



Texas Department of Housing and Community Affairs
Housing Trust Fund
2014 - 2015 Amy Young Barrier Removal Program
Notice of Funding Availability
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1. Program Overview

The Texas Department of Housing and Community Affairs (“the Department”) announces the availability of \$3,578,250 in funding from the Housing Trust Fund (HTF) for the Amy Young Barrier Removal Program (“Program”) through the Department’s first-come, first-served Reservation System. **For Fiscal Year (FY) 2014, approximately \$1,789,125 in combined project and administration funding will be made available at 10:00 a.m. CDT on Friday, November 1, 2013. Reservations submitted prior to 10:00 a.m. CDT on November 1, 2013, as established by the Reservation System date and time stamp, will be reset to Pending, releasing the reserved funds back to the general pool of funds. It is the responsibility of the local Administrator to ensure timely submission of reservation requests.**

For FY 2015, approximately \$1,789,125 in combined project and administration funding will be made available on September 3, 2014. The Department will provide advance notification detailing the timing of the September 3, 2014 release of funds to all Program Administrators. Additional funding from loan repayments, interest earnings, deobligations from prior years, or other available sources may be added to the available funds at the Department’s discretion.

The Amy Young Barrier Removal 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 addressing housing-related health and safety hazards, as approved by the Department. Program beneficiaries may be tenants or homeowners and their household members with disabilities.

The Department will utilize a first-come, first-served Reservation System with this Notice of Funding Availability (NOFA). The availability and use of these funds are subject to Chapter 2306 of the Texas Government Code, the Texas Administrative Code, Title 10, Part 1, Chapters 20 and 26.

Starting on July 26, 2013, the Department will accept applications from organizations seeking authorization to access the Reservation System (which opens on Friday, November 1, 2013) on an ongoing basis until all Program funds are reserved. For the release of funding for FY 2015, the Department will reopen the process for accepting applications from organizations seeking authorization to access the Reservation System on July 1, 2014.

In order to promote the geographic dispersion of these first-come, first-served funds, the following regional allocation will apply in each year of the biennium:

- a) For the first 30 days from the initial release of funds, each region will be allocated funds utilizing a modified Regional Allocation Formula (RAF). Additionally, each

uniform state service region will be divided into urban and rural subregions. In cases where a rural subregion is not allocated enough funding for at least one unit (\$20,000), funds for that region have been redistributed from the urban subregion to ensure sufficient funding is available. See table below and the attached Urban/Rural Counties map of TDHCA Uniform State Service Regions.

Phase 1 of AYBR Reservation System, November 1 through December 1, 2013		
Regions	Urban Amount*	Rural Amount*
1	\$34,116	\$21,115
2	\$9,019	\$20,000
3	\$358,646	\$20,000
4	\$31,878	\$34,870
5	\$23,515	\$25,603
6	\$344,705	\$20,000
7	\$84,568	\$20,000
8	\$43,966	\$20,000
9	\$126,646	\$20,000
10	\$29,004	\$20,000
11	\$169,156	\$31,110
12	\$18,990	\$20,000
13	\$59,570	\$20,000
Sub-total	\$1,333,779	\$292,698
TOTAL	\$1,626,477	

*Amount available for Administrative Fee to organizations is not reflected in this Project Fund allocation.

- b) **After 30 days** from the initial release of funds, on **Monday, December 2, 2013, at 10 a.m. CST**, any funds remaining in the urban and rural subregions will collapse into one amount per region and will be available on a first-come, first-served basis.
- c) **After approximately 60 days from the initial release of funds, on Monday, January 6, 2014 at 10 a.m. CST**, any funds remaining in any region will collapse into one statewide pool and will be available on a first-come, first-served basis.
- d) If an updated RAF applies to the release of funds for FY 2015, it will be posted on the Department's website before the release of funds on September 3, 2014.

2. Eligible Applicants

- a) The following organizations are eligible to apply to administer the Program:
 - i. Units of General Local Government;
 - ii. Councils of Government;
 - iii. Nonprofit Organizations;
 - iv. Local Mental Health Authorities;
 - v. Public Agencies, and
 - vi. Public Housing Authorities.
- 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/hf/single-family/amy-young.htm>. Upon review and approval, a Reservation System Access Agreement will be provided by the Department and must be executed by the Applicant in order to participate in the Reservation System.

- c) Applicants must have at least 2 years of experience providing housing rehabilitation services to low-income households AND demonstrate competence in accessibility standards, applicable building codes, and construction serving the needs of Persons with Disabilities, as evidenced by staff experience or 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. A letter of support or intent to partner does not satisfy this requirement.

3. Definitions

- a) Any capitalized terms not specifically defined in this section shall have the meaning as defined in Chapter 2306 of the Texas Government Code, or the Texas Administrative Code, Title 10, Part 1, Chapters 20 and 26.
- b) In addition, this NOFA uses the following definitions:
 - i. Administration Fee – Program funds, not to exceed 10% of the Project Costs, which are provided to Administrators for operation of the Program and paid upon completion of a project.
 - ii. Affiliate – An individual, corporation, partnership, joint venture, limited liability company, trust, estate, association, cooperative or other organization or entity of any nature whatsoever that directly, or indirectly through one or more intermediaries, has control of, is controlled by, or is under common control with any other person. All entities that share a principal are Affiliates.
 - iii. Hard Costs – Part of Project Costs, Hard Costs are the site-specific costs incurred in the construction of housing modifications, including but not limited to: general requirements, building permits, jobsite toilet rental, dumpster fees, site preparation, demolition, construction materials, labor, installation equipment expenses, etc.
 - iv. Liquid Assets – Cash deposited in checking or savings accounts (including money market and certificate of deposit accounts), mutual fund or brokerage accounts, or the net value of assets that may be easily converted to cash, such as stocks, bonds, or the cash surrender value of life insurance policies. Funds in deferred tax accounts for retirement or education savings plans such as Individual Retirement Accounts (IRA's), 401K's and 529 plans, are excluded from the Liquid Assets calculation.
 - v. Low Income – 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, in accordance with the U.S. Department of Housing and Urban Development (HUD) HOME Investment Partnership Program income tables.
 - vi. Project Costs – Program funds (Hard and Soft Costs) that directly assist an eligible Household.

- vii. Reservation Setup – The submission of required documents to the Reservation System in order to reserve Program funds for an eligible Household.
- viii. Soft Costs – Part of Project Costs and not to exceed 10% of 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) Administrators must follow the requirements, 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, Chapters 20 and 26), Program manual, and forms.
- b) The assisted Household must be qualified as Low Income. Liquid Assets may not exceed \$20,000.
- c) Units of General Local Government must maintain documentation of compliance with applicable procurement laws and regulations. Nonprofit Organizations must have a Board adopted procurement policy that ensures, to the greatest extent feasible, fair and open competition and document compliance with that policy in their local file.
- d) 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. Eligible administrative expenses include, but are not limited to, travel expenses for Program training incurred after the effective date of the Reservation System Access Agreement, Program marketing expenses, accounting and audit expenses related to the Program.

5. Property and Construction Guidelines

- a) Eligible properties are owner-occupied homes and rental units.
- b) All household occupants, including the Person with Disability, must be named on the lease of an assisted rental unit.
- c) The owner of record for an owner-occupied property must reside in the home as a household member, unless otherwise approved by the Department on a case-by-case basis.
- d) The Program grant is limited to \$20,000 in Project Costs (Hard and Soft Costs).
- e) **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.
- f) **Elimination of Health and Safety Deficiencies.** 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.

- g) The following properties are *not* eligible for Program assistance:
 - i. Properties developed, owned or managed by the Administrator or an Affiliate;
 - ii. Properties in which federal funds have been designated for the same modification or repair;
 - iii. Rental units covered by 24 CFR Part 40 or 24 CFR Part 570;
 - iv. Rental units that have hazardous 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 after the hazardous or unsafe conditions have been properly corrected by the property owner at the property owner's expense.

6. Reservation System Guidelines

- a) Program funds are available on a first-come, first-serve basis in the Reservation System, subject to the RAF described in Section 1 of this NOFA.
- b) An Administrator cannot have more than **5** "Active" status Reservations at any one time, regardless of the location or region of the Activities.
- c) 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.
- d) The Department may de-authorize access to the Reservation System and terminate the Reservation System Access Agreement if the requirements in this NOFA or Reservation System Access Agreement are not met.

7. Reserving Funds (Stage 1)

- 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.
- b) After collecting and verifying the required Household income and property eligibility documentation, the Administrator shall enter the Reservation Setup information into the Reservation System, submit the required forms as described in the Program manual, and request a reservation of funds, up to the maximum of \$20,000.
- 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 **10 business days** of submission by the Administrator.
- e) If the documentation needs correction or additional information, the Department will notify the Administrator of the deficiency. If the deficiency is not corrected within **10 business days** of notification, the Department may cancel the reservation from the Reservation System and the Reservation Setup will need to be resubmitted 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 of 10% of the Project Costs in the Reservation System on behalf of the household. The Department will then notify the Administrator to proceed to Stage 2 of the review process.

8. Initial Inspection, Work Write-Up and Cost Estimate Review (Stage 2)

- a) When the Department approves the Reservation Setup and set it to “Active” status in the Reservation System, Project Costs and Administration Fee funds will be reserved for the household for a period of no more than **40 calendar days**, during which time the Administrator must complete the initial inspection, “before” photos, work write-up and cost estimation process and submit all required documentation as described in the Program manual to the Department.
- b) The Department will review the Stage 2 documentation within **10 business days** of submission by the Administrator.
- c) If the Department requires additional information or documentation, the Department will notify the Administrator of the deficiency. If the deficiency is not corrected within **10 business days** of notification, the Department may cancel the reservation from the Reservation System and the Reservation Setup will need to be resubmitted 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. Construction Contract and Bid Review (Stage 3)

- a) Within **60 calendar days** of the date of the Stage 2 Departmental approval notification (see 8d above), the Administrator must submit the bid analysis worksheet, the awarded construction contract with the line item bid, and other required documentation as described in the Program manual to the Department.
- b) The Department will review the Stage 3 documentation within **10 business days** of submission by the Administrator.
- c) If the Department requires additional information or documentation, the Department will notify the Administrator of the deficiency. If the deficiency is not corrected within **10 business days** of notification, the Department may cancel the reservation from the Reservation System and the Reservation Setup will need to be resubmitted 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. Project Completion and Draw Process

- a) When the Administrator has been notified that Stage 3 Review has been approved by the Department (see 9d above), the Administrator has **90 calendar days** to complete all construction activities and submit all project and administrative draws. Details on preparing and submitting draw requests are provided in the Program manual.
- b) The Department may grant a one-time **30 calendar day** extension to the project completion deadline due to extenuating circumstances that were beyond the Administrator’s control. Administrators must submit a written request for the extension within **90 calendar days** after Stage 3 approval. **If the Administrator fails to meet this deadline, the Reservation may be cancelled.**

Questions regarding this NOFA should be addressed to:

Texas Department of Housing & Community Affairs

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