

Chapter 18 – Community Development

Revised 4/01/25

ARTICLE I. - IN GENERAL.....	2
ARTICLE II. - HOUSING	2
DIVISION 1. - GENERALLY	2
DIVISION 2. - HOUSING REHABILITATION	2
DIVISION 3. - REPLACEMENT HOUSING PROGRAM POLICIES	7
ARTICLE III. - COMMUNITY DEVELOPMENT BLOCK GRANTS	12
DIVISION 1. - GENERALLY	12
DIVISION 2. - CDBG/HOME ALLOCATIONS	17
DIVISION 3. - PROJECTS AND ACTIVITIES	17
DIVISION 4. - CITIZEN PARTICIPATION.....	20

ARTICLE I. - IN GENERAL

Secs. 18-1—18-20. - Reserved.

ARTICLE II. - HOUSING

DIVISION 1. - GENERALLY

Secs. 18-21—18-30. - Reserved.

DIVISION 2. - HOUSING REHABILITATION¹

Sec. 18-31. - Terms and conditions.

- (a) Rehabilitation assistance will be provided in the form of a ten-year, forgivable loan which will be secured by a lien; each month that the applicant continues to own and principally reside in the home, an amount equal to 1/120 th of the original loan amount will be retired. In the event that the applicant ceases to principally reside in or own the structure for reasons other than death, then the outstanding amount becomes due.
- (b) The county judge shall act as the "trustee" for the county in regard to the housing rehabilitation contract between the county and the homeowner. The county judge shall have authorization to sign lien releases subject to the following criteria:
 - (1) The applicant or heir to the property has resided and used the rehabilitated structure as their principle place of residence for the period of ten years from the date of the housing rehabilitation contract, or
 - (2) The homeowner has sold or rented the property and has paid the pro-rated amount of the housing rehabilitation contract, including change notices.
- (c) Up to \$40,000.00 in rehabilitation assistance may be provided for rehabilitation of a structure.

(Ord. No. 2000-1663, §§ 1—3, 8-22-2000)

Sec. 18-32. - Applicant/structure eligibility.

- (a) Assistance/eligibility will be provided/determined on a first-come, first-served basis except when a life-threatening situation is present.
- (b) The applicant must provide sufficient verification that he meets program's eligibility requirements.
- (c) The applicant cannot possess an income which exceeds HUD's definition of low/moderate income.
- (d) The applicant cannot owe any back taxes on the property unless these taxes are being regularly paid in accordance with a formal payment plan with the appropriate taxing entity.
- (e) The applicant must possess adequate fire insurance on structure by the time the contracted rehabilitation work begins.

¹ **Editor's note**— Court Order No. 2000-1663, adopted Aug. 22, 2000, rescinded and replaced Court Order No. 95-1487 from which former art. II, §§ 18-31—18-37, derived. For additional information, see the Code Comparative Table.

- (f) The structure must be owner-occupied, the principal residence of the applicant, and located in an eligible service area.
- (g) Rehabilitation assistance will only be provided to provide safe, decent, and sanitary housing and to correct problems which do not allow the structure to meet either local codes or HUD Housing Quality Standards, whichever are more stringent. Assistance will not be provided to acquire or install appliances not allowed by HUD or required by minimum codes or such luxury items as patios, fences, swimming pools, etc.
- (h) The cost of the repairs needed to bring a structure into code compliance cannot exceed 75 percent of the estimated replacement value of the structure after rehabilitation.
- (i) The structure/location must conform with all applicable federal historic preservation, flood insurance, environmental requirements, laws and regulations.
- (j) Homeowners that have previously received assistance from the county's housing rehabilitation program may re-apply for one additional round of assistance when the lien associated with the first round has been satisfactorily retired and when the items needing assistance were either not addressed in the first round or were addressed, but need further assistance for reasons other than inappropriate use or care.

(Ord. No. 2000-1663, §§ 4—13, 8-22-2000)

Sec. 18-33. - Contractor eligibility/certification.

- (a) A contractor must first complete an application for contractor certification, submit the required documentation, and be certified by housing rehabilitation staff prior to bidding on any proposed project. Besides contractors who have never participated in the county's rehab program, this shall also include vendors previously suspended from bidding for 13 months by removal from the housing rehabilitation program's certified contractor list and the county purchasing department's list of vendors. Contractors or their employees who have been suspended by the U.S. Department of Housing and Urban Development and whose name appears in the Lists of Parties Excluded from Federal Procurement or Non-procurement Programs are also not eligible for participation in the county's housing rehabilitation program.
- (b) To be eligible for certification, the contractor must have been in business as a general contractor or served as a construction foreman/supervisor in the Dallas/Ft. Worth area for at least one year and be certified/licensed by the relevant state agency to abate lead-based paint hazards in accordance with federal regulations. The contractor must have a good work history, possess the financial capability to perform complete housing rehab projects in an acceptable and timely manner, and have a good credit record with major suppliers and subcontractors.

-
- (c) The following 100-point evaluation methodology will be used to certify general contractors:

DALLAS COUNTY CONTRACTOR CERTIFICATION METHODOLOGY

I.	Work History		
	A.	Qualifications:	Maximum score 30 points
		1.	Job Performance

	2.	Practitioner's License(s)	
	A.	Master Electrician	
	B.	Master Plumber	
	C.	Texas Air Conditioning License	
	3.	Existence of any Adverse Action (Lawsuits, Judgments, or Liens)	
B.		Experience with Similar Jobs:	Maximum score 25 points
C.		History of Operating Within Budget:	Maximum score 10 points
D.		History of Meeting Deadlines:	Maximum score 10 points
E.		Working Relationship with Subcontractors/Municipalities:	Maximum score 10 points
II.		North Central Texas Regional Certification Agency (NCTRCA) Certification:	
A.		Contractor NCTRCA Certification:	Maximum 6 points
B.		Subcontractor NCTRCA Certification:	Maximum 6 points
C.		Minority/Women Employees:	Maximum 3 points

-
- (d) Each member of the county's housing rehabilitation staff will evaluate the application, its contents, and the third-party information. Each staff member will provide an independent rating based on the information gathered and the criteria described above. The sum total of all categories will be calculated to provide an overall score. The average score among staff members will determine the eligibility of the contractor seeking certification. To be certified for participation in the county's housing rehabilitation program, the applicant must achieve an average score of at least 60 points.

- (e) Should a contractor feel that a mistake has been made in denying certification, that person may submit a written appeal to the county's director of planning and development within ten days of the notice of denial. The contractor should cite the specific reasons why he/she believes that the application was inaccurately evaluated. However, in doing so, the applicant cannot use the appeals process as a means for providing additional information. Therefore, the merits of the application shall be evaluated based on the application's contents at the time of its submission. Thus, a denial of assistance that is the direct result of an application which contained information that was either inadequate or unclear to the reviewer cannot be appealed.
- (f) If a certification appeal request has been received, housing staff shall have ten days to review the request and take whatever corrective action it believes to be appropriate. If, however, staff believes that no corrective action is necessary or if the action that is taken still does not lead to the certification of the contractor, then the original appeal request, along with a written response from housing staff, will be submitted to an appeals panel which will consist of the county's M/WBE coordinator and a representative from both the facilities and public works departments. The panel shall address this issue within ten days; the decision that it then reaches shall be final.
- (g) If a contractor does not initially qualify as certified, it can resubmit at any time when it has new or additional information to present. This shall include, but is not limited to, customer references, list of subcontractors/municipalities, practitioners licenses, proper insurance coverage, the disposition of lawsuits, judgements, or liens, or certification from NCTRCA.

(Ord. No. 2000-1663, §§ 14—20, 8-22-2000)

Sec. 18-34. - Bidding process.

- (a) Until January 1, 2001, contracts will only be awarded on the basis of the lowest complaint sealed bid. However, on an experimental basis from January 1, 2001 through September 30, 2001, a homeowner will have the option of either utilizing the sealed bid process to determine who the contractor for his home will be or selecting any county-certified contractor that will submit a bid to the county that is no more than 15 percent greater than the county's in-house estimate. Regardless of the method used to select a contractor, neither the prices for specific items or the total amount of a contract shall be negotiated.
- (b) Contractors may have no more than three active county rehabilitation contracts at one time. In the event that the initial lowest compliant bidder or the contractor that a homeowner wishes to select already has three active county rehabilitation contracts, the county will hold the pending award for a period no longer than ten working days from the date of the bid opening/the date the county determines that the bid submitted by the homeowner-selected contractor is complaint. If, at the end of the ten-day period, the initial lowest complaint bidder still has three active county rehabilitation contracts, the next lowest complaint bidder (if there is one) will be recommended for the contract award. Similarly, if the contractor that a homeowner desires still has three active contracts at the end of the ten-day period, the homeowner will be asked to consider selecting another contractor or will have to wait until the contractor has less than three active contracts.
- (c) For a bid to be complaint, it must be submitted by an eligible contractor, it cannot exceed the county's cost reasonableness standard (i.e., it cannot exceed the county's in-house estimate by more than 15 percent), and it cannot exceed the program's maximum award amount.
- (d) The program's bid specifications shall denote, as fully as possible, all work items which are nonessential and in what order they may be deleted if no bid initially complies with the program's maximum award limit and cost reasonableness standard.
- (e) In the event no bid complies with the program's maximum award limit and the cost reasonableness standard, then nonessential items will be deleted from the bids of all eligible bidders until either a complaint bid is produced or it is determined that deleting such items will still not produce a complaint bid.

- (f) In the event that it is not possible to produce a compliant bid by deleting nonessential items, then the bid will be canceled and the county will see if the bid's work write-up can be revised so as to produce a compliant bid. If it is possible to revise the work write-up, then the county will re-bid the project.
- (g) Bids may also be canceled if the homeowner decides he no longer wishes to participate in the program, if sufficient funds are no longer available, if the homeowner is no longer eligible for the program, if a major error in the work write-up has been made, if the specifications and/or work write-up are not readily clear, or if a previously unforeseen problem with the property that was not included in the work write-up is discovered.
- (h) Staff's internal cost estimates for material, labor, overhead, and profit shall be reviewed as often as market conditions dictate, but, in any event, they shall be reviewed at least once a year.

(Ord. No. 2000-1663, §§ 21—28, 8-22-2000)

Sec. 18-35. - Contracts.

- (a) All housing rehabilitation contracts will provide the contractor with 90 days to satisfactorily complete the project.
- (b) All general contractors who have been awarded housing rehabilitation contracts shall have an opportunity to request a single partial payment on every job for those stand-alone items (e.g., replacing a roof, installing new wiring, etc.) that have been completed within the first 21 days of the contract.
- (c) Ten percent of the final contract amount will be held as retainage for 30 days after the county has approved the completion of a project. The county will then initiate the release of this retainage 30 days after the project's completion if no unresolved warranty issues exist.

(Ord. No. 2000-1663, §§ 29—31, 8-22-2000)

Sec. 18-36. - Change orders.

- (a) Change orders may be used to add work necessary to correct incipient items that have been found to be defective after work is in progress, but were not detectable at the time the contract was bid. These requests must be made in writing on a form prescribed by the county and must have the written approval of the contractor, the homeowner, the housing rehabilitation specialist, and the director of planning and development before the work associated with the change order is performed.
- (b) Change order requests will be limited to only those items that must be corrected to meet city code requirements or HUD's Housing Quality Standards or that are eligible under federal regulations.
- (c) The total change order on any job may not exceed 15 percent of any contract amount. The total contract, including the change order, cannot exceed the maximum grant amount established by the program guidelines.
- (d) If it is necessary to request a change order to make required repairs and the contract would exceed program limits, an item of lesser priority will be deleted. Deletion of items shall be at the previously bid amounts, unless said items have no specific costs, in which case, they shall be deleted by negotiation at prevailing rates. The program limit cannot be exceeded.

(Ord. No. 2000-1663, §§ 32—35, 8-22-2000)

Sec. 18-37. - Warranty work.

- (a) Contractors will be required to guarantee the quality of their work for at least one year. Should the homeowner detect any problems with the repairs during this one-year period, then it will be the

homeowner's responsibility to contact the contractor to enforce the guarantee and to inform the county of contractor performance.

- (b) In the event that the contractor has gone out of business prior to the expiration of the one-year warranty or fails to comply with the terms of the housing rehabilitation contract, the county may, at its discretion, provide additional rehabilitation assistance to correct deficiencies if the defect violates the local code or HUD's Housing Quality Standards and is the direct result of poor workmanship on the contractor's part or if it threatens the homeowner's health or safety.

(Ord. No. 2000-1663, §§ 36, 37, 8-22-2000)

Sec. 18-38. - Miscellaneous provisions.

- (a) County staff will inspect the work and quality of materials in all grievances during construction and through close-out between the contractor and homeowner and will seek to settle any disputes. In so doing, the staff shall endeavor to be fair and reasonable, to ensure that the terms and intent of the contract are equitably fulfilled, and seek to minimize unreasonable, improper, or unjustifiable demands that the contractor and/or homeowner may make.
- (b) In the event that any dispute between the parties of the contract is not resolved, the parties may agree to appear before a qualified mediator or mediation agency, such as Dispute Mediation Service of Dallas, for mediation. Should this effort be unsuccessful, the contractor and/or homeowner may appeal to the commissioners court as the final arbiter.
- (c) Every effort will be made to voluntarily gain the homeowner's approval of the rehabilitation work when completed. In the event, though, that the homeowner does not wish to provide his written approval, the county may still pay the contractor, if in the county's opinion, the work has been satisfactorily completed. However, under no circumstance will a contractor be paid if the county has determined that the work has not been satisfactorily completed.

(Ord. No. 2000-1663, §§ 38—40, 8-22-2000)

Secs. 18-39—18-50. - Reserved.

DIVISION 3. - REPLACEMENT HOUSING PROGRAM POLICIES²³

Sec. 18-51. - Introduction.

The following policies will govern the operation of Dallas County's Housing Replacement Program (the "program").

(Ord. No. 2025-382, 4-1-2025, Ord. No. 2002-255, 2-5-2002)

Sec. 18-52. - Applicant/structure eligibility.

(a) Eligibility. The applicant must provide sufficient verification that they meet the program's eligibility requirements. The program's eligibility requirements are as follows:

1. The applicant cannot possess an income which exceeds HUD's definition of low/moderate income.

² **Federal Law reference**— Cranston-Gonzalez National Affordable Housing Act of 1990 (as amended) and Home Investment Partnership Program, 24 CFR Part 92.

³ **State Law reference**— County Development and Growth, Texas Local Government Code § 381.003 et seq.

2. The applicant must possess clear title to the property for which assistance is requested. Also, the applicant cannot owe any back taxes on the property unless these taxes are being regularly paid in accordance with a formal payment plan with the appropriate taxing entity.

3. The applicant must possess adequate fire insurance on the structure by the time the contracted work begins.

4. The structure to be demolished must be owner-occupied and the principal residence of the applicant for the last five years.

5. Replacement housing assistance will only be provided when the County has determined that it is not economically feasible to rehabilitate the applicant's existing home. Assistance will not be provided to acquire or install appliances not allowed by HUD or for such luxury items as patios, fences, swimming pools, etc., as determined by HUD.

6. The structure/location must conform with all applicable federal historic preservation, flood insurance, environmental requirements, laws, and regulations.

(b) Waitlist. Program eligibility will be provided/determined on a "first-in, first-out basis." Following eligibility determination, applicants will be placed on the program's waitlist.

(c) Waitlist exceptions. Dallas County recognizes that there may be exceptions, which qualify an applicant for higher priority or cause an applicant to be "skipped" on the program's waitlist. Specifically, the existence of a life-threatening situation will prioritize an applicant. Additionally, waitlist applicants may be grouped by geographic proximity to help improve program costs and construction efficiency. The following restrictions apply to waitlist changes:

1. An applicant may not be skipped more than two times.

2. An applicant may not be skipped if a life-threatening condition is present, as determined by the County.

(Ord. No. 2025-382, 4-1-2025, Ord. No. 2002-255, 2-5-2002)

Sec. 18-53. - Reconstruction assistance.

(a) Reconstruction assistance through the program can occur on either:

1. On the applicant's property.

In this case the applicant will make all necessary arrangements to move and store their belongings as well as secure temporary lodging prior to demolition and during the construction process. In conjunction with the appropriate municipal partner, the Department of Planning and Development will determine when the replacement home has been satisfactorily built and is ready for occupancy.

2. On a lot from the inventory held by the Department of Planning and Development identified by the Department as suitable.

Suitability will be determined by the Department of Planning and Development and include factors such as: proximity to an applicant's original home, lot value, lot size, and configuration. If this option is selected by the applicant, the replacement home will be built on the selected lot owned by the Department of Planning and Development. The applicant will take possession of the lot and replacement home after

deeding to the Department of Planning and Development their original lot and home. The program will then demolish the applicant's original home after they have moved into the newly constructed replacement home.

(b) Up to \$170.00 per square foot of finished construction may be provided by the County to demolish, remove and replace dilapidated single-family structures with new housing, consistent with a basic county-approved floor plan/design in 2024 dollars and adjusted annually using the Bureau of Labor Consumer Price Index statistics for the Dallas-Fort Worth-Arlington area.

(c) The basic County-approved floor plan/design for this program will include:

1. No more than 1,300 square feet.
2. A minimum of three bedrooms and 1½ bath.
3. A minimum of 80 percent exterior masonry coverage.
4. An HVAC unit.
5. An oven / range unit.
6. A refrigerator.
7. A one-year warranty.

(d) The County will select among the plans that the County has available through the program for those that have the best neighborhood fit, considering elements such as housing size, garage orientation, and other factors. The applicant will be allowed to select the floor plan for their home from those deemed by the County as a fit for the neighborhood.

(e) The basic floor plan/design may be reduced if it is amenable to the applicant and the local city.

(f) In the event that more than the maximum specified by HUD regulation will be needed in order to construct a home consistent with the local city's building/zoning requirements, then the County will only be able to proceed with this home if the city provides the additional amount of funding needed (funds that a city receives from the County's HOME/CDBG program may be used to provide any additional amount needed).

(g) The County will be responsible under this program for hiring the contractor, overseeing the reconstruction contract, for inspecting the work, determining when the work has been satisfactorily completed and paying the contractor.

(h) Replacement housing assistance will be provided as a forgivable loan and will be secured by a 15-year lien. Each month that the applicant continues to own and principally reside in the home, an amount equal to 1/180th of the amount of reconstruction assistance provided will be retired. In the event that the applicant ceases to principally reside in or own the structure, then the outstanding amount becomes due.

(i) Applicants will be financially responsible for making all temporary housing accommodation arrangements associated with the replacement of their original home.

(Ord. No. 2025-382, 4-1-2025, Ord. No. 2002-255, 2-5-2002)

Sec. 18-54. - General contractor eligibility.

(a) To be eligible for a contract under this program, a contractor must have been in business as a general residential contractor or served as a residential construction foreman/supervisor in Dallas County and/or a surrounding County for at least a one-year period. In addition, eligible contractor(s) must have a good work history, possess the financial capability to complete housing projects in an acceptable and timely manner, have completed a home in Dallas County and/or a surrounding county, and have a good credit record with major suppliers and subcontractors.

(b) Contractors or their employees who have been suspended by the U.S. Department of Housing and Urban Development and whose name appears in the lists of parties excluded from federal procurement or non-procurement programs, or who have been removed from the County's bid list and are not yet eligible for reinstatement, are not eligible for participation in this program.

(Ord. No. 2025-382, 4-1-2025, Ord. No. 2002-255, 2-5-2002)

Sec. 18-55. - Bidding process.

(a) Contractors may have no more than three active program contracts at one time. In the event that the initial lowest compliant bidder already has three active county reconstruction contracts, the County will hold the pending award for a period no longer than ten working days from the date of the bid opening. If, at the end of the ten-day period, the initial lowest compliant bidder still has three active county reconstruction contracts, the next lowest compliant bidder (if there is one) will be recommended for the contract award. If there is no other compliant bidder, the bid may either be canceled and rebid at a later date, or the commissioners court may authorize awarding the contract to the bidder that already has three active contracts, contingent on the bidder satisfactorily completing one of the three active contracts.

(b) Bids may be canceled if the applicant decides they no longer wish to participate in the program, if sufficient funds are no longer available, or if the applicant is no longer eligible for the program.

(c) Staff's internal cost estimates for material, labor, overhead, and profit will be reviewed as often as market conditions dictate, but, in any event, they will be reviewed at least once a year.

(Ord. No. 2025-382, 4-1-2025, Ord. No. 2002-255, 2-5-2002)

Sec. 18-56. - Contracts.

(a) All replacement housing contracts will provide the contractor with 90 days to satisfactorily complete the project.

(b) All general contractors who have been awarded replacement housing contracts will have an opportunity to request partial payments based on completed work within the first 30 days of the contract and on the approval of county staff. Draws will be allowed for completed work provided in an approved progress schedule.

(c) Ten percent of the final contract amount will be held as retainage for 30 days after the County has approved the completion of a project. The County will then initiate the release of this retainage 30 days after the project's completion if no unresolved warranty issues exist.

(Ord. No. 2025-382, 4-1-2025, Ord. No. 2002-255, 2-5-2002)

Sec. 18-57. - Change orders.

(a) Change orders may be used to add work necessary to address issues that were not present at the time the contract was bid and that have arisen after work is in progress. The County's Director of Planning and Development shall have the authority to approve change orders when they collectively do not increase the cost of the contract by more than 15 percent. These requests must be made in writing on a form prescribed by the County and must have the written approval of the contractor, the applicant, the housing rehabilitation inspector, and the Director of Planning and Development before the work associated with the change order is performed. Change orders that result in increasing the cost of any contract by more than 15 percent must first be approved by the Commissioners Court.

(b) Change order requests will be limited to only those items that must be corrected to meet city code requirements, HUD's housing quality standards, or that are eligible under federal regulations.

(Ord. No. 2025-382, 4-1-2025, Ord. No. 2002-255, 2-5-2002)

Sec. 18-58. - Warranty work.

(a) Contractors will be required to guarantee the quality of their work for at least one year. Should the applicant detect any problems with the repairs during this one-year period, then it will be the applicant's responsibility to contact the contractor to enforce the guarantee and to inform the County of the contractor's performance.

(b) In the event that the contractor has gone out of business prior to the expiration of the one-year warranty or fails to comply with the terms of the replacement housing contract, the County may, at its discretion, provide additional assistance to correct deficiencies if the defect violates the local code or HUD's housing quality standards and is the direct result of poor workmanship on the contractor's part or if it threatens the applicant's health or safety.

(Ord. No. 2025-382, 4-1-2025, Ord. No. 2002-255, 2-5-2002)

Sec. 18-59. - Miscellaneous provisions.

(a) The County Judge will act as the "trustee" for the County in regard to the replacement housing contract between the County and the applicant. The County Judge will have authorization to sign lien releases subject to the following criteria:

1. The applicant or heir to the property has resided and used the reconstructed structure as their principal place of residence for the period of 15 years from the date of the housing reconstruction contract, or
2. The applicant/homeowner has sold or rented the property and has paid the prorated amount of the replacement housing contract, including change notices.

(b) County staff will inspect the work and quality of materials in all grievances during construction and through closeouts between the contractor and the applicant and will seek to settle any disputes. In so doing, staff will endeavor to be fair and reasonable, to ensure that the terms and intent of the contract are equitably fulfilled, and seek to minimize unreasonable, improper, or unjustifiable demands that the contractor and/or applicant may make.

(c) In the event that any dispute between the parties of the contract is not resolved, the parties may agree to appear before a qualified mediator or mediation agency, such as Dispute Mediation Service of Dallas, for mediation. Should this effort be unsuccessful, the contractor and/or applicant may appeal to the Commissioners Court as the final arbiter.

(d) Every effort will be made to voluntarily gain the applicant's approval of the reconstruction work when completed. In the event, though, that the applicant does not wish to provide their written approval, the County may still pay the contractor, if, in the County's opinion, the work has been satisfactorily completed. However, under no circumstances will a contractor be paid if the County has determined that the work has not been satisfactorily completed.

(Ord. No. 2025-382, 4-1-2025, Ord. No. 2002-255, 2-5-2002)

Secs. 18-60—18-70. - Reserved.

ARTICLE III. - COMMUNITY DEVELOPMENT BLOCK GRANTS⁴

DIVISION 1. - GENERALLY

Sec. 18-71. - Program emphasis.

The county community development block grant (CDBG) program is designed to only undertake those projects and activities which assist low/moderate income individuals and families, eradicate blight, and/or eliminate those conditions which threaten a community's health, welfare or safety. However, regardless of which of these three categories a specific project falls into, at least 70 percent of the program's total expenditures, over a three-year period, must be directed to those projects where the principal beneficiaries are of low/moderate income.

(Ord. No. 96-680, § 1, 4-16-1996)

Sec. 18-72. - Objectives and priorities.

The county, with the assistance of the public and the cities that participate in the CDBG program, will establish community development objectives and priorities to guide the allocation of its federal housing and community development funding. Funded projects should thus generally be compatible with these stated objectives and priorities unless it can be suitably demonstrated why another objective or priority should be pursued.

(Ord. No. 96-680, § 2, 4-16-1996)

Sec. 18-73. - Administrative expenses.

The administrative expenses that the county incurs for operating this program will be financed out of the program's annual entitlement. In no instance will the 12-month administrative budget exceed ten percent of the total funds available.

(Ord. No. 96-680, § 3, 4-16-1996)

Sec. 18-74. - Consortium-wide projects.

⁴ Federal law reference— Federal community block grants, Housing and Community Development Act of 1974, 42 USC 5301 et seq.

For projects that will benefit residents of all CDBG-participating municipalities, the county may reserve a portion of the program's funds for such projects.

(Ord. No. 96-680, § 4, 4-16-1996)

Sec. 18-75. - Allocation of funds.

- (a) Funds will be allocated to all interested participating cities and the county's unincorporated area using the formula that is described in division 2 of this article. The amount of funds that will be allocated through this formula will be equivalent to the total amount of funds that the county has available, minus the funds that are budgeted for administration and consortium-wide projects.
- (b) Only those cities that have entered into a formal cooperative agreement with the county or the county, on behalf of its unincorporated area, can receive funding from this formula; other entities can only receive funding if the county or a city wishes to allocate a portion of its annual award to this entity. However, such suballocating will only be permitted if the proposed activity will occur within the jurisdiction that is suballocating its award.

(Ord. No. 96-680, § 5, 4-16-1996)

Sec. 18-76. - Project development/review.

- (a) Participating cities will be responsible for determining how they wish to utilize their CDBG award. Except for using the award to cover the costs of managing its allocation, cities may undertake any CDBG-eligible activity (see division 3 of this article). Cities may also hold all or a portion of their award in reserve for one year for use in another project.
- (b) Once cities have determined how they wish to utilize their CDBG allocation, the county will only review the proposed activities to ensure that they are eligible, that they meet HUD's various requirements, and that there are sufficient funds available to undertake the activities. If an activity is not eligible, is not sufficiently funded or does not meet all of HUD's requirements, the county will require the city to appropriately revise or change the activity.

(Ord. No. 96-680, § 6, 4-16-1996)

Sec. 18-77. - Technical assistance.

The county community development block grant staff will be available to assist all eligible entities in developing and preparing projects.

(Ord. No. 96-680, § 7, 4-16-1996)

Sec. 18-78. - Citizen participation.

The county community development block grant program will be operated in accordance with the citizen participation plan outlined in division 4 of this article.

(Ord. No. 96-680, § 8, 4-16-1996)

Sec. 18-79. - Compliance with relevant laws, regulations and policies.

All eligible entities must agree to abide by all relevant county, federal and state laws, regulations and policies.

(Ord. No. 96-680, § 9, 4-16-1996)

Sec. 18-80. - Displacement of businesses and/or households.

The county will seek to minimize the displacement of businesses and/or households through the steps outlined in section 18-151(10).

(Ord. No. 96-680, § 10, 4-16-1996)

Sec. 18-81. - Eligible projects/activities.

The community development block grant program can be used to finance those projects/activities generally described in division 3 of this article and as defined in section 105(a) of the Federal Housing and Community Development Act of 1974, as amended.

(Ord. No. 96-680, § 11, 4-16-1996)

Sec. 18-82. - Ineligible projects/activities.

The community development block grant program generally cannot be used to finance such projects as:

- (1) The construction of buildings/facilities used for the general conduct of government;
- (2) The construction of new housing except when such housing is used to house individuals/families displaced by county community development block activities;
- (3) The financing of political activities;
- (4) The acquisition of construction equipment;
- (5) The provision of income payments;
- (6) The operation and maintenance of capital improvement facilities; and
- (7) Those others defined by HUD.

(Ord. No. 96-680, § 12, 4-16-1996)

Sec. 18-83. - Assessment.

Entities receiving funding for capital improvement projects are generally prohibited from levying special assessments (including service connections and "tap" fees) against properties owned by low/moderate income individuals who have benefitted from this project unless the assessments seek to recover a portion of the capital costs not covered by the community development block assistance.

(Ord. No. 96-680, § 13, 4-16-1996)

Sec. 18-84. - Definition of low/moderate income.

The county community development block program shall use as its definition of low/moderate, income that which is annually set by HUD.

(Ord. No. 96-680, § 14, 4-16-1996)

Sec. 18-85. - Access to information.

All community development block program materials shall be public information, available for review upon request.

(Ord. No. 96-680, § 15, 4-16-1996)

Sec. 18-86. - Unsatisfactory performance.

Entities who have falsified information contained within their proposals or who have unsatisfactorily implemented past awards may be prevented from receiving future funding, may have current awards revoked, and/or may be liable for any program funds inappropriately expended. The process for determining/imposing such penalties is outlined in section 18-90.

(Ord. No. 96-680, § 16, 4-16-1996)

Sec. 18-87. - Changes in policy.

The county will not change any community development block policy without first consulting with its participating municipalities.

(Ord. No. 96-680, § 17, 4-16-1996)

Sec. 18-88. - Excessive or deadly force policy.

In accordance with section 519 of Public Law 101-140, the 1990 HUD Appropriations Act, the county certifies that its sheriff's department has adopted and is enforcing a policy prohibiting the use of excessive force against any individuals engaged in nonviolent civil rights demonstrations. Such policy is contained in the Sheriff Department's Code of Conduct, chapter VI, "Protection of Prisoners, Their Rights and Their Property"; chapter VIII, section 8.06, "Use of Deadly Force"; chapter IV, section 4.01, "Professional Conduct and Personal Bearing"; and chapter V, section 5.03, "Responsibilities and General Conduct on Duty."

(Ord. No. 96-680, § 18, 4-16-1996)

Sec. 18-89. - Drug-free workplace.

In accordance with the Drug-Free Workplace Act of 1988, the county hereby certifies to HUD that it will provide a drug-free workplace by:

- (1) Publishing a statement, in the form of a memorandum, notifying employees that the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance is prohibited in the grantee's workplace and specifying the actions that will be taken against employees for violation of such prohibition;
- (2) Establishing a drug-free awareness program to inform employees about:
 - a. The dangers of drug abuse in the workplace;
 - b. The county's policy of maintaining a drug-free workplace;
 - c. Any available drug counseling, rehabilitation and employees assistance program;
 - d. The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace.

- (3) Making it a requirement that each employee that is engaged in the performance of the grant be given a copy of the memorandum required in subsection (1) of this section;
- (4) Notifying the employee that as a condition of employment under the grant, the employee will:
 - a. Abide by the terms of the above memorandum and county policy; and
 - b. Notify the employer of any criminal drug statute conviction for a violation occurring in the workplace no later than five days after such conviction;
- (5) Notifying HUD within ten days of receiving notice from an employee or otherwise receiving actual notice of such conviction;
- (6) Initiate one of the following actions, within 30 days of receiving notice under subsection (4)b of this section, with respect to any employee who is so convicted:
 - a. Taking appropriate personnel action against such an employee, up to and including termination; or
 - b. Require such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved by a federal, state or local health, law enforcement or other appropriate agency;
- (7) Making a good faith effort to continue to maintain a drug-free workplace through implementation of the above subsection; and
- (8) Defining the workplace annually in the county's community development block grant application for federal assistance.

(Ord. No. 96-680, § 19, 4-16-1996)

Sec. 18-90. - Penalties for community development block grant/HOME violations.

- (a) The county may penalize those entities that have either falsified information on their funding proposals or who have violated state/federal/county rules, policies, statutes and/or contractual obligations in implementing a community development block grant/HOME award or who have otherwise unsatisfactorily implemented a community development block grant/HOME project. The penalties that the county may impose for such violations include:
 - (1) Prohibiting the entity from receiving future funding;
 - (2) Terminating/revoking award;
 - (3) Requiring the entity to reimburse HUD/the county for unlawful, inappropriate or unauthorized expenditures; or
 - (4) Any combination of the above.
- (b) The county will only impose such penalties when it has first had some reason to believe an offense has been committed and has fully investigated the alleged incident, confirmed that such an impropriety has occurred, determined the severity of the offense, consulted with HUD and the county district attorney's office, and provided the applicant with ample opportunity to respond.
- (c) It should be noted that HUD can impose similar penalties on the county for any impropriety on its part and that the commissioners court will also voluntarily penalize itself if an offense is called to its attention and is confirmed. Such violations should be reported to the civil section of the county district attorney's office, 411 Elm Street, 5th Floor, Dallas, Texas 75202, and to the U.S. Department of Housing and Urban Development, Region VI Office, 1600 Throckmorton, Fort Worth, TX 75113.

(Ord. No. 96-680, app. D, 4-16-1996)

Secs. 18-91—18-110. - Reserved.

DIVISION 2. - CDBG/HOME ALLOCATIONS

Sec. 18-111. - Allocation formula.

- (a) The county community development block grant/HOME funds will be allocated using a formula that takes into account the number of people living within the program's service area and the percentage of them being low/moderate income.
- (b) Twenty-five percent of the funding that will be allocated by the formula will be determined by an entity's population. In order to calculate this share of an entity's funding, the total population of the eligible cities that are interested in receiving community development block grant/HOME funding and the percentage of the total population living within each interested city are calculated. Each city will then receive partial funding equal to its percentage of the total population.
- (c) The remaining 75 percent that will be allocated by the formula will be determined by the percentage of an entity's population being low/moderate income. In order to calculate this share of an entity's funding, the low/moderate income percentages for every eligible city interested in receiving community development block grant/HOME funding are added together, and the proportion of this total that each city contributes is calculated with each city receiving funding equal to this proportional amount.
- (d) Combining the amounts from the two sets of calculations for population and low/moderate income produces the total award that a city will receive.

(Ord. No. 96-680, app. B, 4-16-1996)

Secs. 18-112—18-130. - Reserved.

DIVISION 3. - PROJECTS AND ACTIVITIES

Sec. 18-131. - Eligibility.

The county community development block grant program can generally be used to finance:

- (1) The acquisition of real property, (including air rights, water rights, and other interests therein) which is:
 - a. Blighted, deteriorated, deteriorating, undeveloped or inappropriately developed from the standpoint of sound community development and growth;
 - b. Appropriate for rehabilitation or conservation activities;
 - c. Appropriate for the preservation or restoration of historic sites, the beautification of urban land, the conservation of open spaces, natural resources and scenic areas, the provision of recreational opportunities, or the guidance of urban development;
 - d. To be used for the provision of public works, facilities and improvements eligible for assistance under this title;
 - e. To be used for other public purposes;
- (2) The acquisition, construction, reconstruction or installation (including design features and improvements with respect to such construction, reconstruction or installation that promote energy efficiency) of public works, facilities (except for buildings for the general conduct of government) and sites for other improvements; such projects thus include, but are not limited to, the installation/expansion of roads, sewer lines, water lines; water/wastewater treatment plans, sidewalks, curbs and drainage facilities;

- (3) Code enforcement in deteriorated or deteriorating areas in which such enforcement, together with public improvements and services to be provided, may be expected to arrest the decline of the area;
- (4) Clearance, demolition, removal and rehabilitation (including rehabilitation which promotes energy efficiency) of buildings and improvements (including interim assistance, and financing public or private acquisition for rehabilitation, and rehabilitation of privately owned properties and including the renovation of closed school buildings);
- (5) Special projects directed to the removal of material and architectural barriers which restrict the mobility and accessibility of elderly and handicapped persons;
- (6) Payments to housing owners for losses of rental income incurred in holding for temporary periods housing units to be utilized for the relocation of individuals and families displaced by activities under this article;
- (7) Disposition (through sale, lease, donation or otherwise) of any real property acquired pursuant to this article or its retention for public purposes;
- (8) Provisions of public services including, but not limited to, those concerned with employment, crime prevention, child care, health, drug abuse, education, energy conservation, welfare or recreation needs, if such services have not been provided by the unit of general local government (through funds raised by such unit, or received by such unit from the state in which it is located) during any part of the 12-month period immediately preceding the date of submission of the statement with respect to which funds are to be made available under this article, and which are to be used for such services, unless the secretary finds that the discontinuation of such services was the result of events not within the control of the unit of general local government, except that not more than 15 percent of the total amount of any current assistance provided to the county may be used for activities under this article for the fiscal year for such activities;
- (9) Payment of the nonfederal share required in connection with a federal grant-in-aid program undertaken as a part or activities assisted under this article;
- (10) Payment of the cost of completing a project funded under Title I of the Housing Act of 1949;
- (11) Relocation payments and assistance for displaced individuals, families businesses, organizations and farm operations, when determined by the grantee to be appropriate;
- (12) Activities necessary:
 - a. To develop a comprehensive community development plan; and
 - b. To develop a policy-planning management capacity so that the recipient of assistance under this article may more rationally and effectively:
 1. Determine its needs;
 2. Set long-term goals and short-term objectives;
 3. Devise programs and activities to meet these goals and objectives;
 4. Evaluate the progress of such programs in accomplishing these goals and objectives; and
 5. Carry out management, coordination and monitoring of activities necessary for effective planning implementation;
- (13) Payment of reasonable administrative costs and carrying charges related to the planning and execution of community development and housing activities, including the provision of information and resources to residents of areas in which community development and housing activities are to be concentrated with respect to the planning and execution of such activities, and including the carrying out of activities as described in section 701(c) of the Housing Act of 1954 on the date prior to the date of enactment of the Housing and Community Development Amendments of 1981;

- (14) Activities which are carried out by public or private nonprofit entities, including:
- a. Acquisition of real property;
 - b. Acquisition, construction, reconstruction, rehabilitation or installation of:
 1. Public facilities (except for buildings for the general conduct of government), site improvements and utilities; and
 2. Commercial or industrial buildings or structures and other commercial or industrial real property improvements; and
 - c. Planning;
- (15) Grants and loans to neighborhood-based nonprofit organizations, local development corporations or entities organized under section 301(d) of the Small Business Investment Act of 1958 to carry out a neighborhood revitalization or community economic development or energy conservation project in furtherance of the objectives of section 101(c), including grants and loans to neighborhood-based nonprofit organizations, or other private or public nonprofit organizations, for the purpose of assisting, as part of neighborhood revitalization or other community development, the development of shared housing opportunities (other than by construction of new facilities) in which elderly families (as defined in section 3(b) of the United States Housing Act of 1937) benefit as a result of living in a dwelling in which the facilities are shared with others in a manner that effectively and efficiently meets the housing needs of the residents and thereby reduces their cost of housing;
- (16) Activities necessary to the development of a comprehensive community-wide energy use strategy, which may include items such as:
- a. A description of energy use and projected demand by sector, by fuel type and by geographic area;
 - b. An analysis of the options available to the community to conserve scarce fuels and encourage use of renewable energy resources;
 - c. An analysis of the manner in, and the extent to, which the community's neighborhood revitalization, housing, and economic development strategies will support its energy conservation strategy;
 - d. An analysis of the manner in, and the extent to, which energy conservation objectives will be integrated into local government budgeting, land use planning and zoning, and traffic control, parking and public transportation functions;
 - e. A statement of the actions the community will take to foster energy conservation and the use of renewable energy resources in the private sector, including the enactment and enforcement of local codes and ordinances to encourage or mandate energy conservation or use of renewable energy resources, financial and other assistance to be provided (principally for the benefit of low-income and moderate-income persons) to make energy conserving improvements to residential structures, and any other proposed energy conservation activities;
 - f. Appropriate provisions for energy emergencies;
 - g. Identification of the local governmental unit responsible for administering the energy of strategy;
 - h. Provision of a schedule for implementation of each element in the strategy; and
 - i. A projection of the savings in scarce fossil fuel consumption and the development and use of renewable energy resources that will result from implementation of the energy use strategy;
- (17) Provision of assistance to private, for-profit entities when the assistance is necessary or appropriate to carry out an economic development project;

- (18) The rehabilitation or development of housing assisted under section 17 of the United State Housing Act of 1937; and
- (19) Provision of direct assistance to facilitate and expand homeownership among persons of low and moderate income by using assistance to:
 - a. Subsidize interest rates and mortgage principal amounts for low and moderate income homebuyers;
 - b. Finance the acquisition by low and moderate income homebuyers of housing that is occupied by the homebuyers;
 - c. Acquire guarantees for mortgage financing obtained by low and moderate income homebuyers from private lenders (except that amounts received under this article may not be used under this subsection to directly guarantee such mortgage financing and grantees under this article may not directly provide such guarantees);
 - d. Provide up to 50 percent of any down payment required from low or moderate income homebuyers; or
 - e. Pay reasonable closing costs normally associated with the purchase of a home when incurred by low or moderate income homebuyers.

(Ord. No. 96-680, app. C, 4-16-1996)

Secs. 18-132—18-150. - Reserved.

DIVISION 4. - CITIZEN PARTICIPATION

Sec. 18-151. - Citizen participation plan.

It is the intention of the county and its participating municipalities to operate a community development block grant/HOME program that actively provides for and encourages meaningful citizen participation in the development of community development block grant/HOME projects, the consolidated plan, any substantial amendments to the consolidated plan, and the plan's annual performance report, especially from those citizens who either live in slum and blighted areas or possess low/moderate incomes, from public housing authorities and from other low-income residents of targeted revitalization areas where assisted housing developments are located. Accordingly, the county will:

- (1) Provide staff assistance to any eligible entity, especially those that represent low/moderate income groups, that is interested in utilizing community development block grant funding and funding from any other program covered by the county's consolidated plan.
- (2) Encourage local public housing authorities and section 8 programs, residents of public and assisted housing developments and other low-income residents of targeted revitalization areas where developments are located to participate in the process of developing and implementing the consolidated plan.
- (3) Require each public entity interested in making a community development block grant/HOME proposal to hold a public hearing for the purpose of encouraging the community to help identify the area's community development needs and to comment on any potential funding proposals. Such public hearing will be held at times and locations that are convenient and accessible.
- (4) Conduct at least two public hearings during each year for the purpose of identifying housing and community development needs, developing proposals and activities, and reviewing program performance.
- (5) Conduct at least one public hearing during the development of any consolidated plan before it is published for comment.

- (6) Publish notices announcing times, dates and locations of these public hearings two weeks prior to the first meeting date in large print in the nonlegal section, of a general circulation newspaper as well as in two minority community newspapers. Such public hearings will be held at times and locations that are convenient and accessible to actual beneficiaries and will provide accommodations for persons with disabilities.
- (7) Require that each public entity scheduled to hold a public hearing to post notices of this hearing in a manner consistent with the Texas Open Meetings Act.
- (8) Ensure that an individual who is familiar with the program and bilingual will attend all public hearings for the benefit of non-English speaking people.
- (9) Make available to citizens, public agencies and other interested parties, before it adopts a consolidated plan, information which describes the amount of assistance expected to be received, proposed eligible activities to be undertaken, and the estimated amount of assistance that will benefit low-moderate income residents.
- (10) Actively seek to minimize displacement of persons and comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, and implementing regulations at 49 CFR 24. The county will only approve and fund a project that will cause displacement, if, in its opinion, the benefits of the project significantly outweigh the social and economic costs of the displacement. When such a project is funded, the county and the applicant will fully comply with all state and federal relocation/compensation laws, and the county will assign staff to oversee, coordinate and give highest priority to all needed relocation/assistance efforts.
- (11) Consider any comments or views of citizens received in writing, or orally at public hearings in preparing the final consolidated plan, any substantial amendments and the performance report. Comments will be maintained, and comments or views not accepted (and the reason for nonacceptance) will be attached to the final consolidated plan, amendment or performance report.
- (12) Provide copies of the proposed consolidated plan, amendment and performance report at libraries, government offices, public places and to citizens and groups requesting such.
- (13) Use the following definition criteria to determine substantial change and/or when an amendment to the consolidated plan is necessary: Any change which physically alters the location of the community development block grant project or any other program covered by the county's consolidated plan or target area. Any change which considerably modifies or affects the purpose or scope of the project. Any change which raises or lowers the number of beneficiaries that equates to a change of 20 percent or more. Any change to the county's consolidated plan that requires the county to establish a priority for an activity that does not exist in the current consolidated plan. A decision to not conduct a previously approved activity.
- (14) Provide for a 30-day public comment period for proposed consolidated plans, substantial amendments and performance reports.
- (15) Announce the holding of such 30-day public comment periods by publishing a notice in the nonlegal section of a general circulation newspaper as well as in two minority newspapers.
- (16) Respond to all citizen requests for information. Develop information pertaining to the community development block grant/HOME program and its proposed projects, consolidated plans, performance reports and amendments which can be made available at public hearings and for citizens inquiries. When written requests, complaints or comments are submitted, respond to them in writing within 15 days.

(Ord. No. 96-680, app. A, 4-16-1996)