



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT  
WASHINGTON, DC 20410-7000

December 17, 2020

Patricio Avila  
Urban County Program Director  
Hidalgo County - Urban County Program  
1916 Tesoro Street  
Pharr, Texas 78577

Dear Mr. Avila:

The U.S. Department of Housing and Urban Development (HUD or the Department) notified the County of Hidalgo by letter, received on November 6, 2020, of an error in HUD's initial formula allocations for fiscal year (FY) 2020 Community Development Block Grant (CDBG) and HOME Investment Partnerships (HOME) program grants. The Department is poised to undertake Line of Credit Control System (LOCCS) corrections to the grant amounts for these programs and is outlining the next steps the County must take below. As a reminder, the original and adjusted allocations for the FY 2020 CDBG and HOME grants are listed below.

	<b>CDBG</b>	<b>HOME</b>
Original Allocation	\$7,750,673	\$2,119,531
Adjusted		
Allocation	\$7,749,491	\$2,118,986
<b>Difference</b>	<b>-\$1,182</b>	<b>-\$ 545</b>

The County must submit new SF 424s for both the CDBG and HOME programs reflecting the changed allocations. The County will also need to amend its 2020 action plan to reference the corrected amounts of the CDBG and HOME allocations. The Consolidated Plan regulations (24 CFR Part 91) require a grantee to identify in its citizen participation plan the criteria it will use for determining what constitutes a substantial amendment to its action plan. It is these substantial amendments that are subject to a citizen participation process.

The County will need to determine if a substantial amendment is triggered and if so, engage in the necessary citizen participation activities.

HUD will send the County amended grant agreements that reflect the correct allocation amounts after the San Antonio Field Office of Community Planning and Development receives the newly executed SF-424s for the FY 2020 CDBG and HOME grants. Upon receipt, HUD will adjust the allocation amounts in IDIS and LOCCS to ensure funds in excess of the revised allocation amounts are not disbursed from the County's line of credit.

The Department appreciates the City's patience and efforts in this process and our office is available to assist in ensuring a timely correction. Should you have any questions please reach out to your CPD Representative.

Sincerely,

A handwritten signature in black ink, appearing to read "Elva F. Garcia". The signature is written in a cursive style with a large initial "E" and "G".

Elva F. Garcia  
CPD Director