

State OKs controversial Ike funding plan

By T.J. Aulds | Posted: Thursday, October 1, 2009 12:00 am

The governing board of the state agency responsible for handing out \$1.613 billion in federal disaster recovery money approved a distribution plan Wednesday that Galveston County leaders complain short changes areas hardest hit by Hurricane Ike.

The plan remains mostly unchanged from one proposed by the Texas Department of Rural Affairs two weeks ago that awards \$843 million to the Houston-Galveston region for hurricane recovery. That's about 52 percent of the federal disaster money aimed at providing critical infrastructure and housing assistance for disaster counties struck by hurricanes Dolly and Ike last year.

The rest of the \$1.613 billion is distributed among three regional councils of government and a state pool for inland counties that also were damaged by the hurricanes. In all 59 Texas counties are eligible for funding.

Galveston County is part of the Houston-Galveston Area Council which is a collection of government representatives from 13 counties.

The other councils of government receiving funding are the South East Texas Regional Planning Commission which represents Hardin Jefferson and Orange counties; the Lower Rio Grande Valley Development Council which represents Cameron Hidalgo and Willacy counties; and the Deep East Texas Council of Governments which represents 12 counties in East Texas including Angelina Jasper and Nacogdoches counties.

The \$79 million set aside as "pool" money will be divided among seven other councils of government where storm damage was minimal.

Those entities will compete for that money the state agency said.

The funding formula used to determine how much each area received was what most irked county officials and social service agencies working on post-hurricane housing issues.

"It is certainly no surprise the board of Texas Department of Rural Affairs has unanimously approved their plan to distribute \$1.7 billion in hurricane recovery funds based on the weather but it is still a big mistake" Joe Compian of Gulf Coast Interfaith said.

His organization is a faith-based group that has been coordinating the social service net to meet the post-Ike housing needs in the county. It also has been the most vocal critic of the state's funding formula.

The state's proposal which was sent to the U.S. Department Housing and Urban Development for approval just hours after the governing board's vote uses a funding model based on estimated damage from rain wind and storm surge to determine how much money each area should get. Each of the categories is given about even weight.

During the first round of disaster funding the agency used a funding model based on damage estimates provided by the Federal Emergency Management Agency to distribute the federal dollars.

Galveston County officials are adamant that the funding model sends millions of dollars to regions of the state that received less storm damage.

"This weather-based model indicates that Galveston County suffered only 6.74 percent of damage statewide from hurricanes Ike and Dolly" Barbara Crews co-chairwoman of Galveston County Restore and Rebuild said. "That ought to make HUD look long and hard about whether the plan is fundamentally flawed."

Wallace Klussmann chairman of the Texas Department of Rural Affairs Governing Board acknowledged that some in the Gulf Coast would feel slighted by the distribution of the money.

"There is no doubt there are needs greater than what all of that money is going to respond to" Klussmann said. "It is a sad fact that if we go up in one place another has to go down. The reality of that is that you be as fair as you can to respond across the board.

"I think we have done that."

Board member Woodrow Anderson countered Galveston County critics who lambasted the so-called "weather model" funding formula by calling it the "objective model."

None of the 11 members on the Texas Department of Rural Affairs governing board is from coastal counties.

While the weather model was what the state used in its application to HUD one significant change in that application says that the councils of governments need not follow the same method of distribution.

Charlie Stone executive director of the Texas Department of Rural Affairs said that specific language was added to the state guidelines so groups like Houston-Galveston Area Council can devise their own distribution plans as long as stipulations are met for how much is spent for housing for low- and moderate-income families.

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How Much Money?

The Texas Department of Rural Affairs approved a plan Wednesday for the distribution of \$1.6 billion in federal grant money for disaster recovery and housing.

Region Total—For Housing—For Affordable Rental—For Non-housing

Houston-Galveston Area Council:—\$843837834—\$323942484—\$104408172—\$415487187

Southeast Texas Regional Planning Commission:—\$297298360—\$133305751—\$30686858—
\$133305751

Lower Rio Grande Valley Development Council:—\$184920160—\$104925787—\$15108600—
\$64885773

Deep East Texas Council of Governments:—\$208851503—\$124714561—\$17560241—
\$66576701

Pool for other inland regional councils:—\$79080783—\$47264736—\$6536255—\$25279792

Source: Texas Department of Rural Affairs