



Texas Department of Housing and Community Affairs
Housing Trust Fund
Fiscal Year 2017 Amy Young Barrier Removal Program
Notice of Funding Availability
May 2, 2016

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1. Program Overview

The Amy Young Barrier Removal Program (the “Program” or “AYBRP”) provides one-time grants of up to \$20,000 to Persons with Disabilities in a Household qualified as Low-Income. Grants are for home modifications that increase accessibility, eliminate life-threatening hazards and correct unsafe conditions. Construction standards and guidelines are further described in the Program Manual.

The Texas Department of Housing and Community Affairs (the “Department”) announces \$1,387,239 in Project funding from the Housing Trust Fund (“HTF”), available for Program Reservation Setups beginning Tuesday, June 7, 2016, at 10:00 a.m. Central Daylight Time (“CDT”) (the “Reservation start date”).

On the Reservation start date, funds will be made available to be reserved on the Department’s online Reservation System on a first-come, first-served basis. Reservations submitted prior to the Reservation start date per the Reservation System time stamp will not be considered. Only Administrators with an executed and valid AYBRP Reservation System Agreement will have access to the online Reservation System during all of the funding phases described below.

To promote the geographic dispersion of these competitive funds, the funds will be made available in three phases based upon each TDHCA State Service Region (the “Service Region”) and upon each Service Region’s rural and urban subregions.

Phase 1: On **Tuesday, June 7, 2016, at 10:00 a.m. CDT**, each Service Region will have funds made available consistent with their proportional allocation of the total funds. Each Service Region’s rural and urban subregion will receive an amount as shown below. Until Monday, August 8, 2016, at 5:00 p.m. CDT the allocated funds shall be reserved only for Households in these rural and urban subregions of the Service Region. For a map of State Service Regions and a list of rural and urban places, please visit the Program website: <http://www.tdhca.state.tx.us/hf/single-family/amy-young.htm>.

Phase 2: On **Tuesday, August 9, 2016, at 10:00 a.m. CDT**, all funds remaining in each Service Region’s rural and urban subregions will be combined into one balance of funds per Service Region. Until Monday, October 10, 2016, at 5:00 p.m. CDT, this remaining amount shall be reserved only for Households in that Service Region.

Phase 3: On **Tuesday, October 11, 2016, at 10:00 a.m. CDT**, any funds remaining in each Service Region will be combined into one state-wide pool. This remaining amount can be reserved for Households anywhere in the state until the funds are depleted.

**Phase 1 of AYBRP Reservation System
June 7, 2016 – August 8, 2016**

State Service Region	Urban Amount	Rural Amount	Region Total
1	\$61,517	\$42,127	\$103,644
2	\$60,766	\$41,828	\$102,594
3	\$76,521	\$40,920	\$117,441
4	\$61,358	\$42,087	\$103,445
5	\$61,040	\$41,413	\$102,453
6	\$75,247	\$40,790	\$116,037
7	\$64,880	\$40,679	\$105,560
8	\$62,071	\$41,288	\$103,359
9	\$65,579	\$40,919	\$106,497
10	\$61,583	\$41,369	\$102,952
11	\$65,946	\$41,754	\$107,700
12	\$61,153	\$42,584	\$103,737
13	\$62,791	\$49,028	\$111,820
Subtotal	\$840,452	\$546,786	\$1,387,239

The above table shows Project Costs only. The Administration Fees (10% of the Project’s combined Hard and Soft Costs) provided to Administrators upon project completion are not reflected in this table.

After the Reservation start date, additional Program funding may become available from cancellations of reservations. The Department will release any available funds from cancellations on Tuesdays at 10:00 a.m. Central Time. After regional set asides have been combined into one state-wide pool, additional Program funding may become available from HTF loan repayments, interest earnings, deobligations from prior years or other resources

The use of these funds is subject to, including, but not limited to: Chapter 2306 of the Texas Government Code and the Texas Administrative Code, Title 10, Part 1.

2. Eligible Administrators

- a) The Department is now accepting applications from eligible entities seeking to become Administrators for the Program.
- b) Administrators with an existing executed and valid AYBRP Reservation System Agreement (ending August 31, 2016) will have access to the online Reservation System on June 7, 2016. Current Administrators *do not need to reapply* to become an Administrator for the following year, but will be required to amend their existing AYBRP Reservation System Agreement in order to extend the agreement end date through August 31, 2017.
- c) The following entities are eligible to become an Administrator of the Program:
 - i. Units of Local Government;
 - ii. Councils of Government;
 - iii. Nonprofit Organizations;
 - iv. Local Mental Health Authorities; and
 - v. Public Housing Authorities.
- d) Participating Jurisdictions that receive a direct award of HOME funding from the U.S. Department of Housing and Urban Development (“HUD”) are *ineligible* to be an Administrator of the Program.
- e) Eligible entities must provide documentation in the form of descriptions of staff experience and current or previous contracts with the Department or other funders to show the following:
 - i. Experience of at least 2 years in providing housing rehabilitation services to Low-Income Households;
 - ii. Experience with accessibility standards, applicable building codes, and construction serving the needs of Persons with Disabilities.
 - iii. Qualifications of Administrator’s housing inspector(s), according to the Qualified Inspection Certification form on the Program website.
- f) Partnership with another entity that meets the above requirements is acceptable but must be documented with a contract or memorandum of understanding, subject to Department approval. Letters of support or intent will not be accepted.
- g) Entities seeking to become an Administrator of the Program must complete the Reservation System Access Application available on the Program website, in which a previous participation review will have to be completed. The Department will accept these applications on an ongoing basis.

3. Definitions

- a) Any capitalized terms that appear in this NOFA but are not defined in this section are defined in Chapter 2306 of the Texas Government Code or the Texas Administrative Code, Title 10, Part 1.
- b) This NOFA also uses the following definitions:
 - i. Administration Fee – Funds equal to 10% of the Project Costs (combined Hard and Soft Costs) paid to an Administrator upon completion of a project.

- ii. Hard Costs – Site-specific costs incurred during construction, including but not limited to: general requirements, building permits, jobsite toilet rental, dumpster fees, site preparation, demolition, construction materials, labor, installation equipment expenses, etc. Hard Costs are considered part of Project Costs.
- iii. Liquid Assets – Cash deposited in checking or savings accounts, money markets, certificates of deposit, mutual funds or brokerage accounts; the net value of stocks or bonds that may be easily converted to cash; the cash surrender value of life insurance policies; and the appraisal district's market value for any real property that is not a principal residence. Funds in tax-deferred accounts for retirement or education savings (*e.g.*, Individual Retirement Accounts, 401Ks, 529 plans) are excluded from the Liquid Assets calculation.
- iv. Low-Income – Household income does not exceed the greater of 80% of the Area Median Family Income or 80% of the Statewide Income Limits, adjusted for Household size, in accordance with the current HOME Investment Partnerships Program income limits as defined by HUD.
- v. Project Costs – Program funds (combined Hard and Soft Costs) that directly assist a Household.
- vi. Reservation Setup – The submission of all required documents to the online Reservation System in order to reserve Program funds for an eligible Household.
- vii. Soft Costs – Costs related to and identified with a specific Single Family Housing Unit other than construction costs, per Texas Administrative Code, Title 10, Part 1, Single Family Umbrella Rule §20.3.

4. Program Requirements

- a) Administrators must follow the processes and procedures as required by the Department through its governing statute (Chapter 2306 of the Government Code), Administrative Rules (Texas Administrative Code, Title 10, Part 1), Uniform Grant Management Standards (as applicable), reservation agreements, Program Manual, forms, and this NOFA.
- b) The assisted Household shall be qualified as Low-Income. The assisted Household's Liquid Assets shall not exceed \$20,000.
- c) The maximum amount of Program assistance per Household is \$20,000 in Project Costs (combined Hard and Soft Costs).
- d) The Department will pay the Administrator an Administration Fee equal to 10% of the Project Costs upon successful completion of the project. The Administration Fee is in addition to the \$20,000 maximum assistance permitted per Household. No additional documentation, other than submitting the Administration Fee draw request in the Housing Contract System, is required.
- e) Units of Local Government must maintain documentation of compliance with applicable procurement laws and regulations. Nonprofit Organizations must maintain documentation of compliance with their own board-adopted procurement policy that ensures, to the greatest extent feasible, fair and open competition.

5. Property and Construction Guidelines

- a) Owner-occupied homes and rental units are eligible for Program assistance.

- b) In owner-occupied homes, the owner of record must reside in the home as their permanent residence unless otherwise approved by the Department.
- c) In rental units, all Household occupants, including the Person with Disability, must be named on the lease.
- d) The following rental properties are *ineligible* for Program assistance:
 - i. Properties developed, owned or managed by an Administrator or an Affiliate;
 - ii. Rental units in properties that are financed with any federal funds. Housing Tax Credit properties built after 2001 and entities that receive federal assistance, such as HOME funding, are already required to provide and pay for reasonable accommodations to units and common areas if the modifications do not represent an undue financial and administrative burden. For more information, visit: <http://www.tdhca.state.tx.us/fair-housing/renters.htm>;
 - iii. Rental units that have life-threatening hazards or unsafe conditions identified in the initial inspection. Program funds may not be used to correct hazardous or unsafe conditions in rental units, but may be used for accessibility modifications only after the life-threatening hazards and unsafe conditions have been corrected by the property owner at the property owner's expense.
 - iv. Rental units owned by a property owner who is behind on property taxes associated with the property occupied by the Person(s) with Disability.
- e) Construction standards and guidelines:
 - i. Administrators must follow all applicable sections of their local building codes and ordinances;
 - ii. In the absence of local building code, Administrators must adhere to the construction standards and guidelines detailed in the Program Manual;
 - iii. Administrators must adhere to Chapter 21, "Minimum Energy Efficiency Requirements for Single Family Construction Activities", of the Texas Administrative Code, Title 10, Part 1. For more information, visit: <http://www.tdhca.state.tx.us/single-family/TDHCA-Energy-Efficiency-Rules.htm>.
- f) A minimum of **75%** of Project Hard Costs must be utilized for accessibility modifications unless otherwise approved in writing by the Department.
- g) In addition to accessibility modifications, Administrators may make repairs to eliminate life-threatening hazards and correct unsafe conditions in the housing unit (with the exception noted in Section 5(d)(iii), or as otherwise determined by the Department. No more than **25%** of the Project Hard Costs may be utilized to eliminate life-threatening hazards and correct unsafe conditions unless otherwise approved by the Department.

6. Reservation System Guidelines

- a) Program funds are available on a first-come, first-served basis in the Reservation System, subject to the phases of funding availability (described in section 1).
- b) An Administrator may not have more than 5 "active" status reservations from the 2017 NOFA at any one time until the statewide collapse in October 2016, at which time the maximum allowable "active" status reservations will be increased to 10, regardless of the region or location. Completed activities that are undergoing processing of their draw request ("pending accounting approval" status) do *not* count towards the limit of 10 active reservations.

- c) The Department reserves the right to suspend access to the Reservation System for Administrators out of compliance with Program requirements (e.g., past due Single Audits or Audit certification forms; late responses to Compliance monitoring or Audit Management letters, Administrator ineligibility, inadequate staffing or inadequate capacity, etc.). Administrator access may be restored upon the Department's acceptance of outstanding documentation.
- d) The Department may de-authorize access to the Reservation System by an Administrator and terminate their AYBRP Reservation System Agreement if the Administrator does not meet requirements in this NOFA or the AYBRP Reservation System Agreement.

7. Reservation Process, Stage 1: Household Eligibility Review

- a) Administrators shall market the Program, complete application intake, and qualify Households for participation. Details on determining income eligibility and preparing and submitting Reservation Setups are provided in the Program Manual and the Reservation System User Guide.
- b) After collecting and verifying the required Household income and property eligibility documentation, the Administrator shall enter the Reservation Setup information into the online Reservation System, upload and submit all required forms as described in the Program Manual and Reservation System User Guide, and reserve up to the maximum of \$20,000 in Project Costs.
- c) Reservation Setups will be processed in the order submitted on the Reservation System. Submission of a Reservation Setup on behalf of a Household does not guarantee funding.
- d) The Department will attempt to review the Reservation Setup documentation within 10 business days of submission by the Administrator.
- e) If the Reservation Setup is incomplete, as defined in the Program Manual, it will be set back to "pending" status and funds will be released and available for reservation. If the documentation needs correction or additional information, the Department will notify the Administrator of the deficiencies. **If any deficiencies remain uncured 10 business days after notification, the Department may cancel the reservation.** No extensions to Reservation Setups will be granted but the Administrator may resubmit the Reservation Setup if funds are available.
- f) Once the Department verifies a Household is eligible for assistance, the Department will reserve up to the maximum of \$20,000 in Project Costs and an Administration Fee equal to 10% of the Project Costs in the Reservation System on behalf of the Household. The Department will notify the Administrator to proceed to Stage 2 of the review process.

8. Reservation Process, Stage 2: Initial Inspection, Work Write-Up and Cost Estimate Review

- a) When the Department approves the Reservation Setup and sets it to "active" status in the Reservation System, Project Costs and Administration Fee will be reserved for the Household for a period of **60 calendar days**. During this time, the Administrator must complete the initial inspection, "before" photos, work write-up and cost estimation forms and upload and submit all required documentation as described in the Program Manual.

- b) The Department will attempt to review the Stage 2 documentation within 10 business days of submission by the Administrator.
- c) If documentation needs correction or additional information, the Department will notify the Administrator of the deficiencies. **If any deficiencies remain uncured 10 business days after notification, the Department may cancel the reservation.** No extensions will be granted but the Administrator may resubmit the Reservation Setup if funds are available.
- d) Once the Department verifies documentation is complete and approved, the Department will notify the Administrator to proceed to Stage 3 of the review process.

9. Reservation Process, Stage 3: Construction Contract Bid Review

- a) Within **60 calendar days** of the date of the Stage 2 Departmental approval notification (described in section 8d), the Administrator must upload and submit the line item bid selected for contract award and other required documentation as described in the Program Manual.
- b) The Department will attempt to review the Stage 3 documentation within 10 business days of submission by the Administrator.
- c) If documentation needs correction or additional information, the Department will notify the Administrator of the deficiencies. **If any deficiencies remain uncured 10 business days after notification, the Department may cancel the reservation.** No extensions will be granted but the Administrator may resubmit the Reservation Setup if funds are available.
- d) Once the Department verifies documentation is complete and approved, the Department will notify the Administrator to proceed with construction.

10. Reservation Process, Stage 4: Project Costs Draw and Administration Fee Draw Review

- a) When the Administrator has been notified that Stage 3 Review has been approved by the Department (described in section 9d), the Administrator has **90 calendar days** to complete all construction activities and upload and submit both the Project Costs and Administration Fee draw requests. Details on preparing documents required and uploading draw requests are provided in the Program Manual and the Reservation System User Guide. If the Administrator fails to meet this deadline, the Reservation may be canceled.
- b) The Department may grant a one-time 30 calendar day extension to the project completion deadline due to extenuating circumstances. To receive a one-time extension, Administrators must submit a written request for the extension prior to the original due date.

11. For More Information

Please contact Diana Velez at (512) 475-4828 or htf@tdhca.state.tx.us.