



Texas Department of Housing and Community Affairs Housing Trust Fund

2012 - 2013 Amy Young Barrier Removal Program

Notice of Funding Availability Amendment

Original NOFA Published and Released August 12, 2011

NOFA Amendment Published and Released May 4, 2012

1. Program Overview

The Texas Department of Housing and Community Affairs (“the Department”) announces the availability of \$4,000,000 in funding from the Housing Trust Fund (HTF) for the Amy Young Barrier Removal Program (“Program”) through the Department’s Reservation System. Approximately \$1,738,500 is available from the 2012-2013 HTF appropriation and \$2,261,500 in loan repayments, interest earnings and deobligations is available from prior years.

The Amy Young Program provides one-time grants of up to \$20,000 to Persons with Disabilities qualified as Low Income, for home modifications necessary for accessibility and the elimination of hazardous conditions. Program beneficiaries may be tenants or homeowners and their household members with disabilities.

The Department will utilize a Reservation System with this Notice of Funding Availability (NOFA) in an effort to attract a diverse group of eligible Administrators serving various regions throughout the state. The availability and use of these funds are subject to Chapter 2306 of the Texas Government Code and the Texas Administrative Code, Title 10, Part 1, Chapter 51 (the “Housing Trust Fund Rule”).

The Department will begin accepting Applications to access the Reservation System starting on **August 12, 2011** and will grant access on an ongoing basis until all Program funds are reserved, or until **August 31, 2013**, whichever occurs first. In accordance with Chapter 2306 of the Texas Government Code, this NOFA is not subject to the Regional Allocation Formula since funds are programmed primarily for Persons with Disability.

2. Eligible Applicants

- a) The following organizations are eligible to apply to administer the Program:
 - i. Units of Local Government;
 - ii. Nonprofit Organizations;
 - iii. Public Housing Authorities (PHAs); and
 - iv. Public Agencies.
- b) Organizations interested in applying to administer the Program must complete the Amy Young Barrier Removal Program Reservation System Access Application, which may be downloaded from the Department’s website at <http://www.tdhca.state.tx.us/htf/nofa.htm>.

Upon approval, a Reservation System Access Agreement will be provided by the Department and must be executed in order to participate in the Reservation System.

- c) Organizations currently approved to participate in the Department's Amy Young Barrier Removal Program, the HTF Homebuyer Assistance Program or the Texas Bootstrap Loan Program need to complete only page one of the Amy Young Barrier Removal Program Reservation System Access Application.
- d) Applicants must have at least one (1) year of experience providing services to low-income households or Persons with Disabilities, as evidenced by current or previous contracts with the Department or with other funding entities. To satisfy this requirement, applicants may provide evidence of a partnership with an entity or organization that meets the requirement, such as a contract or memorandum of understanding (MOU). A letter of support or intent to partner does not satisfy this requirement.

3. Definitions

- a) Any capitalized terms not specifically mentioned in this section shall have the meaning as defined by the Department, in Chapter 2306 of the Texas Government Code, or Housing Trust Fund Rule.
- b) In addition, this NOFA uses the following definitions:
 - i. Administration Fee – Program funds that are earned by Administrators for operating the Program.
 - ii. Contingency – A maximum of 10% percent of the construction contract amount. Hard Costs – Site specific project construction costs, including general requirements, site preparation, permits, labor, materials and budgeted contingency funds utilized through an HTF approved change order.
 - iii. Liquid Assets – Liquid Assets are items of value that may be turned into cash. This does not include items such as the principal residence, restricted retirement accounts, and permanent life insurance policies.
 - iv. Low Income – (In this NOFA, the following definition of Low Income is used in place of the HTF Rule definition). Household income does not exceed 80% of the Area Median Family Income (AMFI) or 80% of the State Median Family Income, adjusted for Household size, whichever is greater, utilizing a Department approved methodology.
 - v. Project Costs – Program funds (Hard and Soft Costs) that directly assist an eligible Household.
 - vi. Reservation Setup - The submission of required documents to the Reservation System in order to reserve Program funds for an eligible Household.
 - vii. Reservation System – The Department's online system utilized by Administrators to reserve and draw Project Costs and Administration Fees, and track status of Program activities specified in this NOFA.
 - viii. Soft Costs – Limited to an amount not to exceed 10% of Project Hard Costs, Soft Costs are Activity specific costs including but not limited to: staff or consultant time spent to determine address specific Applicant eligibility; inspection(s); septic system inspection fees; work write-up and cost estimation; pre-construction conference;

construction supervision; Setup and Draw documentation and submitting to the Reservation System; staff mileage associated with a specific Activity, etc.

4. Program Requirements

- a) The primary purpose of this Program is to provide accessibility modifications and barrier removal for Persons with Disabilities qualified as Low-Income.
- b) Administrators must follow processes and procedures as required by the Department or outlined in the Program Manual.
- c) The assisted Household's projected income may not exceed 80% of the Area Median Family Income (AMFI) or 80% of the State Median Family Income, adjusted for Household size, whichever is greater, utilizing the approved methodology described in the Department's Amy Young Program *Income Qualification Guidelines*. Liquid Assets may not exceed \$20,000.
- d) Administrators must comply with all applicable procurement laws, regulations and policies. Local units of government must maintain documentation of compliance with procurement laws and regulations. All participating Nonprofit Organizations must have a Board adopted procurement policy and document in their local file compliance with that policy.
- e) An Administration Fee equal to 10% of the Project's combined Hard and Soft Costs will be paid to the Administrator upon completion of the Project. Administration Fees are not a part of the maximum grant per Household.

5. Property and Construction Guidelines

- a) Eligible properties are owner-occupied homes and rental units. A Person with Disability must be named on the lease of the assisted rental unit or the owner of record for an owner-occupied property unless otherwise approved by the Department on a case-by-case basis.
- b) The following properties are not eligible for assistance in this Program:
 - i. Properties developed, owned or managed by the Administrator or an Affiliate, as defined in the HTF Rule.
 - ii. Rental units financed in whole or in part with federal funds, as they are required to meet minimum accessibility standards.
- c) The Program grant is limited to \$20,000 in combined Hard and Soft Costs. Funds may not be used for repairs or construction unrelated to accessibility modification, barrier removal or the elimination of hazardous or unsafe conditions in the housing unit.
- d) **Accessibility modifications.** All Households served by the Program must have the need for accessibility modifications. **A minimum of 75%** of Project Hard Costs must be utilized for accessibility modifications unless otherwise approved by the Department on a case-by-case basis. Examples of modifications may include, but are not limited to: interior/exterior handrails, door widening, exterior ramps, countertop/cabinet adjustments, accessible kitchen appliances, buzzing/flashing devices, accessible door/faucet handles, elevated toilets, shower grab bars, shower wands, walk-in showers, pedestal sinks, etc.

- e) **Rehabilitation of the unit.** In addition to accessibility modifications, eligible activities include other rehabilitation costs associated with the elimination of hazardous or unsafe conditions in the housing unit. **No more than 25%** of the Project Hard Costs may be utilized for this purpose unless otherwise approved by the Department on a case-by-case basis. Examples of other rehabilitation work include, but are not limited to repair of hazardous conditions or code violations in the electrical system, plumbing system, structural system or mechanical system.

6. Reservation System Guidelines

- a) Program funds are available on a first-come, first-serve basis in the Reservation System.
- b) Administrators of active Amy Young Barrier Removal Program contracts may apply to access the Reservation System if all of the funding under the current contract is committed and applicable benchmarks are met. Upon successful commitment of funds under existing contract terms and if all applicable benchmarks are being met, subsequent Setups will be accepted subject to the terms of this NOFA.
- c) Administrators of active Amy Young Barrier Removal Program contracts may apply to access the Reservation System to serve Households outside of the Service Area defined in the current, active contract if they are currently meeting all contractual benchmarks.
- d) An Administrator is ineligible to access the Reservation System until any past due audit has been submitted to the Department in a satisfactory format with no unresolved findings.
- e) In accordance to the HTF Rule, the Department may de-authorize access to Reservation System and the Reservation System Access Agreement will be terminated if the requirements in this NOFA are not met. For the purposes of this NOFA, de-authorization is treated as a funding deobligation as outlined in the HTF Rule.

7. Reserving Funds (Reservation Setup)

- a) Administrators will market the Program, complete application intake, and qualify Households for participation.
- b) After collecting and verifying the required Household income and property eligibility documentation, the Administrator will enter the Activity Reservation Setup information into the Reservation System, submit the required forms described on the “Reservation Setup Checklist” or in the Program Manual, and request a Reservation of Project funds, up to the maximum of \$20,000 and an Administration Fee of 10% of the Project funds.
- c) Reservation Setups will be processed in the order submitted to the Department via the Reservation System. Submission of a Reservation Setup on behalf of a Household does not guarantee funding.
- d) The Department will review the Reservation Setup documentation within **ten (10) business days** of submission by the Administrator.
- e) Once a Household is verified by the Department as eligible for assistance, up to the maximum of \$20,000 in Project funds plus an Administration Fee of 10% of the Project funds will be reserved in the Reservation System.
- f) When the Reservation Setup is approved by the Department, Project and Administration Fee funds will be reserved for the Household through the Reservation System for a period

of no more than **sixty (60) calendar days**, during which time the Administrator must complete the Activity Approval process.

8. Construction Approval

- a) After the Department has approved the Reservation Setup, the Administrator has **sixty (60) calendar days** to submit all required construction documentation into the Reservation System, including the awarded construction contract and “Before” pictures.
- b) If complete documentation is submitted within the **sixty (60) calendar day** reservation period, and is approved by the Department, the status will be changed to “active”. The Administrator may then proceed with the pre-construction conference and start construction.
- c) If the documentation needs correction or additional information, the Department will notify the Administrator and change the Activity status to “disapproved” until the documentation is received. If an Activity remains in “disapproved” status for more than **thirty (30) calendar days**, the Department will cancel the reservation from the Reservation System and the Setup will need to be resubmitted if funds are available.
- d) Administrators may reserve and have active projects in amounts outlined below. If an Administrator has reached the maximum amount allowed to be active, new Reservation Setups will not be reviewed by the Department until an existing Activity is closed or an existing Reservation Setup has been cancelled or deleted.
 - i. An administrator may have up to \$100,000 reserved.
 - ii. If an Administrator has completed five (5) projects successfully and met all timeframes as outlined in Section 8, the Administrator may have up to \$200,000 active in the Reservation System.
 - iii. If an Administrator has completed ten (10) projects successfully and met all timeframes as outlined in Section 8, the Administrator may have up to \$300,000 active in the Reservation System.
 - iv. If an Administrator has completed fifteen (15) projects successfully and met all timeframes as outlined in Section 8, the Administrator may have up to \$400,000 active in the Reservation System.

9. Drawing Funds in the Reservation System

- a) Administrators may request Draws for Project Costs and Administration Fees upon completing each approved Project.
- b) If the Department requires additional information or documentation to process a Draw request, the Department will notify the Administrator and change the Draw status to “disapproved” until follow up documentation is received from the Administrator. If a Draw request remains in “disapproved” status for more than **thirty (30) calendar days** in the Reservation System, the Department will delete the Draw from the Reservation System. The Draw will need to be resubmitted.

10. Project Completion

Once the request for Construction Approval has been approved by the Department and the Activity becomes active, the Administrator has **one hundred and twenty (120) calendar days** to complete all construction and draws. The Department may grant a one-time **thirty (30)**

calendar day extension to the project completion deadline due to extenuating circumstances that were beyond the Administrator's control, upon receipt and approval of a written request within **one hundred and twenty (120) calendar days** after Construction Approval. **If the Administrator fails to meet this deadline, the Reservation may be cancelled.**

Questions regarding this NOFA should be addressed to:

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