

**Department of Housing and Community Affairs
Summary of Recommendations - Senate**

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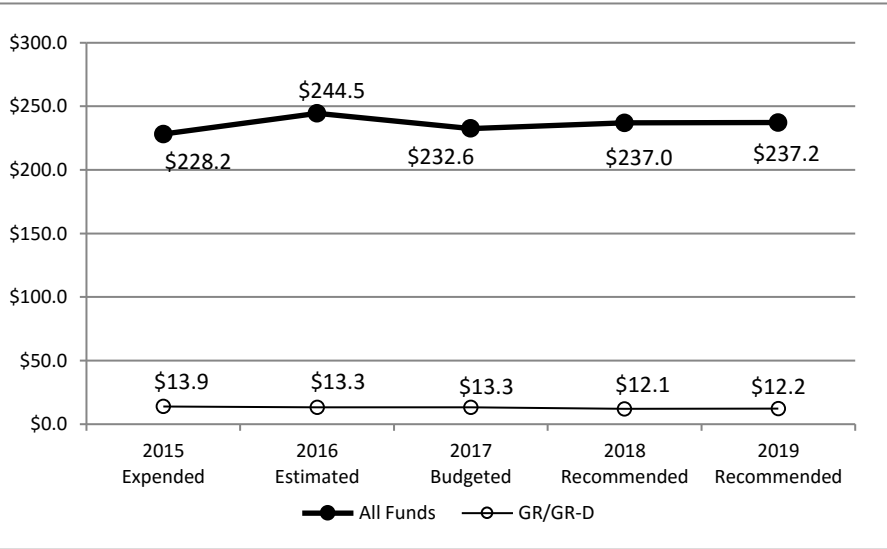
Timothy Irvine, Executive Director

Elizabeth Krog, LBB Analyst

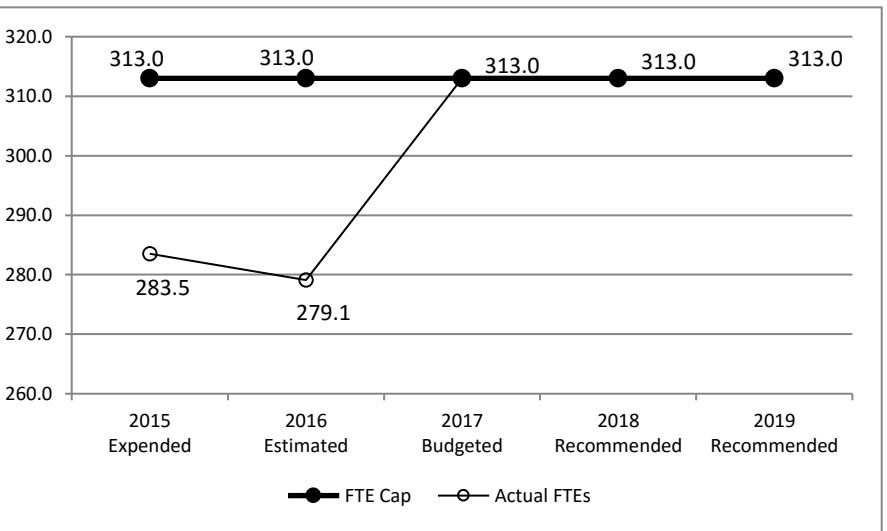
Method of Financing	2016-17 Base	2018-19 Recommended	Biennial Change (\$)	Biennial Change (%)
General Revenue Funds	\$26,571,322	\$24,338,470	(\$2,232,852)	(8.4%)
GR Dedicated Funds	\$0	\$0	\$0	0.0%
<i>Total GR-Related Funds</i>	<i>\$26,571,322</i>	<i>\$24,338,470</i>	<i>(\$2,232,852)</i>	<i>(8.4%)</i>
Federal Funds	\$410,355,512	\$407,442,240	(\$2,913,272)	(0.7%)
Other	\$40,131,525	\$42,448,474	\$2,316,949	5.8%
All Funds	\$477,058,359	\$474,229,184	(\$2,829,175)	(0.6%)

	FY 2017 Budgeted	FY 2019 Recommended	Biennial Change	Percent Change
FTEs	313.0	313.0	0.0	0.0%

Historical Funding Levels (Millions)



Historical Full-Time-Equivalent Employees (FTEs)



The bill pattern for this agency (2018-19 Recommended) represents an estimated 27% of the agency's estimated total available funds for the 2018-19 biennium.

Department of Housing and Community Affairs
Summary of Funding Changes and Recommendations - Senate

Section 2

Funding Changes and Recommendations for the 2018-19 Biennium compared to the 2016-17 Base Spending Level (in millions)		General Revenue	GR-Dedicated	Federal Funds	Other Funds	All Funds	Strategy in Appendix A
SIGNIFICANT Funding Changes and Recommendations (each issue is explained in Section 3 and additional details are provided in Appendix A):							
A)	Decrease of \$1,170,000 in General Revenue to fund the Texas Housing Assistance Program directly through the Texas Veterans Commission. This item is funded in the recommendations at Texas Veterans Commission.	(\$1.2)	\$0	\$0	\$0	(\$1.2)	A.1.3
B)	Decrease of \$1,062,853 in General Revenue for 1) \$200,992 in administration for the Housing Trust Fund and the Amy Young Barrier Removal Program; 2) \$560,869 for the Housing and Health Services Coordination Council and Affordable Housing Research and Information Program; and 3) \$300,992 for the Balance of State Technical Assistance and the Homeless Housing and Services Program; pursuant to the four percent reduction.	(\$1.1)	\$0	\$0	\$0	(\$1.1)	A.1.3 ,B.1.1, C.1.1
C)	Increase of \$1,151,816 in Interagency Contracts for a contract with the Health and Human Services Commission for assistance in implementing the Home and Community Based Services- Adult Mental Health program.	\$0	\$0	\$0	\$1.2	\$1.2	B.1.1
D)	Increase of National Housing Trust Fund of \$9.6 million for multifamily rental housing.	\$0	\$0	\$9.6	\$0	\$9.6	A.1.2
OTHER Funding Changes and Recommendations (these issues are not addressed in Section 3 but details are provided in Appendix A):							
E)	Increase of anticipated Appropriated Receipts to fund operating costs of programs, including an increase of monitoring of federal requirements.	\$0	\$0	\$0	\$1.2	\$1.2	10 strategies
F)	Decrease of \$0.5 million in Tax Credit Assistance Program Stimulus. TDHCA made all funds available as loans, resulting in an ongoing stream of program income.	\$0	\$0	(\$0.5)	\$0	(\$0.5)	A.1.2
G)	Decrease of Section 811 Project Rental Assistance federal grant of \$12 million received in the 2016-17 biennium. The program will be administered for an estimated five year period. Estimated funds for administration include \$22,500 per fiscal year.	\$0	\$0	(\$12.0)	\$0	(\$12.0)	A.1.5
TOTAL SIGNIFICANT & OTHER Funding Changes and Recommendations (in millions)		(\$2.2)	\$0	(\$2.9)	\$2.3	(\$2.8)	As Listed
SIGNIFICANT & OTHER Funding Increases		\$0	\$0	\$9.6	\$2.3	\$12.0	As Listed
SIGNIFICANT & OTHER Funding Decreases		(\$2.2)	\$0	(\$12.5)	\$0	(\$14.8)	As Listed

NOTE: Totals may not sum due to rounding.

**Texas Department of Housing and Community Affairs
Selected Fiscal and Policy Issues - Senate**

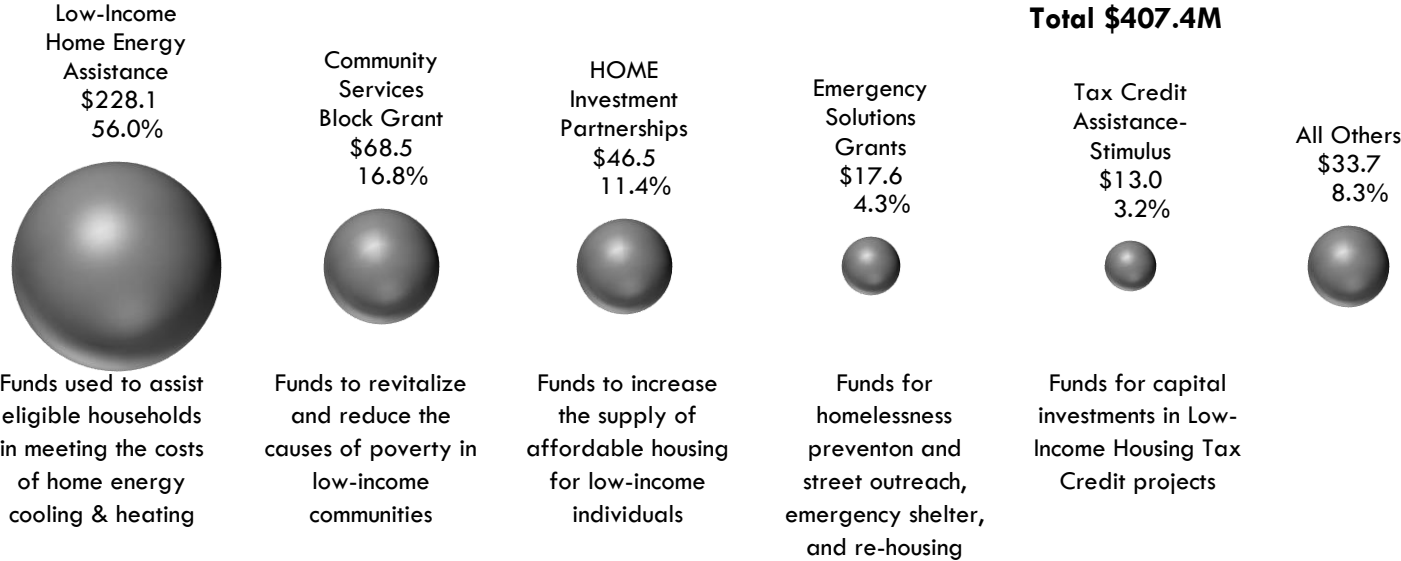
1. **Four Percent General Revenue Reduction.** Recommendations include the reduction of \$1,062,853 in General Revenue pursuant to the four percent reduction. An informational listing, included below, provides additional information on the programs and items reduced for the four percent reduction.
 1. Reduction of \$200,992 in strategy A.1.3, Housing Trust Fund, includes:
 - \$20,100 reduction for administration of the Housing Trust Fund.
 - \$180,892 reduction in Amy Young Barrier Removal Program grants, resulting in a reduction of 10 households served over the biennium.
 2. Reduction of \$560,869 in strategy B.1.1, Housing Resource Center, includes:
 - \$240,000 reduction in professional fees in the Affordable Housing Research and Information Program, resulting in a decrease in housing research and the development of informational material.
 - \$155,000 reduction in professional fees in the Housing and Health Services Coordination Council, resulting in elimination of council funding for the Housing and Services Partnership Academy, which provides education on affordable housing to local communities, and council funding for targeted third-party studies.
 - \$88,000 reduction in administration.
 - \$77,869 reduction in travel and other operating costs.
 3. Reduction of \$300,992 in strategy C.1.1, Poverty-Related Funds, includes:
 - \$100,992 reduction in Balance of State Technical Assistance, resulting in elimination of state funding for the coordination of federal homeless funding for 205 counties.
 - \$100,000 reduction in Homeless Housing and Services Program, resulting in a reduction of services being provided to 200 homeless individuals over the biennium.
 - \$100,000 reduction in administration.
2. **Interagency Contract with Texas Veterans Commission.** Per Rider 15, the agency is required to transfer ten percent of the Housing Trust Fund appropriation to the Texas Veterans Commission (TVC) for the Veterans Housing Assistance Program. Recommendations include a decrease of \$1.2 million in General Revenue at the agency, with a corresponding increase at TVC for the Veterans Housing Assistance Program to fund the program directly at TVC (Rider Highlights #15).
3. **Interagency Contract with the Health and Human Services Commission.** Recommendations include an increase in Interagency Contracts from the Health and Human Services Commission for assistance in implementing Home and Community Based Services- Adult Mental Health program, a program which provides rental assistance to adults with mental health disabilities. The agency anticipates entering into the Interagency Contract in fiscal year 2017. Recommendations assume an Interagency Contract amount of \$1.2 million for the 2018-19 biennium.
4. **Conversions of Executory Contracts.** Rider 6 of the agency's bill pattern in the 2016-17 General Appropriations Act requires the agency to spend \$4.0 million on contract for deed conversions and complete 200 contract for deed conversions per biennium. The agency has been unable to hit the target of this rider in the current biennium as well as prior biennia. In an effort to impact the target population as designated in the rider, the agency has been using HOME federal funds to assist in homeowner rehabilitation or reconstruction of homes located in the target population. The agency reported using \$1.0 million for nine contract for deed conversions and related activities in FY16 and reports a lack in demand for assistance for contract for deed conversions. Recommendations include modification of the rider to require the agency to submit a plan to the Legislative Budget Board outlining the amount of funds anticipated to be expended on contract for deed conversions each fiscal year of the 2018-19 biennium and removing the requirement to spend \$4.0 million during the biennium on contract for deed conversions (Rider Highlights #6).

5. **Owner-Builder Loan Program.** This program, commonly referred to as the Texas Bootstrap Loan Program, provides loans to repurchase or refinance property to build a new house or repair the existing home through sweat equity to very low income families. Section 2306.7581 requires the use of a General Revenue-Dedicated (GR-D) account for the program's purpose. Section 2306.7581(a-1) of the Government Code, which expires at the end of FY2020, requires the program to be funded with at least \$3.0 million per fiscal year through one of the following three ways: federal HOME funding, money in the Housing Trust Fund, or any funds appropriated by the Legislature.

Historically, the agency has used the Housing Trust Fund, funded through General Revenue, to meet the statutory requirements to fund the program at \$3.0 million per fiscal year. Rider 9 in the agency's bill pattern and Government Code 2306.201 require Housing Trust Funds to be held outside of the treasury in the Texas Safekeeping Trust Company. Since statutory provisions requiring the agency to provide \$3.0 million per fiscal year of funding to the GR-D account for the program expires at the end of FY2020, recommendations provide \$10.4 million to the Housing Trust Fund, of which \$3.0 million per fiscal year will be transferred outside of the treasury to fund the Bootstrap program. Statute change would be required to align with the current agency policy in the 2018-19 biennium.

Texas Department of Housing and Community Affairs

Summary of Federal Funds (2018 - 19) - Senate



Selected Federal Fiscal and Policy Issues

1. Federal Funds estimates for Section 811 Project Rental Assistance discretionary grant expenditures in fiscal years 2018–19 reflect a decrease of \$12.0 million from fiscal years 2016-17.

This decrease is attributable to the lack of federal funding for this program after fiscal year 2013.

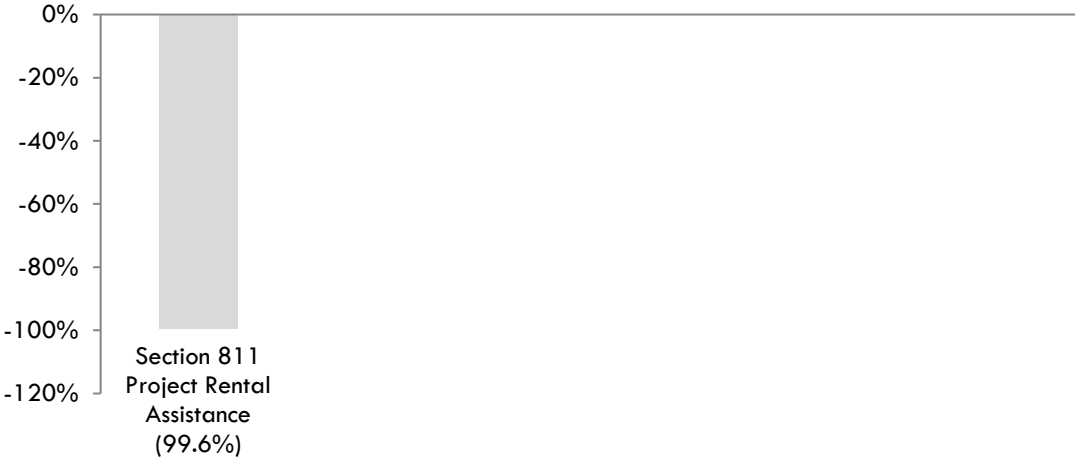
2. Federal Funds estimates for the 2018-19 biennium include an increase of \$9.6 million in new grant funding from the National Housing Trust Fund.

Programs with Federal Funding Changes from 2016 - 17

Program-by Amount



Program-by Percentage



**Department of Housing and Community Affairs
Rider Highlights - Senate**

Modified Riders

2. **Capital Budget.** Recommendations include capital budget authority of \$79,383 in federal funds and \$309,137 in Appropriated Receipts for four capital budget items. Items include PC replacements to fund a six-year PC refresh cycle (\$29,000), Legacy System Modernization to replace hardware and software (\$171,000), Disaster Recovery Services (\$78,520), and PeopleSoft Financials Maintenance (\$110,000) for the 2018-19 biennium. The agency's capital budget authority included \$492,000 for information technology software upgrades and \$105,810 for Peoplesoft Financials Maintenance in the 2016-17 biennium. Recommendations include a reduction in capital budget authority of \$209,290 from the 2016-17 biennium.
4. **Appropriations Limited to Revenue Collections.** Recommendations modify the rider to clarify the revenue requirements of the agency for Manufactured Housing.
5. **Housing Assistance.** Recommendations modify the rider to expand the funding used to satisfy rider requirements to serve target populations, as specified by the rider, to include Tax Credit Assistance Program and other potential federal funding.
6. **Conversions of Executory Contracts.** Recommendations modify this rider to remove the requirement to spend \$4.0 million on contract for deed conversions and require the agency to submit a plan to the Legislative Budget Board on the agency's estimated funding for contract for deed conversions and other activities for the affected population in the upcoming fiscal year (Selected Fiscal and Policy Issue #4).
7. **Colonia Set Aside Program Allocation.** The rider requires Texas Department of Agriculture to allocate a 2.5% yearly allocation of the Community Development Block Grant to support the operation of the Colonia Self-Help Centers as operated by TDHCA. Recommendations include modifications to align the rider with statutory requirements of Chapter 2306, Government Code.

Deleted Riders

15. **Transfer of the Veterans Housing Assistance Program.** Recommendations delete this rider and recommend funding the Veterans Housing Assistance Program directly through General Revenue at the Texas Veterans Commission with a corresponding General Revenue reduction at TDHCA (See Selected Fiscal and Policy Issue #2).

**Department of Housing and Community Affairs
Items Not Included in Recommendations - Senate**

Section 5

	2018-19 Biennial Total			Information Technology Involved?	Contracting Involved?	Estimated Continued Cost 2020-21
	GR & GR-D	All Funds	FTEs			

Agency Exceptional Items - In Agency Priority Order

1)	Capital budget authority for \$700,000 for Peoplesoft Financials Upgrade to be funded with \$143,023 in federal funds and \$556,977 in Appropriated Receipts. The agency does not have capital budget authority for this item in the 2016-17 biennium.	\$0	\$0	0.0	Yes	Yes	\$0
2)	Capital budget authority for \$600,000 for a Community Affairs System project to collect household information on beneficiaries who receive benefits from federally funded programs. This request would be funded with federal funds. The agency does not have capital budget authority for this item in the 2016-17 biennium.	\$0	\$0	0.0	Yes	Yes	\$0
3)	Capital budget authority for \$335,000 for Cybersecurity Initiatives to implement recommendations provided by Gartner Security Assessment to be funded with \$68,446 in federal funds and \$266,554 in Appropriated Receipts. The agency does not have capital budget authority for this item in the 2016-17 biennium.	\$0	\$0	0.0	Yes	Yes	\$0

TOTAL Items Not Included in Recommendations	\$0	\$0	0.0				\$0
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Department of Housing and Community Affairs
Appendices - Senate

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* Appendix is not included - no significant information to report

Department of Housing and Community Affairs
Funding Changes and Recommendations - Senate, by Strategy -- ALL FUNDS

Strategy/Goal	2016-17 Base	2018-19 Recommended	Biennial Change	% Change	Comments (Optional)
MRB PROGRAM - SINGLE FAMILY A.1.1	\$2,944,640	\$3,026,294	\$81,654	2.8%	Increase of \$81,654 in Appropriated Receipts for personnel costs, expanded Single Family Mortgage Revenue Bond program outreach and software maintenance.
HOME PROGRAM A.1.2	\$61,014,965	\$70,049,738	\$9,034,773	14.8%	Net decrease of \$9,034,773 due to: -decrease of \$21,955 in HOME Investment Partnership Program funding; -decrease of \$500,000 in Tax Credit Assistance Program Stimulus funding; and -increase of \$9,556,728 in National Housing Trust Fund Grants.
HOUSING TRUST FUND A.1.3	\$12,100,621	\$10,443,402	(\$1,657,219)	(13.7%)	Decrease of \$1,657,219 in All Funds due to: -a decrease of \$200,992 in General Revenue pursuant to the four percent reduction; -a decrease of \$1,170,000 in General Revenue to provide a corresponding increase at the Texas Veterans Commission for the Veterans Housing Program; -decrease of \$284,224 in Appropriated Receipts for redirection of personnel to strategy B.2.1.; and -decrease of \$2,003 in Appropriated Receipts for other personnel costs.
SECTION 8 RENTAL ASSISTANCE A.1.4	\$11,000,000	\$11,000,000	\$0	0.0%	
SECTION 811 PRA A.1.5	\$12,015,000	\$45,000	(\$11,970,000)	(99.6%)	Decrease of \$11,970,000 in Section 811 Project Rental Assistance funding.
FEDERAL TAX CREDITS A.1.6	\$4,193,991	\$4,390,963	\$196,972	4.7%	Increase of \$196,972 in All Funds due to: -increase of \$171,874 in Appropriated Receipts for additional FTEs to address additional fair housing reporting requirements; and -increase of \$25,098 in Appropriated Receipts for capital budget expenditures.
MRB PROGRAM - MULTIFAMILY A.1.7	\$944,440	\$980,741	\$36,301	3.8%	Increase of \$36,301 due to Appropriated Receipts due to salaries, travel and professional fees.
Total, Goal A, AFFORDABLE HOUSING	\$104,213,657	\$99,936,138	(\$4,277,519)	(4.1%)	

Department of Housing and Community Affairs
Funding Changes and Recommendations - Senate, by Strategy -- ALL FUNDS

Strategy/Goal	2016-17 Base	2018-19 Recommended	Biennial Change	% Change	Comments (Optional)
HOUSING RESOURCE CENTER B.1.1	\$2,655,054	\$3,244,516	\$589,462	22.2%	Net increase of \$589,462 in All Funds due to: -decrease of \$1,485 in Appropriated Receipts due to fixed costs allocated across strategies; -increase of \$1,151,816 in Interagency Contracts due to an increase of funding from the Health and Human Services Commission to provide rental assistance to persons with mental illness; and -decrease of \$560,869 in General Revenue pursuant to the four percent reduction.
COLONIA SERVICE CENTERS B.2.1	\$389,757	\$733,860	\$344,103	88.3%	Increase of \$344,103 in All Funds due to: -increase of \$284,224 in Appropriated Receipts from redirection of personnel from strategy A.1.3; and -increase of \$59,879 in Appropriated Receipts for salaries, other personnel costs, and capital budget expenditures.
Total, Goal B, INFORMATION & ASSISTANCE	\$3,044,811	\$3,978,376	\$933,565	30.7%	
POVERTY-RELATED FUNDS C.1.1	\$96,058,969	\$95,728,086	(\$330,883)	(0.3%)	Net decrease of \$330,883 in All Funds due to: -decrease of \$300,992 pursuant to the four percent reduction; and -reallocation of \$29,891 due to Community Services Block Grant funding to strategy D.1.2.
ENERGY ASSISTANCE PROGRAMS C.2.1	\$238,429,426	\$238,429,426	\$0	0.0%	
Total, Goal C, POOR AND HOMELESS PROGRAMS	\$334,488,395	\$334,157,512	(\$330,883)	(0.1%)	
MONITOR HOUSING REQUIREMENTS D.1.1	\$6,289,041	\$6,434,535	\$145,494	2.3%	Increase of \$145,494 in Appropriated Receipts due to salaries, professional fees, other personnel costs and capital budget expenditures.

Department of Housing and Community Affairs
Funding Changes and Recommendations - Senate, by Strategy -- ALL FUNDS

Strategy/Goal	2016-17 Base	2018-19 Recommended	Biennial Change	% Change	Comments (Optional)
MONITOR CONTRACT REQUIREMENTS D.1.2	\$1,337,152	\$1,388,998	\$51,846	3.9%	Increase of \$51,846 in All Funds due to: -increase of \$21,955 in HOME Investment Partnership Program funding; and -reallocation of \$29,891 in Community Services Block Grant funding from strategy C.1.1.
Total, Goal D, ENSURE COMPLIANCE	\$7,626,193	\$7,823,533	\$197,340	2.6%	
TITLING & LICENSING E.1.1	\$3,697,290	\$3,833,260	\$135,970	3.7%	Increase of \$135,970 in Appropriated Receipts due to building rental expenditures and capital budget expenditures.
INSPECTIONS E.1.2	\$3,787,959	\$3,920,036	\$132,077	3.5%	Increase of \$132,077 in Appropriated Receipts due to building rental expenditures and capital budget expenditures.
ENFORCEMENT E.1.3	\$3,369,304	\$3,489,698	\$120,394	3.6%	Increase of \$120,394 in Appropriated Receipts due to building rental expenditures and capital budget expenditures.
TEXAS.GOV E.1.4	\$38,240	\$38,240	\$0	0.0%	
Total, Goal E, MANUFACTURED HOUSING	\$10,892,793	\$11,281,234	\$388,441	3.6%	
CENTRAL ADMINISTRATION F.1.1	\$11,836,053	\$11,888,504	\$52,451	0.4%	Net increase of \$52,451 in All Funds due to: -increase of \$53,918 in Appropriated Receipts due to salaries, other personnel costs, professional fees, other operating costs and capital budget expenditures; and -reallocation of \$1,467 in General Revenue to strategies F.1.2 and F.1.3.
INFORMATION RESOURCE TECHNOLOGIES F.1.2	\$3,736,069	\$3,956,366	\$220,297	5.9%	Net increase of \$220,297 of All Funds due to: -increase of \$219,367 in Appropriated Receipts due to salaries, other personnel costs and capital budget expenditures; and -reallocation of \$930 in General Revenue from strategy F.1.1.

Department of Housing and Community Affairs
Funding Changes and Recommendations - Senate, by Strategy -- ALL FUNDS

Strategy/Goal	2016-17 Base	2018-19 Recommended	Biennial Change	% Change	Comments (Optional)
OPERATING/SUPPORT F.1.3	\$1,220,388	\$1,207,521	(\$12,867)	(1.1%)	Net decrease of \$12,867 in All Funds due to: -decrease of \$13,405 in Appropriated Receipts due to salaries, other personnel costs and capital budget expenditures; and -reallocation of \$538 in General Revenue from strategy F.1.1.
Total, Goal F, INDIRECT ADMIN AND SUPPORT COSTS	\$16,792,510	\$17,052,391	\$259,881	1.5%	
Grand Total, All Strategies	\$477,058,359	\$474,229,184	(\$2,829,175)	(0.6%)	

Department of Housing and Community Affairs
Funding Changes and Recommendations - Senate, by Strategy -- GENERAL REVENUE FUNDS

Strategy/Goal	2016-17 Base	2018-19 Recommended	Biennial Change	% Change	Comments (Optional)
MRB PROGRAM - SINGLE FAMILY A.1.1	\$0	\$0	\$0	0.0%	
HOME PROGRAM A.1.2	\$0	\$0	\$0	0.0%	
HOUSING TRUST FUND A.1.3	\$11,814,394	\$10,443,402	(\$1,370,992)	(11.6%)	Decrease of \$1,370,992 due to: -a decrease of \$200,992 in salaries and grants in the Amy Young Barrier Removal Program pursuant to the four percent reduction; and -a decrease of \$1,170,000 to provide a corresponding increase at the Texas Veterans Commission for the Veterans Housing Program.
SECTION 8 RENTAL ASSISTANCE A.1.4	\$0	\$0	\$0	0.0%	
SECTION 811 PRA A.1.5	\$0	\$0	\$0	0.0%	
FEDERAL TAX CREDITS A.1.6	\$0	\$0	\$0	0.0%	
MRB PROGRAM - MULTIFAMILY A.1.7	\$0	\$0	\$0	0.0%	
Total, Goal A, AFFORDABLE HOUSING	\$11,814,394	\$10,443,402	(\$1,370,992)	(11.6%)	
HOUSING RESOURCE CENTER B.1.1	\$729,464	\$168,595	(\$560,869)	(76.9%)	Decrease of \$560,869 in professional fees, salaries and other operating costs in the Affordable Housing Research and Information Program and the Housing and Health Services Coordination Council pursuant to the four percent reduction.
COLONIA SERVICE CENTERS B.2.1	\$0	\$0	\$0	0.0%	
Total, Goal B, INFORMATION & ASSISTANCE	\$729,464	\$168,595	(\$560,869)	(76.9%)	
POVERTY-RELATED FUNDS C.1.1	\$10,100,000	\$9,799,008	(\$300,992)	(3.0%)	Decrease of \$300,992 in salaries and grants in the Balance of State Technical Assistance Program and Homeless Housing Services Program pursuant to the four percent reduction.
ENERGY ASSISTANCE PROGRAMS C.2.1	\$0	\$0	\$0	0.0%	
Total, Goal C, POOR AND HOMELESS PROGRAMS	\$10,100,000	\$9,799,008	(\$300,992)	(3.0%)	
MONITOR HOUSING REQUIREMENTS D.1.1	\$0	\$0	\$0	0.0%	

Department of Housing and Community Affairs
Funding Changes and Recommendations - Senate, by Strategy -- GENERAL REVENUE FUNDS

Strategy/Goal	2016-17 Base	2018-19 Recommended	Biennial Change	% Change	Comments (Optional)
MONITOR CONTRACT REQUIREMENTS D.1.2	\$0	\$0	\$0	0.0%	
Total, Goal D, ENSURE COMPLIANCE	\$0	\$0	\$0	0.0%	
TITLING & LICENSING E.1.1	\$0	\$0	\$0	0.0%	
INSPECTIONS E.1.2	\$0	\$0	\$0	0.0%	
ENFORCEMENT E.1.3	\$0	\$0	\$0	0.0%	
TEXAS.GOV E.1.4	\$38,240	\$38,240	\$0	0.0%	
Total, Goal E, MANUFACTURED HOUSING	\$38,240	\$38,240	\$0	0.0%	
CENTRAL ADMINISTRATION F.1.1	\$3,429,394	\$3,427,927	(\$1,467)	(0.0%)	Reallocation of \$1,467 to strategies F.1.2 and F.1.3.
INFORMATION RESOURCE TECHNOLOGIES F.1.2	\$299,290	\$300,220	\$930	0.3%	Reallocation of \$930 from strategy F.1.1.
OPERATING/SUPPORT F.1.3	\$160,540	\$161,078	\$538	0.3%	Reallocation of \$538 from strategy F.1.1.
Total, Goal F, INDIRECT ADMIN AND SUPPORT COSTS	\$3,889,224	\$3,889,225	\$1	0.0%	
Grand Total, All Strategies	\$26,571,322	\$24,338,470	(\$2,232,852)	(8.4%)	Decrease of \$2,232,852 due to: -decrease of \$1,062,852 pursuant to the four percent reduction; and -decrease of \$1,170,000 to fund the Veterans Housing Program directly to Texas Veterans Commission.

Department of Housing and Community Affairs
Funding Changes and Recommendations - Senate, by Strategy -- FEDERAL FUNDS

Strategy/Goal	2016-17 Base	2018-19 Recommended	Biennial Change	% Change	Comments (Optional)
MRB PROGRAM - SINGLE FAMILY A.1.1	\$0	\$0	\$0	0.0%	
HOME PROGRAM A.1.2	\$61,014,965	\$70,049,738	\$9,034,773	14.8%	Net decrease of \$9,034,773 due to: -reallocation of \$21,955 in HOME Investment Partnership Program funding to strategy D.1.2; -decrease of \$500,000 in Tax Credit Assistance Program Stimulus from loan repayments; and -increase of \$9,556,728 in National Housing Trust Fund Grants.
HOUSING TRUST FUND A.1.3	\$0	\$0	\$0	0.0%	
SECTION 8 RENTAL ASSISTANCE A.1.4	\$11,000,000	\$11,000,000	\$0	0.0%	
SECTION 811 PRA A.1.5	\$12,015,000	\$45,000	(\$11,970,000)	(99.6%)	Decrease of \$11,970,000 in Section 811 Project Rental Assistance.
FEDERAL TAX CREDITS A.1.6	\$0	\$0	\$0	0.0%	
MRB PROGRAM - MULTIFAMILY A.1.7	\$0	\$0	\$0	0.0%	
Total, Goal A, AFFORDABLE HOUSING	\$84,029,965	\$81,094,738	(\$2,935,227)	(3.5%)	
HOUSING RESOURCE CENTER B.1.1	\$0	\$0	\$0	0.0%	
COLONIA SERVICE CENTERS B.2.1	\$0	\$0	\$0	0.0%	
Total, Goal B, INFORMATION & ASSISTANCE	\$0	\$0	\$0	0.0%	
POVERTY-RELATED FUNDS C.1.1	\$85,958,969	\$85,929,078	(\$29,891)	(0.0%)	Reallocation of \$29,891 due to Community Services Block Grant funding reduction to strategy D.1.2.
ENERGY ASSISTANCE PROGRAMS C.2.1	\$238,429,426	\$238,429,426	\$0	0.0%	
Total, Goal C, POOR AND HOMELESS PROGRAMS	\$324,388,395	\$324,358,504	(\$29,891)	(0.0%)	
MONITOR HOUSING REQUIREMENTS D.1.1	\$0	\$0	\$0	0.0%	

Department of Housing and Community Affairs
Funding Changes and Recommendations - Senate, by Strategy -- FEDERAL FUNDS

Strategy/Goal	2016-17 Base	2018-19 Recommended	Biennial Change	% Change	Comments (Optional)
MONITOR CONTRACT REQUIREMENTS D.1.2	\$1,337,152	\$1,388,998	\$51,846	3.9%	Increase of \$51,846 due to: -reallocation of \$21,955 in HOME Investment Partnership Program funding from strategy A.1.2; and -reallocation of \$29,891 in Community Services Block Grant funding from strategy C.1.1.
Total, Goal D, ENSURE COMPLIANCE	\$1,337,152	\$1,388,998	\$51,846	3.9%	
TITLING & LICENSING E.1.1	\$0	\$0	\$0	0.0%	
INSPECTIONS E.1.2	\$400,000	\$400,000	\$0	0.0%	
ENFORCEMENT E.1.3	\$200,000	\$200,000	\$0	0.0%	
TEXAS.GOV E.1.4	\$0	\$0	\$0	0.0%	
Total, Goal E, MANUFACTURED HOUSING	\$600,000	\$600,000	\$0	0.0%	
CENTRAL ADMINISTRATION F.1.1	\$0	\$0	\$0	0.0%	
INFORMATION RESOURCE TECHNOLOGIES F.1.2	\$0	\$0	\$0	0.0%	
OPERATING/SUPPORT F.1.3	\$0	\$0	\$0	0.0%	
Total, Goal F, INDIRECT ADMIN AND SUPPORT COSTS	\$0	\$0	\$0	0.0%	
Grand Total, All Strategies	\$410,355,512	\$407,442,240	(\$2,913,272)	(0.7%)	Net decrease of \$2,913,272 due to: -decrease of \$500,000 in Tax Credit Assistance Program from loan repayments; -increase of \$9,556,728 in National Housing Trust Fund grants; and -decrease of \$11,970,000 in Section 811 Project Rental Assistance.

Department of Housing and Community Affairs
Funding Changes and Recommendations - Senate, by Strategy -- OTHER FUNDS

Strategy/Goal	2016-17 Base	2018-19 Recommended	Biennial Change	% Change	Comments (Optional)
MRB PROGRAM - SINGLE FAMILY A.1.1	\$2,944,640	\$3,026,294	\$81,654	2.8%	Increase of \$81,654 in Appropriated Receipts for personnel costs, expanded Single Family Mortgage Revenue Bond program outreach and software maintenance.
HOME PROGRAM A.1.2	\$0	\$0	\$0	0.0%	
HOUSING TRUST FUND A.1.3	\$286,227	\$0	(\$286,227)	(100.0%)	Decrease of \$286,227 in Appropriated Receipts due to: -decrease of \$284,224 for redirection of personnel to strategy B.2.1.; and -decrease of \$2,003 for other personnel costs.
SECTION 8 RENTAL ASSISTANCE A.1.4	\$0	\$0	\$0	0.0%	
SECTION 811 PRA A.1.5	\$0	\$0	\$0	0.0%	
FEDERAL TAX CREDITS A.1.6	\$4,193,991	\$4,390,963	\$196,972	4.7%	Increase of \$196,972 in Appropriated Receipts due to: -increase of \$171,874 for additional FTEs to address additional fair housing reporting requirements; and -increase of \$25,098 for capital budget expenditures.
MRB PROGRAM - MULTIFAMILY A.1.7	\$944,440	\$980,741	\$36,301	3.8%	Increase of \$36,301 due to Appropriated Receipts due to salaries, travel and professional fees.
Total, Goal A, AFFORDABLE HOUSING	\$8,369,298	\$8,397,998	\$28,700	0.3%	
HOUSING RESOURCE CENTER B.1.1	\$1,925,590	\$3,075,921	\$1,150,331	59.7%	Net increase of \$1,150,331 in Other funds due to: -decrease of \$1,485 in Appropriated Receipts due to fixed costs allocated across strategies; and -increase of \$1,151,816 in Interagency Contracts due to an anticipated increase of funding from the Health and Human Services Commission to provide rental assistance to persons with mental illness.

Department of Housing and Community Affairs
Funding Changes and Recommendations - Senate, by Strategy -- OTHER FUNDS

Strategy/Goal	2016-17 Base	2018-19 Recommended	Biennial Change	% Change	Comments (Optional)
COLONIA SERVICE CENTERS B.2.1	\$389,757	\$733,860	\$344,103	88.3%	Increase of \$344,103 in Appropriated Receipts due to: -increase of \$284,224 from redirection of personnel from strategy A.1.3; and -increase of \$59,879 for salaries, other personnel costs, and capital budget expenditures.
Total, Goal B, INFORMATION & ASSISTANCE	\$2,315,347	\$3,809,781	\$1,494,434	64.5%	
POVERTY-RELATED FUNDS C.1.1	\$0	\$0	\$0	0.0%	
ENERGY ASSISTANCE PROGRAMS C.2.1	\$0	\$0	\$0	0.0%	
Total, Goal C, POOR AND HOMELESS PROGRAMS	\$0	\$0	\$0	0.0%	
MONITOR HOUSING REQUIREMENTS D.1.1	\$6,289,041	\$6,434,535	\$145,494	2.3%	Increase of \$145,494 in Appropriated Receipts due to salaries, professional fees, other personnel costs and capital budget expenditures.
MONITOR CONTRACT REQUIREMENTS D.1.2	\$0	\$0	\$0	0.0%	
Total, Goal D, ENSURE COMPLIANCE	\$6,289,041	\$6,434,535	\$145,494	2.3%	
TITLING & LICENSING E.1.1	\$3,697,290	\$3,833,260	\$135,970	3.7%	Increase of \$135,970 in Appropriated Receipts due to building rental expenditures and capital budget expenditures.
INSPECTIONS E.1.2	\$3,387,959	\$3,520,036	\$132,077	3.9%	Increase of \$132,077 in Appropriated Receipts due to building rental expenditures and capital budget expenditures.
ENFORCEMENT E.1.3	\$3,169,304	\$3,289,698	\$120,394	3.8%	Increase of \$120,394 in Appropriated Receipts due to building rental expenditures and capital budget expenditures.
TEXAS.GOV E.1.4	\$0	\$0	\$0	0.0%	
Total, Goal E, MANUFACTURED HOUSING	\$10,254,553	\$10,642,994	\$388,441	3.8%	

Department of Housing and Community Affairs
Funding Changes and Recommendations - Senate, by Strategy -- OTHER FUNDS

Strategy/Gol	2016-17 Base	2018-19 Recommended	Biennial Change	% Change	Comments (Optional)
CENTRAL ADMINISTRATION F.1.1	\$8,406,659	\$8,460,577	\$53,918	0.6%	Increase of \$53,918 in Appropriated Receipts due to salaries, other personnel costs, professional fees, other operating costs and capital budget expenditures.
INFORMATION RESOURCE TECHNOLOGIES F.1.2	\$3,436,779	\$3,656,146	\$219,367	6.4%	Increase of \$219,367 in Appropriated Receipts due to salaries, other personnel costs and capital budget expenditures.
OPERATING/SUPPORT F.1.3	\$1,059,848	\$1,046,443	(\$13,405)	(1.3%)	Decrease of \$13,405 in Appropriated Receipts due to salaries, other personnel costs and capital budget expenditures.
Total, Goal F, INDIRECT ADMIN AND SUPPORT COSTS	\$12,903,286	\$13,163,166	\$259,880	2.0%	
Grand Total, All Strategies	\$40,131,525	\$42,448,474	\$2,316,949	5.8%	Increase of \$2,316,949 due to: -increase of \$1,151,816 in Interagency Contracts anticipated with the Health and Human Services Commission; and -increase of \$1,165,133 in Appropriated Receipts.

Texas Department of Housing and Community Affairs
Summary of Federal Funds - Senate
(Dollar amounts in Millions)

Appendix B

Program	Est 2016	Bud 2017	Rec 2018	Rec 2019	2016-17 Base	2018-19 Rec	2018-19 Rec % Total	Recommended Over/(Under) Base	% Change from Base
Low-Income Home Energy Assistance	\$114.0	\$114.0	\$114.0	\$114.0	\$228.1	\$228.1	56.0%	\$0.0	0.0%
Community Services Block Grant	\$34.2	\$34.2	\$34.2	\$34.2	\$68.5	\$68.5	16.8%	\$0.0	0.0%
HOME Investment Partnerships Program	\$23.2	\$23.2	\$23.2	\$23.2	\$46.5	\$46.5	11.4%	\$0.0	0.0%
Emergency Solutions Grants Program	\$8.8	\$8.8	\$8.8	\$8.8	\$17.6	\$17.6	4.3%	\$0.0	0.0%
Tax Credit Assistance Program - Stimulus	\$7.0	\$6.5	\$6.5	\$6.5	\$13.5	\$13.0	3.2%	(\$0.5)	(3.7%)
Section 8 Housing Choice Vouchers	\$5.5	\$5.5	\$5.5	\$5.5	\$11.0	\$11.0	2.7%	\$0.0	0.0%
Weatherization Assistance for Low-Income Persons	\$5.2	\$5.2	\$5.2	\$5.2	\$10.3	\$10.3	2.5%	\$0.0	0.0%
Housing Trust Fund*	\$0.0	\$0.0	\$4.8	\$4.8	\$0.0	\$9.6	2.3%	\$9.6	100.0%
Community Development Block Grants	\$1.1	\$1.1	\$1.1	\$1.1	\$2.2	\$2.2	0.5%	\$0.0	0.0%
Manufactured Housing Division Administration	\$0.3	\$0.3	\$0.3	\$0.3	\$0.6	\$0.6	0.1%	\$0.0	0.0%
Sec 811 Project Rental Assistance Demonstration	\$12.0	\$0.02	\$0.02	\$0.02	\$12.0	\$0.05	0.01%	(\$12.0)	(99.6%)
TOTAL:	\$211.4	\$198.9	\$203.7	\$203.7	\$410.4	\$407.4	100.0%	(\$2.9)	(0.7%)

* Federal Funds estimates for the 2018-19 biennium include an increase of \$9.6 million in new grant funding from the National Housing Trust Fund.

Department of Housing and Community Affairs
Summary of Ten Percent Biennial Base Reduction Options Recommendations - Senate

Priority	Item	Description/Impact	Biennial Reduction Amounts			Potential Revenue Loss	Reduction as % of Program GR/GR-D Total	Included in Introduced Bill?
			GR & GR-D	All Funds	FTEs			
1)	Amy Young Barrier Removal Program Reduction	The agency would decrease funding of the Amy Young Barrier Removal Program (AYBRP), a program that provides one-time grants to individuals with disabilities who need modifications to make their homes more accessible. Based on the average per unit cost of AYBR, the total impact would be a reduction of an estimated 60 households over the biennium.	\$1,275,424	\$1,275,424	0.0	\$0	12%	No
2)	Homeless Housing and Services Program Reduction	The agency would decrease funding for the Homeless Housing and Services Program, a program that provides funding to the eight largest citites in the state to support housing services for homeless individuals and families. Based on the estimated average cost per person served, it is estimated that the program will serve 2,400 fewer individuals over the biennium. As costs vary significantly based on activities undertaken, the impact would likewise vary from city to city.	\$1,275,423	\$1,275,423	0.0	\$0	13%	No
TOTAL, 10% Reduction Options			\$2,550,847	\$2,550,847	0.0	\$0		