent in Region	Region Percent of State
Total Housing Units	387,627		4.8%
Total Occupied Housing Units	344,575	88.9%	4.7%
Owner-Occupied Units	210,882	61.2%	4.5%
Renter-Occupied Units	133,693	38.8%	5.0%

Source: 2000 Census

Data for the region shows that building permits for 5,399 single family units and 2,054 multifamily units were issued in 2005.³²

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. Of the total 343,856 households in the region, 103,864 owners and renters have housing problems; this represents 30.2 percent of all households.

³¹ Texas Interagency Council for the Homeless, "Key Facts."

³² Real Estate Center at Texas A&M University, "Texas County Building Permit Activity," <http://recenter.tamu.edu/data/bpc/> (accessed August 7, 2006).

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)
Renter Households					
Extreme Cost Burden	42,797	20,028	12,657	8,285	1,826
Lacking Kitchen and/or Plumbing	1,831	601	354	355	92
Overcrowding	12,409	2,903	2,232	3,502	3,772
Owner Households					
Extreme Cost Burden	36,129	9,754	7,763	9,069	9,543
Lacking Kitchen and/or Plumbing	1,798	477	346	331	112
Overcrowding	8,900	741	1,055	2,293	4,811
Total	103,864	34,504	24,407	23,835	20,156

Source: 2000 CHAS

REGIONAL INPUT ON HOUSING NEEDS

Of respondents ranking their community's need for general assistance in the 2006 CNS, approximately 26 percent indicated that housing assistance was their first priority need, with 22 percent ranking energy assistance as their priority need. Approximately 19 percent of respondents indicated that the development of apartments was the first priority need, 22 percent indicated that capacity building assistance was their top need, and 11 percent indicated that homeless assistance was the top need.

In terms of housing assistance, 48 percent indicated that home repair assistance was the greatest need. Regarding rental development activities, 40 percent indicated that their community's greatest need was the construction of new rental units, while 20 percent indicated that there was a minimal need for rental development in their areas and 9 percent had no opinion on the subject. When considering energy assistance activities, 60 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, including 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 8 Assisted Multifamily Units

	Region Total	Percent in Region	Percent of State Total
TDHCA Units	5,356	24.2%	3.1%
HUD Units	2,683	12.1%	4.7%
PHA Units	3,273	14.8%	5.5%
Section 8 Vouchers	8,053	36.3%	4.0%
USDA Units	2,804	12.6%	10.7%
HFC Units*	304		
Total	22,169	100.0%	4.4%

*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.

TDHCA ASSISTANCE FOR 2007

Based on allocation formulas for the programs listed below, TDHCA can estimate the amount of 2007 funding that will be allocated to the region. Please see "TDHCA Allocation Plans" in the Action Plan section for more information on the formulas. Not all TDHCA programs and funding are included; some TDHCA programs and certain program set-asides are not allocated regionally. Additionally, because the region system that organizes community service contractors is different from the 13 regions used for other TDHCA planning purposes, community affairs programs are not included here. See the applicable section of the Annual Report for region information on the Community Services Block Grant, Emergency Shelter Grant, Comprehensive Energy Assistance, and Weatherization Assistance Programs.

Region 8 Projected 2007 TDHCA Funding by Housing Program

Program	2007 Funding	Percent of Program's Funding
HOME	\$1,163,474	3.4%
Housing Tax Credit	\$2,358,376	5.5%
Housing Trust Fund	TBD	5.5%
Total	TBD	

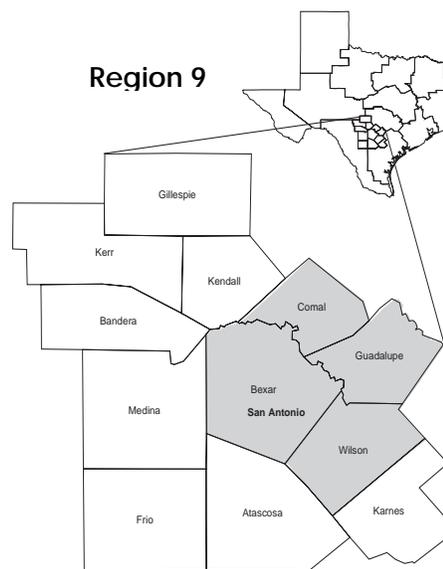
REGION 9

San Antonio is the main metropolitan area in Region 9. According to the 2000 Census, the total population in Region 9 is 1,807,868, which represents 8.7 percent of the state's total population.

Region 9 Population Figures

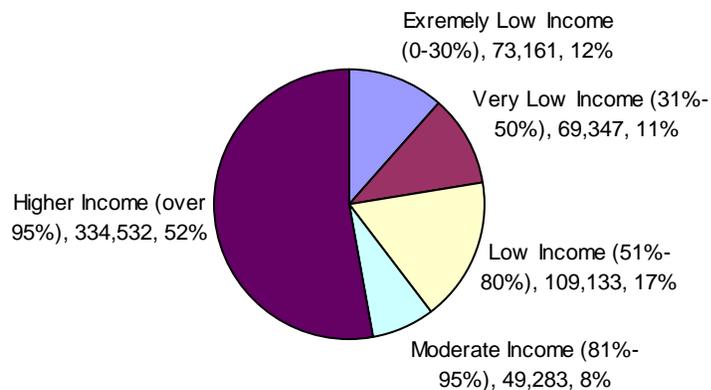
	Region Total	Percent in Region	Region Percent of State
Total Population	1,807,868		8.7%
Persons with Disabilities	337,541	18.7%	9.4%
Elderly Persons (without disabilities)	107,974	6.0%	9.9%
Individuals in Poverty	267,118	14.8%	8.6%

Source: 2000 Census



Approximately 89 percent of the population lives in urban areas.

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 267,118, or 14.8 percent, individuals living in poverty in the region.

The 2006 Multiple Listing Service records the median home price for San Antonio as \$139,500.³³

SPECIAL NEEDS POPULATIONS

According to 2000 Census data, there are 337,541 persons with disabilities residing in the region, which is 18.7 percent of the total region population. In addition, there are 107,974 elderly individuals without disabilities in the region, which is 6.0 percent of the region.

³³ Real Estate Center at Texas A&M University, "Texas Residential MLS Activity," <http://recenter.tamu.edu/data/hs/trends4.html> (accessed October 31, 2006).

Data on the number of homeless individuals in the region is difficult to collect because of the migratory nature of this population. The Texas Interagency Council for the Homeless estimates that there are 200,000 homeless individuals in Texas,³⁴ but figures vary. According to the 2000 Census, there are 2,919 people in noninstitutional group homes, which include shelters, in the region. In its special tabulation on emergency and transitional shelters, the Census counted 850 homeless persons in San Antonio.

HOUSING SUPPLY

According to 2000 Census data, of the 689,862 housing units in the region, 636,796 are occupied, which is a 92.3 percent occupancy rate. 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 owner occupied and 35.0 percent are occupied by renters.

Region 9 Housing Units by Occupation

	Region Total	Percent in Region	Region Percent of State
Total Housing Units	689,862		8.5%
Total Occupied Housing Units	636,796	92.3%	8.6%
Owner-Occupied Units	414,009	65.0%	8.8%
Renter-Occupied Units	222,787	35.0%	8.3%

Source: 2000 Census

Data for the region shows that building permits for 14,901 single family units and 7,663 multifamily units were issued in 2005.³⁵

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. Of the total 635,280 households in the region, 194,512 owners and renters have housing problems; this represents 30.6 percent of all households.

³⁴ Texas Interagency Council for the Homeless, "Key Facts."

³⁵ Real Estate Center at Texas A&M University, "Texas County Building Permit Activity," <http://recenter.tamu.edu/data/bpc/> (accessed August 7, 2006).

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)
Renter Households					
Extreme Cost Burden	62,012	24,095	19,495	14,458	3,964
Lacking Kitchen and/or Plumbing	3,284	1,137	484	751	241
Overcrowding	28,877	7,296	6,160	7,359	8,062
Owner Households					
Extreme Cost Burden	71,630	17,316	14,240	17,201	22,873
Lacking Kitchen and/or Plumbing	3,270	713	667	624	297
Overcrowding	25,439	2,644	4,107	6,555	12,133
Total	194,512	53,201	45,153	46,948	47,570

Source: 2000 CHAS

REGIONAL INPUT ON HOUSING NEEDS

Of respondents ranking their community's need for general assistance in the 2006 CNS, approximately 67 percent indicated that housing assistance was their first priority need, with 20 percent ranking energy assistance as their top need. Approximately 7 percent of respondents indicated that the development of apartments was the first priority need, 0 percent indicated that capacity building assistance was their top need, and 7 percent indicated that homeless assistance was the top need.

In terms of housing assistance, 53 percent indicated that home repair assistance was the greatest need. Regarding rental development activities, 34 percent indicated that the need for construction and rehabilitation was the same, while 18 percent indicated that there was a minimal need for rental development in their areas and 18 percent had no opinion on the subject. When considering energy assistance activities, 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, including 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 9 Assisted Multifamily Units

	Region Total	Percent in Region	Percent of State Total
TDHCA Units	13,847	32.7%	8.1%
HUD Units	5,321	12.6%	9.3%
PHA Units	7,321	17.3%	12.3%
Section 8 Vouchers	14,859	35.1%	11.1%
USDA Units	971	2.3%	3.7%
HFC Units*	21,974		
Total	42,319	100.0%	9.5%

*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.

TDHCA ASSISTANCE FOR 2007

Based on allocation formulas for the programs listed below, TDHCA can estimate the amount of 2007 funding that will be allocated to the region. Please see "TDHCA Allocation Plans" in the Action Plan section for more information on the formulas. Not all TDHCA programs and funding are included; some TDHCA programs and certain program set-asides are not allocated regionally. Additionally, because the region system that organizes community service contractors is different from the 13 regions used for other TDHCA planning purposes, community affairs programs are not included here. See the applicable section of the Annual Report for region information on the Community Services Block Grant, Emergency Shelter Grant, Comprehensive Energy Assistance, and Weatherization Assistance Programs.

Region 9 Projected 2007 TDHCA Funding by Housing Program

Program	2007 Funding	Percent of Total Program Funding
HOME	\$1,941,552	5.6%
Housing Tax Credit	\$2,448,901	5.7%
Housing Trust Fund	TBD	5.7%
Total	TBD	

REGION 10

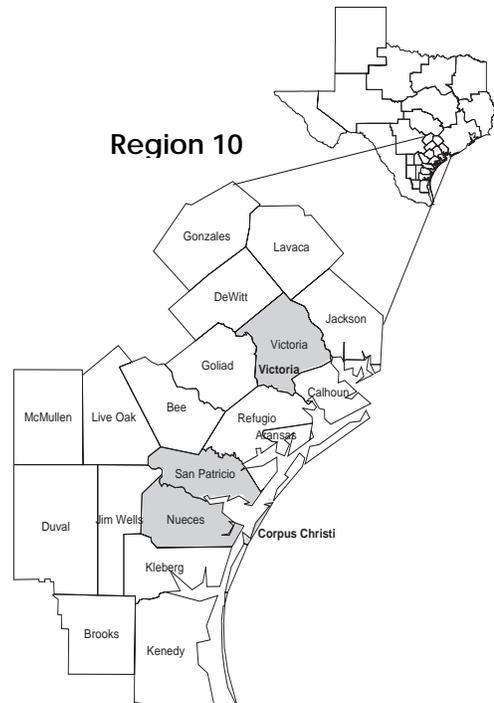
Region 10, including the urban areas of Corpus Christi and Victoria, is located in the south eastern part of the state on the Gulf of Mexico. According to the 2000 Census, the total population in Region 10 is 732,917, which represents 3.5 percent of the state's total population.

Region 10 Population Figures

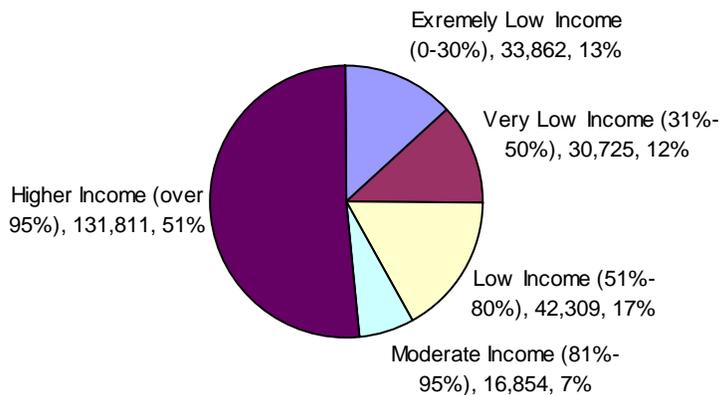
	Region Total	Percent in Region	Region Percent of State
Total Population	732,917		3.5%
Persons with Disabilities	141,592	19.3%	3.9%
Elderly Persons (without disabilities)	46,900	6.4%	4.3%
Individuals in Poverty	132,214	18.0%	4.2%

Source: 2000 Census

In Region 10, 62 percent live in urban areas.



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 132,214, or 18.0 percent, individuals living in poverty in the region.

The 2006 Multiple Listing Service records the median home price for Corpus Christi as \$131,100.³⁶

SPECIAL NEEDS POPULATIONS

According to 2000 Census data, there are 141,592 persons with disabilities residing in the region, which is 19.3 percent of the total region population. In addition, there are 46,900 elderly individuals without disabilities in the region, which is 6.4 percent of the region.

³⁶ Real Estate Center at Texas A&M University, "Texas Residential MLS Activity," <http://recenter.tamu.edu/data/hs/trends4.html> (accessed October 31, 2006).

Data on the number of homeless individuals in the region is difficult to collect because of the migratory nature of this population. The Texas Interagency Council for the Homeless estimates that there are 200,000 homeless individuals in Texas,³⁷ but figures vary. According to the 2000 Census, there are 1,456 people in noninstitutional group homes, which include shelters, in the region. In its special tabulation on emergency and transitional shelters, the Census counted 272 homeless persons in Corpus Christi.

HOUSING SUPPLY

According to 2000 Census data, of the 298,494 housing units in the region, 256,428 are occupied, which is an 85.9 percent occupancy rate. 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 owner occupied and 33.2 percent are occupied by renters.

Region 10 Housing Units by Occupation

	Region Total	Percent in Region	Region Percent of State
Total Housing Units	298,494		3.7%
Total Occupied Housing Units	256,428	85.9%	3.5%
Owner-Occupied Units	171,319	66.8%	3.6%
Renter-Occupied Units	85,109	33.2%	3.2%

Source: 2000 Census

Data for the region shows that building permits for 2,547 single family units and 807 multifamily units were issued in 2005.³⁸

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. Of the total 255,493 households in the region, 76,196 owners and renters have housing problems; this represents 29.8 percent of all households.

³⁷ Texas Interagency Council for the Homeless, "Key Facts."

³⁸ Real Estate Center at Texas A&M University, "Texas County Building Permit Activity," <http://recenter.tamu.edu/data/bpc/> (accessed August 7, 2006).

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)
Renter Households					
Extreme Cost Burden	23,006	9,258	7,433	4,896	1,419
Lacking Kitchen and/or Plumbing	1,497	513	234	355	62
Overcrowding	10,429	3,082	2,112	2,289	2,946
Owner Households					
Extreme Cost Burden	28,552	8,706	6,387	6,181	7,278
Lacking Kitchen and/or Plumbing	1,783	588	407	323	66
Overcrowding	10,929	1,235	1,563	2,421	5,710
Total	76,196	23,382	18,136	16,465	17,481

Source: 2000 CHAS

REGIONAL INPUT ON HOUSING NEEDS

Of respondents ranking their community's need for general assistance in the 2006 CNS, approximately 40 percent indicated that housing assistance was their first priority need, with 15 percent ranking energy assistance as their priority need. Approximately 15 percent of respondents indicated that the development of apartments was the first priority need, 30 percent indicated that capacity building assistance was their top need, and 0 percent indicated that homeless assistance was the top need.

In terms of housing assistance, 81 percent indicated that home repair assistance was the greatest need. Regarding rental development activities, 41 percent indicated that their community's greatest need was the construction of new rental units, while 18 percent indicated that there was a minimal need for rental development in their areas. When considering energy assistance activities, 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, including 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 10 Assisted Multifamily Units

	Region Total	Percent in Region	Percent of State Total
TDHCA Units	3,968	23.1%	2.3%
HUD Units	3,811	22.2%	6.6%
PHA Units	3,976	23.1%	6.7%
Section 8 Vouchers	3,804	22.1%	2.8%
USDA Units	1,619	9.4%	6.2%
HFC Units*	968		
Total	17,178	100.0%	3.8%

*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.

TDHCA ASSISTANCE FOR 2007

Based on allocation formulas for the programs listed below, TDHCA can estimate the amount of 2007 funding that will be allocated to the region. Please see “TDHCA Allocation Plans” in the Action Plan section for more information on the formulas. Not all TDHCA programs and funding are included; some TDHCA programs and certain program set-asides are not allocated regionally. Additionally, because the region system that organizes community service contractors is different from the 13 regions used for other TDHCA planning purposes, community affairs programs are not included here. See the applicable section of the Annual Report for region information on the Community Services Block Grant, Emergency Shelter Grant, Comprehensive Energy Assistance, and Weatherization Assistance Programs.

Region 10 Projected 2007 TDHCA Funding by Housing Program

Program	2007 Funding	Percent of Program's Funding
HOME	\$2,538,461	7.3%
Housing Tax Credit	\$1,575,474	3.7%
Housing Trust Fund	TBD	3.7%
Total	TBD	

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. According to the 2000 Census, the total population in Region 11 is 1,343,330, which represents 6.4 percent of the state's total population.



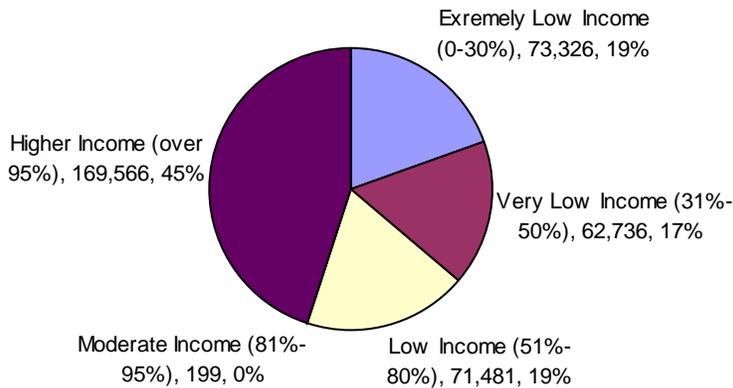
Region 11 Population Figures

	Region Total	Percent in Region	Region Percent of State
Total Population	1,343,330		6.4%
Persons with Disabilities	257,838	19.2%	7.2%
Elderly Persons (without disabilities)	67,505	5.0%	6.2%
Individuals in Poverty	455,366	33.9%	14.6%

Source: 2000 Census

About 68 percent of the population lives in urban areas.

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.³⁹ There are 455,366, or 33.9 percent, individuals living in poverty in the region.

2006 Multiple Listing Service data records the median home prices for Brownsville as \$110,400 and McAllen as

\$109,700.⁴⁰

³⁹ 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.

⁴⁰ Real Estate Center at Texas A&M University, "Texas Residential MLS Activity," <http://recenter.tamu.edu/data/hs/trends4.html> (accessed October 31, 2006).

SPECIAL NEEDS POPULATIONS

According to 2000 Census data, there are 257,838 persons with disabilities residing in the region, which is 19.2 percent of the total region population. In addition, there are 67,505 elderly individuals without disabilities in the region, which is 5.0 percent of the region.

Data on the number of homeless individuals in the region is difficult to collect because of the migratory nature of this population. The Texas Interagency Council for the Homeless estimates that there are 200,000 homeless individuals in Texas,⁴¹ but figures vary. According to the 2000 Census, there are 1,211 people in noninstitutional group homes, which include shelters, in the region. In its special tabulation on emergency and transitional shelters, the Census counted 193 homeless persons in Laredo.

HOUSING SUPPLY

According to 2000 Census data, of the 457,406 housing units in the region, 378,275 are occupied, which is an 82.7 percent occupancy rate. 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 owner occupied and 29.2 percent are occupied by renters.

Region 11 Housing Units by Occupation

	Region Total	Percent in Region	Region Percent of State
Total Housing Units	457,406		5.6%
Total Occupied Housing Units	378,275	82.7%	5.1%
Owner-Occupied Units	267,716	70.8%	5.7%
Renter-Occupied Units	110,559	29.2%	4.1%

Source: 2000 Census

Data for the region shows that building permits for 12,171 single family units and 3,089 multifamily units were issued in 2005.⁴²

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. Of the total 377,276 households in the region, 161,609 owners and renters have housing problems; this represents 42.8 percent of all households.

⁴¹ Texas Interagency Council for the Homeless, "Key Facts."

⁴² Real Estate Center at Texas A&M University, "Texas County Building Permit Activity," <http://recenter.tamu.edu/data/bpc/> (accessed August 7, 2006).

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)
Renter Households					
Extreme Cost Burden	25,023	13,381	7,343	3,335	964
Lacking Kitchen and/or Plumbing	4,751	2,474	1,099	636	0
Overcrowding	31,457	11,542	7,321	6,233	6,361
Owner Households					
Extreme Cost Burden	43,599	15,558	10,747	8,961	8,333
Lacking Kitchen and/or Plumbing	8,043	3,043	2,045	1,585	0
Overcrowding	48,736	8,375	9,672	12,299	18,390
Total	161,609	54,373	38,227	33,049	34,048

Source: 2000 CHAS

REGIONAL INPUT ON HOUSING NEEDS

Of respondents ranking their community's need for general assistance in the 2006 CNS, approximately 40 percent indicated that housing assistance was their first priority need, with 10 percent ranking energy assistance as their priority need. Approximately 20 percent of respondents indicated that the development of apartments was the first priority need, 20 percent indicated that capacity building assistance was their top need, and 10 percent indicated that homeless assistance was the top need.

In terms of housing assistance, 46 percent indicated that home repair assistance was the greatest need. Regarding rental development activities, 50 percent indicated that the need for construction and rehabilitation was the same, while 0 percent indicated that there was a minimal need for rental development in their areas. When considering energy assistance activities, 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, including 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 11 Assisted Multifamily Units

	Region Total	Percent in Region	Percent of State Total
TDHCA Units	7,400	22.2%	4.3%
HUD Units	3,695	11.1%	6.4%
PHA Units	7,223	21.6%	12.2%
Section 8 Vouchers	13,071	39.1%	9.8%
USDA Units	2,003	6.0%	7.7%
HFC Units*	204		
Total	33,392	100.0%	7.5%

*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.

TDHCA ASSISTANCE FOR 2007

Based on allocation formulas for the programs listed below, TDHCA can estimate the amount of 2007 funding that will be allocated to the region. Please see "TDHCA Allocation Plans" in the Action Plan section for more information on the formulas. Not all TDHCA programs and funding are included; some TDHCA programs and certain program set-asides are not allocated regionally. Additionally, because the region system that organizes community service contractors is different from the 13 regions used for other TDHCA planning purposes, community affairs programs are not included here. See the applicable section of the Annual Report for region information on the Community Services Block Grant, Emergency Shelter Grant, Comprehensive Energy Assistance, and Weatherization Assistance Programs.

Region 11 Projected 2007 TDHCA Funding by Housing Program

Program	2007 Funding	Percent of Program's Funding
HOME	\$6,245,987	18.0%
Housing Tax Credit	\$5,600,674	13.0%
Housing Trust Fund	TBD	13.0%
Total	TBD	

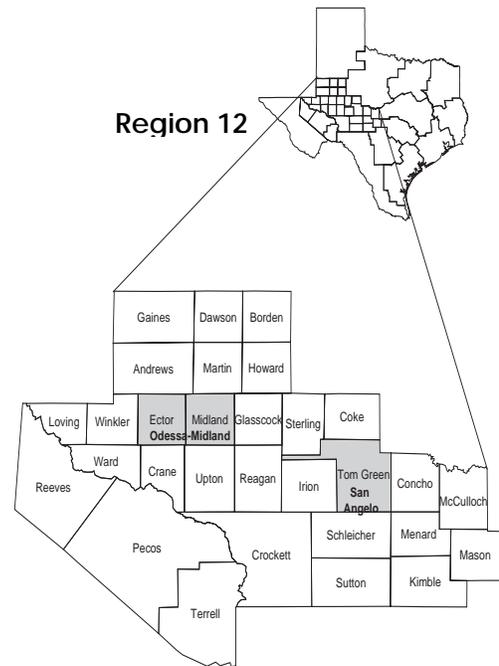
REGION 12

Region 12 in west Texas surrounds the urban areas of Odessa-Midland and San Angelo. According to the 2000 Census, the total population in Region 12 is 524,884, which represents 2.5 percent of the state's total population.

Region 12 Population Figures

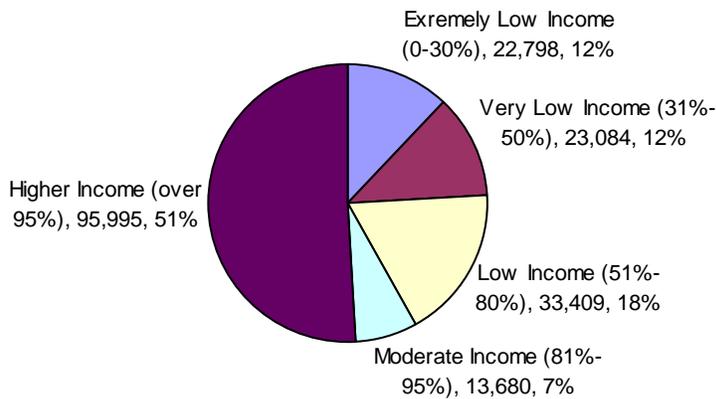
	Region Total	Percent in Region	Region Percent of State
Total Population	524,884		2.5%
Persons with Disabilities	91,822	17.5%	2.5%
Elderly Persons (without disabilities)	35,764	6.8%	3.3%
Individuals in Poverty	85,063	16.2%	2.7%

Source: 2000 Census



Approximately 68 percent of the population lives in urban areas.

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 85,063, or 16.2 percent, individuals living in poverty in the region. Multiple Listing Service data records the median home prices for Odessa-Midland as \$104,200.⁴³

SPECIAL NEEDS POPULATIONS

According to 2000 Census data, there are 91,822 persons with disabilities residing in the region, which is 17.5 percent of the total region population. In addition, there are 35,764 elderly individuals without disabilities in the region, which is 6.8 percent of the region.

⁴³ Real Estate Center at Texas A&M University, "Texas Residential MLS Activity," <http://recenter.tamu.edu/data/hs/trends4.html> (accessed October 31, 2006).

Data on the number of homeless individuals in the region is difficult to collect because of the migratory nature of this population. The Texas Interagency Council for the Homeless estimates that there are 200,000 homeless individuals in Texas,⁴⁴ but figures vary. According to the 2000 Census, there are 414 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.

HOUSING SUPPLY

According to 2000 Census data, of the 221,968 housing units in the region, 189,582 are occupied, which is an 85.4 percent occupancy rate. 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 owner occupied and 29.9 percent are occupied by renters.

Region 12 Housing Units by Occupation

	Region Total	Percent in Region	Region Percent of State
Total Housing Units	221,968		2.7%
Total Occupied Housing Units	189,582	85.4%	2.6%
Owner-Occupied Units	132,956	70.1%	2.8%
Renter-Occupied Units	56,626	29.9%	2.1%

Source: 2000 Census

Data for the region shows that building permits for 922 single family units and 179 multifamily units were issued in 2005.⁴⁵

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. Of the total 188,921 households in the region, 49,895 owners and renters have housing problems; this represents 26.4 percent of all households.

⁴⁴ Texas Interagency Council for the Homeless, "Key Facts."

⁴⁵ Real Estate Center at Texas A&M University, "Texas County Building Permit Activity," <http://recenter.tamu.edu/data/bpc/> (accessed August 7, 2006).

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)
Renter Households					
Extreme Cost Burden	14,243	6,874	4,782	2,151	436
Lacking Kitchen and/or Plumbing	1,103	355	253	204	24
Overcrowding	5,372	1,392	983	1,364	1,633
Owner Households					
Extreme Cost Burden	20,719	6,228	5,142	4,727	4,622
Lacking Kitchen and/or Plumbing	1,138	265	223	264	64
Overcrowding	7,320	752	1,186	2,243	3,139
Total	49,895	15,866	12,569	10,953	9,918

Source: 2000 CHAS

REGIONAL INPUT ON HOUSING NEEDS

Of respondents ranking their community's need for general assistance in the 2006 CNS, approximately 45 percent indicated that housing assistance was their first priority need, with 9 percent ranking energy assistance as their priority need. Approximately 27 percent of respondents indicated that the development of apartments was the first priority need, 9 percent indicated that capacity building assistance was their top need, and 9 percent indicated that homeless assistance was the top need.

In terms of housing assistance, 50 percent indicated that home repair assistance was the greatest need. Regarding rental development activities, 42 percent indicated that their community's greatest need was the construction of new rental units, while 17 percent indicated that there was a minimal need for rental development in their areas and 4 percent had no opinion on the subject. When considering energy assistance activities, 46 percent 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, including 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 12 Assisted Multifamily Units

	Region Total	Percent in Region	Percent of State Total
TDHCA Units	2,926	30.4%	1.7%
HUD Units	1,792	18.6%	3.1%
PHA Units	1,183	12.3%	2.0%
Section 8 Vouchers	3,039	31.6%	2.3%
USDA Units	687	7.1%	2.6%
HFC Units*	24		
Total	9,627	100.0%	2.2%

*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.

TDHCA ASSISTANCE FOR 2007

Based on allocation formulas for the programs listed below, TDHCA can estimate the amount of 2007 funding that will be allocated to the region. Please see "TDHCA Allocation Plans" in the Action Plan section for more information on the formulas. Not all TDHCA programs and funding are included; some TDHCA programs and certain program set-asides are not allocated regionally. Additionally, because the region system that organizes community service contractors is different from the 13 regions used for other TDHCA planning purposes, community affairs programs are not included here. See the applicable section of the Annual Report for region information on the Community Services Block Grant, Emergency Shelter Grant, Comprehensive Energy Assistance, and Weatherization Assistance Programs.

Region 12 Projected 2007 TDHCA Funding by Housing Program

Program	2007 Funding	Percent of Program's Funding
HOME	\$1,871,449	5.4%
Housing Tax Credit	\$1,300,187	3.0%
Housing Trust Fund	TBD	3.0%
Total	TBD	

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. According to the 2000 Census, the total population in Region 13 is 524,884, which represents 2.5 percent of the state's total population.



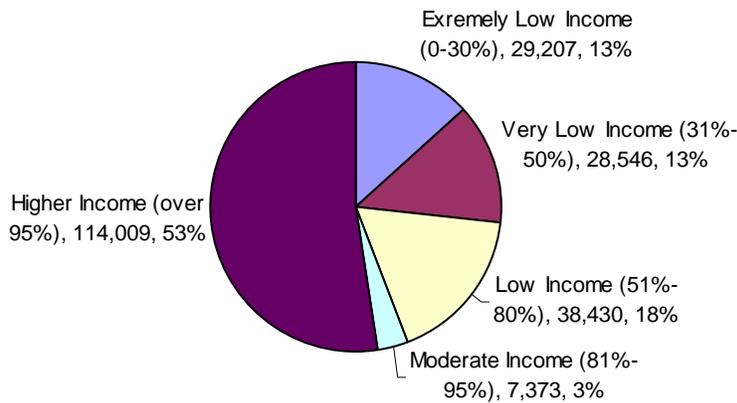
Region 13 Population Figures

	Region Total	Percent in Region	Region Percent of State
Total Population	704,318		3.4%
Persons with Disabilities	128,000	18.2%	3.6%
Elderly Persons (without disabilities)	35,421	5.0%	3.3%
Individuals in Poverty	165,122	23.4%	5.3%

Source: 2000 Census

Approximately 92 percent of the region population lives in the urban area of El Paso.

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 165,122, or 23.4 percent, individuals living in poverty in the region. The 2006 Multiple Listing Service data records the median home price for El Paso as \$125,700.⁴⁶

SPECIAL NEEDS POPULATIONS

According to 2000 Census data, there are 128,000 persons with disabilities residing in the region, which is 18.2 percent of the total region population. In addition, there are 35,421 elderly individuals without disabilities in the region, which is 5.0 percent of the region.

⁴⁶ Real Estate Center at Texas A&M University, "Texas Residential MLS Activity," <http://recenter.tamu.edu/data/hs/trends4.html> (accessed October 31, 2006).

Data on the number of homeless individuals in the region is difficult to collect because of the migratory nature of this population. The Texas Interagency Council for the Homeless estimates that there are 200,000 homeless individuals in Texas,⁴⁷ but figures vary. According to the 2000 Census, there are 1,022 people in noninstitutional group homes, which include shelters, in the region. In its special tabulation on emergency and transitional shelters, the Census counted 356 homeless people in El Paso.

HOUSING SUPPLY

According to 2000 Census data, of the 236,572 housing units in the region, 219,261 are occupied, which is a 92.7percent occupancy rate. 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 owner occupied and 36.2 percent are occupied by renters.

Region 13 Housing Units by Occupation

	Region Total	Percent in Region	Region Percent of State
Total Housing Units	236,572		2.9%
Total Occupied Housing Units	219,261	92.7%	3.0%
Owner-Occupied Units	139,842	63.8%	3.0%
Renter-Occupied Units	79,419	36.2%	3.0%

Source: 2000 Census

Data for the region shows that building permits for 4,459 single family units and 1,074 multifamily units were issued in 2005.⁴⁸

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. Of the total 216,861 households in the region, 81,248 owners and renters have housing problems; this represents 37.5 percent of all households.

⁴⁷ Texas Interagency Council for the Homeless, "Key Facts."

⁴⁸ Real Estate Center at Texas A&M University, "Texas County Building Permit Activity," <http://recenter.tamu.edu/data/bpc/> (accessed August 7, 2006).

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)
Renter Households					
Extreme Cost Burden	22,151	8,941	7,159	4,652	1,399
Lacking Kitchen and/or Plumbing	1,679	470	539	297	24
Overcrowding	15,170	15,170	3,728	3,575	3,653
Owner Households					
Extreme Cost Burden	26,451	6,254	5,872	7,268	7,057
Lacking Kitchen and/or Plumbing	1,879	366	411	523	84
Overcrowding	13,918	1,296	2,037	3,263	7,322
Total	81,248	32,497	19,746	19,578	19,539

Source: 2000 CHAS

REGIONAL INPUT ON HOUSING NEEDS

Of respondents ranking their community's need for general assistance in the 2006 CNS, approximately 47 percent indicated that housing assistance was their first priority need, with 0 percent ranking energy assistance as their priority need. Approximately 20 percent of respondents indicated that the development of apartments was the first priority need, 13 percent indicated that capacity building assistance was their top need, and 20 percent indicated that homeless assistance was the top need.

In terms of housing assistance, 41 percent indicated that home repair assistance was the greatest need. Regarding rental development activities, 46 percent indicated that their community's greatest need was the construction of new rental units, while 12 percent indicated that there was a minimal need for rental development in their areas. When considering energy assistance activities, 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, including 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 13 Assisted Multifamily Units

	Region Total	Percent in Region	Percent of State Total
TDHCA Units	3,598	20.1%	2.1%
HUD Units	1,863	10.4%	3.2%
PHA Units	6,284	35.1%	10.6%
Section 8 Vouchers	5,842	32.7%	4.4%
USDA Units	298	1.7%	1.1%
HFC Units*	378		
Total	17,885	100.0%	4.0%

*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.

TDHCA ASSISTANCE FOR 2007

Based on allocation formulas for the programs listed below, TDHCA can estimate the amount of 2007 funding that will be allocated to the region. Please see “TDHCA Allocation Plans” in the Action Plan section for more information on the formulas. Not all TDHCA programs and funding are included; some TDHCA programs and certain program set-asides are not allocated regionally. Additionally, because the region system that organizes community service contractors is different from the 13 regions used for other TDHCA planning purposes, community affairs programs are not included here. See the applicable section of the Annual Report for region information on the Community Services Block Grant, Emergency Shelter Grant, Comprehensive Energy Assistance, and Weatherization Assistance Programs.

Region 13 Projected 2007 TDHCA Funding by Housing Program

Program	2007 Funding	Percent of Total Program Funding
HOME	\$949,236	2.7%
Housing Tax Credit	\$2,016,435	4.7%
Housing Trust Fund	TBD	4.7%
Total	TBD	

REGIONAL PLANS SUMMARY

The housing and community service needs of the different regions of Texas are as varied as the regions themselves. 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 2000 Census are Regions 3 and 6, together representing almost 50 percent of the state. Regions 3, 7, and 11 are the fastest growing areas as indicated by population estimates.

Population by Region

Service Region	Population 2000 Census	Percent of State's Population	Population Estimate Jan 1, 2003	Percent Change 2000 to 2003
1	780,733	3.7%	789,292	1.1%
2	549,267	2.6%	548,013	-0.2%
3	5,487,477	26.3%	5,898,978	7.5%
4	1,015,648	4.9%	1,044,537	2.8%
5	740,952	3.6%	750,676	1.3%
6	4,854,454	23.3%	5,182,676	6.8%
7	1,346,833	6.5%	1,448,465	7.5%
8	963,139	4.6%	998,728	3.7%
9	1,807,868	8.7%	1,901,127	5.2%
10	732,917	3.5%	740,168	1.0%
11	1,343,330	6.4%	1,455,917	8.4%
12	524,884	2.5%	527,426	0.5%
13	704,318	3.4%	730,908	3.8%
State	20,851,820	100%	22,016,911	5.6%

Source: 2000 US Census and Texas State Data Center

The regions with the highest number of persons in poverty are Regions 6, 3, and 11. The state poverty rate is 15.4 percent. The regions with the highest rate of poverty are along the border, Regions 13 and 11 with poverty rates of 23.9 percent and 34.4 percent respectively.

Population and Poverty, 2000

Service Region	Persons in Poverty	Percent of State Poverty Total	Population for whom Poverty Status is Determined	Percent of Regional Population in Poverty
1	122,991	3.9%	748,227	16.4%
2	77,647	2.5%	514,399	15.1%
3	588,688	18.9%	5,389,443	10.9%
4	152,036	4.9%	971,222	15.7%
5	120,585	3.9%	705,774	17.1%
6	656,239	21.0%	4,763,150	13.8%
7	145,060	4.7%	1,310,221	11.1%
8	149,480	4.8%	897,160	16.7%
9	267,118	8.6%	1,759,653	15.2%
10	132,214	4.2%	708,646	18.7%
11	455,366	14.6%	1,324,854	34.4%
12	85,063	2.7%	503,813	16.9%
13	165,122	5.3%	690,738	23.9%
State	3,117,609	100.0%	20,287,300	15.4%

Source: 2000 US Census

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 US Census

Housing Analysis

Regional Plans Summary

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 US Census

Information on the number of housing permits provides information on the regional housing industry. The regions with the highest share of the state's housing permits are also the most populous regions: 3 and 6. Across the state, there were nearly four times as many single family permits as multifamily permits.

Housing Permits, 2005

Service Region	Multifamily Housing Permits	Percent of State	Single Family Housing Permits	Percent of State	Total Housing Permits	Percent of State
1	824	1.9%	2,375	1.4%	3,199	1.5%
2	376	0.8%	659	0.4%	1,035	0.5%
3	10,924	24.6%	50,307	30.3%	61,231	29.1%
4	94	0.2%	1,602	1.0%	1,696	0.8%
5	398	0.9%	878	0.5%	1,276	0.6%
6	11,118	25.0%	51,525	31.0%	62,643	29.7%
7	6,091	13.7%	18,113	10.9%	24,204	11.5%
8	2,054	4.6%	5,399	3.2%	7,453	3.5%
9	7,663	17.2%	14,901	9.0%	22,564	10.7%
10	551	1.2%	2,547	1.5%	3,098	1.5%
11	3,089	7.0%	12,171	7.3%	15,260	7.2%
12	179	0.4%	922	0.6%	1,101	0.5%
13	1,074	2.4%	4,886	2.9%	5,960	2.8%
State	44,435	100.0%	166,285	100.0%	210,720	100.0%

Source: Real Estate Center at Texas A&M University

NEED INDICATORS

The chart below shows the number of renter households with cost burden greater than 30 percent by income group. The highest numbers of very low income households with extreme cost burden are found in Region 3 with a total of 206,011 households and Region 6 with 168,355 households.

Number of Renter Households with Extreme Cost Burden by Income Group, 2000

Service Region	All Incomes	0% to 30%	31% to 50%	51% to 80%	81% to 95%	95% and Above
1	29,555	14,026	9,256	5,092	636	545
2	16,557	7,546	5,753	2,699	263	296
3	206,011	78,911	67,156	48,746	5,773	5,425
4	27,100	12,500	9,142	4,443	606	409
5	21,116	10,733	6,894	2,890	254	345
6	168,355	71,699	55,967	31,103	4,751	4,835
7	68,118	27,648	21,497	15,700	1,808	1,465
8	42,797	20,028	12,657	8,285	1,123	704
9	62,012	24,095	19,495	14,458	1,834	2,130
10	23,006	9,258	7,433	4,896	744	675
11	25,023	13,381	7,343	3,335	0	964
12	14,243	6,874	4,782	2,151	223	213
13	22,151	8,941	7,159	4,652	270	1,129
State	726,044	305,640	234,534	148,450	18,285	19,135

Source: CHAS Database

The number of rental units lacking complete plumbing and/or kitchen facilities is one of the indicators of housing need that does not follow the pattern of population. Regions 3 and 6 have the highest number of units lacking facilities and are also the regions with the highest number of renter households. Region 11, however, is ranked sixth in terms of renter population and third in number of renter units lacking kitchen and/or plumbing facilities.

Number of Renter Units Lacking Kitchen and/or Plumbing by Affordability Category, 2000

Service Region	All Incomes	0% to 30%	31% to 50%	51% to 80%	80% and Above
1	1,638	553	322	301	88
2	968	330	161	237	71
3	10,144	2,968	2,087	2,247	675
4	2,108	724	425	363	135
5	1,460	549	300	270	76
6	9,614	3,228	1,892	2,034	492
7	2,869	1,170	562	565	185
8	1,831	601	354	355	92
9	3,284	1,137	484	751	241
10	1,497	513	234	355	62
11	4,751	2,474	1,099	636	0
12	1,103	355	253	204	24
13	1,679	470	539	297	24
State	42,946	15,072	8,712	8,615	2,165

Source: CHAS Database

The table below shows the number of overcrowded owner households by income group. Regions 3 and 6, the most populous regions in the state, have the highest number of overcrowded households. Region 11, sixth in population, ranks third in number of overcrowded renter households.

Number of Overcrowded Renter Households by Income Group, 2000

Service Region	All Incomes	0% to 30%	31% to 50%	51% to 80%	81% to 95%	95% and Above
1	9,294	2,037	2,029	2,602	639	1,987
2	3,906	867	694	1,181	283	881
3	114,914	26,062	25,691	30,470	9,536	23,155
4	8,851	1,951	1,688	2,215	874	2,123
5	6,868	1,988	1,246	1,477	534	1,623
6	117,586	29,482	27,886	30,141	8,837	21,240
7	22,581	5,433	5,070	5,645	1,895	4,538
8	12,409	2,903	2,232	3,502	1,089	2,683
9	28,877	7,296	6,160	7,359	2,039	6,023
10	10,429	3,082	2,112	2,289	643	2,303
11	31,457	11,542	7,321	6,233	0	6,361
12	5,372	1,392	983	1,364	566	1,067
13	15,170	4,214	3,728	3,575	511	3,142
State	387,714	98,249	86,840	98,053	27,446	77,126

Source: CHAS Database

The table below shows the number of owner households with housing cost burden of over 30 percent of income. Regions 3 and 6, the most populous regions, have the highest number of very low income households with extreme cost burden.

Number of Owner Households with Extreme Housing Cost Burden by Income Group, 2000

Service Region	All Incomes	0% to 30%	31% to 50%	51% to 80%	81% to 95%	95% and Above
1	28,912	8,542	7,021	6,944	1,748	4,657
2	22,471	6,744	5,894	4,902	1,555	3,376
3	216,038	50,064	41,410	55,310	19,764	49,490
4	49,419	15,358	11,379	11,530	3,628	7,524
5	32,849	11,845	7,609	7,044	1,990	4,361
6	173,411	44,640	34,996	42,008	13,606	38,161
7	56,638	11,452	10,018	16,282	6,004	12,882
8	36,129	9,754	7,763	9,069	3,088	6,455
9	71,630	17,316	14,240	17,201	6,436	16,437
10	28,552	8,706	6,387	6,181	1,854	5,424
11	43,599	15,558	10,747	8,961	63	8,270
12	20,719	6,228	5,142	4,727	1,407	3,215
13	26,451	6,254	5,872	7,268	1,120	5,937
State	806,818	212,461	168,478	197,427	62,263	166,189

Source: CHAS Database

The table below shows the number of owner units that are lacking kitchen and/or plumbing facilities. Region 11, with the sixth highest number of owner households, has the highest number of physically inadequate owner housing units. Region 6, the second most populous region, has the second highest number of units lacking kitchen and/or plumbing facilities.

Number of Owner Units Lacking Kitchen and/or Plumbing, 2000

Service Region	All Incomes	0% to 30%	31% to 50%	51% to 80%	80% and Above
1	1,154	228	163	224	85
2	919	253	158	170	60
3	6,044	1,373	850	1,214	487
4	2,742	775	439	508	187
5	1,876	555	250	367	90
6	6,691	1,650	983	1,279	410
7	2,013	519	291	423	110
8	1,798	477	346	331	112
9	3,270	713	667	624	297
10	1,783	588	407	323	66
11	8,043	3,043	2,045	1,585	0
12	1,138	265	223	264	64
13	1,879	366	411	523	84
State	39,350	10,805	7,233	7,835	2,052

Source: CHAS Database

The table below shows that Region 6 has the highest number of overcrowded owner households.

Number of Overcrowded Owner Households by Income Group, 2000

Service Region	All Incomes	0% to 30%	31% to 50%	51% to 80%	81% to 95%	95% and Above
1	9,245	897	1,223	2,399	966	3,760
2	4,325	411	558	1,159	443	1,754
3	57,504	5,876	9,070	16,460	6527	19,571
4	10,259	1,233	1,477	2,496	1116	3,937
5	8,491	925	970	1,991	949	3,656
6	66,212	7,391	10,243	18,303	7269	23,006
7	12,315	1,038	2,055	3,503	1459	4,260
8	8,900	741	1,055	2,293	942	3,869
9	25,439	2,644	4,107	6,555	3171	8,962
10	10,929	1,235	1,563	2,421	1000	4,710
11	48,736	8,375	9,672	12,299	20	18,370
12	7,320	752	1,186	2,243	605	2,534
13	13,918	1,296	2,037	3,263	707	6,615
State	283,593	32,814	45,216	75,385	25,174	105,004

Source: CHAS Database

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. HFC units are not included in the total assisted units because this figure includes a considerable number of market-rate units, and many HFC units are financed through TDHCA and already counted in the TDHCA units total. 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	4,218	2,076	1,562	3,987	1,612	1,577	13,455
2	2,753	1,655	3,904	2,921	1,925	280	13,158
3	55,393	10,834	8,725	39,149	4,076	19,944	118,177
4	5,182	3,381	3,422	6,090	3,872	1,160	21,947
5	4,556	4,296	3,241	7,992	1,371	1,171	21,456
6	46,254	13,076	5,795	19,713	3,484	37,116	88,322
7	15,315	2,889	3,522	8,053	1,461	8,076	31,240
8	5,356	2,683	3,273	5,424	2,804	304	19,540
9	13,847	5,321	7,321	14,859	971	21,974	42,319
10	3,968	3,811	3,976	3,804	1,619	968	17,178
11	7,400	3,695	7,223	13,071	2,003	204	33,392
12	2,926	1,792	1,183	3,039	687	24	9,627
13	3,598	1,863	6,284	5,842	298	378	17,885
State	170,766	57,372	59,431	133,944	26,183	93,176	447,696

*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.

TDHCA ASSISTANCE FOR 2007

Based on allocation formulas, TDHCA can estimate the amount of 2007 funding that will be allocated to a region for certain programs. Please see "TDHCA Allocation Plans" in the Action Plan section for more information on the formulas. Not all TDHCA programs and funding are included; some TDHCA programs and certain program set-asides are not allocated regionally and thus are not included in this table. Community Affairs programs are also not included here because they are not allocated by the same 13 region system as other TDHCA programs. Projected dollar amounts for the Housing Trust Fund, while distributed according to a regional allocation formula like the HOME and HTC programs, were not available at the time of this document's publication.

Regional figures are total dollars to be allocated, less administrative fees and program set-asides or initiatives that are not subject to the allocation formula. State totals may not be exact due to rounding.

Projected 2007 Regional Funding by Housing Program

Region	HOME	HTC	Total HOME & HTC Funding Allocation
1	\$2,096,376	\$2,096,099	\$4,192,475
2	\$1,564,996	\$1,251,525	\$2,816,521
3	\$6,158,445	\$8,598,298	\$14,756,743
4	\$4,209,442	\$2,286,522	\$6,495,964
5	\$2,087,440	\$1,365,191	\$3,452,631
6	\$2,390,795	\$10,182,859	\$12,573,654
7	\$1,432,347	\$1,919,458	\$3,351,805
8	\$1,163,474	\$2,358,376	\$3,521,850
9	\$1,941,552	\$2,448,901	\$4,390,453
10	\$2,538,461	\$1,575,474	\$4,113,935
11	\$6,245,987	\$5,600,674	\$11,846,661
12	\$1,871,449	\$1,300,187	\$3,171,636
13	\$949,236	\$2,016,435	\$2,965,671
State	\$2,096,376	\$2,096,099	\$4,192,475

SECTION 4: ACTION PLAN

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

- TDHCA Purpose
- Obstacles to Meeting Housing Needs
- General Strategies to Overcome Obstacles
- Policy Focuses
- Program Plans
- TDHCA Allocation Plans
- TDHCA Goals and Objectives

TDHCA PURPOSE

Section 2306.001 of TDHCA's enabling legislation states that the purpose of the Department is to

- (1) assist local governments in:
 - (A) providing essential public services for their residents; and
 - (B) overcoming financial, social, and environmental problems;
- (2) provide for the housing needs of individuals and families of low, very low, and extremely low income and families of moderate income;
- (3) contribute to the preservation, development, and redevelopment of neighborhoods and communities, including cooperation in the preservation of government-assisted housing occupied by individuals and families of very low and extremely low income;
- (4) assist the governor and the legislature in coordinating federal and state programs affecting local government;
- (5) inform state officials and the public of the needs of local government;
- (6) serve as the lead agency for:
 - (A) addressing at the state level the problem of homelessness in this state;
 - (B) coordinating interagency efforts to address homelessness; and
 - (C) addressing at the state level and coordinating interagency efforts to address any problem associated with homelessness, including hunger, and
- (7) serve as a source of information to the public regarding all affordable housing resources and community support services in the state.

GENERAL STRATEGIES TO OVERCOME OBSTACLES

TDHCA is committed to exploring a variety of avenues to provide affordable housing and community services to assist those at the local level. TDHCA will continue to use the following general approaches to overcome obstacles to addressing housing need.

EFFECTIVE USE OF EXISTING RESOURCES

Programs administered by TDHCA provide housing and housing-related services, including community services. Housing activities consist of homebuyer assistance which includes down payment and closing costs, the rehabilitation of single family and multifamily units, rental assistance, the new construction of single family and multifamily housing, special needs housing, transitional housing, and emergency shelters. Housing-related and community services include energy assistance, weatherization assistance, health and human services, child care, nutrition, job training and employment services, substance abuse counseling, medical services, and emergency assistance. Through these activities, the Department 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.

PROVIDE INFORMATIONAL RESOURCES

Though TDHCA does not have regulatory authority the housing/building industry, save projects funded with TDHCA funds and certain aspects of the manufactured housing industry, TDHCA can act as an information resource to help identify or facilitate actions such as the following:

- Encourage localities to identify and address those regulations that lead to increased housing costs. For example, work through outreach efforts supported by convincing research to help local governments see the value in
 - setting aside undeveloped or underdeveloped land for affordable housing developments,
 - adopting zoning ordinances that do not have the effect of impeding affordable housing,
 - reviewing local amendments to building codes and modify those that restrict the use of new advances in construction materials and techniques.
- Continue education programs such as the Texas Statewide Homebuyer Education Program, which provides lenders, homebuyer educators, and consumers information and education on homebuyer education.
- Continue research on defining and eliminating or reducing both state and local policy barriers.
- Continue research on a variety of lending issues that affect the ability of households to purchase, maintain, and remain in their homes. A significant portion of this effort relates to a study required by HB 1582 of the 79th Legislature. This bill requires TDHCA to study

mortgage foreclosure rates in Bexar, Cameron, Dallas, El Paso, Harris, and Travis Counties. The study addresses the extent to which the terms of mortgages are related to the foreclosure rate and whether terms could be offered to reduce the likelihood of foreclosure; the socioeconomic and geographic elements characterizing foreclosures; the securitization of mortgages in the secondary market and its effect on foreclosures; consumer education efforts to prevent foreclosures; and recommendations to reduce foreclosures. For more information on this study, please contact the Division of Policy and Public Affairs at (512) 475-3976 or visit <http://www.tdhca.state.tx.us/ppa/housing-center/pubs.htm>.

- Provide education and outreach to mitigate public opposition to affordable housing. TDHCA has developed a page on its website to provide interested persons with existing research on affordable housing issues that may be of concern.

COORDINATE RESOURCES

Understanding that no single entity can address the enormous needs of the state of Texas, TDHCA supports the formation of partnerships in the provision of housing and housing-related endeavors. The Department works with many housing partners including consumer groups, community-based organizations, neighborhood associations, community development corporations, community housing development organizations, community action agencies, real estate developers, social service providers, local lenders, investor-owned electric utilities, local government, nonprofits, faith-based organizations, property managers, state and local elected officials, and other state and federal agencies.

There are many benefits to these partnerships: risk and commitment are shared; the principle of reciprocity requires that local communities demonstrate an awareness of their needs and a willingness to participate actively in solving problems, therefore local communities play an active role in tailoring the project to their needs; partners are able to concentrate specifically on their area of expertise; and a greater variety of resources insure a well targeted more affordable product.

Coordination with Federal Agencies

Because the State receives the majority of its funding from federal sources, many TDHCA programs require coordination with federal agencies. Below is a listing of those federal agencies and an overview of the activities associated with these partnerships:

- *US Department of Housing and Urban Development:* TDHCA administers the HOME, ESGP, and Section 8 programs in Texas using HUD dollars. TDHCA also regulates the manufactured housing industry using HUD laws. TDHCA has established cooperative efforts with HUD's personnel in their field offices and with the Secretary's representative. This cooperation has led to the joint marketing of housing programs through conferences and workshops throughout the state, a mutual referral system, as well as technical assistance service by which each agency assists the other with workshops and other training efforts. Currently, HUD staff uses several TDHCA documents as their text on

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General Strategies to Overcome Obstacles

- available housing resources and distribute these materials to the local governments and organizations they are serving.
- *US Treasury Department:* TDHCA administers the HTC Program, which was created by the Tax Reform act of 1986 (Section 42 of the Internal Revenue Code of 1986, as amended, is the federal law that governs the HTC Program). The HTC Program produces over 12,000 units of affordable housing each year. Additionally, TDHCA acts as an issuer of tax-exempt and taxable mortgage revenue bonds. The authority for these bonds comes again from the above cited act. Annually, single family bonds are used to provide below-market interest rate loans and multifamily bonds are used to finance the construction, acquisition, or rehabilitation of multifamily properties.
 - *US Department of Health and Human Services:* The Department administers several programs funded by HHS that are aimed at serving extremely low income persons; specifically, the Community Services Block Grant Program, Comprehensive Energy Assistance Program, and the Weatherization Assistance Program.
 - *US Department of Energy:* TDHCA administers the US Department of Energy's Weatherization Assistance Program for Low Income Persons. This program helps consumers control energy costs through the installation of weatherization measures and provides energy conservation education.
 - *USDA Rural Development:* As a provider of services to rural Texas communities, TDHCA has an ongoing relationship with USDA Rural Development. Collaborations have been achieved through several TDHCA programs (HTC, HTF, HOME) in the form of multifamily developments and single family homeownership initiatives.

Coordination with State Agencies, Local Governments, and Other Parties

With the exception of most of its community services programs, TDHCA's funding resources are awarded through formal, competitive processes. As such, funding is distributed to entities that, in turn, provide assistance to households in need. This distribution is done using a number of techniques.

- Almost all housing development, rehabilitation, and rental assistance related funding is awarded through formal competitive request for proposals and notices of funding availability.
- First time homebuyer mortgage and down payment assistance is allocated through a network of participating lenders.
- Community services funds are predominantly allocated through a network of community based organizations who receive their funding on an annual, ongoing basis. Because TDHCA does not fund individuals directly, coordination with outside entities is key to the success of its programs. Below are some examples of organizational cooperation outside of the funding of these entities.
- *Office of Rural Community Affairs (ORCA):* TDHCA and ORCA have entered into an interagency contract to jointly administer the rural regional allocation of the HTC Program. ORCA also participates in the evaluation and site inspection of rural

developments proposed under the rural allocation. TDHCA and ORCA coordinate services with each of the seven Colonia Self-Help Centers (in Cameron/Willacy, El Paso, Hidalgo, Maverick, Starr, Val Verde, and Webb counties) to provide housing and technical assistance to improve the quality of life for colonia residents beyond the provision of basic infrastructure. The contracts are executed directly with the county where the center is located. In addition, TDHCA and ORCA jointly administer the CDBG disaster recovery funding awarded to Texas under the Department of Defense Appropriations Act, 2006, to rebuild the southeast Texas region devastated by Hurricane Rita.

- *Texas Homeless Network:* TDHCA collaborates with the Texas Homeless Network (THN) to build the capacity of homeless coalitions across the State of Texas, enabling them to become more effective in the communities they serve. The Department also provided funds through THN to support technical assistance workshops for the HUD Continuum of Care homeless application. The purpose of the workshops was to assist communities in creating a network of services to the homeless population.
- *Texas Interagency Council for the Homeless:* TDHCA serves as a member of, and provides administrative support to, the Texas Interagency Council for the Homeless—a council comprised of six member state agencies.
- *Interagency Housing Partnership of the Texas Mental Health Transformation Workgroup.* The Department is working with the Texas Department of Aging and Disability Services, the Texas Department of Assisted Rehabilitative Services, the Health and Human Services Commission, the Texas Department of Criminal Justice, the Texas Department of Family Protective Services, and several veterans affairs agencies to conduct a comprehensive study of existing housing programs and their delivery mechanisms, while focusing on any regulatory facets of policy which create barriers and may even make certain populations ineligible to benefit from various housing opportunities.
- *Texas Association of Realtors:* In December 2004, the Department entered into a partnership with the Texas Association of Realtors and Fannie Mae to educate Texas real estate agents on programs and develop an outreach campaign to help first time homebuyers access low-cost mortgage financing. TDHCA also sponsored a specialty license plate to support the association's Housing Opportunity Foundation.
- *Texas Home of Your Own Coalition:* TDHCA has historically partnered with United Cerebral Palsy's Texas Home of Your Own Coalition, which is a nonprofit organization that assists persons with disabilities purchase homes, to set aside HOME Homebuyer Assistance Program funds to support homeownership for persons with disabilities.
- *Texas Department of Aging and Disability Services:* TDHCA, in cooperation with the Texas Department of Aging and Disability Services, the Texas Health and Human Services Commission, and local public housing authorities, administers a housing voucher pilot program developed by HUD, the US Department of Health and Human Services, and the Institute on Disability at the University of New Hampshire. "Project Access" helps low income persons with disabilities transition from nursing facilities into the community by

Action Plan

General Strategies to Overcome Obstacles

- providing Section 8 Housing Choice Vouchers that enable them to access affordable housing in the community.
- *Promoting Independence Advisory Board.* The Department has been working with the Promoting Independence Advisory Board to address issues related to *Olmstead v. L. C.* The group is working on initiatives that will serve the needs of persons with disabilities who want housing options outside of institutional settings. TDHCA has been working with the following agencies: Texas Health and Human Services Commission, Texas Department of Aging and Disability Services, Texas Council for Developmental Disabilities, Texas Department of State Health Services, Texas Education Agency, and Texas Department of Protective and Regulatory Services.
 - *NeighborWorks America.* TDHCA continues to contract with NeighborWorks America to facilitate the Texas Statewide Homebuyer Education Program (TSHEP) training. TSHEP also collaborates with several other partners including the Texas State Affordable Housing Corporation, JP Morgan Chase, Fannie Mae, CitiMortgage, the Texas Home of Your Own Coalition, and Texas C-BAR to implement the trainings.
 - *Texas State Affordable Housing Corporation (TSAHC):* TDHCA has entered into a memorandum of understanding with TSAHC to share data and information in the development of the State of Texas Low Income Housing Plan and Annual Report. TSAHC has also partnered with TDHCA to manage the financial account for Texas Statewide Homebuyer Education Program and is contracted with the Department to provide some asset management services.
 - *Local Utility Companies:* Partnerships with financial commitments between the Weatherization Assistance Program and Southwestern Electric Power Company, Southwestern Public Service Company, Entergy, and El Paso Electric, provide energy conservation measures to very low and extremely low income utility customers.
 - *CHDO Capacity Building Project:* TDHCA has committed to understanding the needs of CHDOs to ensure the success of single family and multifamily developments funded by TDHCA. To that end, TDHCA partnered with Training and Development Associates' (TDA's) Community Building Investment (CBI) II Program. The CBI II Program, implemented by TDA, provides direct technical assistance, training, and/or operating grants (pass-through funds) to existing and potential CHDOs that were awarded funding under the program.

TDHCA also commissioned a comprehensive plan to address technical assistance and capacity building needs of Texas CHDOs. Implementation of the plan will improve TDHCA's overall management and understanding of CHDOs, improve the capacity and performance of CHDOs, and establish effective systems to ensure long term quality housing production. The plan is primarily composed of two parts: (1) the provision of ongoing training and technical assistance to CHDOs and prospective CHDOs and (2) the recommended procedures needed to ensure the future capacity and success of Texas CHDOs.

FAIR HOUSING

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. 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 Texas Workforce Commission, Human Rights Division, which was created under the Texas Fair Housing Act to directly address public grievances related to fair housing.
- Section 8 Admittance Policy: In June 2000, TDHCA appointed a Section 8 Task Force and charged it to develop a policy for expanding housing opportunities for Section 8 voucher and certificate holders in TDHCA assisted properties. The policy adopted by the TDHCA Board is as follows:
 - Managers and owners of 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.

POLICY PRIORITIES

This section describes policies TDHCA will use to address specific types of housing need in each uniform state service region, including meeting the underserved needs of extremely low income households, the homeless, persons with disabilities, and other special needs populations. This section also discusses rural needs, energy efficiency, and lead-based paint. Because of the unique challenges associated with the housing needs of these varying populations, a considerable level of planning and consumer-need-based focus is required.

EXTREMELY LOW INCOME INDIVIDUALS AND HOUSEHOLDS

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 2006/2007 Appropriations Act Rider 4, specifically calls upon TDHCA to focus funding toward individuals and families that are earning less than 60 percent of the area median family income. Rider 4 directs TDHCA 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 HOME and HTC scoring incentives for applicants to set aside units for very low and extremely low income households.

The data presented in the Housing Analysis section of this report shows that households with lower incomes have higher incidences of housing problems. There are minimal differences 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. Therefore, households at 0-80 percent of median income have been given higher priority than households above 80 percent of median income. This prioritization will allow the State to target resources to those households most in need, regardless of household type.

Poverty

According to the 2000 US Census, Texas has the ninth highest poverty rate among the states: 15.4 percent compared to the national rate of 12.4 percent. The US Department of Health and Human Services defines the 2005 poverty guideline as \$19,350 in income for a family of four,⁴⁹ and many poor families make substantially less than this. Poverty can be

⁴⁹ US Department of Health and Human Services, "The 2005 HHS Poverty Guidelines," <http://aspe.hhs.gov/poverty/05poverty.shtml> (accessed July 28, 2006).

self-perpetuating, creating barriers to education, health, and the financial stability provided by homeownership.

Those groups showing the largest growth in proportion of population, the young and minority populations, continue to be overrepresented in the Texas poverty population. According to the 2000 US Census, 38 percent of the poverty population is between the ages of 0-17. Hispanics make up 41 percent of Texas children under the age of 18, but 62 percent of all poor children. African American children account for 12.5 percent of Texas children, but 18 percent of all poor children.

TDHCA recognizes that unemployment, the high cost of home energy, and lack of education are significant factors in the high rate of poverty.

TDHCA has an important role in addressing Texas poverty. 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. The Department provides low income persons with energy, emergency, and housing assistance to meet the basic necessities.

An asset development approach to addressing poverty emphasizes the use of public assistance to facilitate long-term investments rather than incremental increases in income. In housing, this can mean gaining equity through homeownership. Several of TDHCA programs introduce the option of homeownership to lower income populations: the HOME Program offers down payment assistance and closing cost assistance, and the Single Family Bond Program offers below-market-rate loans.

Programs administered through TDHCA's Office of Colonia Initiatives (OCI) can be instrumental in creating self sufficiency in the colonias. OCI coordinates programs that improve the living conditions of the state's colonias. The Texas Bootstrap Loan program provides loans for self-help housing initiatives; the Contract for Deed Conversion Initiative facilitates homeownership by converting contracts for deed into traditional mortgages; the Colonia Model Subdivision Program provides loans to develop residential subdivisions as alternatives to colonias; and the Colonia Self-Help Centers provide outreach, education, and technical assistance to colonia residents.

SPECIAL NEEDS POPULATIONS

According to HUD, in addition to the homeless, according to HUD, special needs populations include persons with disabilities, the elderly, persons with alcohol and/or drug addictions, persons with HIV/AIDS, and public housing residents. TDHCA also considers colonia residents and migrant farmworkers as special needs populations.

TDHCA Strategies for Meeting the Needs of Persons with Special Needs

Action Plan

Policy Priorities

As further described in the "TDHCA goals and objectives" section of this plan, the following general research and policy goals are designed to help address housing and service issues 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 Through Funding, research, and policy development efforts.

9.1 Strategy: Dedicate no less than 20 percent of the HOME project allocation for applicants that target persons with special needs.

9.2 Strategy: Compile information and accurately assess the housing needs of and the housing resources available to persons with special needs.

9.3 Strategy: Increase collaboration between organizations that provide services to special needs populations and organizations that provide housing.

9.4 Strategy: Discourage the segregation of persons with special needs from the general public."

The following sections describe each type of special need and actions taken by TDHCA to try to address specific issues the different special needs groups.

HOMELESS POPULATIONS

The Stewart B. McKinney Homeless Assistance Act of 1987, the legislation that created a series of homeless assistance programs, defined the term "homeless." The following definition is used by the US Department of Housing and Urban Development (HUD) and all other federal agencies responsible for administering McKinney programs:

The term "homeless" or "homeless individual" includes

- an individual who lacks a fixed, regular, and adequate night time residence; or
- an individual who has a primary nighttime residency that is
 - a supervised publicly or privately-operated shelter designed to provide temporary living accommodations;
 - an institution that provides a temporary residence for individuals intended to be institutionalized; or
 - a public or private place not designed for, or ordinarily used as, a regular sleeping accommodation for human beings.

The Texas Interagency Council for the Homeless estimates that approximately 200,000 people in Texas, or about 1 percent of the population, are homeless.⁵⁰ Based on this estimate, TDHCA estimates that, of 3,159,940 total people living in rural areas, 1 percent of the rural population, approximately 32,000, are homeless. The 2000 Census counted 28,377 individuals residing in noninstitutional group homes in Texas, which include shelters. In its

⁵⁰ Texas Interagency Council for the Homeless, "Key Facts," <http://www.tich.state.tx.us/facts.htm> (accessed July 28, 2006).

special tabulation on emergency and transitional shelters in metropolitan areas, the Census counted 6,237 people.

As evidenced above, 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 counts 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: literally homeless, which describes those who have no permanent residence and stay in shelters or public places; marginally homeless, which includes those who live temporarily with other people and have no prospects for housing; and people at risk of homelessness. People at risk of homelessness generally 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.

Homeless Subpopulations

The following homeless subpopulations have special characteristics. Though these subpopulations may have different characteristics, the two main trends significant in the rise of homelessness can be connected to the increase in poverty (characterized by the decline in employment opportunities and public assistance programs) and a shortage of affordable housing.⁵¹

Homeless Families with Children

The number of homeless families with children has increased significantly over the past decade. A 2005 US Conference of Mayors survey of 25 American cities found that homeless families comprised 33 percent of the homeless population.⁵² Additionally, single mothers and children make up the largest group of people who are homeless in rural areas.⁵³ Approximately 90 percent of homeless families are homeless due to a crisis.⁵⁴ Many parents with young children cannot work because of a lack of affordable childcare, which hinders their ability to earn an income to pay for suitable housing.

⁵¹ National Coalition for the Homeless, *Why are People Homeless?* NCH Fact Sheet #1 (Washington, DC: National Coalition for the Homeless, June 2006)

<http://www.nationalhomeless.org/publications/facts/Why.pdf> (accessed July 28, 2006).

⁵² National Coalition for the Homeless, *Who is Homeless?* NCH Fact Sheet #3 (Washington DC: National Coalition for the Homeless, June 2006) <http://www.nationalhomeless.org/publications/facts/Whois.pdf> (accessed July 28, 2006).

⁵³ National Coalition for the Homeless, *Who is Homeless?*

⁵⁴ Texas Homeless Network, "Finding the Way Home: Preventing and Reducing Homelessness in Texas," http://www.utdanacenter.org/theo/downloads/factsheets/rp2_finding_way_home.pdf (accessed July 28, 2006).

Homeless Youth

An estimated 12 percent of the homeless population is aged 13 to 24.⁵⁵ Of this age group, approximately 40 percent has a history of sexual abuse, 46 percent report mental illness, 25 percent have problems with alcohol abuse, and 33 percent spent time in juvenile detention. Furthermore, 28 percent have been in foster care at least once. Due to the challenges faced by homeless youth, they may particularly benefit from the provision of essential services, including job training, education, and employment services.

Homeless Minorities

A 2004 US Conference of Mayors survey of 27 American cities found that 49 percent of the homeless population was African American, 35 percent was white, 13 percent was Hispanic, 2 percent was Native American, and 1 percent was Asian.⁵⁶ However, the ethnic makeup of the homeless population will vary by geographic area.

Homeless in Rural Areas

TDHCA estimates that 1 percent of the rural population is homeless, or 32,000. Rural areas typically have fewer jobs and shelters than urban areas, which makes it especially difficult for homeless persons. The National Coalition for the Homeless reports that homeless persons in rural areas are more likely to be white, and homeless farm workers and Native Americans are also generally found in rural areas.⁵⁷ Migrant farm workers, because of their mobile lifestyle, extremely low incomes, and lack of affordable housing, are at a high risk for homelessness.

Homeless Victims of Domestic Violence

Battered women who live in poverty are often forced to choose between staying in abusive relationships or homelessness. According to the NCH, half of women with children experiencing homelessness left their last place of residence because of domestic violence.⁵⁸

In 2004, there were 182,087 reported family violence incidents in Texas.⁵⁹ According to a TCFV statewide poll, 47 percent of all Texans report having experienced some form of domestic violence. In 2004, the Family Violence Program through the Texas Health and Human Services Commission served 83,349 adults and children and provided 948,610 direct services.⁶⁰ Furthermore, 7,201 were denied shelter due to lack of space.

⁵⁵ Texas Homeless Network, "Finding the Way Home."

⁵⁶ National Coalition for the Homeless, *Who is Homeless?*

⁵⁷ National Coalition for the Homeless, *Who is Homeless?*

⁵⁸ National Coalition for the Homeless, *Who is Homeless?*

⁵⁹ Texas Council on Family Violence, "Abuse in Texas," http://www.tcfv.org/info/abuse_in_texas.html (accessed August 9, 2006).

⁶⁰ Texas Health and Human Services Commission, "Fact Sheet: Intimate Partner Violence in Texas," http://www.hhsc.state.tx.us/programs/familyviolence/Facts/Texas_IPV_FactSheet.html (accessed August 9, 2006).

Homeless Persons with Mental Illnesses and Disabilities

According to the Texas Interagency Council for the Homeless, approximately 25 percent of homeless individuals suffer from a serious mental illness, and more than 65,000 persons with disabilities did not have a predictable means of shelter in 1999.⁶¹ The general lack of affordable housing and the poverty of this population make it difficult for homeless persons with mental illness to access social service programs and leaves them highly susceptible to homelessness.

Homeless Elderly Persons

According to 2000 Census data, of those below the poverty level in Texas, an estimated 13.1 percent are age 65 and over. As a group, this makes the elderly the poorest of all Texans. Approximately 6 percent of persons aged 55 to 64 were homeless in 2004.⁶²

Homeless Veterans

According to the Department of Veteran's Affairs⁶³ approximately, on any given day, as many as 250,000 veterans are living in shelters or on the street. Of the veterans who are homeless, approximately 56 percent are African American or Hispanic, 45 percent suffer from mental illness, and 70 percent suffer from alcohol or drug abuse problems.

Chronically Homeless Persons

According to the Texas Homeless Network, 27 percent of single homeless adults are chronically homeless, meaning that these persons have been homeless for an average of four years.⁶⁴ Furthermore, these persons have high rates of alcohol or drug abuse and mental illness.

Homeless Persons with HIV/AIDS

The National Coalition for the Homeless estimates that 3 to 20 percent homeless people are HIV positive.⁶⁵ People with HIV/AIDS may lose their jobs because of discrimination or have high health care costs, leading to homelessness. This population may require supportive health services or community care programs in addition to housing assistance.

⁶¹ Texas Interagency Council for the Homeless, "Key Facts."

⁶² National Coalition for the Homeless, *Who is Homeless?*

⁶³ US Department of Veterans Affairs, "Overview of Homelessness," (February 2006)
<http://www1.va.gov/homeless/page.cfm?pg=1> (accessed July 28, 2006).

⁶⁴ Texas Homeless Network, "Finding the Way Home."

⁶⁵ National Coalition for the Homeless, *HIV/AIDS and Homelessness* NCH Fact Sheet #9 (Washington DC: National Coalition for the Homeless, June 2006)
<http://www.nationalhomeless.org/publications/facts/HIV.pdf> (accessed July 28, 2006).

Homeless Persons with Chronic Substance Abuse

The 2005 US Conference of Mayors survey reports that 30 percent of homeless persons has an addiction disorder.⁶⁶ The Texas Department of State Health Services (DSHS) reports that, of adult clients admitted to DSHS-funded programs in 2004, 11 percent were homeless and the average income at admission was \$5,715.⁶⁷ Homeless persons with substance abuse problems will require supportive services.

Homeless Needs

The "continuum of care" approach to fighting homelessness is based on the understanding that homelessness is not caused merely by a lack of shelter, but involves a variety of underlying unmet physical, economic, and social needs. A comprehensive system of services as well as permanent housing is needed to help homeless individuals and families reach independence using a combination of emergency shelters, transitional housing, social services, and permanent housing. The continuum of care system begins with outreach, intake, and assessment. It is followed by safe emergency shelter and/or transitional housing that provides a variety of services including job training, educational services, substance abuse services, mental health services, and family support. Ultimately, the goal is to assist the family or individual achieve permanent housing.

Specific Strategies for Meeting Homeless Needs

In order to meet the needs of homeless populations, TDHCA uses the following strategies.
Strategic Plan Goal

As further described in the "TDHCA Goals and Objectives" section of this plan, The following goal and associated strategy is aimed at reaching the homeless populations. Refer to the "Program Statements" in this section for more information on the Emergency Shelter Grants Program, which is TDHCA's main homelessness assistance program, and other related programs.

GOAL 3: *TDHCA will improve living conditions for the poor and homeless and reduce the cost of home energy for very low income Texans.*

3.1 Strategy: *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.*

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,

⁶⁶ National Coalition for the Homeless, *Who is Homeless?*

⁶⁷ Texas Department of State Health Services, "Texas Statewide Totals,"

<http://www.tcada.state.tx.us/research/statistics/statetotals.shtml> (accessed July 28, 2006).

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. In addition, the Texas Homeless Network, a nonprofit organization, fulfills many of the council's statutory duties through a contract with TDHCA. The Council's major functions include:

- evaluating and helping coordinate the delivery of services for the homeless in Texas;
- increasing the flow of information among separate 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;
- maintaining a central resource and information center for the homeless.

TICH has developed a 10-year state action plan to end chronic homelessness in Texas. A team of 10 TICH members attended the Federal Policy Academy on Improving Access to Mainstream Services for People Experiencing Chronic Homelessness in Chicago, Illinois, in May 2003. A result of their participation was that TICH developed a 10-year plan to end chronic homelessness and then conducted six public hearings in March 2004 to receive testimony on the plan. The public hearings were held at the request of the Office of the Governor and were intended to further the implementation of the state action plan on homelessness. The plan was developed as part of Texas's participation in the federal policy academy to improve access to mainstream services for people who are homeless, including people with serious mental health or substance abuse problems. The federal policy academies are led by the US Department of Health and Human Services, the US Department of Urban Development, and the US Department of Veterans Affairs.

The Three Priorities and the Strategies of the State Action Plan to End Chronic Homelessness are as follows:

Priority One: Increasing the Public and Political Investment

- Strategy 1.1 Improve data
- Strategy 1.2 Increase capacity of local homeless coalitions
- Strategy 1.3 Host public forums for state plan to end chronic homelessness

Priority Two: Prevent Chronic Homelessness

- Strategy 2.1 Identify common risk factors and definitions regarding persons at risk of chronic homelessness
- Strategy 2.2 Develop model discharge coordination plan for persons at-risk of chronic homelessness
- Strategy 2.3 Coordinate discharge-planning efforts

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- Strategy 2.4 Develop a prevention strategy aimed at persons at risk of homelessness, currently homeless persons, and their providers that focus on education, awareness, and anti-stigma strategy

Priority Three: Develop, Expand, and Support Evidence-Based Service Interventions

- Strategy 3.1 “Set-aside” resources for ending chronic homelessness
 - Strategy 3.2 Increase prioritization and targeting of persons experiencing chronic homelessness within mainstream services
 - Strategy 3.3 Advocate for a uniform eligibility process
 - Strategy 3.4 Increase and improve linkages between housing and services
-
- Information on TICH and the 10-Year Plan to End Chronic Homelessness can be found at <http://www.tich.state.tx.us>.

Emergency Shelter Grants Program

Through the Emergency Shelter Grants Program (ESGP), TDHCA funds organizations that provide shelter and related services for homeless persons, as well as intervention services to persons threatened with homelessness. Activities include renovating buildings for use as shelters; medical and psychological counseling; assistance in obtaining permanent housing; and homeless prevention services, such as rent and utility assistance. For 2007, TDHCA anticipates that it will receive \$5,076,683 in funding to address homelessness, and disperses those funds according to a regional allocation formula based on the poverty percentage of each uniform state service region. Demonstrating the need for homeless shelter and services, for the 2006 ESGP application cycle, the Department received 123 applications and was able to fund only 76.

Community Services Block Grant Program

TDHCA provides administrative support funds to community action agencies (CAAs) that offer emergency and poverty-related programs to lower income persons. CAA services include child care, health and human services, job training, migrant farmworker assistance, nutrition services, and emergency assistance. These services can be instrumental in preventing homelessness in the lowest income populations.

HTC Program

The HTC Program (HTC) is a multifamily program that encourages the development of affordable multifamily housing. In addition to the construction, acquisition, and/or rehabilitation of new, existing, at-risk, and rural housing, this program can also be used to develop transitional housing. TDHCA gives scoring preferences for special needs activities, including transitional housing.

PERSONS WITH DISABILITIES

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,*
- *is of such a nature that the ability could be improved by more suitable housing conditions.”*

According to the 2000 US Census, there are approximately 3,605,542 disabled, civilian, non-institutionalized persons over the age of five (or approximately 19 percent of total population) in Texas. Of this figure, 663,300 have a sensory disability (severe vision or hearing impairment), 1,428,580 have a physical disability (condition that substantially limits a physical activity such as walking or carrying), 816,185 have a mental disability (learning or remembering impairment), 487,120 have a self-care disability (dressing, bathing, or getting around inside the home), 1,359,848 have a “going outside the home disability,” and 1,651,821 have an employment disability.

Needs of Persons with Disabilities

Housing opportunities for people with disabilities may be complicated by low incomes. The 2000 census estimates that 553,934 disabled individuals over age five live below the poverty level in Texas. 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. According to *Priced Out in 2004*, an SSI recipient would have to pay an average of 102.7percent (calculated as \$569) of his or her \$564 monthly payment to rent a one-bedroom apartment in Texas.⁶⁸ According to the HUD definition of affordability that estimates that a household should pay no more than 30 percent of its income on housing expenses, an SSI recipient can afford a monthly rent of no more than \$169.

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

⁶⁸ Technical Assistance Collaborative Inc. and Consortium for Citizens with Disabilities Housing Task Force, *Priced Out in 2004*, by Ann O'Hara and Emily Cooper (Boston, MA: Technical Assistance Collaborative Inc., August 2005), 37, <http://www.c-c-d.org/pricedout04.pdf> (accessed July 28, 2006).

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.

There is a significant shortage of housing that is physically accessible to persons with disabilities and an even greater shortage of accessible housing that has multiple bedrooms. Many persons with disabilities require larger housing units because they live with family, roommates, or attendants. The lack of multi-bedroom housing furthers their segregation. Moreover, accessible housing is an urgent and present need for not only citizens who currently have disabilities, but for the aging population in the US, which may develop disabilities in the future. Accessible housing will become increasingly more important as the ability for self-care and mobility decreases with age.

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. Access to rehabilitation funds for single family housing—to 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—was considered as a priority. Likewise, the availability of rental vouchers that provide options beyond institutional settings was found to be a high priority.

Specific Strategies for Meeting the Needs of Persons with Disabilities

In order to meet the needs of persons with disabilities TDHCA uses the following strategies.

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 will work to maintain a “Disability Advisory Workgroup” which will provide ongoing guidance to the Executive Director on how TDHCA’s programs can most effectively serve persons with disabilities.

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. The Promoting Independence Advisory Board (PIAB) assists the HHSC 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 attends and participates in PIAB meetings and is a member of the Housing subcommittee.

Project Access

TDHCA has taken a leadership role in the provision of funding for rental assistance to address the housing needs of persons seeking community-based alternatives to institutionalization. In FY 2002, TDHCA received 35 Section 8 Housing Choice rental vouchers to administer to the Olmstead population as part of a national pilot called "Project Access." As of July 2006, all vouchers have been issued, and 56 recipients through voucher recycling have made the transition from a nursing facility into their own home.

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 Committee, developed an integrated housing rule to address this concern. In November 2003, the TDHCA Board approved an Integrated Housing Rule for use by all Department housing programs, 10 TAC 1.15. Below is a synopsis of the rule:

- 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 is exempt from the requirements of this section; (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) Board

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waivers of this rule to further the purposes or policies of Chapter 2306, Texas Government Code, or for other good cause.

HOME Program

As further described in the "TDHCA Goals and Objectives" section of this plan, the HOME program has two specific funding strategies that directly serve persons with disabilities.

"Goal 9: TDHCA will 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..."

9.5 Strategy: *Issue a Notice of Funding Availability (NOFA), separate from the regular HOME TBRA activity funding, which provides up to \$2 million for tenant based rental assistance directed to assist persons with disabilities. This NOFA will indicate that the recipients must meet the Texas State definition used by the Promoting Independence Advisory Board. Funding awards associated with this activity will allow up to 6 percent administration costs with no match requirement.*

9.6 Strategy: *Issue a NOFA, separate from the regular HOME HBA and OCC activity funding, that provides up to \$2 million for homebuyer assistance and owner occupied rehabilitation to assist persons with disabilities. Recognizing that there are additional costs associated with assisting persons with disabilities, this NOFA will include the potential to increase the maximum application amount above that of the general HBA and OCC activity funding. Funding awards associated with this activity will allow up to 6 percent administration costs with no match requirement."*

As established in Section 2306.111(c) of the Texas Government Code shown below and subject to the submission of qualified applications, up to 5 percent of the annual HOME Program allocation shall be allocated for applications serving persons with disabilities in HUD Participating Jurisdictions.

"c) In administering federal housing funds provided to the state under the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. Section 12701 et seq.), the department shall expend at least 95 percent of these funds for the benefit of non-participating areas that do not qualify to receive funds under the Cranston-Gonzalez National Affordable Housing Act directly from the United States Department of Housing and Urban Development. All funds not set aside under this subsection shall be used for the benefit of persons with disabilities who live in areas other than non-participating areas."

The "participating areas" described above are typically referred to as "Participating Jurisdictions (PJ)." PJs are large metropolitan counties and places that receive their HOME funds directly from HUD. Because much of the State's housing need for persons with disabilities is found in Participating Jurisdictions (PJs), to maximize the success of Strategies 9.5 and 9.6, the Department will limit all awards in PJs to those two activities. No other HOME activities will be eligible to apply in a PJ.

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Additionally, in accordance with 10 TAC 53.61, applicants applying for HOME funds under the Owner-Occupied Housing Assistance and Tenant-Based Rental Assistance programs (in non-PJs) must propose targeting at least 5 percent of the number of units proposed in the application, to persons who meet the definition of persons with disabilities. A waiver of this requirement may be requested by the applicant to the Department, if applicant is unable to document persons with disabilities that meet the HOME eligible requirements.

HTC Program

HTC developments that are new construction must conform to Section 504 standards, which require that at least 5 percent of the development's units be accessible for persons with physical disabilities and at least 2 percent of the units be accessible for persons with hearing and visual impairments.

HTF Program

Rental developments funded with HTF resources must conform to Section 504 standards.

Multifamily Bond Program

Multifamily Bond Program developments must conform to Section 504 standards.

Comprehensive Energy Assistance Program

Priority for utility assistance through the Comprehensive Energy Assistance Program is given to the elderly, persons with disabilities, and families with young children; households with the highest energy costs in relation to income; and households with high energy consumption. Local providers must implement special outreach efforts for these special needs populations.

Weatherization Assistance Program

Like CEAP, priority for utility assistance through the Weatherization Assistance Program is given to the elderly, persons with disabilities, and families with young children; households with the highest energy costs in relation to income; and households with high energy consumption. Local providers must implement special outreach efforts for these special needs populations.

ELDERLY POPULATIONS

According to the 2000 US Census, 9.9 percent (approximately 2 million) of people in Texas are 65 years of age or older. The Texas Department on Aging (TDoA), now part of the Texas Department of Aging and Disability Services, estimates that by the year 2040, individuals age 60 and over will comprise 23 percent of the population in Texas.⁶⁹ TDoA reports that females significantly outnumber males age 60 and over and, though the majority of elderly Texans live in urban areas, rural areas have a higher percentage of elderly relative to the local population.⁷⁰

⁶⁹ Texas Department on Aging, Office of Aging Policy and Information, *Texas Demographics: Older Adults in Texas* (Austin, TX: Texas Department on Aging, April 2003), x, http://www.dads.state.tx.us/news_info/publications/studies/NewDemoProfileHi-Rez-4-03.pdf (accessed July 28, 2006).

⁷⁰ Texas Department on Aging, *Texas Demographics: Older Adults in Texas*, ix-x.

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Nationwide, in 2004, the median income for individual elderly males was \$21,102, elderly females was \$12,080, and families headed by individuals 65 and over was \$35,825.⁷¹ According to the 2000 Census, 13.1 percent of seniors age 65 and over in Texas live below the poverty level. Low incomes in addition to rising healthcare costs may make housing unaffordable. Approximately 30 percent of all elderly households pay more than 30 percent of their income on housing, while 14 percent pay more than 50 percent of their income on housing.⁷²

The 2003 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.⁷³ In 2003, of all elderly households nationwide, 73 percent owned their own homes free and clear.⁷⁴ However, elderly homeowners generally live in older homes than the majority of the population; in 2003, the median year of construction for homes owned by elderly households was 1965 and 5.3 percent had physical problems.⁷⁵ Due to their age, homes owned by the elderly are often in need of repair and weatherization.

Some elderly households may require in-house services such as medical treatment, meal preparation, or house cleaning. Community Care Services, administered by the Texas Department of Aging and Disability Services, provides services to meet the needs of elderly and disabled Texans avoiding premature nursing home placement, and proves to be more cost-effective than nursing home care. Statistics show that in fiscal year 2003, 65,202 nursing facility clients were assisted at an annual cost of \$1,814,420,111, and 150,696 Community Care Services clients were at an annual cost of \$1,332,477,707.⁷⁶ Though Medicaid covers nursing home care as well as assisted-living services, such assisted-living services are limited and waiting lists can be lengthy, which can prematurely place low income seniors in nursing home facilities.

Frail Elderly Persons

Frail elderly persons are defined as elderly persons who are unable to perform at least three activities of daily living. Activities of daily living include eating, dressing, bathing. According to the 2000 Census, 400,099 persons aged 65 to 74 (out of 1,131,163) have a disability as defined by the US Census, and 479,879 persons over the age of 75 (out of 835,109 total)

⁷¹ US Department of Health and Human Services, Administration on Aging, *A Profile of Older Americans: 2005* (US Department of Health and Human Services), 1.

<http://www.aoa.dhhs.gov/PROF/Statistics/profile/2005/2005profile.pdf> (accessed July 28, 2006).

⁷² US Department of Housing and Urban Development, *Housing Our Elders* (HUD, November 1999), 29, <http://www.huduser.org/publications/hsgspec/housec.html> (accessed July 28, 2006).

⁷³ Texas Department of Aging and Disability Services, *The State of Our State on Aging 2005* (Austin, TX: Texas Department of Aging and Disability Services, May 2005), 27, http://www.dads.state.tx.us/news_info/publications/studies/2005_sos_exec_summary.pdf (accessed July 28, 2006).

⁷⁴ US Department of Health and Human Services, *A Profile on Older Americans: 2005*, 11.

⁷⁵ US Department of Health and Human Services, *A Profile on Older Americans: 2005*, 11.

⁷⁶ Texas Department of Human Services, *2003 Annual Report*, 103.

have a disability as defined by the US Census. This population will require medical and social services; varying degrees of assistance are needed to maintain self-sufficiency and delay the need for nursing home care.

ALCOHOL AND DRUG ADDICTION

In 2001, the Texas Commission on Alcohol and Drug Abuse (TCADA), now part of the Texas Department of State Health Services (DSHS), estimated that approximately 1.8 million, or 12 percent, of adults in Texas have an alcohol-related problem, another 227,000 have drug-related problems, and an additional 495,000 have both alcohol and drug-related problems.⁷⁷ Of the 56,858 total admissions to DSHS-funded treatment programs during 2005, admitted individuals were 58.3 percent male with an average age of 31.6, an average 11th grade education, and an average annual income of \$5,753.⁷⁸ Furthermore, 22.4 percent were employed, 9.7 percent were homeless, 52.4 had family or marital problems, and 45 percent reported psychological and emotional problems. 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 drug addiction problems 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.

PERSONS WITH HIV/AIDS

Human Immunodeficiency Virus, or HIV, is the virus that causes AIDS (Acquired Immunodeficiency Syndrome). HIV infects cells and attacks the immune system, which weakens the body and makes it especially susceptible to other infections and diseases. According to DSHS, in 2005, there were 56,012 reported persons living with HIV/AIDS in Texas.⁷⁹ The majority of these cases were located in Bexar, Dallas, Harris, Tarrant, and Travis Counties. 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 TDH

⁷⁷ Texas Commission on Alcohol and Drug Abuse, *2000 Texas Survey of Substance Use Among Adults*, by Lynn Wallisch (Austin, TX: Texas Commission on Alcohol and Drug Abuse, July 2001), 29, <http://www.tcada.state.tx.us/research/AdultHousehold.pdf> (accessed July 28, 2006).

⁷⁸ Jane Carlisle Maxwell, *Substance Abuse Trends in Texas: June 2006* (Austin, TX: Gulf Coast Addiction Technology Transfer Center, June 2006), 21, <http://www.utexas.edu/research/cswr/gcattc/Trends/trends606.pdf> (accessed August 2, 2006).

⁷⁹ Texas Department of State Health Services, HIV/STD Epidemiology and Surveillance Branch, *Texas HIV/STD Surveillance Report: 2005 Annual Report* (Austin, TX: Texas Department of State Health Services), 3, http://www.dshs.state.tx.us/hivstd/stats/pdf/surv_2005.pdf (accessed August 2, 2006).

statewide program, the cities of Austin, Dallas, Fort Worth, Houston, and San Antonio receive HOPWA funds directly from HUD.

PUBLIC HOUSING RESIDENTS

According to 2004 HUD data, there are 61,127 units of public housing and 141,982 Section 8 Housing Choice Vouchers in Texas.⁸⁰

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.

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.

In 1999, TDHCA, as required by 24 CFR §903.15, started a certification process to ensure that the annual plans submitted by public housing authorities in an area without a consolidated plan are consistent with the State's *Consolidated Plan*.

In an effort to keep public housing residents aware of State programs that might affect them, TDHCA sends notice of public comment periods and hearings regarding the *State of Texas Low Income Housing Plan and Annual Report* and the *State of Texas Consolidated Plan* to all Texas PHAs. PHA staff are targeted by the Texas Statewide Homebuyer Education Program (TSHEP) for training to provide self-sufficiency tools for tenants.

TDHCA served on the Project Advisory Committee with the Coalition of Texans with Disabilities, Texas Council for Developmental Disabilities, Advocacy Inc., and United Cerebral Palsy to oversee a three-year grant to provide training and technical assistance to PHAs. Activities of the grant were intended to result in a measurable increase in the number of integrated housing units available to persons with disabilities.

COLONIA RESIDENTS

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 and that

- has a majority population composed of individuals and families of low income and very low income, based on the federal Office of

⁸⁰ HUD, "Public Housing Agency (HA) Profiles"
<http://www.hud.gov/offices/pih/systems/pic/haprofiles/index.cfm> (accessed October 30, 2004).

- 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.

The Texas Secretary of State reports that there are more than 2,294 Texas colonias with 400,000 residents.⁸¹ The Texas Office of the Comptroller estimates that median annual incomes for colonia residents range from \$7,000 to \$11,000.⁸² Colonia residents are generally unskilled, lack a formal education, and do not have stable employment. The majority of colonia residents do fieldwork, construction work, or factory work, and the unemployment rate ranges from 20 to 60 percent.⁸³

According to 2000 US Census data, colonias have a 75 percent homeownership rate. Despite this rate, however, colonia homes are inadequate; 4.9 percent of colonia dwellings lack kitchen facilities and 5.3 percent lack plumbing facilities. Some of these properties may have been purchased with contracts for deed, which are seller-financed transactions that do not transfer the title and ownership of the property to the buyer until the purchase price is paid in full.

Colonia residents have several needs that include increased affordable housing opportunities, such as down payment assistance and low-interest-rate loans, homeowner education, construction education and assistance, owner-occupied home repair, access to adequate infrastructure, and the conversion of remaining contracts for deed to conventional mortgages.

MIGRANT FARMWORKERS

According to the US Department of Health and Human Services *Migrant and Seasonal Farmworker Enumeration Profiles Study*, 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.⁸⁴ The US Department of Health and Human Services estimates that there are 362,724 migrant and seasonal farm workers and families residing in Texas.⁸⁵ Of this population, 26 percent reside in Cameron, Hidalgo, and Starr Counties.

⁸¹ Texas Secretary of State, "Colonia FAQ's," <http://www.sos.state.tx.us/border/colonias/faqs.shtml> (accessed August 10, 2006).

⁸² Texas Office of the Comptroller, "Colonias: A Symptom, Not the Problem," <http://www.window.state.tx.us/border/ch07/colonias.html> (accessed August 10, 2006).

⁸³ Texas Secretary of State, "Colonia FAQ's."

⁸⁴ US Department of Health and Human Services, Health Resources and Services Administration, Bureau of Primary Health Care, *Migrant and Seasonal Farmworker Enumeration Profiles Study: Texas*, by Alice Larson, Larson Assistance Services (Vashon Island, WA: Larson Assistance Services, September 2000), 2, <http://bphc.hrsa.gov/migrant/Enumeration/final-tx.pdf> (accessed August 09, 2006).

⁸⁵ US Department of Health and Human Services, *Migrant and Seasonal Farmworker Enumeration Profiles Study*, 13–18.

The National Agricultural Workers Survey, a national survey of 4,199 farmworkers conducted between 1997 and 1998, found that 61 percent lived below the poverty level.⁸⁶ The median annual income for individual workers was less than \$7,500 and migrant families earned less than \$10,000. Sixty percent of workers held only one farm job, which lasted only 24 weeks out of the year. Despite the short employment duration and low incomes, only 20 percent of workers received unemployment benefits and 10 percent received Medicaid or food stamps.

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.⁸⁷ In addition, migrant workers may not be able to afford security deposits, pass credit checks, or commit to long-term leases.

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 directs TDHCA to complete a study on quantity, availability, need, and quality of migrant farm labor housing facilities in Texas. Contact the TDHCA Division of Policy and Public Affairs at (512) 475-3975 for a copy of this report.

⁸⁶US Department of Labor, Office of the Assistance Secretary for Policy, and Aguirre International, *Findings from the National Agricultural Workers Survey (NAWS) 1997-1998: A Demographic and Employment Profile of United States Farmworkers*, by Kala Mehta et al. (Washington, DC: US Department of Labor, March 2000), vii, http://www.dol.gov/asp/programs/agworker/report_8.pdf (accessed August 9, 2006).

⁸⁷ Christopher Holden. "Monograph no. 8: Housing" in *Migrant Health Issues* (Buda, TX: National Center for Farmworker Health Inc., October 2001), 40, <http://www.ncfh.org/docs/08%20-%20housing.pdf> (accessed August 9, 2006).

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 FY 2006, the median income for Texas metropolitan statistical areas is \$56,600 compared to \$43,100 for non-metro households.⁸⁸

Due to the lower incomes and lack of access to resources (e.g., bonds, large tax base, and investment capital) in less-populous areas, TDHCA gives special consideration to lower income individuals and households residing in rural areas. This focus is considered in the development of Department programs and in the distribution of associated funds. In the event that funding cannot be limited to rural areas because of rule or financial feasibility reasons, scoring criteria or set-asides are added to the applications or program rules to encourage the participation of these areas.

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 non-PJ and rural areas. It requires more effort to spark affordable housing activity in rural areas as the number of organizations available to assist with these activities is significantly fewer. With this in mind, the Department has developed specific strategies to address the needs of the rural populations of the state, which include rural set-asides or special scoring criteria for housing program funds, prioritization of activities that are most needed in rural areas, increasing awareness of TDHCA programs in rural areas, and building the capacity of rural service providers.

With the exception of up to 5 percent of the annual HOME Program allocation which shall be allocated for applicants serving persons with disabilities in HUD Participating Jurisdictions (as required by Section 2306.111(c) of the Texas Government Code), the TDHCA HOME funds primarily serve persons in rural areas. Participating jurisdictions are those large metropolitan counties and places that receive their HOME funds directly from HUD. Because much of the State's housing need for persons with disabilities is found in Participating Jurisdictions (PJs), to maximize the success of Strategies 9.5 and 9.6, the Department will limit all awards in PJs to those two activities. No other HOME activities will be eligible to apply in a PJ.

Section 2306.111(d) of the Texas Government Code requires that the TDHCA Regional Allocation Formula consider rural and urban/exurban areas in its distribution of program funding. Because of this, allocations for the HTC and HOME programs in allocated by rural and urban/exurban areas within each region.

⁸⁸ HUD, "Estimated Median Family Incomes for FY 2006," http://www.huduser.org/datasets/il/il06/MedianNotice_2006.pdf (accessed July 28, 2006).

TDHCA and the Office of Rural Community Affairs (ORCA) jointly administer the HTC Program rural regional allocation. ORCA assists in developing all thresholds, scoring, and underwriting criteria for rural regional allocation, and must approve the criteria. ORCA also participates in the evaluation and site inspection of rural developments proposed under the rural allocation.

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.

ENERGY EFFICIENCY

Energy and water costs are often the largest single housing expense after food and shelter for lower income families. Utility costs typically represent 13 to 44 percent of lower income annual gross incomes and can account for nearly one-fourth of total housing costs. 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.

The Department encourages, in each uniform state service region, 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.

HOME Program applicants are required to certify that the development will be equipped with energy-saving devices that meet the 2000 IECC, which is the standard statewide energy code adopted by the state energy conservation office, unless historic preservation codes permit otherwise for a development involving historic preservation. In addition, applicants may qualify for points for the use of energy efficient alternative construction materials, 14 SEER HVAC or evaporative coolers in dry climates for new construction or radiant barrier in the attic for rehabilitation, and Energy Star or equivalently rated kitchen appliances.

The HTC Program requires applicants to adhere to the statewide energy code and also gives points for the use of energy-efficient alternative construction materials including R-15 wall and R-30 ceiling insulation, structurally insulated panels, and 14 SEER (seasonal energy efficiency ratio) cooling units.

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. Weatherization services include the installation of storm windows, attic and wall insulation, and weather-stripping and sealing.

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 US homes contain lead paint.⁸⁹

The 1992 Community and Housing Development Act included Title X, a statute that represents a major change to existing lead-based paint regulations. HUD's final regulations for Title X (24. CFR.105) were published on September 15, 1999, and became effective September 15, 2000. Title X calls for a three pronged approach to target conditions that pose a hazard to households: (1) notification of occupants about the existence of hazards so they can take proper precautions, (2) identifications of lead-based paint hazards before a child can be poisoned and, (3) control of these lead-based paint hazards in order to limit exposure to residents. Title X mandated that HUD issue "The Guidelines for the Evaluation and Control of Lead-Based Paint Hazards in Housing" to outline risk assessments, interim controls, and abatement of lead-based paint hazards in housing. Section 1018 required EPA and HUD to promulgate rules for disclosure of any known lead-based paint or hazards in target housing offered for sale or lease. These rules came into effect on March 6, 1996, in 40 CFR Part 745/24 CFR Part 35.

Pursuant to Section 1012 and 1013, HUD promulgated new regulations, "Requirements for Notification, Evaluation, and Reduction of Lead-Based Paint Hazards in Federally Owned Residential Property and Housing Receiving Federal Assistance," on September 15, 1999. The new regulation puts all of HUD's lead-based paint regulations in one part of the Code of Federal Regulations. The new requirements took effect on September 15, 2000.

The HOME Program, administered by TDHCA, requires lead screening in housing built before 1978. Requirements for acquisition and tenant-based rental assistance activities are distribution of the pamphlet "Protect Your Family from Lead in Your Home" prior to receipt of assistance; notification to property owners within 15 days if a visual assessment observes chipping, peeling or flaking paint; and, if detected, the paint must be stabilized using safe work practices and clearance must be provided.

Requirements for rehabilitation activities fall into three categories:

1) Federal assistance up to and including \$5,000 per unit: Distribution of the pamphlet "Protect Your Family from Lead in Your Home" is required prior to renovation activities; notification within 15 days of lead hazard evaluation, reduction, and clearance must be provided; receipts for notification must be maintained in the administrator file; paint testing must be conducted to identify lead-based paint on painted surfaces that will be disturbed or replaced or administrators may assume that lead-based paint exist; administrators must

⁸⁹ National Safety Council, "Lead Poisoning," (December 2004) <http://www.nsc.org/library/facts/lead.htm> (accessed August 9, 2006).

repair all painted surfaces that will be disturbed during rehabilitation; if lead-based paint is assumed or detected, safe work practices must be followed; and clearance is required only for the work area.

2) Federal assistance from \$5,000 per unit up to and including \$25,000 per unit: This category includes all the requirements for federal assistance up to and including \$5,000 per unit with the addition of a risk assessment must be conducted prior to rehabilitation to identify hazards in assisted units, in common areas that serve those units, and exterior surfaces, or administrators can assume lead-based paint exists. Clearance is required for the completed unit, common areas which serve the units, and exterior surfaces where the hazard reduction took place.

3) Federal assistance over \$25,000 per unit: This category includes all the requirements for federal assistance from \$5,000 per unit up to and including \$25,000 per unit and, if during the required evaluations lead-based paint hazards are detected on interior surfaces of assisted units, on the common areas that serve those units, or on exterior surfaces including soils, then abatement must be completed to permanently remove those hazards. If lead-based paint is detected during the risk assessment on exterior surfaces that are not disturbed by rehabilitation, then interim controls may be completed instead of abatement.

DISASTER INITIATIVES

Texas saw a variety of major disasters in 2005 and 2006. 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, and over 75,000 homes in southeast Texas were severely damaged or destroyed as a result of 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. In addition to the hurricanes, Texas also experienced several wildfires and wildfire threats as the result of dry, hot weather conditions. In January 2006, FEMA made a disaster declaration identifying an Extreme Wildfire Threat for all 254 Texas counties, and individual assistance for those counties experiencing fires.

In the event of future disasters in FY 2007 and beyond, TDHCA is committed to quickly, efficiently, and responsibly locating funds and developing programs and initiatives to assist affected households and communities. TDHCA performed the following in 2005 and 2006 in response to the disasters described above.

Community Development Block Grant Disaster Recovery Funds

As the lead agency in partnership with ORCA, TDHCA administers the Community Development Block Grant (CDBG) disaster recovery funding awarded to Texas under the Department of Defense Appropriations Act, 2006. A total of \$74.5 million was awarded to Texas to rebuild the southeast Texas region devastated by Hurricane Rita. In July 2006, the TDHCA Board approved awards to four councils of governments (COGs) in the region to

Action Plan

Policy Priorities

rebuild damaged homes, and five COGs will receive funds for infrastructure repairs. Of all funds awarded, 56.8 percent will be dedicated to housing activities including home rehabilitation, reconstruction, and other eligible activities to help the residents of southeast Texas recover from this disaster. In August 2006, HUD announced that Texas would receive an additional \$428 million in CDBG disaster funding to promote long-term recovery in the area.

HOME Program

In January 2006, TDHCA, released a NOFA for \$8.3 million in federal HOME Investment Partnerships Program funds for the repair or reconstruction of homes damaged by Hurricane Rita. These funds were obtained through a HUD waiver that allows the use of program year PY 2005 and 2006 CHDO set-aside funds for disaster relief efforts. An additional NOFA announcing \$4.2 million in Hurricane Rita Disaster Relief funds was released in August 2006.

Under the HOME Program, funds are available to assist with disaster recovery in accordance with the de-obligation policy as passed by the TDHCA Governing Board on January 17, 2002. The policy was created to address the re-obligation or de-obligation of unexpended HOME funds and program income. Eligible activities are prioritized in the following order: successful appeals, disaster relief, special needs, colonias, and other projects/uses as determined by the Executive Director and/or Board. For disaster purposes, de-obligated HOME Program funds are used for all weather-related disasters including but not limited to disasters as a result of floods, fires, hurricanes, tornadoes, and excessive wind damage. Applications are funded on a first-come, first-serve basis with priority given to state-recognized disasters.

HTC Program

In January 2006, TDHCA issued a NOFA related to Housing Tax Credits authorized through HR 4440, also known as the Gulf Opportunity Zone Act of 2005. This act amended the Internal Revenue Code of 1986 to provide tax benefits for certain areas affected by Hurricane Rita. The Act provided for an increase of \$3,500,000 in the 2006 Housing Tax Credit Ceiling for the State of Texas. TDHCA determined that it would allocate that \$3,500,000 solely in 21 of the 22 impacted counties for rehabilitation, reconstruction, or replacement new construction of rental units.

HTF

In August 2006, TDHCA released \$1 million in Housing Trust Funds through the HTF Hurricane Rental Relief Program to finance the rehabilitation of qualified affordable housing developments in the Department's existing rental portfolio that received damage from Hurricane Rita.

Single Family Bond

In February 2006, TDHCA announced the release of \$16 million in home loans made available to qualified homebuyers wishing to purchase a home within targeted areas including the 22 East Texas counties designated under the Gulf Opportunity Zone Act of 2005. In June 2006, an additional \$108 million in First Time Homebuyer Program funds were released for use in the targeted 22-county area known as the Rita Go Zone.

Office of Colonia Initiatives

In December 2005, TDHCA released a NOFA for approximately \$1,800,000 of State of Texas Housing Trust Funds to organizations assisting individuals or families that were victims of Hurricane Rita to purchase or refinance real property on which to build new residential or improve existing residential housing through self-help construction for very low and extremely low income individuals and/or families (owner-builders), including persons with special needs.

Community Affairs Division

In immediate response to the hurricanes, the Community Affairs Division released an additional \$680,000 in CSBG funding to help with emergency needs as a result of the disasters. By October 2005, over 80,000 individuals were assisted through local community action agencies with this additional disaster funding.

TDHCA PROGRAM PLANS

With the exception of the Housing Trust Fund, TDHCA receives the majority of its funding from federal sources. As such, the amount of funding that TDHCA receives is predetermined by the federal funding source. TDHCA has a commitment to expend all available housing resources to address the housing needs of the state. However, as evidenced by the oversubscription rate for many TDHCA programs, even when expending all available funding, there is still an unmet need.

Because of the limited amount of TDHCA funding and the possibility that funding levels may change, TDHCA encourages, and in some cases requires, that entities receiving TDHCA funds leverage or match those awards with additional funds from other sources. For example, the HOME Program and ESGP have match requirements for entities receiving awards through those programs.

Through program requirements and compliance monitoring, TDHCA works to ensure that housing programs benefit individuals without regard to race, ethnicity, sex, or national origin, as outlined in 10 TAC 1.60. 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. Additionally, 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. This policy is subject to change if the US Department of Housing and Urban Development revises its policy. This policy does not apply to the Section 8 Housing Choice Voucher Program.

The following TDHCA 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, type of assistance, recipients, targeted beneficiaries, program activities, set-asides, and special initiatives.

HOME INVESTMENT PARTNERSHIPS PROGRAM

The HOME Investment Partnerships (HOME) Program receives funding from the US Department of Housing and Urban Development (HUD) and provides loans and grants to units of local government, public housing authorities (PHAs), community housing development organizations (CHDOs), nonprofit organizations, and for-profit entities, with targeted beneficiaries being low, very low, and extremely low income households. 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.

The State of Texas receives an annual allocation of HOME funds from HUD. 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. In 2003, the Texas Legislature passed Senate Bill 264 (amending Sec. 2306.111 of the Government Code), which mandated that TDHCA allocate housing funds awarded after September 1, 2003, in the HOME, Housing Trust Fund, and HTC programs to each Uniform State Service Region using a formula for urban/exurban and rural, developed by the Department, based on need for housing assistance. Please see "2007 Regional Allocation Formula" in this section for further explanation.

The Department anticipates using open funding cycles for programs that have traditionally been undersubscribed. These may include but are not limited to the CHDO Set-Aside, Contract for Deed Conversion, Rental Housing Preservation, and Rental Housing Development activities.

Eligible Service Areas

Per Section 2306.111(c) the Department shall expend at least 95 percent of HOME funds for the benefit of non-PJ areas of the state. The remaining 5 percent of HOME funds may be expended in a PJ, but only if the funding serves persons with disabilities

HOME Program funding for FY 2007

The amount projected to be available from HUD in FY 2007 is \$40,000,000. This is comprised of \$39,350,000 of HOME funds plus \$650,000 of ADDI funds. On February 15, 2006, the TDHCA Board approved the State HOME rules, 10 TAC 53. As part of this approval, applications submitted for Single Family non-development activities under a competitive application cycle may be accepted, reviewed, and recommended for an award, on an annual or biennial funding cycle. In FY 2006, HOME funds will be recommended for an award through a biennial funding cycle, and will include FY 2007 HOME funds.

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TDHCA Program Plans

2007 HOME Program Funding

TDHCA will use the following method for allocating funds.

Use of Funds	Estimated Available Funding	% of Total HOME Allocation
Administration Funds (10% of PY 2007) ¹	\$4,000,000	10%
CHDO Project Funds Set Aside (15% of PY 2007) ^{1,2}	\$6,000,000	15%
CHDO Operating Expenses Set Aside (5% of CHDO Set Aside) ¹	\$300,000	1%
State Mandated Funds for Contract for Deed Conversions ¹	\$2,000,000	5%
Housing Program for Persons with Disabilities	\$4,000,000	10%
Rental Housing Preservation Program	\$2,000,000	5%
Rental Housing Development Program	\$3,000,000	8%
General Funds for Single Family Activities	\$18,700,000	47%
Total PY 2007 HOME Allocation	\$40,000,000	100%
PY 2007 American Dream Downpayment Initiative (ADDI) Funds	\$650,000	
Total Estimated Funding Available for Distribution	\$40,650,000	

1 The funding for these activities is not subject to the Regional Allocation Formula.

2 \$1,000,000 will be reserved from this set-aside for the Colonia Model Subdivision Program. If sufficient applications are not received for this activity, the remaining funds will be used for other CHDO-eligible activities. The Department may set aside 10% of the annual CHDO set-aside for Predevelopment Loans.

The following targets will be used to distribute General Funds for Single Family Activities and ADDI funds.

Activity	Funding Amount	% of Available Funding
Homebuyer Assistance	\$2,902,500	15%
Owner Occupied Housing Assistance	\$13,545,000	70%
Tenant Based Rental Assistance	\$2,902,500	15%
Total Estimated Funding Available for Distribution	19,350,000	100%

Description of Activities

Owner-Occupied Housing Assistance (OCC)

Rehabilitation or reconstruction cost assistance is provided to homeowners for the repair or reconstruction of their existing homes. The homes must be the principal residence of the homeowner. At the completion of the assistance, all properties must meet the International Residential Code 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, required for any applicants utilizing federal or state funds administered by TDHCA in the construction of single family homes.

The available funding for this activity is approximately \$13.5 million, which may only be used in Non-PJs. This amount does not include the Housing Program for Persons with Disabilities OCC funding issued under a separate NOFA.

Tenant-Based Rental Assistance (TBRA)

Rental subsidy and security and utility deposit assistance is provided to tenants, in accordance with written tenant selection policies, for a period not to exceed 24 months. TBRA allows the assisted tenant to live in and move to any dwelling unit with a right to continued assistance.

The available funding for this activity is approximately \$2.9 million, which may only be used in Non-PJs. This amount does not include the TBRA Housing Program for Persons with Disabilities TBRA funding issued under a separate NOFA.

Homebuyer Assistance (HBA)

Down payment and closing cost assistance is provided to homebuyers for the acquisition of affordable single family housing. This activity may also be used for the following:

- Construction costs associated with architectural barrier removal in assisting homebuyers with disabilities by modifying a home purchased with HOME assistance to meet their accessibility needs.
- Acquisition and rehabilitation costs associated with contract for deed conversions to serve colonia residents.
- Construction costs associated with the rehabilitation of a home purchased with HOME assistance.
- Acquisition or new construction costs for the replacement of manufactured housing.

The available funding for this activity is approximately \$2.9 million, which may only be used in Non-PJs. PY 2007 ADDI funds are included in this amount. This amount does not include the Housing Program for Persons with Disabilities HBA funding issued under a separate NOFA.

Homebuyer Assistance may be awarded through the CHDO Set-Aside, Contract for Deed Set-Aside, and American Dream Downpayment Initiative.

Rental Housing Development

Awards for eligible applicants are to be used 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.

The available funding for this activity is approximately \$3 million, which may only be used in Non-PJs.

Rental Housing Preservation

Awards for eligible applicants are to be used for the acquisition and/or rehabilitation for the preservation of existing affordable or subsidized 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.

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The available funding for this activity is approximately \$2 million, which may only be used in Non-PJs.

Special Mandates, Programs, and Initiatives

TDHCA will direct its remaining HOME funding to address federal and state legislative requirements or departmental program objectives as follows.

American Dream Downpayment Initiative (ADDI)

ADDI is a federal requirement that was signed into law on December 16, 2003, and was created to help homebuyers with down payment and closing cost assistance. ADDI aims to increase the homeownership rate, especially among lower income and minority households, and revitalize and stabilize communities.

Under ADDI, a first time homebuyer is an individual and his or her spouse who have not owned a home during the three year period prior to the purchase of a home with assistance under ADDI. The term also includes displaced homemakers and single parents. The minimum amount of ADDI funds in combination with HOME funds that must be invested in a project is \$1,000. The amount of ADDI assistance provided to any family may not exceed the greater of 6 percent of the purchase price of a single family housing unit or \$10,000. This assistance is in the form of a second- or third-lien loan.

The ADDI funding, approximately \$650,000, is reserved for down payment assistance in non-PJs. ADDI funding may, at the discretion of the Department, include funds for rehabilitation for first time homebuyers in conjunction with home purchases assisted with ADDI funds. The rehabilitation may not exceed 20 percent of the annual ADDI allocation.

CHDO Set-Aside

A minimum of 15 percent, approximately \$6,000,000 (plus \$300,000 in CHDO operating expenses) 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 units or homeownership. Development includes projects that have a construction component, either in the form of new construction or the rehabilitation of existing units. These funds may only be used in non-PJs.

In accordance with 24 CFR 92.208, up to 5 percent of the Department's HOME allocation will be used for the operating expenses of CHDOs. The Department may award CHDO Operating Expenses in conjunction with the award of CHDO Development Funds, or through a separate application cycle not tied to a specific activity. In addition, TDHCA may elect to set aside up to 10 percent of funding for predevelopment loans funds, which may only be used for activities such as project-specific technical assistance, site control loans, and project-specific seed money.

Contract for Deed Conversions Set-Aside

The purpose of this program is to help Colonia residents become property owners by converting their contracts for deed into traditional mortgages. To help TDHCA meet this mandate, \$2,000,000 of PY 2007 HOME Program funds will be targeted to assist households described under this initiative. These funds may only be used in non-PJs.

These funds are a State mandated set-aside and account for less than 10 percent of the funding available for allocation, therefore, they are not subject to the Regional Allocation Formula, pursuant to §2306.111(d-1)(2) of the Texas Government Code.

Colonia Model Subdivision Loan Program Set-Aside

Per Subchapter GG of Chapter 2306, Texas Government Code, the intent of this program is to provide low-interest-rate or possible interest-free loans to promote the development of new, high-quality residential subdivisions or infill housing that provide alternatives to substandard colonias, and housing options affordable to individuals and families of extremely low and very low income who would otherwise move into substandard colonias. The Department will only make loans to CHDOs certified by the Department and for the types of activities and costs described under the previous section regarding CHDO Set-Aside. \$1,000,000 dollars will be targeted to assist households described under this initiative. These funds may only be used in non-PJs.

These funds are a State mandated set-aside and account for less than 10 percent of the funding available for allocation, therefore, they are not subject to the Regional Allocation Formula, pursuant to §2306.111(d-1)(2) of the Texas Government Code.

Persons with Disabilities

Up to \$4 million of directed assistance for persons with disabilities will be issued under separate NOFAs. The funds will be awarded through competitive application processes. These NOFAs will include directed funds for TBRA, HBA and OCC activities as described in the following strategies.

***9.5 Strategy:** Issue a Notice of Funding Availability (NOFA), separate from the regular HOME TBRA activity funding, which provides up to \$2 million for tenant based rental assistance directed to assist persons with disabilities. This NOFA will indicate that the recipients must meet the Texas State definition used by the Promoting Independence Advisory Board. Funding awards associated with this activity will allow up to 6 percent administration costs with no match requirement.*

***9.6 Strategy:** Issue a NOFA, separate from the regular HOME HBA and OCC activity funding, that provides up to \$2 million for homebuyer assistance and owner occupied rehabilitation to assist persons with disabilities. Recognizing that there are additional costs associated with assisting persons with disabilities, this NOFA will include the potential to increase the maximum application amount above that of the general*

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HBA and OCC activity funding. Funding awards associated with this activity will allow up to 6 percent administration costs with no match requirement."

Within the requirements of 2306.111(c) of the Texas Government Code as described below, applications may serve both PJ and non-PJ areas. The amount of funding that can be utilized for this purpose in PJ areas cannot exceed the associated 5 percent cap of approximately \$2 million

In administering federal housing funds provided to the state under the Cranston-Gonzalez National Affordable Housing Act (42 USC Section 12701 et. seq.), the Department shall expend at least 95 percent of these funds for the benefit of non-participating areas that do not qualify to receive funds under the Cranston-Gonzalez National Affordable Housing Act directly from the United States Department of Housing and Urban Development. All funds not set aside under this subsection shall be used for the benefit of persons with disabilities, and may be used to serve persons with disabilities in both participating and non-participating jurisdiction areas. Eligible applicants include nonprofits, for-profits, units of general local government, and public housing authorities with a documented history of working with special needs populations, or working in partnership with organizations with a documented history of working with special needs populations.

TDHCA will ensure that all housing developments are built and managed in accordance with its Integrated Housing Rule. Multifamily developments will be limited to reserving no more than 18 percent of the units in developments with 50 or more units, and no more than 36 percent of the units in developments with less than 50 units, for persons with disabilities.

Additionally, in accordance with 10 TAC 53.61, applicants applying for HOME funds under the Owner-Occupied Housing Assistance and Tenant-Based Rental Assistance programs must propose targeting at least 5 percent of the number of units proposed in the application, to persons who meet the definition of persons with disabilities. A waiver of this requirement may be requested by the applicant to the Department, if applicant is unable to document persons with disabilities that meet the HOME eligible requirements.

Special Needs Populations

Subject to the availability of qualified applications, TDHCA has a goal of allocating 20 percent of the annual HOME allocation to applicants serving persons with special needs. All HOME program activities will be included in attaining this goal. Additional scoring criteria may be established under each of the eligible activities to target such activities and assist the Department in reaching its goal.

Regional Allocation Formula

All HOME funding awards under this plan are subject to Texas Government Code §2306.111 and as such will be distributed according the established Regional Allocation Formula. The 2007 RAF distributes funding for the following activities:

- Housing Program for Persons with Disabilities,
- Rental Housing Preservation Program,
- Rental Housing Development Program,
- Single Family Activity Program, and
- PY 2007 ADDI Funds.

The table below shows the combined regional funding distribution for all of the activities distributed under the RAF. Targeted funding amounts for each activity will also be established using the percentages generated by the RAF.

Targeted Distribution of Funds under the RAF

Region	Place for Geographical Reference	Regional Funding Amount	Regional Funding %	Rural Funding Amount	Rural Funding %	Urban/ Exurban Funding Amount	Urban/ Exurban Funding %
1	Lubbock	\$2,096,376	6.1%	\$2,096,004	100.0%	\$372	0.0%
2	Abilene	\$1,564,996	4.5%	\$1,528,397	97.7%	\$36,599	2.3%
3	Dallas/Fort Worth	\$6,158,445	17.8%	\$1,697,219	27.6%	\$4,461,226	72.4%
4	Tyler	\$4,209,442	12.1%	\$3,709,160	88.1%	\$500,282	11.9%
5	Beaumont	\$2,087,440	6.0%	\$1,771,480	84.9%	\$315,960	15.1%
6	Houston	\$2,390,795	6.9%	\$1,076,716	45.0%	\$1,314,079	55.0%
7	Austin/Round Rock	\$1,432,347	4.1%	\$781,108	54.5%	\$651,239	45.5%
8	Waco	\$1,163,474	3.4%	\$717,572	61.7%	\$445,901	38.3%
9	San Antonio	\$1,941,552	5.6%	\$1,507,178	77.6%	\$434,374	22.4%
10	Corpus Christi	\$2,538,461	7.3%	\$2,071,417	81.6%	\$467,044	18.4%
11	Brownsville/Harlingen	\$6,245,987	18.0%	\$4,111,167	65.8%	\$2,134,820	34.2%
12	San Angelo	\$1,871,449	5.4%	\$705,175	37.7%	\$1,166,274	62.3%
13	El Paso	\$949,236	2.7%	\$609,876	64.2%	\$339,360	35.8%
	Total	\$34,650,000	100.0%	\$22,382,470	64.6%	\$12,267,530	35.4%

For more information regarding single family activities, contact Sandy Garcia, Single Family Finance Production Division, at (512) 475-1391 or sandy.garcia@tdhca.state.tx.us. For multifamily activity information, contact David Danenfelzer, Multifamily Finance Production Division, at (512) 475-3865 or david.danenfelzer@tdhca.state.tx.us.

HOUSING TRUST FUND

The Housing Trust Fund (HTF) receives funding from the State of Texas, multifamily bond issuance fees, loan repayments and other funds that are received and appropriated by the Department, and is the only State-authorized program for affordable housing, as created by the 72nd Legislature. HTF offers loans and grants to nonprofits; units of local government; public housing agencies; CHDOs; and for-profit entities. The targeted beneficiaries of the program are low, very low, and extremely low income households. Eligible program activities for the Housing Trust Fund include, but are not limited to the following:

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- the acquisition, rehabilitation, and new construction of affordable rental housing. Refinancing or rehabilitation of properties constructed within the past 5 years and previously funded by the Department are not eligible;
- the acquisition, rehabilitation, and new construction of affordable homeownership developments. Developments may be completed by a contracted developer or through Self-Help Construction.
- tenant-based rental assistance in which the assisted tenant may move from a dwelling unit with a right to continued assistance. Tenant-based rental assistance also includes security and utility deposits for rental of dwelling units;
- predevelopment loans to nonprofit housing development organizations for eligible reimbursable costs associated with the planning and implementation of affordable housing activities;
- credit enhancements or security for repayment of revenue bonds issued to finance affordable housing, including payments or reservations of funds to securitize loan fund investments; and
- technical assistance or other forms of capacity building to nonprofit housing developers.

While all of these are eligible activities under the program's rule, not all of these activities will occur each year and Notices of Funding Availability (NOFAs) will be released identifying the activities for which funds can actually be applied.

Pursuant to §2306.111(d-1) of the Texas Government Code, HTF 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 HTF.

Rental Housing Development

Rental Housing Development funds are primarily used to fund the acquisition, construction, and rehabilitation of affordable housing. Housing Trust Funds are typically used as gap financing in developments and combined with other Department programs, like the HOME Program and HTC Program.

Housing units assisted with HTF funds may remain affordable for a period up to 30 years, pursuant to Texas Government Code §2306.185(c). Applications are reviewed in accordance with the Department's applicable rules for either open or competitive application cycles. Rental developments funded with HTF resources must have a minimum of 5 percent of the units accessible for individuals with mobility impairments and an additional 2 percent of the units shall be accessible for individuals with hearing or vision impairments.

Capacity Building and Technical Assistance

The Department provided no funding for Capacity Building or Technical Assistance in FY 2006 due to expanded hurricane relief support. The Department may release a new NOFA in FY 2007, based on the annual funding plan approved by the Department's Board.

Predevelopment Loan Program

The purpose of the Housing Trust Fund Predevelopment Loan Program is to provide opportunities for nonprofits organizations to develop affordable housing by helping to eliminate the barriers predevelopment expenses may pose. To date, the program has managed to create more than \$34 million in affordable housing development for an investment of less than \$3 million over the past 8 years. The Department anticipates releasing a new NOFA for the program in September 2006.

Texas Bootstrap Loan Program

The Texas Bootstrap Loan Program, as administered by the TDHCA Office of Colonia Initiatives, receives substantial funding from the Housing Trust Fund. This program is not subject to the Regional Allocation Formula, pursuant to §2306.111(d-1) of the Texas Government Code.

Disaster Relief

The Department reserved approximately \$2.8 million in HTF funding for the purpose of supporting disaster relief efforts in fiscal year 2006. The Department's Board approved the use of HTF funds for both homeowner assistance and rental rehabilitation activities.

Regional Allocation Formula

In accordance with Senate Bill 264, TDHCA allocates HTF Program funds to each region using a need-based formula developed by the Department. Please see "2007 Regional Allocation Formula" in this section for further explanation.

HTF Program RAF

Region	Place for Geographical Reference	Regional Funding %	Rural Funding %	Urban/ Exurban Funding %
1	Lubbock	4.9%	50.6%	49.4%
2	Abilene	2.9%	43.7%	56.3%
3	Dallas/Fort Worth	20.0%	7.7%	92.3%
4	Tyler	5.3%	59.3%	40.7%
5	Beaumont	3.2%	52.2%	47.8%
6	Houston	23.7%	4.2%	95.8%
7	Austin/Round Rock	4.5%	6.5%	93.5%
8	Waco	5.5%	18.2%	81.8%
9	San Antonio	5.7%	15.6%	84.4%
10	Corpus Christi	3.7%	51.9%	48.1%
11	Brownsville/Harlingen	13.0%	36.4%	63.6%
12	San Angelo	3.0%	29.3%	70.7%
13	El Paso	4.7%	13.2%	86.8%
Total		100.0%	21.4%	78.6%

Projected Housing Trust Fund Funding for FY 2007: TBD

For more information, contact the Multifamily Finance Production Division, at (512) 475-2596

HOUSING TAX CREDIT PROGRAM

The Housing Tax Credit (HTC) Program receives authority from the US Treasury Department to provide tax credits to nonprofits, for-profit developers, and syndicators or investors. The targeted beneficiaries of the program are very low and extremely low income families at or below 60 percent AMFI. The program's purpose is to encourage the development and preservation of 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.

The HTC Program was created by the Tax Reform Act of 1986 and is governed by the Internal Revenue Code of 1986 (the "Code"), as amended, 26 USC Section 42. It authorizes tax credits in the amount of \$1.85 per capita of the state population. Tax credits are also awarded to developments with tax-exempt bond financing and are made independent of the \$1.85 state volume cap. TDHCA is the only entity in the state with the authority to allocate tax credits under this program. The State's distribution of the credits is administered by the TDHCA's *Qualified Allocation Plan and Rules (QAP)*, as required by the Code. Per Section 2306.67022, the Governor shall approve, reject, or modify and approve the Board-approved QAP not later than December 1 of each year.

In 2003, the Texas Legislature passed Senate Bill 264, which mandated that TDHCA allocate housing funds awarded after September 1, 2003, in the HTC Program to each Uniform State Planning Region using a formula for urban/exurban and rural, developed by the Department, based on need for housing assistance.

To qualify for tax credits, the proposed development must involve new construction or undergo substantial rehabilitation of residential units, which is defined as at least \$12,000 per rental unit of construction hard costs, unless financed with TX-USDA-RHS, in which case the minimum is \$6,000. 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. Pursuant to the Code, a low income housing development qualifies for residential rental occupancy if it meets one of the following two criteria: (1) 20 percent or more of the residential units in the development are both rent-restricted and occupied by individuals whose income is 50 percent or less of AMFI; or (2) 40 percent or more of the residential units in the development are both rent-restricted and occupied by individuals whose income is 60 percent or less of AMFI. 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 volume cap are awarded 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 the TDHCA staff and determines a final award list. 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.

The Department requires recipients of tax credits to document the participation of minority-owned businesses in the development and management of tax credit developments, and has established a minimum goal of 30 percent participation. The selection criteria for 2006 awards extra points to developments owned by historically underutilized businesses (HUBs) or that have a plan in place for utilizing HUBs, and also development location criteria including areas located in colonias. Efforts are made in the planning process and allocation of funds to ensure the involvement of housing advocates, community-based institutions, developers, and local municipalities. The Department also encourages the participation of community development corporations and other neighborhood-based groups.

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. Please see "2007 Regional Allocation Formula" in this section for further explanation. Using the 2007 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	Place for Geographical Reference	Regional Funding Amount	Regional Funding %	Rural Funding Amount	Rural Funding %	Urban/ Exurban Funding Amount	Urban/ Exurban Funding %
1	Lubbock	\$2,096,099	4.9%	\$1,060,188	50.6%	\$1,035,911	49.4%
2	Abilene	\$1,251,525	2.9%	\$546,878	43.7%	\$704,647	56.3%
3	Dallas/Fort Worth	\$8,598,298	20.0%	\$659,991	7.7%	\$7,938,307	92.3%
4	Tyler	\$2,286,522	5.3%	\$1,354,984	59.3%	\$931,538	40.7%
5	Beaumont	\$1,365,191	3.2%	\$712,447	52.2%	\$652,744	47.8%
6	Houston	\$10,182,859	23.7%	\$430,557	4.2%	\$9,752,302	95.8%
7	Austin/Round Rock	\$1,919,458	4.5%	\$125,682	6.5%	\$1,793,776	93.5%
8	Waco	\$2,358,376	5.5%	\$429,432	18.2%	\$1,928,945	81.8%
9	San Antonio	\$2,448,901	5.7%	\$381,410	15.6%	\$2,067,492	84.4%
10	Corpus Christi	\$1,575,474	3.7%	\$817,776	51.9%	\$757,698	48.1%
11	Brownsville/Harlingen	\$5,600,674	13.0%	\$2,039,229	36.4%	\$3,561,445	63.6%
12	San Angelo	\$1,300,187	3.0%	\$381,485	29.3%	\$918,702	70.7%
13	El Paso	\$2,016,435	4.7%	\$267,150	13.2%	\$1,749,284	86.8%
Total		\$43,000,000	100.0%	\$9,207,210	21.4%	\$33,792,790	78.6%

Projected HTC Program Funding for FY 2007: \$43,000,000

For more information, contact the Multifamily Finance Production Division at (512) 475-3340.

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. The proceeds of the bonds are used to finance the construction, acquisition, or rehabilitation of multifamily properties with the targeted beneficiaries being very low, low, and moderate income households. Owners elect to set aside units in each development according to §1372, Texas Government Code. Rental developments must comply with Section 504 unit standards. 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.

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. The State will allocate 22 percent of the annual private activity volume cap for multifamily developments. Approximately \$402 million in issuance authority will be made available to various issuers to finance multifamily developments, of which 20 percent, or approximately \$80 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 \$80 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 2006 program year will be scored and ranked by priority and highest score. TDHCA will be accepting applications throughout the 2007 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 Housing Tax Credits.

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 area median income.

Projected Multifamily Bond Program Funding for FY 2007: \$150,000,000

For more information, contact the Multifamily Finance Production Division at (512) 475-3340.

FIRST TIME HOMEBUYER PROGRAM

The First Time Homebuyer Program receives funding from tax-exempt and taxable mortgage revenue bonds. The program offers 30-year fixed-rate mortgage financing at below-market rates for very low, low, and moderate income residents purchasing their first home or residents who have not owned a home within the preceding three years. Qualified applicants access First Time Homebuyer Program funds by contacting any participating lender, which is then responsible for the loan application process and subsequent loan approval. After closing, the lender transfers the mortgage loan to a Master Servicer designated by TDHCA.

The First Time Homebuyer Program provides homeownership opportunities for qualified individuals and families whose gross annual household income does not exceed 115 percent of AMFI (area median family income) limitations, based on IRS adjusted income limits, and the purchase price of the home must not exceed stipulated maximum purchase price limits. Program funds may be allocated on a regional basis based on population percentage per Uniform State Service Region. A minimum of 30 percent of program funds will be set aside to assist Texans earning 60 percent or less of program income limits.

TDHCA currently offers Assisted Mortgage Loans and Non-Assisted Mortgage Loans. The Assisted Mortgage Loans have a slightly higher interest rate than the Non-Assisted Loans and may include down payment and closing cost assistance in the form of a grant or second lien loan. The type of assistance and amount varies by bond issuance. Assisted Mortgage Loans are available exclusively to low income homebuyers earning 60 percent or

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less or 115 percent or less of program income limits, depending on the program. Non-Assisted Mortgage Loans have a slightly lower interest rate than the Assisted Loans and do not offer down payment or closing cost assistance.

In an effort to assist borrowers with impaired credit histories, the First Time Homebuyer Program may be used in conjunction with Fannie Mae's My Community Mortgage. My Community Mortgage offers flexible terms, including flexibility on credit histories and the acceptance of nontraditional credit histories. These loans may be used with all TDHCA mortgage revenue bond programs, thus giving households with slight credit blemishes the opportunity to qualify for a homebuyer loan with interest rates lower than that of alternative financing arrangements

Income limits for the program are set by the IRS Tax Code (1986) based on income figures determined by the US Department of Housing and Urban Development. 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 gain 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 Housing and Urban Development, respectively.

Projected Texas First Time Homebuyer Program funding for FY 2007: \$125,000,000

For more information, contact Eric Pike, Single Family Finance Production Division, at (512) 475-3356 or eric.pike@tdhca.state.tx.us. To request a First Time Homebuyer information packet, please call 1-800-792-1119.

GRANT ASSISTANCE PROGRAM

The Texas Department of Housing and Community Affairs offers grant funds for down payment and closing cost assistance on a first-come, first-served basis for mortgage loans originated through the First Time Homebuyer Program. The Grant Assistance Program (GAP) currently provides up to 5 percent of the amount of the mortgage loan, but may vary depending on the program. Assistance is available to eligible borrowers whose incomes do not exceed 60 percent or 115 percent AMFI, depending on the program.

Projected Grant Assistance Program funding for FY 2007: Varies by bond issuance.

For more information, contact Eric Pike, Single Family Finance Production Division, at (512) 475-3356 or eric.pike@tdhca.state.tx.us. To request a First Time Homebuyer information packet, please call 1-800-792-1119.

MORTGAGE CREDIT CERTIFICATE PROGRAM

A mortgage credit certificate (MCC) provides a tax credit that will reduce the federal income taxes, dollar-for-dollar, of qualified buyers purchasing a qualified residence. As a result, the MCC effectively reduces the monthly mortgage payment and increases the buyer's disposable income by reducing his or her federal income tax obligation. This tax savings provides a family with more available income to qualify for a loan and meet mortgage payment requirements.

The amount of the annual tax credit will equal 35 percent of the annual interest paid on a mortgage loan; however, the maximum amount of the credit cannot exceed \$2,000 per year. 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, but may not be used in connection with the refinancing of an existing loan.

Projected Mortgage Credit Certificate Program funding for FY 2007: \$60,000,000

For more information, contact Eric Pike, Single Family Finance Production Division, at (512) 475-3356 or eric.pike@tdhca.state.tx.us.

LOAN STAR LOAN PROGRAM

The Loan Star Mortgage Program offers conventional, conforming first lien purchase mortgage loans, at market level interest rates, with second lien amortizing loans providing 8 percent down payment assistance. Target populations include low and moderate income households who may or may not have previously owned a home and require down payment assistance and seek minimal paperwork. Participating lenders statewide originate the mortgage loans.

The program is offered in conjunction with CitiMortgage Inc. using external market sources, and is intended to serve segments of the Texas homebuyer market not currently served by TDHCA's present tax-exempt bond program. An essential component of the Loan Star Mortgage Program is the down payment assistance achieved through a Fannie Mae MyCommunity second lien mortgage.

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Projected Loan Star Lone Program funding for FY 2007: \$20,000,000

For more information, contact Martha Sudderth, Single Family Finance Production Division, at (512) 475-3444 or martha.sudderth@tdhca.state.tx.us.

TEXAS STATEWIDE HOMEBUYER EDUCATION PROGRAM

The Texas Statewide Homebuyer Education Program (TSHEP) offers 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. In addition, a referral service for individuals interested in taking a homebuyer education class is available through TDHCA. The targeted beneficiaries of the program include extremely low, very low, low, and moderate income individuals; minority populations; and persons with disabilities.

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.

Projected Texas Statewide Homebuyer Education Program funding for FY 2007: \$70,000.

For more information, contact the Division of Policy and Public Affairs at (512) 475-3976.

OFFICE OF COLONIA INITIATIVES

In 1996, in an effort to place more emphasis on addressing the needs of colonias, the Office of Colonia Initiatives (OCI) 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.

"Colonia" is a term borrowed from Spanish that is commonly used in Mexico to describe a type of neighborhood. In the United States, it is a geographic area located within 150 miles of the US-Mexico border that has a majority population comprised of individuals and families of low and very low income who commonly lack one or more public infrastructure services and safe, sanitary, and sound housing.

Border Field Offices

OCI oversees three Border Field Offices (BFOs) located in Edinburg, El Paso, and Laredo that serve a 75-county area with a primary purpose to provide technical assistance to units of local governments, nonprofits, for-profits, colonia residents, and the general public on Department's programs and services through on-site visits and other outreach activities

along the Texas-Mexico border region. Each BFO is responsible for marketing Department programs and services to colonia and border residents. In addition, BFOs conduct on-site loan packaging and processing, homebuyer counseling, inspections, and administration of the various contracts regarding the Department's border and colonia initiatives such as the Colonia Self-Help Centers, Contract for Deed Conversion Program, and the Texas Bootstrap Loan Program. This collaboration of efforts serves as a mechanism for community improvements that is responsive to the needs of colonia residents.

Colonia Self-Help Centers

The Colonia Self-Help Center (SHC) program was created in 1995 by the 74th Legislature Senate Bill 1509, Texas Government Code Subchapter Z §2306.581 – §2306.591. Operation of the colonia self-help centers are funded from nonentitlement Community Development Block Grant (CDBG) 2.5 percent colonia set-aside fund, which is approximately \$2.2 million per year and are transferred to the Department from the Office of Rural Community Affairs (ORCA) through a Memorandum of Understanding. CDBG funds can only be provided to eligible units of general local governments. The Tex. Gov. Code Ann §2306.582 authorizes the Department to establish SHCs in Cameron/Willacy, Hidalgo, Starr, Webb, and El Paso counties. Additionally, the Department, if it determines it necessary and appropriate, may establish a self-help center in any other county if the county is designated as an economically distressed area by the Texas Department Water Board. Since creation of the program, two additional SHCs have since been established in Val Verde County and Maverick County. The SHC program serves 28 colonias in the five counties designated by statute and two additional counties; the counties have approximately 10,000 colonia residents whom qualify as beneficiaries of these services.

The goal of a SHC is to improve the living conditions of residents in the colonias through key services including concentrated 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; grant writing; 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. Participants in the program must not earn more than 80 percent of the area median family income. Additionally, the properties proposed for this initiative must be located in a colonia area as identified by the Texas Water Development Board colonia list or meet the Department's definition of a colonia.

Colonia Resident Advisory Committee

The SHC program is advised by the Colonia Resident Advisory Committee (C-RAC). Established by the Tex. Gov. Code Ann. §2306.584, the C-RAC is required to advise the Department of the needs of colonia residents, activities to be provided and programs to be administered in the selected colonias of the Colonia SHCs. Each county selects two colonia

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residents to serve on the committee. One of the two residents must reside in a colonia being serviced by the self-help center. C-RAC members meet 30 days prior to making an award to a Colonia SHC. The C-RAC has been instrumental in voicing the concerns of the targeted populations and assisting in the development of useful tools and programs to address the needs of colonia residents.

Contract for Deed Conversion Initiative

The intent of this program is to facilitate colonia-resident property ownership by converting contracts for deed into traditional mortgages. The Department is required through legislative directive to spend no less than \$4 million on contract for deed conversions for colonia families. The same legislation indicated that the Department must convert at least 400 of these contracts for deed into traditional notes and deeds of trust by August 31, 2007; however, the directive is funded through the HOME program. HOME program rules require that any residence that participates in the program must be brought up to specific housing standards – for colonia areas, this standard is typically the Colonia Housing Standards. This requirement increases the total costs of the combined conversion and housing rehabilitation activities to approximately \$55,000 per participating household. Therefore, the Department estimates that 73 homes will be served through the \$4 million earmarked for this purpose. Participants of this program must earn 60 percent or less of the applicable area median family income, live in a colonia, and the property must be their principal residence. Pre- and post-conversion counseling is available, as well as funding for housing reconstruction and rehabilitation.

For FY 2007, the Department will set aside \$2 million from the HOME Investment Partnership Program and anticipates releasing a NOFA in the fall of 2007. Units of general local government, public housing agencies, and nonprofit organizations are eligible entities to apply to provide deferred forgivable loans or grant funds to eligible colonia residents to achieve the goals of the CFD program.

Colonia Consumer Education Services

OCI continues the consumer education program and has expanded its educational goals, although OCI is no longer required by legislation to provide education for contract for deed participants. With the statewide expansion of this program, OCI recognized the need for additional education topics, such as filing homestead exemptions and instruction in other aspects of homeownership. Education services are available through the Colonia Self-Help Centers and OCI Border Field Offices.

Texas Bootstrap Loan Program

The Texas Bootstrap Loan Program is required under Subchapter FF, Chapter 2306, Texas Government Code, to make available \$3 million for mortgage loans to very low income families (those earning 60 percent or less of the area median family income), not to exceed

\$30,000 per unit. This program is a self-help construction program, which is designed to provide very low income families an opportunity to help themselves through the form of sweat equity. All participants under this program are required to provide at least 60 percent of labor that is necessary to construct or rehabilitate the home, and all applicable building codes must be adhered to under this program. In addition, participants may combine these funds with other sources, such as those from private lending institutions, local governments, or any other sources; however, all combined monthly amortized loans may not exceed \$60,000 per unit.

The Department is required to set aside at least two-thirds, or \$2,000,000, 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, Water Code. The remainder of the funding, one-third, or \$1,000,000, will be available to Department-certified nonprofit owner-builder programs statewide.

Colonia Model Subdivision Program

The intent of this program, created in 2001 by the 77th Legislature, is to provide low-interest or interest-free loans to promote the development of new, high-quality subdivisions that provide alternatives to substandard colonias. The Department has allocated \$2 million from the HOME Program to implement this initiative for the 2005-2006 biennium.

Consumer Information Resources

OCI operates a toll-free hotline, 1-800-462-4251, in both English and Spanish that enables colonia residents to voice their concerns and/or request information. In addition, this hotline is available to colonia residents who may be having trouble making their monthly mortgage programs under the Contract for Deed Conversion Initiative and Texas Bootstrap Loan Program.

Projected Office of Colonia Initiatives funding for FY 2007: \$7,200,000.

For additional information, contact Homero V. Cabello, Office of Colonia Initiatives, at 1-800-462-4251 or homero.cabello@tdhca.state.tx.us.

COMPREHENSIVE ENERGY ASSISTANCE PROGRAM

The Comprehensive Energy Assistance Program (CEAP) receives funding from the US Department of Health and Human Services Low Income Home Energy Assistance Program (LIHEAP) and offers grants to community action agencies, nonprofits, and local units of government. The targeted beneficiaries of the program in Texas are households with incomes 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. Local providers must implement special outreach efforts for these special needs populations.

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CEAP combines case management, energy education, and financial assistance to help very low and extremely low income consumers reduce utility bills to an affordable level. By statute, 10 percent of total funding is allocated for administration and 5 percent is allocated to case-management activities. The remaining 85 percent of the funding is used for direct client services, which includes 5 percent for outreach.

There are four basic components to meet consumers' needs:

- The co-payment component assists households achieve energy self-sufficiency by helping households set goals for reducing utility bills, giving advice on improving household budgets, and assisting with utility bills for six to twelve months.
- The heating and cooling systems component repairs or replaces heating and cooling appliances to increase energy efficiency.
- The energy crisis component provides assistance during an energy crisis caused by extreme weather conditions or an energy supply shortage.
- The elderly and persons with disabilities component assists vulnerable households during fluctuations in energy costs by paying up to four of the highest bills during the year.

CEAP providers are expected to create partnerships with programs within and outside their agencies and with private entities. The program also requires that providers refer CEAP clients to the Department's Weatherization Assistance Program. Because CEAP is designed to help clients achieve energy self-sufficiency, it encourages the consumer to control future energy costs without having to rely on other government programs for energy assistance.

Projected Comprehensive Energy Assistance Program funding for FY 2007: \$38,700,738.

For more information, contact Amy Oehler, Energy Assistance Section, at (512) 475-3864 or amy.oehler@tdhca.state.tx.us. To apply for CEAP, call 1-877-399-8939, toll free, using a land phone.

WEATHERIZATION ASSISTANCE PROGRAM

The Weatherization Assistance Program (WAP) is funded through the US Department of Energy Weatherization Assistance Program for Low Income Persons grant and the US Department of Health and Human Services Low Income Home Energy Assistance Program (LIHEAP) grant. WAP offers grants to community action agencies, nonprofits, and local units of government with targeted beneficiaries being households with incomes 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. Local providers must implement special outreach efforts to reach these priority populations. Applicants who have special needs receive additional points in the application process. To help consumers control energy costs, WAP funds the installation of

weatherization measures and provides energy conservation education. In addition to meeting the income-eligibility criteria, the weatherization measures to be installed must meet specific energy-savings goals.

The Department of Energy allows up to 15 percent of the funds for administration. The Department of Health and Human Services LIHEAP grant allows 10 percent for administration. The remaining funds are used for direct client services.

Partnerships between the Weatherization Assistance Program and the Southwestern Electric Power Company, the Southwestern Public Service Company, Entergy, and El Paso Electric provide energy conservation measures to very low and extremely low income utility customers. These partnerships increase the total number of low income households receiving weatherization services and provide consumers the opportunity to receive more comprehensive energy-efficiency measures.

Projected Weatherization Assistance Program funding for FY 2007: \$13,542,228.

For more information, contact Amy Oehler, Energy Assistance Section, at (512) 475-3864 or amy.oehler@tdhca.state.tx.us. To apply for weatherization, call 1-888-606-8889, toll free, using a land phone.

EMERGENCY SHELTER GRANTS PROGRAM

The Emergency Shelter Grants Program (ESGP) receives funding from the US Department of Housing and Urban Development 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. 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; costs related to operation administration; and costs related to maintenance, operation, rent, repairs, security, fuel, equipment, insurance, utilities, food and furnishings.

TDHCA also participates in the Texas Interagency Council for the Homeless (TICH). TICH is charged with surveying and evaluating services for the homeless in Texas; assisting in the coordination and provision of services for homeless persons throughout the state; increasing the flow of information among separate service providers and appropriate authorities; developing guidelines to monitor services for the homeless; providing technical assistance to the housing finance divisions of TDHCA in order to assess housing needs for persons with special needs; establishing a central resource and information center for the state's homeless; and developing, in cooperation with the Department and the Health and Human Services Commission, a strategic plan to address the needs of the homeless.

The Department provided funds to the Texas Homeless Network (THN) to provide in-depth technical assistance on refining a collaborative network of local service providers, assessing the needs of the homeless population, and developing priorities for addressing those needs.

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Projected Emergency Shelter Grants Program funding for FY 2007: TBD.

For more information, contact Rita D. Gonzales-Garza, Community Services Section, at (512) 475-3905 or rita.garza@tdhca.state.tx.us.

COMMUNITY SERVICES BLOCK GRANT PROGRAM

The Community Services Block Grant Program (CSBG) receives funding from the US Department of Health and Human Services (USHHS), and funds are utilized to fund CSBG-eligible entities and to fund activities that support the intent of the CSBG Act. The targeted beneficiaries of the program are low income families and individuals, homeless families and individuals, migrant and seasonal farmworkers, and elderly low income individuals and families whose income does not exceed 125 percent of the current federal income poverty guidelines issued by USHHS.

CSBG provides administrative support to 47 CSBG-eligible entities that provide services to very low income persons. The funding assists with in providing essential services, 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.

Five percent of the State's CSBG allocation may be used to fund activities that support the intent of the Community Services Block Grant Act, which may include providing training or technical assistance to eligible entities or short-term financial support for innovative projects that address the causes of poverty, promote client self-sufficiency, or promote community revitalization. These funds may also be used to support nonprofit organizations that assist low income Native Americans and migrant or seasonal farm workers. In addition, local contractors may use CSBG funds to assist homeless persons and other special needs populations.

Community Services Block Grant Program funding for FY 2007: TBD.

For more information, contact Rita D. Gonzales-Garza, Community Services Section, at (512) 475-3905 or rita.garza@tdhca.state.tx.us.

COMMUNITY FOOD AND NUTRITION PROGRAM

The Community Food and Nutrition Program (CFNP) receives funding from the US Department of Health and Human Services, and the grant supports efforts to address hunger issues in low income neighborhoods on a statewide basis.

CFNP coordinates statewide efforts to address hunger and related issues by distributing surplus commodities through the Share Our Surplus Service (SOS) and game donated by hunters through Hunters for the Hungry Program (HFHP). CFNP funds are also used to support

the expansion of child-feeding programs and the creation of farmers markets designed to serve low income neighborhoods.

The SOS program is a food recovery program where donations of surplus and unsaleable food donations are distributed to needy Texas. HFHP is a collaborative effort among hunters, meat processors, and nonprofit organizations to distribute meat to local food banks, food pantries and other organizations feeding the needy.

As of printing of this draft Plan, no funds have been allocated from the Community Food and Nutrition Program. However, funding for this program may be restored later in the year, or for FY 2008.

Community Food and Nutrition Program funding for FY 2007: \$0.

For more information, contact Rita D. Gonzales-Garza, Community Services Section, at (512) 475-3905 or rita.garza@tdhca.state.tx.us.

SECTION 8 HOUSING CHOICE VOUCHER PROGRAM

The Section 8 Housing Choice Voucher Program (HCVP) receives funding from HUD and offers rental assistance subsidies to families and individuals, including the elderly and persons with disabilities, earning 50 percent or less of area median income. At least 75 percent of HCVP tenants must have incomes at or below 30 percent of the area median income. Qualified households are afforded the opportunity to select the best available housing through direct negotiations with landlords to ensure accommodations that meet their needs. The statewide HCVP is designed specifically for needy families in small cities and rural communities not served by similar local or regional programs.

TDHCA administers vouchers in 37 counties. TDHCA contracts with community action agencies, public housing authorities, and units of local government to assist the Department with the administration of vouchers.

Projected Section 8 Program funding for FY 2007: \$9,000,000

For more information, contact the Section 8 Program at (512) 475-2634.

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 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 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 the state. Those inspectors also assist TDHCA by inspecting properties for the Portfolio Management and Compliance Division and by inspecting and processing license applications for migrant farm worker housing facilities. The Division also handles approximately 2,000 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 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.

2007 REGIONAL ALLOCATION FORMULA

Section 2306.111(d) of the Government Code requires that TDHCA use a Regional Allocation Formula (RAF) to allocate its HOME, HTC, and HTF 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/exurban 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 the HOME and HTF/HTC because the programs have different eligible activities, households, and geographical service areas. For example, because at least 95 percent of HOME funding must be set aside for non-PJs, the HOME RAF only uses need and available resource data for non-PJs.

For the 2007 fiscal year, the RAF uses the following 2000 US 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 local, state, and federal 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. In the 2006 fiscal year, resources from the following sources were used in the RAF: HTC, HTF, HUD (HOME, Housing Opportunities for Persons with AIDS (HOPWA), public housing authority (PHA) capital funding, and Section 8 funding), Bond Financing, and United States Department of Agriculture (USDA) housing programs.

Please see the HOME, HTC, and HTF program sections for distribution figures. For more information on the RAF and further description of the formula, please contact the Division of Policy and Public Affairs, at (512) 475-3976.

2007 EMERGENCY SHELTER GRANTS PROGRAM ALLOCATION FORMULA

ESGP funds are reserved according to the percentage of poverty population identified in each of the 13 state service regions (i.e., 3.95 percent of the available ESGP funds were reserved for Region 1 with 3.95 percent of the state's poverty population). The top scoring applications in each region are recommended for funding, based on the amount of funds available for that region. Any application that receives a score below 70 percent of the highest raw score from the region is not considered for funding.

2007 COMMUNITY SERVICES BLOCK GRANT ALLOCATION FORMULA

Allocations to the 47 CSBG-eligible entities are based primarily 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. The formula also includes a base award for each organization before the factors are applied, as well as a floor, or minimum award. In FY 2007, the Department will utilize the 2000 Census population figures at 125 percent of poverty, a base of \$50,000, and a floor at \$150,000.

2007 COMPREHENSIVE ENERGY ASSISTANCE PROGRAM AND WEATHERIZATION ASSISTANCE PROGRAM ALLOCATION FORMULA

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

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 mission- and goal-driven results-oriented system combining strategic planning and performance budgeting. 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; they are used by decision makers in allocating resources; they are intended to focus the Department's efforts on

achieving goals and objectives; and they 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 2006–2007.

All applicants for funding are eligible and are encouraged to apply for and leverage funds from multiple agency programs. There will be a considerable amount of leveraging of HUD funds with those from other federal and State sources. The following affordable housing goals and objectives present TDHCA's approach to addressing the state's affordable housing needs. While the HOME Program funds may be used in conjunction with other TDHCA programs, there is no way to determine the extent of the overlap. Because of this, each program reports their performance separately, with its particular intention/use listed separately.

AFFORDABLE HOUSING GOALS AND OBJECTIVES

The following goals address performance measures established by the 79th 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 are the 2006 goal and actual performance and the 2007 goal. Actual 2006 numbers were not available at the printing of this draft document, but will be included in the final document.

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.

Note: 2005 Measures marked with an "*" were added to the 2006 Performance Measures by the 79th Legislature.

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

1.1 Strategy: Provide mortgage financing and homebuyer assistance through the Single Family Mortgage Revenue Bond Program.

Strategy Measure: Number of single family households assisted through the First Time Homebuyer Program.

2006 Measure	2006 Actual	% of Goal	2007 Measure
1,727	2,255	131%	1,727

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***1.2 Strategy:** Provide funding through the HOME Program for affordable single family housing.

Strategy Measure: Number of single family households assisted with HOME funds.

2006 Measure	2006 Actual	% of Goal	2007 Measure
1,834	1,235	67%	1,834

***1.3 Strategy:** Provide funding through the HTF program for affordable single family housing.

Strategy Measure: Number of single family households assisted through the Housing Trust Fund.

2006 Measure	2006 Actual	% of Goal	2007 Measure
100	66	66%	100

1.4 Strategy: Provide tenant-based rental assistance through Section 8 certificates.

Strategy Measure: Number of multifamily households assisted with tenant-based rental assistance.

2006 Measure	2006 Actual	% of Goal	2007 Measure
2,100	1,025	49%	2,100

1.5 Strategy: Provide federal tax credits to develop rental housing.

Strategy Measure: Number of multifamily households assisted with HTCs.

2006 Measure	2006 Actual	% of Goal	2007 Measure
18,832	17,250	92%	20,151

***1.6 Strategy:** Provide funding through the HOME Program for affordable multifamily housing.

Strategy Measure: Number of multifamily households assisted with HOME funds.

2006 Measure	2006 Actual	% of Goal	2007 Measure
741	466	63%	647

***1.7 Strategy:** Provide funding through the Housing Trust Fund for affordable multifamily housing.

Strategy Measure: Number of multifamily households assisted through the Housing Trust Fund.

2006 Measure	2006 Actual	% of Goal	2007 Measure
255	794	311%	262

1.8 Strategy: Provide funding through the Multifamily Mortgage Revenue Bond program for affordable multifamily housing.

Strategy Measure: Number of households assisted through the Mortgage Revenue Bond program.

2006 Measure	2006 Actual	% of Goal	2007 Measure
3,500	3,127	89%	3,500

GOAL 2: TDHCA WILL PROMOTE IMPROVED HOUSING CONDITIONS FOR EXTREMELY LOW, VERY LOW, AND LOW INCOME HOUSEHOLDS BY PROVIDING INFORMATION AND TECHNICAL ASSISTANCE.

***2.1 Strategy:** Provide information and technical assistance to the public through the Division of Policy and Public Affairs.

Strategy Measure: Number of information and technical assistance requests completed.

2006 Measure	2006 Actual	% of Goal	2007 Measure
5,400	5,005	93%	5,400

2.2 Strategy: To provide technical assistance to colonias through field offices.

(A) Strategy Measure: Number of on-site technical assistance visits conducted annually from the field offices.

2006 Measure	2006 Actual	% of Goal	2007 Measure
600	1,326	221%	600

***(B) Strategy Measure:** Number of colonia residents receiving assistance.

2006 Measure	2006 Actual	% of Goal	2007 Measure
1,700	918	54%	1,700

***(C) Strategy Measure:** Number of entities and/or individuals receiving informational resources.

2006 Measure	2006 Actual	% of Goal	2007 Measure
1,200	1,279	106.6%	1,200

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GOAL 3: TDHCA WILL IMPROVE LIVING CONDITIONS FOR THE POOR AND HOMELESS AND REDUCE THE COST OF HOME ENERGY FOR VERY LOW INCOME TEXANS.

3.1 Strategy: 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.

(A) Strategy Measure: Number of persons assisted through homeless and poverty related funds.

2006 Measure	2006 Actual	% of Goal	2007 Measure
440,000	549,162	125%	440,000

(B) Strategy Measure: Number of persons assisted that achieve incomes above poverty level.

2006 Measure	2006 Actual	% of Goal	2007 Measure
2,000	1,658	83%	2,000

(C) Strategy Measure: Number of shelters assisted through the Emergency Shelter Grant Program.

2006 Measure	2006 Actual	% of Goal	2007 Measure
70	76	109%	70

3.2 Strategy: 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.

(A) Strategy Measure: Number of households assisted through the Comprehensive Energy Assistance Program.

2006 Measure	2006 Actual	% of Goal	2007 Measure
63,200	86,988	138%	63,200

(B) Strategy Measure: Number of dwelling units weatherized through the Weatherization Assistance Program.

2006 Measure	2006 Actual	% of Goal	2007 Measure
4,800	3,904	81%	4,800

GOAL 4: TDHCA WILL ENSURE COMPLIANCE WITH THE TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS' FEDERAL AND STATE PROGRAM MANDATES.

4.1 Strategy: The Portfolio Management and Compliance Division will monitor and inspect for Federal and State housing program requirements.

**(A) Strategy Measure: Total number of monitoring reviews conducted.*

2006 Measure	2006 Actual	% of Goal	2007 Measure
4,700	5,504	117.1%	4,554

(B) Strategy Measure: Total number of units administered.

2006 Measure	2006 Actual	% of Goal	2007 Measure
227,195	232,067	102.1%	237,195

4.2 Strategy: The Portfolio Management and Compliance Division will administer and monitor federal and state subrecipient contracts for programmatic and fiscal requirements.

**(A) Strategy Measure: Total number of monitoring reviews conducted.*

2006 Measure	2006 Actual	% of Goal	2007 Measure
10,725	13,409	125%	9,220

(B) Strategy Measure: Number of contracts administered.

2006 Measure	2006 Actual	% of Goal	2007 Measure
400	443	110.8%	350

GOAL 5: to protect the public by regulating the manufactured housing industry in accordance with state and federal laws.

5.1 Strategy: Provide titling and licensing services in a timely and efficient manner.

(A) Strategy Measure: Number of manufactured housing statements of ownership and location issued.

2006 Measure	2006 Actual	% of Goal	2007 Measure
89,000	106,138	119%	89,000

(B) Strategy Measure: Number of licenses issued.

2006 Measure	2006 Actual	% of Goal	2007 Measure
4,435	4,075	92%	4,435

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5.2 Strategy: Conduct inspections of manufactured homes in a timely manner.

(A) Strategy Measure: Number of routine installation inspections conducted.

2006 Measure	2006 Actual	% of Goal	2007 Measure
8,000	5,103	64%	8,000

***(B) Strategy Measure:** Number of non-routine installation inspections conducted.

2006 Measure	2006 Actual	% of Goal	2007 Measure
2,500	1,894	75.76%	2,500

5.3 Strategy: To process consumer complaints, conduct investigations, and take administrative actions to protect the general public and consumers.

Strategy Measure: Number of complaints resolved.

2006 Measure	2006 Actual	% of Goal	2007 Measure
1,700	1,002	59%	1,700

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.

6.1 Strategy: 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: Amount of housing finance division funds applied towards housing assistance for individuals and families earning less than 30 percent of median family income.

2006 Measure	2006 Actual	% of Goal	2007 Measure
\$30,000,000	\$28,660,669	95.54%	\$30,000,000

(See Rider 4 of TDHCA's Appropriations as found in HB 1 (General Appropriations Act), 79th Legislature, Regular Session.)

GOAL 7: TDHCA will target its housing finance resources for assistance to very low income households.

7.1 Strategy: The housing finance divisions shall adopt an annual goal to apply no less than 20 percent of the division's total housing funds toward housing assistance for

individuals and families earning between 31 percent and 60 percent of median family income.

Strategy Measure: *Percent of housing finance division funds applied towards housing assistance for individuals and families earning between 31 percent and 60 percent of median family income.*

2006 Measure	2006 Actual	% of Goal	2007 Measure
20%	52.7%	263.38%	20%

(See Rider 4 of TDHCA's Appropriations as found in HB 1 (General Appropriations Act), 79th 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

8.1 Strategy: Help colonia residents become property owners by converting their contracts for deed into traditional mortgages.

Strategy Measure: *Amount of TDHCA funds applied towards contract for deed conversions for colonia families earning less than 60 percent of median family income.*

FY 2006-2007 Measure	FY 2006 Actual	% of Goal	FY 2006-2007 Measure
\$4,000,000	\$4,684,300	117.1%	\$4,000,000

(See Rider 11 of TDHCA's Appropriations as found in HB 1 (General Appropriations Act), 79th 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 Through Funding, research, and policy development efforts.

9.1 Strategy: Dedicate no less than 20 percent of the HOME project allocation for applicants that target persons with special needs.

Strategy Measure: *Percent of the HOME project allocation awarded to applicants that target persons with special needs.*

2006 Measure	2006 Actual	% of Goal	2007 Measure
≥20%	24%	120%	≥20%

9.2 Strategy: Compile information and accurately assess the housing needs of and the housing resources available to persons with special needs.

Strategy Activities:

Action Plan

TDHCA Allocation Plans

- 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.

9.3 Strategy: 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.

9.4 Strategy: 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.

9.5 Strategy: Issue a Notice of Funding Availability (NOFA), separate from the regular HOME TBRA activity funding, which provides up to \$2 million for tenant based rental assistance directed to assist persons with disabilities. This NOFA will indicate that the recipients must meet the Texas State definition used by the Promoting Independence Advisory Board. Funding awards associated with this activity will allow up to 6 percent administration costs with no match requirement.

Strategy Measure: Amount of HOME project allocation awarded through a NOFA to provide TBRA assistance to persons with disabilities.

2006 Measure	2006 Actual	% of Goal	2007 Measure
Not Applicable	Not Applicable	Not Applicable	\$2 million

9.6 Strategy: Issue a NOFA, separate from the regular HOME HBA and OCC activity funding, that provides up to \$2 million for homebuyer assistance and owner occupied rehabilitation to assist persons with disabilities. Recognizing that there are additional costs associated with assisting persons with disabilities, this NOFA will include the potential to increase the maximum application amount above that of the general HBA and OCC activity funding. Funding awards associated with this activity will allow up to 6 percent administration costs with no match requirement.

Strategy Measure: Amount of HOME project allocation awarded through a NOFA to provide HBA and OCC assistance to persons with disabilities.

2006 Measure	2006 Actual	% of Goal	2007 Measure
Not Applicable	Not Applicable	Not Applicable	\$2 million

Action Plan

TDHCA Allocation Plans

SECTION 5: 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 a summary of public comment.

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 HEARINGS

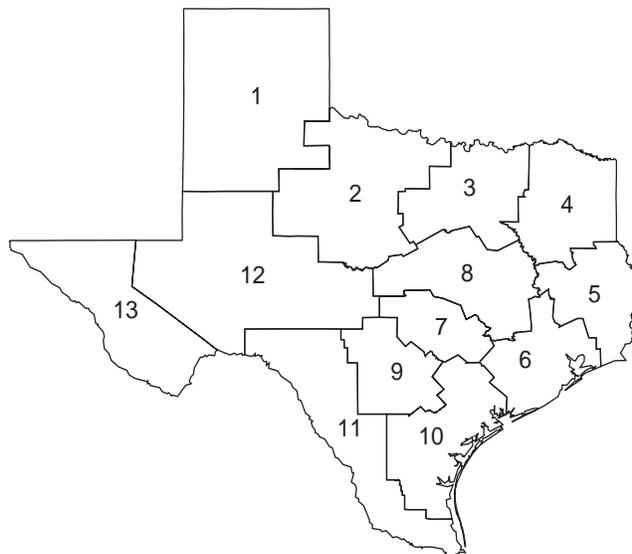
From July to September 2006, TDHCA worked on the draft version of the *2007 State of Texas Low Income Housing Plan and Annual Report*. Once completed, the draft was submitted to the TDHCA Board of Directors at the August 30, 2006, board meeting for approval, and then released for public comment in accordance with §2306.0732 and §2306.0661. The hearing notice was published in the September 1, 2006, edition of the *Texas Register*.

The formal citizen participation process for the *2007 State of Texas Low Income Housing Plan and Annual Report* will begin September 13, 2006, and end October 12, 2006. Constituents are encouraged to give input regarding the Plan and all Department programs in writing or at one of the 13 public hearings to be held across the state, one in each of the 13 Uniform State Service Regions.

Public Participation

Public Hearings

- Reg. 1:** Panhandle Regional Planning Commission,
3rd Floor Conference Room
415 W. 8th St., Amarillo
Wednesday, September 27, 2006,
12:00 pm
- Reg. 2:** Brownwood City Hall
501 Center Ave., Brownwood
Wednesday, October 4, 2006,
12:00 pm
- Reg. 3:** Dallas Public Library,
Dallas West Room
1515 Young St., Dallas
Wednesday, September 27, 2006,
11:00 am
- Reg. 4:** Tyler Junior College, West Campus
Room 110
1530 SSW Loop 323, Tyler
Wednesday, September 27, 2006,
5:30 pm
- Reg. 5:** South East Texas Regional Planning Commission
2210 Eastex Freeway, Beaumont
Wednesday, October 4, 2006, 5:30 pm
- Reg. 6:** Houston City Hall
901 Bagby, Houston
Thursday, October 5, 2006, 11:00
- Reg. 7:** Joe C. Thompson Conference Center,
Second Floor, Room 210
2405 Robert Dedman Dr., Austin
Monday, October 2, 2006, 5:30 pm
- Reg. 8:** Brazos Valley Council of Governments,
Brazos B Room
3991 East 29th St., Bryan
Thursday, September 28, 2006,
11:00 am



- Reg. 9:** Bazan Library
2200 W. Commerce St., San Antonio
Friday, September 22, 2006, 11:00 am
- Reg. 10:** Omni Bayfront Hotel
900 North Shoreline Blvd.,
Corpus Christi
Thursday, September 21, 2006,
3:30 pm
- Reg. 11:** Harlingen Public Library, Auditorium
410 76th Dr., Harlingen
Tuesday, October 10, 2006, 11:30 am
- Reg. 12:** Permian Basin Regional Planning Commission
2910 LaForce Blvd., Midland
Thursday, October 5, 2006, 11:00 am
- Reg. 13:** El Paso City Council Chambers,
2nd Floor
2 Civic Center Plaza, El Paso
Thursday, September 28, 2006,
11:00 am

Each public hearing will address the Plan, as well as the following topics:

- 2007 State of Texas Consolidated Plan: One-Year Action Plan
- TDHCA Compliance Monitoring Policies and Procedures
- Energy Assistance Rules
- Community Services Block Grant Rules
- Emergency Shelter Grants Program Rules
- Housing Tax Credit (HTC) Qualified Allocation Plan and Rules (QAP)
- Housing Trust Fund (HTF) Program Rules
- Multifamily Bond Program Rules
- HOME, HTC, and HTF Affordable Housing Needs Score
- HOME, HTC, and HTF Regional Allocation Formula
- TDHCA Underwriting, Market Analysis, Appraisal, Environmental Site Assessment, Property Condition Assessment, and Reserve for Replacement Rules and Guidelines
- Comments on the Plan and all TDHCA programs may also be submitted in writing:

MAIL: Division of Policy and Public Affairs
TDHCA
PO Box 13941
Austin, TX 78711-3941

FAX: (512) 475-3746

EMAIL: info@tdhca.state.tx.us

PUBLIC COMMENT

The only comments on the SLIHP related to programming of TDHCA HOME funds. A summary of these comments and the Staff's reasoned responses are below provided. The names and organizations that provided comment are provided in Table A.1 Commenter Information at the end of this section.

1. HOME Program Funding Amount for Applicants Serving Persons with Disabilities Are Unacceptable

Numerous people provided comment that the programming of the 2007 HOME funds does not set aside a minimum of 5%, approximately \$2,225,000, of TDHCA's annual allocation for applicants serving persons with disabilities. Also, there is a concern that the Department is not continuing to set aside \$500,000 solely for Home of Your Own (HOYO) Program activities. Concern was also voiced over the removal of the HOME Olmstead Tenant Based Rental Assistance (TBRA) program from the SLIHP two years ago. Extensive and passionate comment was provided that all of these funds needed to be restored or increased and that the Department was not adequately serving the disability community's needs.

Staff Response: The following changes are being recommended.

Public Participation

Public Comment

1. Staff recommends increasing the amount of funds dedicated to applicants serving persons with disabilities from \$750,000 as originally proposed to \$4 million. Based on the Department's statute, these funds will be regionally allocated and available through competitive grant acquisition processes. This will be done through the following strategies.

"9.5 Strategy: Issue a Notice of Funding Availability (NOFA), separate from the regular HOME TBRA activity funding, which provides up to \$2 million for tenant based rental assistance directed to assist persons with disabilities. This NOFA will indicate that the recipients must meet the Texas State definition used by the Promoting Independence Advisory Board. Funding awards associated with this activity will allow up to 6 percent administration costs with no match requirement.

9.6 Strategy: Issue a NOFA, separate from the regular HOME HBA and OCC activity funding, that provides up to \$2 million for homebuyer assistance and owner occupied rehabilitation to assist persons with disabilities. Recognizing that there are additional costs associated with assisting persons with disabilities, this NOFA will include the potential to increase the maximum application amount above that of the general HBA and OCC activity funding. Funding awards associated with this activity will allow up to 6 percent administration costs with no match requirement."

These strategies will provide a variety of applicants, including HOYO, an opportunity to serve persons with disabilities across the state while fulfilling TDHCA's statutory responsibility to allocate HOME funding according to the regional allocation methodology required by Texas Government Code §2306.111.

The ability to use HOME funding in the larger metropolitan areas of the State is governed by Section 2306.111(c) of the Texas Government Code as shown below:

"c) In administering federal housing funds provided to the state under the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. Section 12701 et seq.), the department shall expend at least 95 percent of these funds for the benefit of non-participating areas that do not qualify to receive funds under the Cranston-Gonzalez National Affordable Housing Act directly from the United States Department of Housing and Urban Development. All funds not set aside under this subsection shall be used for the benefit of persons with disabilities who live in areas other than non-participating areas."

Because much of the State's housing need for persons with disabilities is found in Participating Jurisdictions (PJs), to maximize the success of the above described NOFAs, the Department will limit all awards in PJs to those two activities. No other HOME activities will be eligible to apply in a PJ. Additionally, the Department is committed to providing technical assistance to any applicant or awardee to enhance their program delivery and build capacity.

2. TDHCA Is Not Committed to Providing Assistance for the Olmstead Population

Numerous people commented that the Department is no longer committed to serving the Olmstead population because funds specifically targeted for this purpose were removed from the SLIHP two years ago. 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). Further comment stated tenant based rental assistance is a critical component in helping transition persons from institutions into communities.

Staff Response: For Program Year 2004, TDHCA specifically dedicated \$2,000,000 under the Set Aside for Olmstead Populations. The Department eliminated this set aside in 2005 due to low expenditure rates. However, staff acknowledges the importance of serving this need as well as the challenges inherent with administering this complex activity which may have affected the use of funds from the set aside. Therefore, as noted in item "1" above, the Department will publish a Notice of Funding Availability (NOFA), separate from the general HOME TBRA activity funding. This NOFA will provide up to \$2 million for TBRA directed to assist persons with disabilities meeting the Texas State definition used by the Promoting Independence Advisory Board. To ensure that these funds are utilized, staff will seek recommendations from the Disability Advisory Workgroup as well as the disability stakeholder community at large in drafting the NOFA to improve program efficiency and expenditure rates. Funding awards associated with this activity will allow up to 6 percent administration costs with no match requirement.

3. Clarifying Sections of the SLIHP that Reflect Efforts to Assist Persons with Special Needs

From reviewing the public comment, it appears that sections of the SLIHP that relate to TDHCA's efforts to provide assistance to persons with special needs could be clarified. As the resulting changes involve multiple relatively minor revisions in narrative and do not relate to specific public comments, these changes are not shown below. However, they are shown as blackline changes in Attachment B - Summary of Substantive Changes from the Draft 2007 SLIHP.

4. Percentage Allocation of HOME Single Family Activities

Numerous people and organizations protested the reduction of the Home Buyer Assistance (HBA) activity from 20% of the available single family activity funds in PY 2006 to 10% in PY 2007. In summary, the following comments were provided. (125-157)

- a) Reducing the amount of funding for HBA will result in fewer applicants because when the approximate \$2.26 million is divided amongst the 13 state service regions the available amount yields an average of \$174,000 or 17 homebuyer loans per Region.
- b) Comment expressed a specific need for, and interest in applying for, HBA funds in the future. For example, letters were received from nine Habitat for Humanity organizations that explained that they need the funds to provide HBA in their community.

Public Participation

Public Comment

- c) The changes in the percentage distribution are unnecessary as it only limits the ability of TDHCA to respond to programmatic demand and market forces in the future.
- d) If the goal of the proposed change is to get more funding into OCC, this change is not necessary because if TBRA or HBA activity funding in a particular region is under subscribed, then the remaining funds will be used for OCC awards within that region.
- e) With the recent and untried change from issuing OCC assistance as grant to a deferred forgivable or zero interest loan, moving more funding to OCC at this time seems premature.
- f) The HBA activity is the only HOME single family program that leverages significant private sector investment and creates new properties to enhance the local and state tax base. For every HBA household served at \$10,000, the program leverages private mortgages for the remaining cost of the home. On the other hand, the OCC program rehabilitates or rebuilds a home up to \$55,000 with no additional private sector investment.
- g) The HBA program can leverage homeownership for more families. For every OCC household served, approximately 5.5 families can be helped with HBA assistance.

Staff Response: After reviewing the public comment, staff is recommending that the HBA percentage should be increased from 10 percent to 15 percent, which is the same level as TBRA. It should be noted that HBA's percentage of the single family activity funds could eventually exceed 15 percent based on the amount of additional HBA activity associated with the proposed NOFA for HBA and OCC assistance for persons with disabilities.

SECTION 6: 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 and lives 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.
- Empower and enhance organizations in order to better 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.
- Serve as a conduit for colonia residents by soliciting input into major funding decisions that will affect border communities.

OVERVIEW

The US-Mexico border region is dotted with hundreds of rural subdivisions characterized by high levels of poverty and substandard living conditions. These communities are commonly called "colonias." Some colonias are newly formed, but many have been in existence for over 40 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. However, a majority of the colonias emerged in the 1950s as developers discovered a large market of aspiring homebuyers who could not afford homes in cities or access to conventional financing mechanisms.

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, mostly unincorporated communities principally located along the US-Mexico border in the states of California, Arizona, New Mexico, and Texas (with the vast majority located in Texas). Colonias frequently exhibit high poverty rates and substandard living

conditions relative to US standards; however, colonias are primarily defined primarily by what they lack, including services such as public water and wastewater systems, paved streets, drainage, and safe and sanitary housing.

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, as of yet, gone unidentified. Currently, Hidalgo County has the largest group of colonias, at 847 known colonias for 2006. From US Census data, counties representing the largest colonia populations (El Paso, Starr, Hidalgo, and Cameron) also have Hispanic or Latino groups of over 88 percent; the state average is at 34.6 percent. The 13 counties running along the Texas-Mexico border have an average Hispanic or Latino population of 74.2 percent.

According to 2000 US Census records, the population of counties representing the largest amount of colonias had an estimated 1,890,505 persons. 2005 estimations show an increase of 237,869 for these counties elevating the population to 2,128,374. El Paso, Maverick, Webb, Zapata, Starr, Hidalgo, and Cameron counties have shown an increase in population of 12.3 percent, which surpasses the state average increase of 9.6 percent. 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.⁹⁰

US Census data for the 2003 median household income for Texas was \$39,967, while the median household income for the Texas-Mexico border averaged \$26,606 based on county averages for Texas. Zavala County had the lowest median household income of \$18,553 while Collin County (Northeast Texas) had the highest median household income of \$74,136. Of the larger border cities such as El Paso, McAllen, Brownsville, Corpus Christi, and Laredo, the 2000 average median values of owner-occupied housing units was \$69,640 with Laredo presenting the highest values at \$77,900.²

Affordable housing has been hard to come by in the Border region mainly because the rapidly growing population still remains poor. Counties running along the Texas-Mexico border account for some of the highest poverty rates in the state and in some counties are double than the state average rate for 2003. According to US Census data, in 2003, the state average rate for persons below poverty was 16.2 percent, while the average poverty

⁹⁰ U.S. Census Bureau: State and County Quickfacts. <http://quickfacts.census.gov/qfd/states/48000.html> (Viewed July 27, 2006).

² U.S. Census Bureau: State and County Quickfacts. <http://quickfacts.census.gov/qfd/states/48000.html>. Viewed July 27, 2006.

level of counties running along the Texas-Mexico border was at 25.3 percent. Counties with the highest amount of colonias (El Paso, Starr, Hidalgo, and Cameron) however, show averaged poverty levels at 31.5 percent—a doubling of the state poverty rate. Counties like Dimmit and Starr, at 32.7 percent and 36.2 percent respectively, are even higher. While there are many pockets of poverty throughout Texas, no other counties in Texas show countywide poverty rates as high as those along the Texas-Mexico border.

HOUSING

According to a review completed by the Texas Comptroller's Office, most builders would have a difficult time building 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 homebuilders 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.³ Land acquisition and development can add \$10,000 to \$20,000 to the cost of a house. For a new subdivision, the acquisition cost may be only a few thousand dollars per lot. But the 1998 cost of infrastructure—such as streets, power, and water—could be as much as \$15,000 per lot or higher in some areas.⁴

Owner construction in colonias can face 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 to be built within a short, sometimes impractical time. Second, lenders are typically reluctant to lend funds for owner construction because there is 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.

ACTION 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 2006-2007.

³ *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.

⁴ *Bordering the Future: House Prices Reflect Production Costs. Window on State Government.* Texas Comptroller of Public Accounts. July 1998. Interview with Clark Wilson Homebuilders, Nov. 20, 1997.

TEXAS BOOTSTRAP LOAN PROGRAM

The Texas Bootstrap Loan Program is a statewide loan program that funds certified nonprofit organizations and enables owner-builders to purchase real estate, and construct or renovate a home. The 77th Legislature amended this program under Senate Bill 322 (2001) with a legislative directive requiring continuation of an Owner Builder Loan Program through 2010.

In accordance with Section 2306.753(d) of the Texas Government Code, Title 10, as amended, the Department shall set aside at least two-thirds of the available funds for owner-builders whose property is located in an Economically Distressed Area Program (EDAP) county, as defined under Subchapter K, Chapter 17, Water Code. The remainder of the funding will be available to the Department certified nonprofit Owner-Builder Housing Programs in the State of Texas. The maximum amount of funding per organization will be \$600,000.

The program promotes and enhances homeownership for 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 60 percent of the labor required to build or rehabilitate the home. Total loans from the Department and from other entities cannot exceed \$60,000 per unit. The Department committed over \$8.4 million over the biennium (FY 2006-2007) to implement this initiative from the Housing Trust Fund. TDHCA anticipates releasing another NOFA in the amount of \$6,000,000 for FY 2008-2009 in August 2007.

CONTRACT FOR DEED CONVERSION PROGRAM

The Contract for Deed Conversion (CFD) Program is designed to help colonia residents become property owners by converting their contracts for deeds into warranty deeds. Participants in the program must not earn more than 60 percent of the area median family income, and the property must be their primary residence. The properties proposed for this initiative must be located in a colonia as identified by the Texas Water Development Board colonia list or meet the Texas Department of Housing and Community Affairs' definition of a colonia. By converting contracts for deed into traditional mortgages, this program enables colonia residents to build equity in their homes.

The 79th Legislature passed a Rider 11 to the Department's appropriation in the General Appropriations Act requiring the Department to spend no less than \$4 million and convert no less than 400 contracts for deeds into warranty deeds for the biennium September 1, 2005 through August 31, 2007. The Department cannot meet the 400 required contracts for deed conversions due to the amount and source of funding dedicated to this program. The Department utilizes the HOME Investment Partnerships Program as the source of funds to finance the CFD program. HOME Program rules and regulations also require the home to

meet a certain standard, which requires additional funds. The Department estimates approximately 73 conversions will be achieved with the \$4 million due to the cumulative cost of each conversion approximating \$20,000 with an additional \$35,000 in owner-occupied housing rehabilitation to meet, at a minimum, Colonia Housing Standards. In order to meet this legislative mandate, the Department will need to set aside approximately \$20,000,000 of HOME funds to meet this mandate, which represents approximately half of the total annual HOME allocation to the Department.

For FY 2007, the Department will set aside \$2 million from the HOME Program and anticipates releasing a NOFA in fall 2007. Units of general local government, public housing authorities, and nonprofit organizations are eligible entities to apply to provide deferred forgivable loans or grant funds to eligible colonia residents to achieve the goals of the CFD program.

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 carried out through a local nonprofit organization, local community action agency, or local housing authority that has demonstrated the ability to carry out the functions of a 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. 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; grant writing; 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 SHC.

The SHC program serves 28 colonias in the five counties designated by statute and two additional counties of Maverick and Val Verde. Each county has approximately 10,000 colonia residents whom qualify as beneficiaries of these services. County officials conduct a needs assessment to prioritize needs within the colonias and publish a Request for Proposal (RFP) to provide services as identified by organizations in the county. Nonprofits in the county respond to the RFP, and in addition, the nonprofits and colonia residents also recommend to the county which colonias should receive services in each county. 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 Department contracts with the counties that subcontract with nonprofit organizations to administer the SHC program. The county oversees their implementation of contractual responsibilities and insures accountability.

The operations of the colonia SHCs are funded by HUD through the Texas Community Development Block Grant Program 2.5 percent colonia set-aside, which is approximately \$2.2 million per year. The CDBG funds are transferred to the Department through a memorandum of understanding with the Office of Rural Community Affairs. CDBG funds can only be provided to eligible units of general local governments; therefore, the Department must enter into a contract with each affected county government. The Department provides administrative and general oversight to ensure programmatic and contract compliance to meet legislative intent. The Department maintains a relationship with the unit of general local government and SHC operator(s) to ensure that the housing and community development activities within each respective contract are achieved. In addition, colonia SHCs are encouraged to seek funding from other sources to help them achieve their goals and performance measures.

This legislation also requires the establishment of a Colonia Resident Advisory Committee (C-RAC) to advise the Department on the needs of colonia residents, activities to be provided, and programs to be undertaken in the selected colonias. Each county selects two colonia residents to serve on the committee; one of the two residents must reside in a colonia being serviced by the SHC. The Department's board of directors appointed the current members to the C-RAC on September 19, 2001, and the committee includes a primary and secondary representative from each county. The C-RAC members meet 30 days prior to making an award to a colonia SHC. The Colonia Resident Advisory Committee (C-RAC) has been instrumental in voicing the concerns of the targeted populations and has helped both the Department and the colonia SHCs to develop useful tools and programs to address colonia resident needs. Most recently, the Department has assisted the Texas Secretary of State to coordinate meetings with the C-RAC to address concerns of the colonias as mandated by Senate Bill 1202. The Department is also updating the MITAS and Central Data Systems to track funding in the colonias as mandated by Senate Bill 827.

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 the HOME 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 will be produced to assist nonprofit organizations to locate funding and, once the funding is identified, assistance on how to write a successful grant proposal will also be provided. 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 organizations struggle to deliver service to its colonia residents due to capacity and financial issues, therefore, the Border Field Offices anticipate approximately 700 technical assistance visits for FY 2007 to nonprofit organizations and units of local government.

The Department recognized the need for consumer education topics such as filing homestead exemptions, knowing their property rights under contract for deed, and homeownership counseling. The Department will 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. The Department will create an educational campaign regarding House Bill 1823, which was passed during the 79th Regular Legislative Session (2005) and allows residential contract for deed buyers to have their contracts converted from a deed to a deed in trust. The educational campaign will be directed to colonia residents along the Texas-Mexico Border Region. Education services are available through the colonia SHCs and OCI Border Field Offices.

CONCLUSION

Border Texans choose life in colonias because they want what other Texans want—to live the “American Dream” and have a home they can call their own—and they will make tremendous sacrifices to accomplish this goal. In steadfast pursuit of their dreams, colonia residents sometimes have fallen victim to unscrupulous developers. Household by household, family by family, colonia residents demonstrate an admirable and extremely practical commitment to making a home.

According to Adam Carasso, “no asset is more important in achieving these objectives than owner-occupied housing. Home equity is the primary source of private saving for most-middle income households, exceeding both retirement plans and savings accounts.” While 69 percent of all households are headed by homeowners, a record high reached in 2004, many low income populations are left out. Only half of the households in the lowest fifth of the income scale are homeowners, and the homeownership rates among both Blacks and Hispanics are slightly under 50 percent.⁹

⁹ Carraso, Adam., Bell, Elizabeth., Olsen, Edgar O., Steuerle, Eugene C. Improving Homeownership among Poor and Moderate-Income Households. The Urban Institute. No.2. June 2005.

While the effort to increase affordable housing has been successful so far, the issues surrounding border colonias and their residents still persist. The Department continues to work with various organizations, units of local government, state and federal agencies to provide every possible mean available to assist residents in the colonias. TDHCA housing programs have helped fuel the Texas economy. According to the National Association of Home Builders, estimations from the building of 100 single-family homes generates 250 full-time jobs in construction and construction-related industries, \$11.6 million in local income, and \$1.4 million in taxes and other revenue for local government.⁶

⁶ Community Reinvestment and State Agency Programs: An Update on Community Reinvestment in Texas. Window on State Government. Texas Comptrollers of Public Accounts. February 2005. Taken from National Association of Homebuilders, The Local Impact of Homebuilding in Average City, USA, http://www.nahb.org/fileUpload_details.aspx?contentID-544. Viewed November 8, 2004.

SECTION 7: TEXAS STATE AFFORDABLE HOUSING CORPORATION **ANNUAL ACTION PLAN**

In accordance with Section 2306.0721(h), the Texas State Affordable Housing Corporation (TSAHC) Annual Action Plan is included in the 2006 SLIHP.

Sec. 2306.566 of the Texas Government Code reads:

COORDINATION REGARDING STATE LOW INCOME HOUSING PLAN.

- a) The corporation shall review the needs assessment information provided to the corporation by the department under Section 2306.0722(b).*
- 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.*
- c) The corporation's plan must include specific proposals to help serve rural and other underserved areas of the state.*

OVERVIEW

This report is prepared in accordance with SB 284, Legislative 78th Session, which requires the Texas Department of Housing and Community Affairs ("TDHCA") and the Texas State Affordable Housing Corporation ("Corporation") to coordinate regarding the State Low Income Housing Plan ("SLIHP"). The bill amends Section 2306.0722(b) to require TDHCA to provide the needs assessment information compiled for the report and plan to the Corporation. Section 2306.566 is added to require the Corporation to then review the information and develop a plan to meet "the state's most pressing housing needs identified in the needs assessment information" and provide the plan to TDHCA for incorporation into the resource allocation plan in the SLIHP. The Corporation's plan must include specific proposals to help serve rural and other underserved areas of the state. The bill also adds Section 2306.0721(h) to require TDHCA to incorporate the specific results of the Corporation's programs in TDHCA's estimate and analysis of housing supply in each uniform state service region under Section 2306.0721(c)(9).

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 creation of affordable multifamily housing units, and to finance the purchase of single family homes under three separate programs: (1) the Professional Educators Home Loan Program, (2) the Fire Fighter and Law Enforcement or Security Officer Home Loan Program, and the newest program, (3) the Nursing Faculty Home Loan Program. Since April 2001, the corporation has issued over \$125 million in single family and approximately \$500 million multifamily mortgage revenue bonds. To date, the Corporation has provided over 8,362 units of affordable multifamily housing to low income Texans. The Corporation has also served 1190 income eligible individuals and/or families through its single family first-time homebuyer programs. This affordable housing has been 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 Countrywide Home Loans, Inc., and Wells Fargo Funding, and with the Community Development Trust, Inc., for multifamily mortgage loans. The Corporation is also a non-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

By 2000, Texas had the second largest total population, 20.9 million, among the states in the United States. By 2010, the population is projected to be between 24.2 and 25.9 million and by 2040 between 35.0 and 50.6 million.⁹¹

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.⁹²

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

⁹¹ 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).

⁹² 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.

development, both single family and multifamily development, in larger metropolitan areas and targeting higher income individuals and families.⁹³

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.⁹⁴

SINGLE FAMILY HOUSING NEEDS

Texas may add nearly 3.8 million more students over the next 40 years creating a high demand for educators.⁹⁵

Population growth will mean increased public service demands and expanding markets for Texas.⁹⁶

Lack of funds for down payment and closing costs has created one of the greatest obstacles that prevents 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.⁹⁷

The Texas Education Code establishes a state minimum salary schedule that must be accommodated by all Texas schools for specific public education professionals. The state minimum salary for 2006-2007 ranges from \$27,320 per year for 0 years experience to \$44,270 per year for 20 or more years of experience.⁹⁸

A base salary for Texas police officers ranges from \$35,544 per year to \$53,569.⁹⁹

A base salary for Texas firefighters ranges from \$26,432 per year to \$44,054.¹⁰⁰

A base salary for Texas correctional officers ranges from \$22,440 per year to \$33,276.¹⁰¹

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.¹⁰²

⁹³ 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).

⁹⁴ Ibid.

⁹⁵ 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*.

⁹⁶ Ibid

⁹⁷ National Association of Home Builders, *News Details: March 24, 2004*.

⁹⁸ Texas Classroom Teachers Association: *State Minimum for 2006-2007 school year*.

⁹⁹ Salary.com

¹⁰⁰ Ibid.

¹⁰¹ Texas Department of Criminal Justice Human Resources Division:
<http://www.tdcj.state.tx.us/vacancy/coinfo/cosalary06.htm>.

¹⁰² 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).

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.¹⁰³

According to the results of the 2003 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 78 percent of respondents felt that there was a severe or significant affordable housing problem in their area and that new rental housing development and the renovation of existing multifamily housing are more important than rental payment assistance.¹⁰⁴

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.¹⁰⁵

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.¹⁰⁶

In the 2005-2009 State of Texas Consolidated Plan, it is estimated that 2 million people or 9.9% of the total population are 65 years of age and older. The Texas Department of Aging and Disability Services estimates that by year 2040, individuals age 60 and over will comprise 23 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% of all elderly households pay more than 30% of their income on housing with 14% paying more than 50% of their income on housing. Lower incomes combined with rising healthcare costs contribute to the burden of paying for housing.¹⁰⁷

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.¹⁰⁸ Cities with populations between 20,000 and 50,000 have a particularly hard time

¹⁰³ 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).

¹⁰⁴ Ibid.

¹⁰⁵ Ibid.

¹⁰⁶ Ibid.

¹⁰⁷ Texas Department of Community Affairs, 2005-2009 State of Texas Consolidated Plan (Austin, Texas, February 2005).

¹⁰⁸ Texas Department of Housing and Community Affairs, Strategic Plan for Fiscal Years 2005-2009.

accessing funds. They cannot access USDA funding and are too small to effectively compete for other funding opportunities.¹⁰⁹

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% are living below the poverty level; 83,454 low income households live with the cost burden of paying more than 30% 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.¹¹⁰

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.¹¹¹

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%) 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.¹¹²

HURRICANE-AFFECTED AREA HOUSING NEEDS

Many Texas Gulf Coast residents were left with damaged or destroyed homes after Hurricane Rita came through the state. On Wednesday, December 21, 2005, the President signed into law, H.R. 4440, the "Gulf Opportunity Zone Act of 2005," to assist the Gulf Coast in its recovery from the past year's hurricane season. The Act defines three "GO Zones" for the areas hit by hurricanes Katrina, Rita, and Wilma.

According to the U.S. Census Bureau, the estimated population for the state of Texas in 2005 was 22,859,968. Of this figure, 5,416,433 live in the twenty-two designated targeted areas in the GO Zone. Areas designated as "targeted" include the following counties: Angelina, Brazoria, Chambers, Fort Bend, Galveston, Hardin, Harris, Jasper, Jefferson, Liberty,

¹⁰⁹ Texas Department of Housing and Community Affairs, Report on the 2004 Regional Advisory Committee Meetings on Affordable Housing and Community Services Issues, November 2004.

¹¹⁰ 2000 U.S. CHAS Data, Texas Department of Housing and Community Affairs

¹¹¹ Texas Department of Community Affairs, 2005-2009 State of Texas Consolidated Plan (Austin, Texas, February 2005).

¹¹² 2000 U.S. Census Data

Montgomery, Nacogdoches, Newton, Orange, Polk, Sabine, San Augustine, San Jacinto, Shelby, Trinity, Tyler, and Walker.

The Corporation will address these pressing housing needs through the following single family, multifamily, and grant programs for 2007. The following summary of Corporation programs gives the history and accomplishments of our programs to date and a plan for achieving greater success with these programs in 2007. A few of the programs mentioned are mandated by the state legislature, as noted, and a few have been undertaken upon the Corporation's own initiative to fulfill housing needs for identified underserved areas of the state.

TSAHC PROGRAM DESCRIPTIONS

- **TEXAS PROFESSIONAL EDUCATORS HOME LOAN PROGRAM**
- **TEXAS FIRE FIGHTER AND LAW ENFORCEMENT OR SECURITY OFFICER HOME LOAN PROGRAM**
- **NURSING FACULTY HOME LOAN PROGRAM**
- **HOME SWEET TEXAS LOAN PROGRAM**

These Programs are the Corporation's Single Family Mortgage Revenue Private Activity Bond Programs. The first three Programs were established by the Legislature in 2001, 2003, and 2005, respectively, and allocate a total of \$55 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 (\$25 million); Fire Fighters, Law Enforcement Officers, and Corrections Officers (\$25 million); and Nursing Faculty (\$5 million) who are first-time home buyers.

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. Through each Program, eligible borrowers are able to apply for a 30 year fixed rate mortgage loan and receive 5 percent of the total loan amount as down payment assistance in the form of a grant. The programs are accessible to eligible borrowers by directly contacting a trained, participating mortgage lender.

The 2005 Professional Educator Home Loan Program fully originated the \$25,000,000 bond fund allocation. The Corporation released the 2006 Professional Educator Home Loan Program allocation in February, totaling \$25,000,000 in additional mortgage revenue private activity bonds. This program was extremely successful, fully originating in three months. Since its inception in 2001, the program has financed 746 homes for teachers, teacher's aides, school counselors, school nurses and school librarians.

Additionally, the 2005 Fire Fighter and Law Enforcement or Security Officer Home Loan Program fully originated \$25,000,000 in loan commitments. The 2006 Fire Fighter and Law Enforcement or Security Officer Home Loan Program was released in June, and has committed \$10.2 million to date. Since the inception of this program in 2003, the program has financed 443 homes for fire fighters, peace officers, correctional officers, county jailers, and public security officers.

The Nursing Faculty Home Loan Program was established by the Legislature in 2005. The Corporation released a pilot program of \$3 million in the form of low interest rate loans in May 2006. These funds are made available to eligible faculty members of either an undergraduate or graduate nursing program in the state of Texas. No loans have been issued to date.

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.

Given the success of the Programs and the rate of loan origination, the Corporation submitted an application requesting an additional allocation of funds to the Texas Bond Review Board in August 2006. The Corporation was successful, and was awarded \$25 million. This new allocation, called the Home Sweet Texas Loan Program, will assist individuals or households whose annual income does not exceed 80% Area Median Family Income (AFMI) purchase homes. Release date for this program is October 2006.

The Corporation is confident that this allocation will be fully utilized by borrowers at 80% AMFI or below. Over 60% of all loans originated through the 2005 and 2006 Programs served borrowers at 80% AMFI or below. In the 2005 Program Year, 259 loans totaling \$26.8M went specifically to borrowers at this income level. With Program Year 2006 not yet over, the Corporation has to date assisted 188 borrowers at this income level, totaling \$20.4M.

The Gulf Opportunity Zone Act of 2005 expanded the eligibility for our single family bond programs significantly. Some of the principal provisions included in the Gulf Opportunity Zone Act of 2005 relate to private activity bonds for financing residential property located in a GO Zone, specifically, but not limited to, those funds used for "targeted area" residences. "Targeted area" means that part of the Eligible Loan Area that has been or may be designated from time to time as a qualified census tract or an area of chronic economic distress in accordance with section 143(j) of the Internal Revenue Code.

Section 1400T of the Gulf Opportunity Zone Act provides that for purposes of section 143, each residence in a designated area is treated as a "targeted" area residence (for financing provided from 12/21/05 through 12/31/2010), thus eliminating the first-time homebuyer requirement, and applying the higher targeted area purchase price and income limitations (state income limitation of 140% AMFI).

As a result of the designation of "targeted areas", coupled with the elimination of the first-time homebuyer requirement and increased income and purchase price limitations, the funds set aside for "targeted areas" have been originating quickly. In 2006, the Corporation allocated over \$9.6 million to targeted areas. To date, 73 loans totaling \$8.6 million have been committed.

2007 Implementation Plan

The Corporation's primary goal for 2007 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. 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 2006 and 2007.

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. In fact, the Corporation has submitted an application, totaling \$100 million, to the Texas Bond Review Board requesting additional volume cap to specifically serve qualifying borrowers under the Professional Educators Home Loan Program. The outcome of this application is still to be determined.

AFFORDABLE HOMEOWNERSHIP PROGRAM FOR TEXAS

One of the Corporation's main initiatives is to provide housing opportunities to Texans that do not have comparable housing options through conventional financial channels. Many families throughout Texas seeking to purchase a home are not able to meet the traditional lending requirements and, up to now, have had no other option but to rent. In order to meet this need and provide deserving families with a financing alternative for achieving the American dream of homeownership, the Corporation developed the Affordable Homeownership Program for Texas ("Program").

The Program, developed through a partnership between Ameriquest Mortgage Company ("Ameriquest") and the Corporation, provides borrowers with an affordable mortgage financing option that will allow them the opportunity to achieve homeownership. As a result of this partnership, Ameriquest has committed up to \$100 million dollars for mortgage loans and the Corporation has committed \$1 million dollars for down payment assistance.

The Program was established to serve those individuals and/or families in Texas that have FICO scores between 525 and 610 and who are at or below 80% of the AMFI by providing them access to an affordable mortgage loan product and down payment assistance in an amount up to seven percent (7%) of the mortgage loan amount. In addition, the Program

rewards borrowers who make timely mortgage payments with lower interest rates and lower mortgage payments. Borrowers will receive a 50 basis point (.5%) reduction in their mortgage interest rate for every 12 months of on-time payments. As a result, Borrowers can reduce their mortgage interest rate by up to two percent (2%) during the first 48 months of their mortgage loan.

The Corporation and Ameriquest believe homebuyer education is an essential component to the success of home ownership. Under the Program, borrowers will be provided pre- and post-closing Homebuyer Education Training by ACORN Housing. ACORN Housing is a national housing counseling organization, helping low and moderate income homebuyers and homeowners since 1986. Additionally, borrowers will have intervention assistance available to them during the life of the mortgage loan. We believe this training and assistance is crucial to the success of this Program.

Since 2004, the Program has provided 52 loans to individuals and families who otherwise might not have achieved the dream of home ownership.

2007 Implementation Plan

The initial release of the Program in 2004 was limited to south Texas through a local affordable housing provider (CDC Brownsville). In 2005, the Corporation released the Program statewide and continues to market the program to local community development corporations, non-profits and other entities involved in affordable housing. The Corporation will also begin an aggressive marketing campaign in 2006 and 2007, by starting a 1-800 phone number in conjunction with an on-line application system and through the issuance of press releases and other marketing materials.

MULTIFAMILY PRIVATE ACTIVITY BOND PROGRAM

The Texas Legislature in 2003 allocated 10 percent of the multifamily private activity bond cap to the Corporation. The available amount for funding in 2006 was approximately \$40 million, and a similar amount will be available for 2007. Nonprofit and for profit developers can use the funds to finance acquisition and rehabilitation or new construction of multifamily residential rental units across the state. Developers are encouraged to leverage the private activity bond funds by using Low Income Housing Tax Credits (LIHTC) available through TDHCA.

The Corporation's Private Activity Bond program statute requires the Corporation to target areas with the greatest housing need that have expressed local community support for affordable multifamily housing. The statute also requires the Corporation to solicit proposals from developers who would provide the specific housing development that would address the targeted housing need outlined in the request, whether for senior, rehabilitation, rural, supportive, migrant farm worker, or other specific housing need. Applications received in response to the request for proposals issued by the Corporation will be scored and ranked using criteria that analyzes the Developer's qualifications, experience and willingness to

provide the types of multifamily housing targeted by the Corporation. Tax-exempt private activity bond financing will be allocated to the highest-scoring proposal that meets the identified housing needs of the Request for Proposals, subject to available allocation.

The Corporation issued requests for proposals in 2006 to Developers for the provision of rural, senior, rehabilitation, and hurricane-affected area multifamily housing. The Corporation did not receive proposals in response to these four statewide requests for proposals.

2007 Implementation Plan

In previous years, the Corporation targeted multifamily housing by specific geographic areas and by housing need and attempted to meet these targets by issuing requests for proposals per development. Attempting to meet targeted housing needs by issuing requests for proposals per development has not been as efficient or effective as the Corporation had hoped. As a result, for the 2007 program the Corporation will issue a single request for proposals to Developers who, if chosen, would agree to meet the Corporation's targeted housing needs by using the Corporation's entire bond cap allocation. Choosing one or more developers to receive the allocation will enable the Corporation to partner with the developers to meet the specific housing needs of the State.

The targeted areas of housing are anticipated to be rehabilitation, senior housing, supportive housing and rural housing. These targeted areas are based on current research and information received in previous years. In 2004 and 2005 the Corporation solicited participation in the private activity bond program by sending letters to mayors of all cities with a population over 10,000 people and all county judges. Discussing the various needs with each interested city and county highlighted the diversity of needs for different areas of Texas. The larger metropolitan areas believed they were saturated with multifamily housing, but were interested in rehabilitation or redevelopment of existing multifamily housing that had fallen into disrepair. Cities with a lower population, generally not in urban areas, expressed interest in developing new multifamily housing to fill their affordable housing needs. Similarly, Corporation staff has identified senior housing and migrant farmworker housing as potential target areas for which specific requests for proposals could be issued.

For some of the targeted areas of housing need mentioned above, 4 percent tax credits and tax-exempt bonds together are not sufficient to provide a positive cash flow to developments in areas where the area median income is lower than the state average. Funding sources from outside these traditional financing methods must be obtained. Possible sources of funds may include monies from the HOME and Housing Trust Fund programs, USDA/Rural Housing Service, and grants from other interested groups specific to the housing need.

The Corporation will issue the requests for proposals to Developers, which will include the targeted areas of housing need, in November of 2006.

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 throughout the state of Texas. Unlike the Corporation's PAB program, 501(c)(3) financing does not use volume cap allocation and applications can be considered year-round. Also different from the PAB program is that 501(c)(3) financing may not be used in conjunction with low income housing tax credits. Only qualified nonprofit developers, designated under the internal revenue code as 501(c)(3) organizations, are eligible to apply for 501(c)(3) financing.

In addition to providing safe, decent, and affordable rental housing to residents of the state of Texas, 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, or economic development services for every dollar of abated property tax revenue they receive.

In 2001 and 2002 the Corporation provided \$487 million in financing for the preservation or creation of 7,700 units of affordable housing in the state of Texas. Since 2002 the Corporation has not considered applications or issued bonds under the 501(c)(3) program as a result of market changes and legislatively mandated changes.

2007 Implementation Plan

The Corporation will monitor market conditions and will reactivate the program if demand shows the need for this type of financing to create needed multifamily affordable housing. Non-profit developers may choose to apply under the Corporation's Multifamily Private Activity Bond Program to be eligible for bond financing in addition to 4 percent tax credit equity.

MULTIFAMILY DIRECT LENDING PROGRAM

The Corporation's Multifamily Direct Lending Program provides permanent financing for the purpose of increasing and preserving the stock of affordable multifamily housing units throughout the state of Texas. The major focus of this program is to provide financing for smaller developments in rural and underserved areas of the state where bond financing is not practical. The Corporation's ability to offer permanent financing is facilitated through existing relationships with real estate investment companies that invest in affordable multifamily housing. The Community Development Trust, Inc. and the Federal Home Loan Bank of Dallas have been the Corporation's principal partners for this program.

In 2003 and 2004, the Corporation provided permanent financing in the aggregate amount of \$5,628,000 for five (5) separate developments in Odessa, Wichita Falls, Big Spring, Brady, and Stephenville. These developments have provided 412 units of affordable housing to low income Texans.

2007 Implementation Plan

The Corporation is committed to administering and marketing our capabilities under this program in 2007. To this effort, the Corporation will market the program on its website and at public hearings across the state and will provide information to current and previous clients of the Corporation.

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. Periodic 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.

The Corporation is currently providing asset oversight for 133 properties and compliance oversight for 35 properties. In May of 2006 TDHCA contracted with the Corporation to provide asset oversight services for multifamily properties financed through their bond program. As a result, the Corporation is performing asset oversight services for 54 more properties than last year and has added an additional staff person to help perform these added duties. The Corporation staff performs annual on-site compliance reviews and at least yearly on-site asset oversight reviews for these properties.

2007 Implementation Plan

The Corporation will continue to provide asset oversight and compliance monitoring for our current portfolio. The Corporation will also work to contract with other entities to expand our asset oversight and compliance monitoring portfolio of business.

GRANT PROGRAM

Although the Corporation has been a 501(c)(3) nonprofit entity since 2001, the Corporation had not actively pursued fundraising and grant opportunities until this year. A number of program shortfalls made it clear the contribution a grant program could make to the success of our affordable housing programs. First, the Corporation provided the Single Family Professional Educator, Fire Fighter, Police Officer and Security Officer Programs \$400,000 from its cash reserves for down payment assistance in 2002, \$200,000 in 2004, and over \$400,000 in 2005. In addition, for the 2004 Private Activity Bond Program the Corporation provided from cash reserves a \$500,000 soft second loan for the Providence at Marshall Meadows development in San Antonio. The Corporation does not receive state appropriations and cannot sustain this level of subsidy for its programs and continue to stay in business. Both of these experiences, as well as reviewing other critical unmet housing needs identified by TDHCA and the Corporation, prompted us to pursue the creation of a

Grant Program to fund the following programs: Single Family Down Payment Assistance, Multifamily Gap Financing Assistance, Homebuyer Education, and an Interim Construction and Land Acquisition Program.

In 2006 the Corporation made considerable strides in this area by developing a Fundraising and Grant Program Action Plan and by searching out available grant funding for affordable housing. In addition, the Corporation received a low-interest loan from Wells Fargo for three areas: the Interim Construction and Land Acquisition Loan Program, Single Family Down Payment Assistance, and Multifamily Gap Financing Assistance.

2007 Implementation Plan

The Corporation's mission of affordable housing matches many foundation and grant objectives, and provides multiple opportunities for corporate sponsorship and cross-promoting. In 2007 the Corporation, through its newly hired Manager of Marketing and Development, will execute its Fundraising and Grant Program Action Plan and will use the \$1.05 million award from Wells Fargo to further affordable housing in the state. In addition, the Corporation will solicit corporate partners in the home improvement, home appliance, and large retail business sectors for down payment assistance for our Professional Educator, Fire Fighter, Police Officer, Security Officer, and Nursing Faculty bond programs. We will request a grant for down payment assistance and coupons for participating borrowers, such as \$50 off a refrigerator, or a \$100 coupon to the home improvement store. The Corporation will also work with national computer manufacturers to contribute a computer to every teacher, firefighter, police officer, corrections officer, or nurse educator that closes a loan through our program, and negotiate with telecommunications companies to contribute phone/internet service packages. These are just a few of the fundraising activities and initiatives that the Corporation will undertake in 2007.

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 December 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 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 families and individuals 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 persons 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; and
 - 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 twenty or more living units:
 - i) the street address and municipality or county where 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;

Appendix A: Legislative Requirements

- 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 as reported by each housing sponsor;
 - 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 State 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 though the normal monitoring activities and procedures that include meeting occupancy requirements or rent restrictions imposed by deed restrictions 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.
 - 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.
- 4) Repealed by Acts 2003, 78th Leg., ch. 330, §31(1).

SEC. 2306.0721. LOW INCOME HOUSING PLAN

- 1) Not later than December 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 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 income, 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 endorse 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 each uniform state service region;
- h) a description of the department's efforts in each uniform state service region to encourage 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
 - i) addresses current policy goals for colonia programs, strategies to meet the policy goals, and the projected outcomes with respect to 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.

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- 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; and
- 6) The director may subdivide the uniform state service regions as necessary for the 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).
- 8) The department shall consider and incorporate the specific results of the programs of the Texas State Affordable Housing Corporation in the department's estimate and analysis of the housing supply in each uniform state service region under Subsection (c)(9).

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, and residents of low income housing. The department shall obtain the comments and suggestions of the representatives, officials, and residents 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 persons the department is required to assist;
 - e) ensure that housing programs benefit a person regardless of the persons' 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) 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; and
- 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.
- 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 hold public hearings on the annual state low income housing plan and report before the director submits the report and the plan to the board. The department shall provide notice of the public hearings as required by Section 2306.0661. The department shall accept comments on the report and plan at the public hearings and for at least 30 days after the date of the publication of the notice of the hearings.
- 2) In addition to any other necessary topics relating to the report and the plan, each public hearing required by Subsection (a) must address:
 - a) infrastructure needs;
 - b) home ownership programs;
 - c) rental housing programs;
 - d) housing repair programs; and
 - e) the concerns of individuals with special needs, as defined by Section 2306.511.
- 3) The board shall hold a public hearing on the state low income housing report and plan before the board submits the report and the plan to the governor, lieutenant governor, speaker of the house of representatives, members of the legislature.
- 4) The board shall include with the report and the plan the board submits to the governor, lieutenant governor, speaker of the house of representatives, members of the legislature,

and members of the advisory board formed by the department to advise on the consolidated plan a written summary of public comments on the report and the plan.

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:
 - a) denial of a request for additional funding; or
 - b) an administrative penalty in an amount not to exceed \$1,000, assessed in the manner provided for an administrative penalty under Section 2306.6023.

APPENDIX B

GLOSSARY OF SELECTED TERMS

- Accessible:** A definition used by HUD in Section 504 with respect to the design, construction, or alteration of an individual dwelling unit. It means that the unit is located on an accessible route and when designed, constructed, altered, or adapted, it can be approached, entered, and used by individuals with physical disabilities. A unit that is on an accessible route and is adaptable and otherwise in compliance with the standards set forth in the Uniform Federal Accessibility Standards (UFAS, 23 CFR Subpart 40 for residential structures) is considered accessible. When a unit in an existing facility that is being made accessible as a result of alterations intended for use by a specific qualified person with a disability, the unit will be deemed accessible if it meets the requirements of applicable standards that address the particular disability or impairment of such person.
- Accessible Route:** Unobstructed path that connects accessible elements and spaces in a building or facility and complies with the space and reach requirements prescribed by the Uniform Federal Accessibility Standards (UFAS). An accessible route that serves only accessible units occupied by persons with hearing or vision impairments need not comply with those requirements intended to affect accessibility for persons with mobility requirements.
- Acquisition:** Acquisition of standard housing (at a minimum, meeting HUD Section 8 Housing Quality Standards) only with no expectation of other activities being carried out in conjunction with the acquisition.
- Adaptability:** A definition used by HUD in Section 504 meaning the ability of certain elements of a dwelling unit (such as kitchen counters, sinks, and grab bars) to be added to, raised, lowered, or otherwise altered, to accommodate the needs of persons with or without disability or to accommodate the needs of persons with different degrees of disability.
- Administrative Costs** Reasonable and necessary costs, as described in OMB Circular A-87, incurred by the participating jurisdiction in carrying out its eligible program activities in accordance with prescribed regulations. Administrative costs include any project delivery costs, such as new construction and rehabilitation counseling, preparing work specifications, loan processing, inspections, and other entities applying for or receiving HOME funds. Administrative costs do not include eligible project-related costs that are incurred by and charged to project owners.
- Affordable Housing:** Housing where the occupant is paying no more than 30 percent of his/her gross monthly income for gross housing costs, including utility costs. Housing that is for purchase (with or without rehabilitation) qualifies as affordable housing if it (1) is purchased by a low income, first-time home buyer who will make the housing his or her principal

residence; and (2) has a sale price that does not exceed the mortgage limit for type of single family housing for the area under HUD's single family insuring authority under the National Housing Act.

Area Median Family Income (AMFI): Income limits for MSAs and counties that are based on HUD's estimates of the area's median income adjusted for family size. Calculated yearly by HUD and used to determine an applicant's eligibility with regard to HUD programs.

Assisted Household or Person: For the purpose of identification of goals, an assisted household or person is one in which, during the periods covered by the annual plan, will receive benefits through the investment of federal funds, either alone or in conjunction with the investment of other public or private funds. A renter is benefited if the household or person takes occupancy of affordable housing that is newly acquired (standard housing) or new rehabilitation is completed. A first-time home buyer is benefited if a home is purchased during the year. A homeless person is benefited if the person becomes an occupant of transitional or permanent housing. A non-homeless person with special needs is considered as being benefited if the provision of supportive services is linked to the acquisition, rehabilitation, or new construction of a housing unit and/or the provision of rental assistance during the year.

Capacity Building: Educational and organizational support assistance to promote the ability of an organization to maintain, rehabilitate, and construct housing for low and very low income persons and families. This activity may include, but is not limited to: 1) Organizational support to cover expenses for training, technical, and other assistance to the board of directors, staff, and members of the organization, 2) Program support including technical assistance and training related to housing development, housing management, or other subjects related to the provision of housing or housing services, and 3) Studies and analyses of housing needs.

Community Housing Development Organization (CHDO): A nonprofit organization, certified by a city or the state, that provides decent, affordable housing to low income individuals within a designated geographic area.

Colonia: An identifiable unincorporated area located within 150 miles of the Texas-Mexico border that lacks infrastructure and decent housing.

Consolidated Plan: A document submitted to the US Department of Housing and Urban Development (HUD) containing housing needs assessments and strategic plans for the state. It is required of the State of Texas by HUD in order to receive federal CDBG, HOME, ESGP, and HOPWA program funds.

Contract for Deed: A financing arrangement for the sale of property whereby land ownership remains with the seller until the total purchase price is paid.

Disability: According to the US Department of Housing and Urban

Development, a person shall be considered to have a disability if the person is determined to have a physical, mental, or emotional impairment that: (1) is expected to be of long-continued and indefinite duration, (2) substantially impeded 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. A person shall also be considered to have a disability or he or she has a developmental disability as defined in the Developmental Disabilities Assistance and Bill of Rights Act (42 USC. 6001-6006). The term also includes the surviving member(s) or any household described in the first sentence of this paragraph who is (were) living in an assisted unit with the disabled member of the household at the time of his or her death. Disabilities reflect the consequences of a bodily impairment in terms of functional performance. Also see "Person with Disability."

Disabled Household: A household composed of one or more persons at least one of whom is an adult (a person of at least 18 years of age) who has a disability.

Economic Independence and Self-Sufficiency Programs: Programs undertaken by public housing agencies (PHAs) to promote economic independence and self-sufficiency for participating families. Such programs may include Project Self-sufficiency and Operation Bootstrap programs that originated under earlier Section 8 initiatives, as well as the Family Self-Sufficiency program. In addition, PHAs may operate locally developed programs or special projects designed to promote economic independence and self-sufficiency.

Elderly Household: According to HUD, a family in which the head of the household or a spouse is at least 62 years of age, by HUD's definition. This definition may change according to specific program.

Extremely Low Income: Individual of family with a household income less than or equal to 30 percent of the area median family income (AMFI)

Fair Housing Act Prohibits discrimination in housing because of race, national origin, religion, sex, familial status, or disability.

Federal Preference for Admission: The preference given to otherwise eligible applicants under HUD's rental assistance programs who, at the time they seek housing assistance, are involuntarily displaced, living in substandard housing, or paying more than 50 percent of family income for rent.

First Time Home Buyer: An individual or family who has not owned a home during the three-year period preceding the HUD-assisted purchase of a home that must be used as the principal residence of the homebuyer.

Frail Elderly Persons: Includes elderly persons who are unable to perform one or more Activities of Daily Living (ADL) without help.

Household: One or more persons occupying a housing unit (US Census definition).

Housing Development Costs: The total of all costs incurred in financing, creating, or purchasing any housing development, which are approved by the department as reasonable and necessary. The costs may include, but are not limited to, the value of land and any buildings on the land, cost of land acquisition, options, deposits, or contracts to purchase; cost of site preparation demolition and development; fee paid or payable in connection with the planning, execution, and financing of the development, such as those to architects, engineers, attorneys, accountants; cost of necessary studies, surveys, plans, permits, insurance, interest, financing, tax and assessment costs, and other operating and carrying costs during construction; cost of construction, rehabilitation, reconstruction, fixtures, furnishings, equipment, machines, and apparatus related to the real property; cost of land improvements, including without limitation, landscaping and off-site improvements; necessary expenses in connection with initial occupancy of the housing development; an allowance established by the Department for contingency reserves; and the cost of the other items, including tenant relocation, if tenant relocation costs are not otherwise being provided for, as determined by the department to be reasonable and necessary for the development of the housing development, less any and all net rents and other net revenues received from the operation of the real and personal property on the development site during construction.

Housing Development or Housing Project: Any real or personal property, project, building structure, or facilities work or undertaking, whether existing, new construction, remodeling, improvement, or rehabilitation, that meets or is designed to meet minimum property standards consistent with those prescribed in the federal HOME Program for the primary purpose of providing sanitary, decent, and safe dwelling accommodations for rent, lease, use, or purchase by persons and families of low and very low income and persons with special needs. This term may include buildings, structure, land, equipment, facilities, or other real or personal properties that are necessary, convenient, or desirable appurtenances, such as but not limited to streets, water, sewers, utilities, parks, site preparation, landscaping, stores, offices, and other non-housing facilities, such as administrative, community, and recreational facilities the Department determines to be necessary, convenient, or desirable appurtenances.

Housing Problems: Households with housing problems include those that: (1) occupy units with physical defects; (2) meet the definition of overcrowded; or (3) meet the definition of cost burdened (>30 percent of income spent on housing).

Jurisdiction: A unit of state or local government

Local Government: A county; an incorporated municipality; a special district; any other legally constituted political subdivision of the State; a public,

nonprofit housing finance corporation created under Chapter 394, Local Government code Texas revised Civil Statutes; or a combination of any of the entities described here.

Low Income Neighborhood: A neighborhood that has at least 51 percent of its households at or below 80 percent of AMFI.

Low Income: Household with an annual income that does not exceed 80 percent of the area median family income for the area. HUD may establish income ceilings higher or lower than the 80 percent figure on the basis of HUD's findings that such variations are necessary because of prevailing levels of construction costs or fair market rents or unusually high or low family incomes.

Metropolitan Statistical Area (MSA): US Census term used to identify a metropolitan area, which is a large population nucleus, together with adjacent communities having a high degree of social and economic integration with that core. Also described as an "urbanized area" of at least 50,000 inhabitants and/or a total metropolitan population of 100,000.

Migrant Farmworkers: Persons who travel from place to place in order to take advantage of work opportunities provided by various agricultural seasons across the country.

Moderate Income: Households whose incomes are between 81 percent and 115 percent of the median income for the area, as determined by HUD, with adjustments for smaller or larger families, except that HUD may establish income ceilings higher or lower than 95 percent of the prevailing levels of construction costs or fair market rents, or unusually high or low family incomes. May differ by program.

Neighborhood: A geographic location designated in comprehensive plans, ordinances, or other local documents as a neighborhood, village, or similar geographical designation that is within the boundary but does not encompass the entire area of a unit of general local government. If the general local government has a population under 25,000, the neighborhood may, but need not, encompass the entire area of a unit of general local government.

Nonprofit Organization: A nonprofit corporation is created by filing articles of incorporation with the Secretary of State in accordance with the Texas Non-Profit Corporation Act. "Non-profit corporation" means a corporation in which no part of the earned income is distributable to members, directors, or officers. A nonprofit corporation may be created for any lawful purposes and are entitled to exemption from state or federal taxes.

Olmstead: The US Supreme Court in *Olmstead v. L. C.* held that unnecessary segregation and institutionalization of people with disabilities is unlawful discrimination under the ADA.

Overcrowded: A housing unit containing more than one person per room. (US Census definition)

Participating Jurisdiction (PJ):	Term for any state or local government that has been designated by HUD to receive HOME Program funds.
Person with Disability:	(1) A person is considered to have a disability if the person has a physical, mental, or emotional impairment that (i) is expected to be of long-continued and indefinite duration; (ii) substantially impedes his or her ability to live independently; and (iii) is of such a nature that such ability could be improved by more suitable housing conditions. (2) A person will also be considered to have a disability if he or she has a developmental disability, which is a severe, chronic disability that (i) is attributable to a mental or physical impairment or combination of mental and physical impairments; (ii) is manifested before the person attains age twenty-two; (iii) is likely to continue indefinitely; (iv) results in substantial functional limitations in three or more of the following areas of major life activity; self-care, receptive and expressive language, learning, mobility, self-direction, capacity for independent living, and economic self-sufficiency, and (v) reflects the person's need for a combination and sequence of special interdisciplinary, or generic care, treatment, or other services that are lifelong or extended duration and are individually planned and coordinated.
Physical Defects:	A housing unit lacking complete kitchen or bathroom facilities (US Census definition).
Poverty:	Term to describe the poor. The Census Bureau uses a set of money income thresholds that vary by family size and composition to determine who is poor. If a family's total income is less than that family's threshold, then that family, and every individual in it, is considered poor or in poverty. Varies by year.
Predevelopment Costs:	Costs related to a specific eligible housing project including: a) expenses necessary to determine project feasibility (including costs of an initial feasibility study), consulting fees, costs of preliminary financial applications, legal fees, architectural fees, engineering fees, engagement of a development team, site control, and title clearance; and b) reconstruction housing project costs that the board determines to be customary and reasonable, including but not limited to the costs of obtaining firm construction loan commitments, architectural plans and specifications, zoning approvals, engineering studies, and legal fees. Predevelopment costs <u>does not</u> include general operational or administrative costs.

Primary Housing Activity:	A means of providing or producing affordable housing - such as rental assistance, production, rehabilitation, or acquisition - that will be allocated significant resources and/or pursued intensively for addressing a particular housing need. (See also, "Secondary Housing Activity.")
Project:	A site or an entire building, including a manufactured housing unit or two or more buildings together with the site or sites on which the building or buildings is located, that are under common ownership, management, and financing (i.e., a project assisted with HOME funds, under a commitment by the owner, as a single undertaking). Project includes all the activities associated with the site and building. If there is more than one site associated with a project, the sites must be within a four-block area.
Project Completion:	All necessary title transfer requirements and construction work have been performed and the project, in HUD's judgment, complies with specified requirements (including the property standards adopted under HOME 92.251); the final drawdown has been disbursed for the project; and a project completion report has been submitted and processed in the Cash and Management Information System (92.501) as prescribed by HUD. For tenant-based rental assistance, the final drawdown has been disbursed for the project and the final payment certification has been submitted and processed in the Cash and Management Information System (92.502) as prescribed by HUD.
Project-Based Rental Assistance:	Rental Assistance provided for a project, not for a specific tenant. Tenants receiving project-based rental assistance give up the right to that assistance upon moving from the project.
Public Housing:	Any state, county, municipality, or other government entity or public body (or its agency or instrumentality) that is authorized to engage in or assist in the development or operation of low income housing. The term includes any Indian Housing Authority.
Qualified Allocation Plan:	The Qualified Allocation Plan is utilized by the Low Income Housing Tax Credit Program in setting threshold and selection criteria points for the allocation of tax credits.
Real Property:	All land, including improvements and fixtures and property of any nature appurtenant, or used in connection therewith, and every estate, interest, and right legal or equitable therein, including leasehold interests, terms for years, and liens by way of judgment, mortgage or otherwise.

- Reconstruction:** HUD guidelines regarding reconstruction are as follows: *The regulation defines reconstruction as the rebuilding of housing on the same foundation. Therefore, the foundation must be used, if possible. If the building has no foundation or if it is not possible to rebuild on the foundation, then the "foundation" will be the same location as the building that is being reconstructed. Construction of housing on a different portion of the land parcel would be new construction. The reconstructed housing must be substantially similar to the structure that is being replaced, regardless of whether an existing foundation is used (i.e. a single family house must be replaced with a structure containing the same number of units). Rooms may be added to a building outside of the foundation or footprint of the original housing if needed to meet local codes. However, additional units cannot be constructed as part of a reconstruction project. A structure must be present prior to reconstruction. This structure should be documented by pictures and an explanation of why rehabilitation of the existing structure is not feasible.*
- Rental Assistance:** Rental assistance payments provided as either project-based rental assistance or tenant-based rental assistance.
- Rental Housing (Affordable):** A rental housing unit is considered to be an affordable housing unit if it is occupied by a low income family or individual and bears a rent that is the lesser of (1) the Existing Section 8 Fair Market Rent (FMR) for comparable units in the area; or (2) 30 percent of the adjusted income of a family whose income equals 65 percent of the median income for the area, except that HUD may establish income ceilings higher or lower than 65 percent of the median because of prevailing levels of construction costs or fair market rents, or usually high or low family incomes.
- Rural Area:** Rural areas are considered areas outside of Metropolitan Statistical Areas. Definition may differ according to program.
- Service Needs:** The particular services identified for special needs populations, which may include transportation, personal care, housekeeping, counseling, meals, case management, personal emergency response, and other services to prevent premature institutionalization and assist individuals to continue living independently.
- Severe Cost Burden:** Refers to households and individuals who spend more than 50 percent of their gross income on housing costs.

Sheltered:	Families and persons whose primary nighttime residence is a supervised, publicly or privately operated shelter, including emergency shelters, transitional housing for the homeless, domestic violence shelters, residential shelters for runaway and homeless youth, and any hotel/motel/apartment voucher arrangement paid because the person is homeless. This term does not include persons living in overcrowded or substandard conventional housing. Any facility offering permanent housing is not a shelter, nor are its residents homeless.
Special Needs Populations:	In addition to the homeless, according to HUD, special needs populations include persons with disabilities, the elderly, persons with alcohol and/or drug addictions, persons with HIV/AIDS, and public housing residents. TDHCA also considers colonia residents and migrant farmworkers as special needs populations.
State Recipient:	A unit of local government designated by a state to receive HOME funds from the state in which to carry out HOME Program activities.
Subrecipient:	A public agency or nonprofit organization selected by the participating jurisdiction's HOME program. A public agency or nonprofit organization that receives HOME funds solely as a developer or owner of housing is not a sub-recipient. The participating jurisdiction's selection of a sub-recipient is not subject to the procurement procedures and requirements.
Substandard Condition but Suitable for Rehabilitation:	By local definition, dwelling units that do not meet standard conditions but are both financially and structurally feasible for rehabilitation. This does not include units that require only cosmetic work, correction or minor livability problems, or maintenance work. The jurisdiction must define this term (i.e., standard condition, financially and structurally feasible for rehab) and include this definition in the Appendix (Glossary of Terms) portion of its CHAS submission.
Substantial Rehabilitation:	Rehabilitation of residential property at an average cost for the project in excess of \$25,000 per dwelling unit.
Supportive Housing:	Housing, including housing units and group quarters, that has a supportive environment and includes a planned service component.
Supportive Services:	Services provided to residents of supportive housing for the purpose of facilitating the independence of residents. Some examples are case management, medical or psychological counseling and supervision, child care, transportation, and job training.
Tenant-Based Rental Assistance:	A form of rental assistance in which the assisted tenant may move from a dwelling unit with a right to continued assistance. The assistance is provided for the tenant, not for the project.

Threshold Criteria:	To be considered for funding, a housing project must first demonstrate that it meets all the threshold criteria set forth as follows: a) the project is consistent with the requirements established in this rule; b) the applicant provides evidence of their ability to carry out the project in the areas of financing, acquiring, rehabilitating, developing, or managing affordable housing developments; and c) the project addresses an identified housing need. This assessment will be based on statistical data, surveys, or other indicators of needs as appropriate.
Total Bonded Indebtedness:	All single family mortgage revenue bonds (including collateralized mortgage obligations), multifamily mortgage revenue bonds, and other debt obligations issued or assumed by the Department and outstanding as of August thirty-one of the year of calculation, excluding; all such bonds rated AAA by Moody's Investors Service or AAA by Standard & Poors Corporation for which the Department has no direct or indirect financial liability from the Department's unencumbered fund balances, and all other such bonds, whether rated or unrated, for which the Department has no direct or indirect financial liability from the Departments unencumbered fund balances, unless Moody's' or Standard & Poors has advised the Department in writing that all or portion of the bonds excluded by this clause should be included in a determination of total bonded indebtedness.
Unencumbered Fund Balances:	A) The sum of the balances resulting at the end of each Department fiscal year form deducting the sum of bond indenture and credit rating restrictions and liabilities for the sum of amounts on deposit in indenture funds and other tangible and intangible assets of each department housing bond program, and b) uncommitted amounts of deposit in each independent or separate unrestricted fund established by the housing finance division or its administrative component units.
Very Low Income:	Households whose incomes do not exceed 50 percent of the median area income for the area, as determined by HUD, with adjustments for smaller and larger families and for areas with unusually high or low incomes or where needed because of prevailing levels of construction costs or fair market rents. Definition may differ according to program; the State of Texas designates very-low income as 60 percent or less AMFI.
Work Disability:	A condition that prevents a person from working or limits a person's ability to work.

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