

2016 Flood & 2017 Hurricane Harvey Newton County Buyout Program - Guideline Revision #2

Newton County is proposing the following revisions to the 2016 Flood Buyout Program Guidelines and the 2017 Hurricane Harvey Buyout Program Guidelines. These revisions will be submitted to the Texas General Land Office on or about **May 25, 2021** for approval.

These revisions clarify how the Stafford Act applies to applicants interested in having their home purchased and demolished rather than having it rehabilitated or reconstructed.

- The following paragraph regarding applicant eligibility and flood insurance maintenance is in the current guidelines.

Flood Insurance Verification/Requirements

*Flood Disaster Protection Act of 1973 as amended and Sec. 582(a) of the National Flood Insurance Reform Act of 1994 – compliance with the legal requirements of Section 582(a) mandates that HUD flood disaster assistance that is made available in an Special Flood Hazard Areas (SFHAs) may not be used to make a payment (including any loan assistance payment) to a person for **repair, replacement, or restoration** for flood damage to any personal, residential or commercial property if: (1) the person had previously received Federal flood disaster assistance conditioned on obtaining and maintaining flood insurance; and (2) that person failed to obtain and maintain flood insurance as required under applicable Federal law on such property.*

- The following clarification will be inserted after the above paragraph in the revised guidelines.

*Newton County and GLO-CDR has determined that the Stafford Act prohibits federal relief assistance for the **repair, replacement, or restoration** for damage to any personal, residential, or commercial property if the owner failed to maintain proper flood insurance as required. However, Newton County and GLO-CDR has determined that the Stafford Act does not prohibit assistance provided via a Disaster Buyout Program, when that assistance is for the **relocation and resettlement** of the buyout applicant. Prohibiting applicants from participating in a buyout or acquisition program due to flood insurance non-compliance issues (NCOMP) would be contrary to HUD's community revitalization goals and to the State of Texas' Action Plan Local Buyout & Acquisition Program (LBAP) goal "to remove homes from harm's way".*

Newton County and the GLO-CDR will consider NCOMP applicants for eligibility, providing they meet all of the other eligibility requirements. Under this Buyout Program, the NCOMP household will be bought out and receive pre-storm fair market value with the option of incentives. The purchased land will be converted to green space for all perpetuity. To meet the Low to Moderate Income (LMI) National Objective, at least 70% of the funds will benefit LMI persons.

- The following bullet point on page 3 of 2016 Buyout Guidelines and page 9 of the 2017 Buyout Guidelines will be deleted.

- *If Homeowner has been previously assisted due to flooding, homeowner must have maintained flood insurance.*

Any individual, group, or agency may submit written comments on these revisions to Newton County. All comments received by **May 24, 2021** will be considered by Newton County prior to submitting to the GLO. Comments may be submitted to Elizabeth Holloway, Grants Officer at 110 Court Street, Newton, Texas from 8:30 am to 4:30 pm or to Elizabeth.Holloway@co.newton.tx.us.