

Executive Summary

Harris County anticipates receiving \$16,501,751 for use towards community development activities for Program Year 2005 (PY2005), which begins August 1, 2005 and ends February 28, 2006. HUD determines the allocation amount based on Harris County's Service Area population, poverty, housing overcrowding, and age of housing. Based on this funding formula, the total HUD Entitlement Grant funds will be comprised of \$12,131,506 in Community Development Block Grant (CDBG) funds, \$3,709,549 in HOME Investment Partnership (HOME) funds, \$465,561 in Emergency Shelter Grant (ESG) funds, \$134,781 in American Dream Downpayment Initiative (ADDI) funds and an estimated \$60,354 in program income.

In accordance with HUD's philosophy of comprehensive community development, Harris County Community and Economic Development Department (CEDD) is proposing to fund 53 projects addressing the PY2003-2007 Consolidated Plan's priority need areas of housing, homelessness, public facilities, infrastructure, public services and other needs.

Project allocations for PY2005 total \$16,501,751 in a combination of CDBG, HOME, ESG, ADDI and program income funds. The following matrix reflects Harris County's funding allocations by Consolidated Plan Need area:

Consolidated Plan Need Area	Number of Projects	Amount Allocated
Housing	6	\$3,903,442
Homeless	7	\$416,826
Public Facilities	7	\$2,471,322
Infrastructure	11	\$4,098,327
Public Services	21	\$1,336,954
Other *	1	\$130,000
Total Allocations	53	\$12,356,871
Unprogrammed Funds		\$1,313,026
Administration		\$2,831,854
Total Funds		\$16,501,751

*Projects classified in the *Other* category include a demolition/nuisance abatement project.

Harris County CEDD believes its comprehensive and community-based approach to solving the complex socio-economic ailments within the county is the most effective way to stimulate private reinvestment in the county's most underserved areas. The PY2005 Annual Action Plan is the County's blueprint for facilitating change within lower-income communities and ultimately improving the quality of life in Harris County.

Introduction

The Annual Action Plan is the annual update to the five-year Consolidated Plan, which sets forth the County's long-term community development goals and strategies. The AAP process has been specifically created to assist in mapping one-year actions for community development and making good use of available federal, state, and local resources.

In addition, the AAP details the allocation of Harris County resources and entitlement grants allocated by the U.S. Department of Housing and Urban Development (HUD), toward improving the quality of life for Harris County residents. Resources reported in this document will be available between August 1, 2005 and February 28, 2006. Program Year 2005 will be a seven-month program year as the Harris County Community and Economic Development Department is changing its program year to coincide with Harris County's fiscal year, which runs from March 1 to February 28.

The majority of these resources are utilized within Harris County's Service Area (*Map 1*), which includes unincorporated Harris County and sixteen smaller cities within the county which have signed cooperative agreements in the application for HUD funds. The cities of Houston and Pasadena utilize their own community development resources and, therefore, are not within the Harris County service area. The city of Baytown receives CDBG funding directly from HUD, but has recently entered into a cooperative agreement with Harris County to access HOME funds within their jurisdiction.

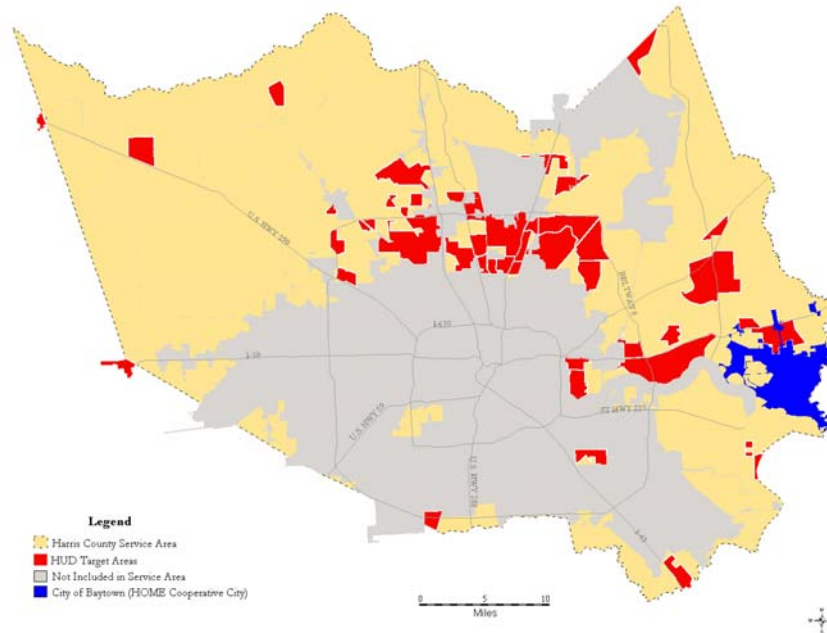
Resources available through the County are almost exclusively dedicated toward improving the living conditions for low-income individuals. Low-income is defined as earning less than 80 percent of the median family income (MFI). The MFI for the Houston, Texas, Primary Metropolitan Statistical Area is \$61,000 for a family of four. *Table 1* denotes low-income limits for PY2005.

Table 1: FY 2005 Median Family Income (MFI) Limits

Income Levels*	% of MFI	Amount
30% of Median	0-30%	\$18,300
Very-Low Income	31-50%	\$30,500
Low Income	51-80%	\$48,800

**Based on a family of four
U.S. Department of Housing and Urban Development*

Map 1: Harris County Service and Target Areas



The AAP is a public awareness and strategy development document required by HUD for any jurisdiction receiving entitlement grants – funds allocated to participating jurisdictions based upon a formula of population and poverty characteristics. In fact, the AAP is only one part of an extensive community development process designed to plan long- and short-term solutions for improving the lives of low-income individuals. This process has been specifically developed to assist in mapping strategies for community development and making proper use of available resources.

Importance of the Annual Action Plan

The large majority of resources discussed within the AAP are derived from federal tax dollars. This alone warrants a need to use funds and other resources in a prudent manner. The AAP reports to HUD and the general public the anticipated manner in which resources made available through tax dollars will be utilized and provides an additional forum for community input into the community development process.

Further, the AAP provides a means by which HUD can ensure proper and efficient use of resources. By requiring the AAP, HUD not only has an opportunity to review for appropriate use of funds, but also has a benchmark document by which Harris County's performance can be evaluated.

The AAP includes a discussion of available resources, an explanation of the allocation process, a summary and brief analysis of proposed allocations, and strategies for monitoring appropriate use of those resources. Each topic is further divided and discussed as necessary to make the process understandable to members of the general public.