Subrecipient Decision Tree Buyout / Acquisition **Buyout or Acquisition** Hurricane Harvey Round 1 Funding Only This tool is designed to assist Subrecipients of CDBG-DR funding to determine if their project is a Buyout project or an Acquisition project. Buyout is the only Is the target option area in a floodway? ¹DRRA areas must meet the <u>three</u> Federal Register Is the criteria identified below. Selected criteria must be area in a floodplain Are recorded by the Subrecipient. or ¹DRRA? the areas Does the surrounding the jurisdiction targeted area primarily have enough funds to LMI? And will your end use mitigate? incorporate a public NO (For example, flood-proof improvement that benefits LMI all new & existing areas? structures) YES **Buyout** is ublic improvements must b consistent with Would the only the Stafford Act acquisitions in the option area address any YES You may be NO disaster-related able to use impact? NO LMA funds Is the community interested in using CDBG-DR funds to move people out of harm's way, or to Not YES CDBG-DR acquire the property for redevelopment? eligible Is the buyout limited to LMI Is the households? ntended end use for Acquire for Use funds on Move people the acquired property You may be redeve lopment public out of harm's CDBG-DR able to use improvement to (Must only use way eligible? **LMI limited** NO YFS mitigate, Post FMV) clientele NO so residents are not (LMC) funds required to move Acquisition for Not redeve lopment is CDBG-DR possible (must use This tool is designed to assist Subrecipients of Hurricane Is the eligible Harvey Round 1 CDBG-DR funding to determine if their other grant funds). buyout LMI project is a Buyout project or an Acquisition project. Post-disaster FMV must or Non-LMI? NON-LMI be paid & may provide IMI The information provided here does not include all applicable incentives to rules and regulations relevant to the funding. For instance, Program Income may result from some eligible CDBG-DR homeowners. activities and will have to be tracked and monitored appropriately. For further information, contact your Grant Examples below of possible You may be able to Manager, or refer to the Applicant Guidebook, and the You may be able to redevelopment options are Hurricane Harvey Action Plan and Amendments and the use LMHI. included for vario us scenarios, but use Urgent Need associated Federal Register at www.Recovery.Texas.gov. this list is not exhaustive LMI Housing may be **funds** used if paired with down in cases where the payment assistance on a homeowner is non-LMI, new home or LMB if not. lived in a floodplain & LMHI may be used in did not maintain flood either scenario. Need Housing Economic for new public Other? shortage? downtum? facility? **LMH** LMJ **LMA** Other HUD GLOSSARY New affordable New business New Eligible waste water

¹Federal Register DRRA Criteria (1) The hazard must have been caused or exacerbated by the Presidentially declared disaster for which the grantee received its CDBG-DR allocation:

Refer to HUD's "CDBG Guide to National Objectives & Eligible Activities for Entitlement Communities"

treatment plant

businesses

Activities

- $(2) \textit{ The hazard must be a predictable environmental threat to the safety \& well-being of program beneficiaries, as a predictable environmental threat to the safety \& well-being of program beneficiaries, as a predictable environmental threat to the safety \& well-being of program beneficiaries, as a predictable environmental threat to the safety \& well-being of program beneficiaries, as a predictable environmental threat to the safety & well-being of program beneficiaries, as a predictable environmental threat to the safety & well-being of program beneficiaries, as a predictable environmental threat to the safety & well-being of program beneficiaries, as a predictable environmental threat to the safety & well-being of program beneficiaries, as a predictable environmental threat to the safety & well-being of program beneficiaries, as a predictable environmental threat to the safety & well-being of program beneficiaries, as a predictable environmental threat to the safety & well-being of program beneficiaries, as a predictable environmental threat to the safety & well-being of the safety & well-being & well-be$ evidenced by the best available data (e.g. FEMA Repetitive Loss Data) & science; and
- (3) The DRRA must be clearly delineated so that HUD & the public may easily determine which properties are located

CDBG = Community Development Block Grant

CDBG-DR = CDBG Disaster Recovery

DRRA = Disaster Risk Reduction Area

FMV = Fair Market Value

LMA = Low to Moderate Area

LMB = Low to Moderate Buyout

LMC = Low to Moderate Income Limited Clientele

LMH = Low to Moderate Housing Benefit

LMHI = Low to Moderate Housing Incentives

LMJ = Low to Moderate Job Creation & Retention

LMI = Low to Moderate Income