****

**NEWTON COUNTY**

**2016**

**Newton County Demolition Program**

**Community Development and Revitalization**

***2016 Newton County Demolition Program***

**Introduction**

**The General Land Office (GLO), Newton County, and Long-Term Recovery**

Newton County, Texas was inundated with historic flash and river flooding in 2015 and 2016. As a result, several Presidential Disasters were declared including DR-4266 which was issued on March 19, 2016.

The first event, now called the “Memorial Day Floods,” occurred overnight on May 23rd and early May 24th. May 2015 has been documented by the National Weather Service as the wettest month in Texas History, with well above-normal rainfall during the first two to the three weeks of the month. A persistent area of low pressure over the western United States brought multiple rain events throughout the month of May that saturated soil throughout south-central Texas. By the time Memorial Day weekend arrived, much of the region was at least 2-4 inches (100-300%) above normal. These wet antecedent conditions meant that any new rain, and especially heavy rain, would become rapid run-off directly into rivers, streams, and flash flood prone areas.

The second flood event followed just six months later in October 2015, referred to as the “All Saints Day flood.” A number of factors came together to produce rainfall in excess of ten inches, causing the Sabine River to once again swell beyond its banks.

Finally, less than a year after the Memorial Day floods and less than five months after All Saints Day flood, the Sabine River crested at its highest level in over 130 years due to rainfall in the basin totaling over eighteen inches during a five day period in March, 2016. With the weather system lingering over the area, the previous high water record set in 1884 was surpassed by over a foot. More than 400 homes were flooded and mandatory evacuations were required.

In response to the needs of homeowners, Newton County applied and received federal funding passed down through the Texas General Land Office. The GLO’s Community Development and Revitalization (GLO-CDR) division oversees the administration of Community Development Block Grant Disaster Recovery (CDBG-DR) funds provided by the U.S. Department of Housing and Urban Development (HUD) following a disaster. These funds remain the most flexible recovery source available and can support communities with protection and resiliency.

**Overview**

The 2016 Demolition Program is designed to assist low-to-moderate income homeowners that were forced to relocate to a lower risk area after their homes were destroyed during the 2016 floods. Due to flooding, many homeowners in Newton County, have been left with uninhabitable residences that are currently standing vacant. These vacant homes contribute to slum and blight, endanger public health and safety, and could potentially be used for the commission of drug related crimes. Under the 2016 Demolition Program, these vacant homes will be demolished. However, the homeowners will be able to retain the property (land) for recreational or personal use. Since the property will remain in the name of the original homeowner’s name, no deed restrictions will be required.

**Voluntary Application**

Demolition of damaged and vacated homes under the 2016 Newton County Demolition Program will be completely voluntary. Homeowners that are interested in this program must submit a complete application for review. Homeowners must meet all eligibility requirements as outlined in these guidelines including Income Eligibility, Duplication of Benefits (DOB) Review, and National Flood Insurance (NFIP) review. The home identified for demolition must meet the definition of a slum, blighted, or deteriorated structure. It must be unfit for human habitation. The home must be in violation of Chapter 343 Texas Health and Safety Code.

**Eligible Structures**

• Must have been homeowner’s primary residence in March 2016.

• Damage must have been caused by 2016 floods.

• Must be in violation of Chapter 343.011 Texas Health & Safety Code

*A person may not cause or allow a public nuisance. A public nuisance is:*

*Maintaining a building in a manner that is structurally unsafe or constitutes a hazard to safety, health, or public welfare because of inadequate maintenance, unsanitary conditions, dilapidation, obsolescence, disaster, damage, or abandonment or because it constitutes a fire hazard.*

• Must currently be vacant.

**2016 Demolition Program Requirements**

Demolition shall be defined as the demolition, removal, and disposal of an existing home including the foundation.

There will be a three (3) party contract between Newton County, the homeowner, and the contractor.

The demolition process will include:

• Initial Inspection

• Contractor Selection

• An inspection during demolition

• Final inspection following demolition

**Demolition Assistance Caps**



***General Housing Program Requirements***

**National Objective**

All Housing activities under the 2016 Newton County Demolition Program must meet the following National Objective:

**LMA** - Benefit Low-to-Moderate Income persons. An area benefit activity is one that benefits all residents in a particular area, where at least 51 percent of the residents are LMI persons.

**LMB**

**Needs Assessment**

The Needs Assessment is a separate document and will be posted on the County’s website.

**Environmental**

All sites must undergo a complete environmental review prior to any commitment of funds. The environmental review should document compliance with 24 CFR Part 58 and all related laws and authorities. Properties with adverse environmental conditions will not be permitted to proceed under housing activities unless the adverse conditions are corrected. No work can start on a site until the environmental evaluation is complete.

**Proof of Event Damage**

For demolition activities, the homeowner must demonstrate that the damage or destruction to the home occurred by the event. The homeowner must have occupied the damaged home as their principal residence in March 2016 in accordance with the Federal Register and FEMA notices issued for the DR-4266 Disaster Declarations for the flooding events. All verification methods are subject to Newton County approval and must be consistent to demonstrate occupancy at the time of the storm.

**Method of Verification**

Disaster damage can be documented by the following source documentation:

* •FEMA, SBA or Insurance award letters

**Alternate Method of Verification**

* If the above-referenced documentation is not available and/or if a homeowner was denied assistance by FEMA, assistance through the 2016 Demolition Program may still be available. Homeowners are not solely ineligible based on a denial by FEMA. Time stamped photos provided by homeowners, neighborhood level media reports, or documentation done by disaster relief organizations may be utilized to determine that the damage was caused by the event. As a last resort, a Damage Assessment complete with photos of the damage and a written assessment of the damage by each photo taken must be performed and conducted by a certified or licensed inspector (MPS, TREC, or similar license). This inspection must be completed in accordance with GLO’s Damage Assessment Guidelines and must be supplied by Newton County as the GLO subrecipient that certifies the damage occurred as a result of the event.
* If proof of event damage is inconclusive, Newton County must provide alternative evidence to GLO prior to approval of any assistance.

**Timeliness of Homeowner Application Status**

Newton County will ensure timely communication of application status to homeowners who have applied for disaster recovery assistance. Timeliness includesmultiple methods of communication, such as Newton County and Traylor & Associates websites, phone, email, letters, site visits, and case managers to provide homeowners for recovery assistance with timely information regarding the status of their application for recovery assistance at all phases. Newton County will ensure the accessibility and privacy of individualized information for all homeowners, frequency of homeowner status updates and personnel responsible for informing homeowners of the status of recovery applications. Questions regarding status of an application may be directed to:

**Christel Kiker**

**Administrative Assistant**

**Gary Traylor & Associates**

**P.O Box 7035**

**Tyler, TX 75711**

**903-581-0500 X235**

**Affirmatively Furthering Fair Housing (AFFH) Review**

All projects must undergo an AFFH review by the GLO prior to any commitment of funds. Such review will include assessment of a proposed project’s area demography, socio economic characteristics, housing configuration and need, educational, transportation, health care opportunities, environmental hazards or concerns, and all other factors material to the determination. Applications should show that projects are likely to lessen area racial, ethnic, and low-income concentrations, and/or promote affordable housing in low-poverty, non- minority areas in response to natural hazard related impacts.

**Records Retention**

Compliance will be maintained in accordance with the reporting requirements under the GLO’s CDBG-DR Program. This includes providing all information and reports as required under the GLO’s contract with the Newton County, demographic data and other information acquired from the homeowners, and project documentation from awarded homeowners. This information must be retained at the County for 3 years after GLO closes the 2016 flood grant with HUD.

**Section 3**

Compliance with Section 3 is required by 24 CFR Part 135 and the executed contract between the Newton County and the GLO. Newton County is subject to the GLO’s Section 3 Policy.

**Homeowner Data**

The GLO will establish procedures for Newton County to collect and report data relevant to HUD. The reporting requirements will include, but not be limited, to the following for each program activity requiring a direct application by an individual or non-institutional entity:

* Homeowner’s household income.
* Household’s income as a percentage of area median family income as defined by HUD.
* The race, ethnicity, and gender of the head of household.
* The household’s familial status.
* The presence or non-presence of a household member with a disability.
* The presence or non-presence of a household member that is a Veteran.

**Procurement Requirements**

Newton County will provide adequate documentation to show that the selection process was carried out in an open, fair, uniform, and thorough manner to ensure that federal (2 CFR 200.318-200.326) and state procurement requirements were met.

It’s important to note that failure to maintain proper documentation may result in disallowed costs. These records must include, but are not limited to, the following information:

* Rational for the method of procurement
* Evaluation and selection criteria
* Contractor selection or rejection
* The basis for the cost or price.

During the procurement process, Newton County will clearly identify any items included in the bid/purchase that are not included in the CDBG-DR contract. Newton County may utilize HUD’s CDBG-DR and Procurement guidance[6](#bookmark26).

ewton County will procure goods and services using the federal procurement and contract requirements outlined in 2 CFR 200.318 – 200.326. These procurement requirements must be followed for reimbursement from grant allocations of CDBG-DR funds provided by the U.S. Department of Housing and Urban Development (HUD). Newton County is also required to follow state and local procurement laws and policies as prescribed by 2 CFR 200.318(a) as well as the additional requirements stated in 2 CFR Part 200.

Additionally, Newton County may request that the GLO review draft solicitations or responses prior to award for compliance.

Newton County will execute a contract to document the work to be completed, the agreed price, and contractor or provider’s required compliance with all applicable federal, state, and local requirements that Newton County must follow. If there is a conflict between federal, state, and local laws and regulations regarding procurement, the more stringent law or regulation will apply.

**Conflict of Interest**

The conflict of interest regulations contained in the contract between Newton County and the GLO prohibit local elected officials, Newton County employees, and consultants who exercise functions with respect to CDBG-DR activities or who are in a position to participate in a decision-making process or gain inside information with regard to such activities, from receiving any benefit from the activity either for themselves or for those with whom they have family or business ties, during their tenure or for one year thereafter.

For purposes of this section, “family” is defined to include parents (including mother-in-law and father-in-law), grandparents, siblings (including sister-in-law and brother-in-law), and children of an official covered under the CDBG-DR conflict of interest regulations at 24 CFR Sec. 570.489(h).

The GLO is able to consider granting an exception to the conflict of interest provision should it be determined by the GLO that Newton County has adequately and publicly addressed all of the concerns generated by the conflict of interest and that an exception would serve to further the purposes of Title I of the Housing and Community Development Act of 1974 and the effective and efficient administration of the program. Newton County should not enter into a conflict of interest until justification has been received and approved by the GLO in accordance with applicable procurement laws.

**Complaint/Appeal Process**

**General Policy**

The GLO and Newton County are responsible for responding to complaints and appeals in a timely and professional manner. The County will keep a record of each complaint or appeal that it receives to include all communications and their resolutions.

When a complaint or appeal is received, a representative will respond to the complainant or appellant within three (3) business days where practicable. For expediency, Newton County will utilize telephone communication as the primary method of contact. However, email and postmarked letters will be used as necessary. The following procedures as well as contact information will be provided in the homeowner’s application packet.

**Responsibilities**

Newton County has tasked an independent consultant, Gary Traylor & Associates, Inc. to handle all homeowner inquiries regarding the 2016 Demolition Program. Traylor & Associates will:

1. Determine whether or not complaints and appeals relate to the business or authority of the County.
2. Ensure that a response to all complaints and appeals are within the appropriate time frame.

* Response must be provided within 15 working days of the receipt of the complaint.

1. Usher all complaints and appeals through to a resolution.

Newton County has developed an internal procedure for handling incoming complaints, including a complaint escalation process in order to ensure that complaints are handled at the earliest stage in the process.

For inquiries regarding the 2016 Demolition Program, please contact:

Christel Kiker

Administrative Assistant

Traylor & Associates

P.O. Box 7035

Tyler, TX 75711

903-581-0500 X235

christel@grtraylor.com

**Documentation**

Documentation for each complaint or appeal must be maintained. Each file must include the following:

* + - Contact information for homeowner
    - Initial complaint
    - Address and GLO assigned project number (if applicable)
    - Any communications to and from homeowner
    - Results of the investigation, together with any notes, letters, or other investigative documentation
    - The date the complaint or appeal was closed
    - Any other action taken.

**Audit Requirements**

Since Newton County will receive funds which exceed the thresholds set in 2 CFR § 200.501, Audit Requirements the county will have a single or program specific audit conducted in accordance with the applicable federal requirements.

**Changes, Waivers, and/or Conflicts**

Newton County has the right to change, modify, waive, or revoke all or any part of these guidelines, with the prior written approval of the GLO. Waivers to the requirements in these Guidelines can only be approved by the GLO and must be provided in writing. The GLO will provide the option for a waiver, only after the posting of the waiver request on the County’s website for a public comment period of at least seven (7) days. The waiver request must demonstrate why the housing guidelines are not practicable for Newton County.

n the event that these Guidelines conflict with local, state, or federal law, the more stringent requirement will prevail, provided that the requirement does not violate local, state, or federal law.

***Homeowner Eligibility Requirements***

**Case Management**

Homeowners are likely to need support throughout the process. Homeowners may have suffered significant losses and emotional hardships. Undertaking the process to claim insurance is often burdensome and confusing. The simple mechanics of applying to the program may be difficult for a homeowner to complete. As a GLO subrecipient, we will work to cultivate partnerships with local and community liaisons such as banks, counseling agencies, legal services, title companies, etc.

Newton County Case Managers will work to assist homeowners from inception to close out under the 2016 Newton County Demolition Program A single point of contact will be assigned to each homeowner to ensure that homeowners have the immediate contact information to be successful in their long-term recovery efforts. As applications are being accepted and reviewed for determinations of eligibility to participate in the Program, each homeowner will be counseled and made aware of their application status.

**Application Intake and Counseling**

Included in this program design is the mechanism to prevent any pre-screening of homeowners without a written application being taken therefore anyone who makes an inquiry about the program is provided Newton County application package to complete. All such inquiries will be reported in a format to be provided by GLO. All documentation submitted by the homeowner must include a signed statement, verifying that the information provided is true, complete and accurate. Any false, fictitious, or fraudulent information, or the omission of any material, may subject the homeowner to criminal, civil or administrative penalties. Program documents include the following statement:

‘‘Warning: Any person who knowingly makes a false claim or statement to HUD may be subject to civil or criminal penalties under 18 U.S.C. 287, 1001 and 31 U.S.C. 3729.’’

Case Managers or Interpreters must be able to communicate with the homeowners in their primary language and should be assigned to the clients as appropriate. Additionally, they must ensure effective communications with persons with disabilities pursuant to 24 CFR 8.6 and other fair housing and civil rights requirements (such as the effective communication requirements under the Americans with Disabilities Act). Case Managers will be trained to be well versed in all aspects of the 2016 Demolition Program.

**Assisted Homeowner Priority and Eligibility Requirements**

The following are threshold requirements, which must be met for a homeowner to be eligible for assistance. Eligibility does not assure assistance since a prioritization strategy within LMI economic subgroups is required that is consistent with GLO Program Design requirements and it is expected that there will be more eligible homeowners than can be served with available funds. Newton County is establishing the following priorities for applicant selection:

**Priority 1:** Low-to-moderate income 30 percent and below

**Priority 2:** Low-to-moderate income 50 percent and below

**Priority 3:** Low-to-moderate income 80 percent and below

**Income Eligibility**

ll homeowners must meet income criteria to be eligible for assistance. To meet this eligibility requirement, homeowners must earn no more than 80% of the Area Median Family Income (AMFI). HUD publishes these AMFI levels annually, and eligibility will be based on the most recently published HUD income limits. This program will verify income received by all household members using the Internal Revenue Service (IRS) Form 1040 series method. Documents used in verifying household income must be current as of the date the application is signed.

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| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Newton County  2018 Income Limits | | | | | | | | |
| Family Size | **1** | **2** | **3** | **4** | **5** | **6** | **7** | **8** |
| Priority #1  Very Low (30%) | **$12,140** | **$16,460** | **$20,780** | **$25,100** | **$29,420** | **$32,800** | **$35,050** | **$37,300** |
| Priority #2  Low (50%) | **$19,800** | **$22,600** | **$25,450** | **$28,250** | **$30,550** | **$32,800** | **$35,050** | **$37,300** |
| Priority #3  Moderate (80%) | **$31,650** | **$36,200** | **$40,700** | **$45,200** | **$48,850** | **$52,450** | **$56,050** | **$59,700** |

Income sources include but are not limited to the following:

* Tax Return
* Wages
* Benefits (Social Security, Pension or Retirement, Annuity)
* Self Employed/Business Income
* Rental Income
* Unemployment
* Alimony/Spousal Support/Maintenance
* Other potentially taxable income
* Lump sum or on time potentially taxable receipts (capital gains, lottery winnings etc.)

**Method of Verification**

**IRS Criteria and Definition**

Taxable income is the gross income of an individual or corporation, less any allowable tax deductions. Your taxable income is the amount of your income that is subject to income tax, as defined in the Internal Revenue Code Section 63. Jan 23, 2012.

**Determining Household Composition**

All persons living in the household are part of the household unless they are specifically excluded. When determining family issuance size, include all children expected to reside in the unit in the next year as members of the household. Examples include, but are not limited to, the following:

* Pregnant women: Children expected to be born to pregnant women are included as members of the household.
* Adoption: Children who are in the process of being adopted are included as members of the household.
* Foster Children: Foster children residing in the unit along with families who are certified for foster care and are awaiting placement of children are included as members of the household. If children are anticipated to occupy the unit within a reasonable period of time, they must be considered when determining the issuance size.
* Joint/Shared Custody Arrangements: In most instances, children in joint/shared custody arrangements should occupy the unit at least 50 percent of the time. However, if individual circumstances merit special consideration, a waiver request may be approved as outlined in the section on Issuance Size Exceptions. The custody arrangement may be verified by the divorce decree/legal documents or by self-certification.
* Custody of Children in Process: Children whose custody is in the process of being obtained by an adult household member may be included as members of the household. Evidence that there is a reasonable likelihood that the child will be awarded to the adult (e.g., within 3 months) must be provided for such child to be included.
* Children Temporarily Absent from Household:
* Children temporarily absent from the home due to placement in foster care may be included as members of the household. Evidence that there is a reasonable likelihood that the child will return to the household (e.g., within 3 months) must be provided for such child to be included.
* Children who are away at school but live with the family during school recesses are included as members of the household.
* Chronic Illness — An individual with an ongoing health problem who requires at least part-time assistance on a regular basis;
* Pending Child Custody cases — Includes, but is not limited to, children in foster care who may be returning home, foster children, pending adoptions, etc.; and
* Parental Custody Situations — Children physically occupy the unit less than 50 percent of the time as documented by a divorce decree and/or self-certification.

**Proof of Ownership**

The homeowner must be an individual who owns the home to be demolished by Newton County. Ownership can be documented as follows:

* A valid deed of trust or warranty deed that is recorded in Newton County
* Statement of Ownership and Location (for Mobile Home Units)

There must not be any liens on the property or the home. If there is a lien on the property, permission must be granted by the lienholder to demolish their collateral (which is not likely to happen). Newton County will verify through a title search that there was not a mortgage on the property that would have required homeowner’s insurance at the time of the flood.

**Principle Residency**

The home to be demolished must have been the homeowner’s principal residence during the time of the event. Principal residency for homeowners can be demonstrated through property tax homestead exemptions. If a homestead exemption was not in place at the time of the disaster, an Affidavit of Principal Residency may be utilized as an alternative method of verification of principal residency. The affidavit must be supported by documentation such as asset verification (income tax returns, credit check, etc.) or utility bills specific to the property address and name of the homeowner, which were active as of the date of the event. Vacation homes and rental properties are not eligible for assistance under the Demolition Program.

**Property Taxes**

Homeowner must furnish evidence that property taxes are current, have an approved payment plan, or qualify for an exemption under current laws. Homeowner must prove that property taxes have been paid or that one of the following alternatives have been met:

* + The homeowner qualified for and received a tax deferral as allowed under Section

33.06 of the Texas Property Tax Code;

* + The homeowner entered into a payment plan with the applicable taxing authority.
  + Support documentation verifying the tax deferral or tax exemption must be provided by the homeowner. Any homeowner that enters into a payment plan must supply a signed copy of the payment plan from the applicable taxing entity along with documentation that they are current on their payment plan.

**Duplication of Benefit (DOB) Review**

Each homeowner’s application will be reviewed to determine if previous funding was appropriately used on the home. The homeowner must have an unmet need to move forward in the program. Newton County will determine the homeowner’s unmet needs first prior to calculating the homeowner’s DOB. Homeowner must provide insurance, FEMA, SBA, and any other type of funding documentation for funds that were received. Additionally, the County/Grant Administrator will verify that the submitted data is accurate to the best of their abilities (e.g. validate against FEMA data).

Using the GLO’s DOB Calculation Form, if the prior assistance received exceeds the documented repairs, this calculated amount becomes the DOB amount. The Case Manager will identify any possible Duplication of Benefits and discuss with homeowner. Newton County will verify whether or not the property may have had mortgage that would have required homeowner’s insurance at the time of the flood.

**Child Support**

All homeowners and other members of their household must be current on payments for child support. If any member of the household is not current on child support, that member will be required to enter into a payment plan which will be obtained from the Office of Attorney General (OAG). A copy of the payment plan signed by all applicable parties along with documentation demonstrating they are current on their payment plan must be supplied. Each homeowner will be asked to sign an affidavit regarding child support.

**Damage assessment**

All homes must be assessed to verify that it was damaged from the event. A damage assessment report along with pictures will be required for each application. Please refer to the GLO’s Damage Assessment Guidelines.

**Environmental Review**

An environmental review must be performed on the property prior to federal funds being committed by Newton County (24 CFR Parts 50, 58, 574, 582, 583, and 970). No commitment or disbursement of funds will occur prior to the completion of this review. The environmental review should document compliance with 24 CFR Part 58 and all related laws, authorities and executive orders.

**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.

**Contract**

A pre-demolition meeting will be held between the County, the contractor, and the homeowner. A representative from Gary Traylor & Associates will also be available to answer any questions. The homeowner will agree to remove any remaining personal items from the house by the specified date. The homeowner will also have electric power and/or natural gas meter removed from the home by a specified date if needed. Homeowner must sign a three (3) party contract between Newton County, the homeowner, and the contractor.

**Homeowner Eligibility Requirements Summary**

* Income Eligibility
* Proof of Ownership
* Principle Residency
* Property Taxes
* Duplication of Benefits
* Child Support
* Damage Assessment
* Environmental Review
* Flood Insurance Verification
* Contract

***Glossary***

***Affirmatively Furthering Fair Housing Data and Mapping Tool*** – (AFFH-T) A tool made publicly for use by program participants to access HUD-provided data to conduct the fair housing analysis required as part of the Assessment of Fair Housing.

***Affirmative Fair Housing Marketing Plan*** – A document used to help identify homeowners and offer them equal housing opportunities regardless of race, color, national origin, religion, sex, familial status, or disability[1](#bookmark3).

***Area Median Family Income (AMFI) –*** Calculated limits based on HUD-estimated median family income with adjustments based on family size.

***Case Management-*** Working with individual homeowners and their families to understand the program’s housing options, resulting in clear and transparent determination of eligibility. Case Managers must take into account all special circumstances of the homeowner’s needs to decrease their barriers to participate in the program where possible. Staff should meet at designated locations and supply information in a standard format.

***Damage Assessment***- An inspection of the unit to document damage from the event. The assessment by a certified or licensed inspector (MPS, TREC, or similar license) is required to specifically and clearly document storm related property damage via photographic evidence and detailed narratives (see the GLO’s Damage Assessment Guidelines). Damage assessments may also include final cost of repair estimates.

***Demolition*** – The demolition, removal, and disposal of an existing home including the foundation.

***Disaster Risk Reduction Area***- Area that has been designated by Newton County to be particularly prone to disaster although not located in a floodplain, floodway, or FEMA Designated High Risk Area.

***Duplication of Benefits*** – The Robert T. Stafford Disaster Assistance and Emergency Relief Act (Stafford Act) prohibits any person, business concern, or other entity from receiving financial assistance from CDBG-DR Disaster Recovery funding with respect to any part of a loss resulting from a major disaster as to which he/she has already received financial assistance under any other program or from insurance or any other source.

***Environmental Review-*** Any time federal funds are used for assistance, property must undergo an environmental review process. This process ensures that the activities comply with National Environmental Policy Act (NEPA) and other applicable state and federal laws.

***FEMA-Designated High-Risk Area*** – Areas designated by FEMA as vulnerable to significant wind and/or storm surge damage and areas located in 100-year flood zones. These areas will be identified during the environmental review process for each participating jurisdiction.

***Flood Disaster Protection Act of 1973 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: 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.

***Household*** – A household is defined as all persons occupying the same housing unit, regardless of their relationship to each other. The occupants could consist of a single family, two (2) or more families living together, or any other group of related or unrelated persons who share living arrangements. For housing activities, the test of meeting the low- to moderate- income (LMI) objective is based on the LMI of households.

***Housing and Urban Development Act of 1968*, *Section 3*** – Requires Newton County to ensure that training, employment, and other economic opportunities generated by HUD financial assistance shall be directed to the greatest extent feasible and consistent with existing Federal, State, and Local laws and regulations, to low and very low-income persons. Recipients of Section 3-covered funding ensure compliance and the compliance of their contractors/subcontractors with the Section 3 requirements, as outlined in 24 CFR 135.32. [4](#bookmark6)

***Home-*** A homeowner-occupied housing damaged or destroyed by an event.

***Low- to Moderate- Income (LMI) National Objective*** – Activities which benefit households whose total annual gross income does not exceed 80% of Area Median Income (AMI), adjusted for family size. Income eligibility will be determined and verified in accordance with GLO’s Adjusted Gross Income Methodology. The most current income limits, published annually by HUD, shall be used by Newton County to verify the income eligibility of each household applying for assistance at the time assistance is provided.

* Very low: Household’s annual income is up to 30% of the area median family income, as determined by HUD, adjusted for family size;
* Low: Household’s annual income is between 31% and 50% of the area median family income, as determined by HUD, adjusted for family size;
* Moderate: Household’s annual income is between 51% and 80% of the area median family income, as determined by HUD, adjusted for family size.

***Manufactured Housing Unit (MHU)*** – A structure, transportable in one or more sections which, in the traveling mode is eight body-feet or more in width, or forty body-feet or more in length, or when erected on site, is at least 320 square feet, and which is built on a permanent chassis and is designed to be used as a dwelling with or without a permanent foundation when connected to the required utilities, and includes the plumbing, heating, air-conditioning, and electrical systems contained therein.

***Needs Assessment –*** An assessment that determines the type of housing programs that will be offered equitably and based upon an objective assessment of unmet needs in the affected community’s population.

***Program Design*** – The selection and development of programs and activities based on a Needs Assessment. The Program Design must include the type of housing activities that will be offered by Newton County, as well as how the Program will be marketed, how Fair Housing Objectives will be achieved, and how funding will be prioritized as determined through a Needs Assessment.

***Program Income-*** Net income derived from the sale of program assets that exceeds $35,000 in a single fiscal year, received by Newton County and directly generated from the use of housing CDBG- DR funds.

***Single Family Home –*** A single-unit family residence detached or attached to other housing structures.

***Slum and Blight National Objective*** – Activities which help to eliminate slum and blighted conditions. (Use of this National Objective is limited due to its inability to contribute towards the overall requirement for 70% LMI to benefit low- to moderate- income beneficiaries.)

Slum and Blight activities must meet the criteria of one of the three following categories:

* Prevent or eliminate slum and blight on an area basis;
* Prevent or eliminate slum and blight on a spot basis; or
* Be in an urban renewal area.

***Subrecipient*** – Cities, Counties, Indian Tribes, local governmental agencies (including COGs), private non-profits (including faith-based organizations), or a for-profit entity authorized under 24 CFR 570.201(o). The definition of Subrecipient does not include procured contractors providing supplies, equipment, construction, or services and may be further restricted by Program Rules or other guidance including applications.

***Subrogation Agreement–*** Means an agreement executed by the beneficiary agreeing to repay any duplicative assistance if they later receive other disaster assistance for the same purpose.

***Substantial Damage –*** Means damage of any origin sustained by a structure whereby the cost of restoring the structure to its before damaged condition would equal or exceed 50 percent of the market value of the structure before the damaged occurred (44 CFR 59.1).

***Uniform Relocation Assistance and Real Property Acquisitions Policies Act of 1970, as amended (Title 49 CFR Part 24) (Uniform Act referred to URA)–*** Applies to all acquisitions of real property or displacements of persons resulting from Federal or federally-assisted program or projects. URA’s objective is to provide uniform, fair, and equitable treatment of persons whose real property is acquired or who are displaced in connection with federally funded projects. For the purposes of these guidelines, URA mostly applies to residential displacements in involuntary (49 CFR Subpart B) acquisition.

***Unsecured Forgivable Promissory Note*** – Is an agreement between the assisted beneficiary and Newton County/GLO that requires applicants to comply for several terms during a set affordability period. At the end of the affordability period the terms are forgiven after they are met by the homeowner.

***Urgent Need National Objective*** – An urgent need that exists because existing conditions pose serious and immediate threat to health/welfare of community, the existing conditions are recent or recently became urgent and the county cannot finance the activities on its own because other funding sources are not available. Newton County must document how each program and/or activity funded under this category responds to a disaster related impact.