



Houston City Council
Housing and Community Affairs Committee

Mike Laster (Chair)

Robert Gallegos (Vice Chair)

Dwight A. Boykins - David W. Robinson - Michael Kubosh

Karla Cisneros - Mike Knox – Martha Castex-Tatum

Tuesday, October 16, 10:00 AM
City Hall Council Chambers

I. Call to Order/Welcome – Council Member Mike Laster, Chair

II. Disaster Recovery

a) Amendment to Agreement for Master Program Management Services

The Housing and Community Development Department (HCDD) requests that City Council approve the attached Amendment No. 1 to the Agreement for Master Program Management Services, which revises the original appropriation from \$25,000,000 to \$11,200,000. (All Districts)

b) Guidelines for Homeowner’s Assistance Program

HCDD requests that City Council approve an ordinance adopting the guidelines for the Homeowner Assistance Program (HoAP). (All Districts)

c) Guidelines for Harvey Small Rental Program

HCDD requests that City Council approve an ordinance adopting the guidelines for the Harvey Small Rental (HSR) Program. (All Districts)

- Tom McCasland, Director, HCDD
- Mayra Bontemps, Assistant Director, HCDD

III. Single Family

Guidelines for CHDO Single Family Development Program

HCDD requests that City Council approve an ordinance establishing HCDD’s Community Housing Development Organization (CHDO) Single Family Development Program Guidelines. (All Districts)

- Tom McCasland, Director, HCDD
- Laurie Vignaud, Assistant Director, HCDD

IV. Public Comments

V. Director’s Comments

Tom McCasland, Director, HCDD



CITY OF HOUSTON – CITY COUNCIL

Meeting Date: 11/14/2018

District ALL

Item Creation Date: 9/27/2018

HCD18-90

Amendment No. 1 to Agreement for
Master Program Management Services

Agenda Item#: II.a.

Background:

The Housing and Community Development Department (HCDD) requests that City Council approve the attached Amendment No. 1 to the Agreement for Master Program Management Services which revises the original appropriation from \$25,000,000 to \$11,200,000.

Pursuant to Ordinance No. 2018-0007 approved January 3, 2018, the City entered into a three-year Agreement with two one-year options for Master Program Management Services, Contract No. 4600014676, with Aptim Environmental & Infrastructure, Inc. (Aptim). Under the existing scope of work and task orders, Aptim provides support for the administration and implementation of housing program design and housing program management services for multiple programs. To better define the scope of work, the amendment proposes two changes:

- 1) The scope of work is now limited exclusively to those services for which the City receives funding from the following four sources:
 - FEMA Short Term Housing Recovery;
 - CDBG-Disaster Recovery 2017;
 - CDBG-Single Family; and
 - CDBG-Disaster Recovery 2015.

- 2) The cumulative value of all Task Orders issued under this Agreement must not exceed \$11,200,000.00. The City shall not be obligated to pay for any services that exceed the total cumulative Task Order value of \$11,200,000.00.

As this is a federally funded program, no fiscal note is required on grant items as stated in Financial Policies.

All work is expected to be completed six years from the award of the contract to the City of Houston from the Texas General Land Office (GLO), HUD's direct recipient of Hurricane Harvey CDBG-DR funds.

Tom McCasland, Director

Prior Council Action:

1/3/2018 (O) 2018-0007

Contact Information:

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CITY OF HOUSTON – CITY COUNCIL

Meeting Date: 11/14/2018

District ALL

Item Creation Date: 9/27/2018

HCD18-87

Homeowner Assistance Program Guidelines

Agenda Item#: II.b.

Background:

The Housing and Community Development Department (HCDD) requests that City Council approve an ordinance adopting the attached guidelines for the Homeowner Assistance Program (HoAP) for the Community Development Block Grant-Disaster Recovery (CDBG-DR) for Hurricane Harvey funding from the Texas General Land Office (GLO).

The goals and objectives of HoAP are to provide housing programs that will preserve and expand the housing stock while creating sanitary, safe, energy efficient housing, and a resilient community. Houston's objectives also include prioritizing elderly and disabled households and households in which members are under the age of five while affirmatively furthering fair housing. HoAP also places an emphasis on housing choices and designs that reduce maintenance and insurance costs as well as provide independent living options. The program will also secure housing by bringing existing units into compliance with applicable health and safety codes or by replacing those existing structures that cannot be technically or economically repaired.

These guidelines will provide the broad outline of what programs will be covered and how the homeowners of Houston can apply for assistance. HCDD provided the broad terms required by the laws and regulations surrounding the Hurricane Harvey disaster funding to stakeholder groups to define the basis for the programs designed. These guidelines have also been published for public comments, input from interested parties, and feedback from funding sources. These guidelines are the first step needed to implement viable programs that will fulfill the needs of Houston's recovery from the devastation wrought by Hurricane Harvey and its aftermaths.

The HoAP is expected to be divided into five main categories: Reimbursement for repairs completed; City-Managed Rehabilitation and /or Reconstruction; Homeowner-Managed Rehabilitation; Acquisition; and Interim Mortgage Assistance. Program details are as follows:

1. **Reimbursement:** Homeowners who have completed partial or full repairs on their home may be eligible for reimbursement of eligible expenses incurred prior to application to the program, for work performed to minimum program standards and following an environmental "Tier II" clearance. Xactimate or similar industry standard tool will be used to ensure cost reasonableness and the work will be verified through an on-site inspection. This program will serve homeowners who earn up to 120% Area Median Income (AMI).
2. **City Managed Rehabilitation and Reconstruction:** The City will manage and complete the construction process for the rehabilitation or reconstruction of Harvey-damaged homes on behalf of homeowners. The City anticipates contracting with multiple firms to provide design and construction services for the rehabilitation or reconstruction of damaged properties. This program will serve homeowners who earn up to 120% AMI.
3. **Homeowner Managed Rehabilitation:** The City will assist homeowners who have started the process, or who can manage a contractor, to navigate Program compliance requirements and funding process. Services are anticipated to include general customer service assistance to provide community resources and referrals, program guidance,

draw request support, progress inspections, and on a case-by-case basis, limited construction information. Homeowners will select their own licensed and insured contractor(s) and contract verifications will be performed for all contractors. This program will serve homeowners who earn up to 120% AMI.

4. **Acquisition:** Homeowners may be eligible to have their single-family homes voluntarily acquired by the City in conjunction with its Single-Family Development Program. The City will provide owners of substantially damaged homes, within the 100-year floodplain, the option to exchange their home for a newly constructed, or rehabilitated home, built to flood resilient standards. This program will serve homeowners who earn up to 120% AMI.
5. **Interim Mortgage Assistance (IMA):** Interim Mortgage Assistance (IMA) may be provided to homeowners being served under the Homeowner Assistance Program who are making both a mortgage payment on their storm-damaged home and making a rental payment for their temporary home. These homeowners may be eligible to receive up to 20 months of assistance based on the lesser of their monthly mortgage and temporary rental housing payments. This program will serve homeowners who earn up to 120% AMI.

Assistance for Reimbursement, City Managed Rehabilitation and Reconstruction, Acquisition, and Homeowner Managed Rehabilitation will be provided in the form of a zero-interest, forgivable loan, secured by placement of a (second) lien on the applicant property.

As this is a federally funded program, no fiscal note is required on grant items as stated in Financial Policies.

All work is expected to be completed within 5 years from the award of the contract to the City of Houston from GLO, HUD's direct recipient of Hurricane Harvey CDBG-DR funds.

This was reviewed by the Housing and Community Affairs Committee on 10/16/2018.

Tom McCasland, Director

Amount of Funding:

\$392,729,436.00

Federal State Funding (5030)

Prior Council Action:

6/27/2018 (O) 2018-518

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CITY OF HOUSTON – CITY COUNCIL

Meeting Date: 11/14/2018

District ALL

Item Creation Date: 9/27/2018

HCD18-88

Small Rental Program Guidelines

Agenda Item#: II.c.

Background:

The Housing and Community Development Department (HCDD) requests that City Council approve an ordinance adopting the attached guidelines for the Harvey Small Rental (HSR) Program using Community Development Block Grant - Disaster Recovery (CDBG-DR) funds from the Texas General Land Office (GLO). The HSR Housing Program aims to rebuild the affordable rental housing stock by rehabilitating small rental properties (Individual buildings with no more than seven residential units) damaged by Hurricane Harvey and to create new housing stock through infill development of new small rental properties. This will meet the increased demand for affordable rental housing in Houston. This program provides financial assistance, through forgivable loans, to small rental property owners and developers who serve a low- to moderate-income market. This program will assist in expanding the affordable rental housing options, while also stimulating economic growth by assisting landlords and creating jobs in the housing rehabilitation and construction sectors.

The goals and objectives of HSR are to provide housing programs that will preserve and expand the housing stock while creating sanitary, safe, energy efficient housing, and a resilient community. Houston's objectives also include prioritizing elderly and disabled households and / or households in which members are under the age of five while affirmatively furthering fair housing. HSR also places an emphasis on housing choices and designs that reduce maintenance and insurance costs as well as provide independent living options. The focus of the program is to provide affordable housing to very low-, low- and moderate-income applicants. The program will also secure housing by bringing existing units into compliance with applicable health and safety codes or by replacing those existing structures that cannot be technically or economically repaired.

These guidelines will provide the broad outline of what these programs will be covered. HCDD provided the broad terms required by the laws and regulations surrounding the Hurricane Harvey disaster funding to stakeholder groups to define the basis for the programs designed. These guidelines have also been published for public comments, input from interested parties, and feedback from funding sources. These guidelines are the first step needed to implement viable programs that will fulfill the needs of Houston's recovery from the devastation wrought by Hurricane Harvey and its aftermaths.

The Harvey Small Rental (HSR) Housing Program will have distinct policies and operational processes for 1) reconstruction and rehabilitation projects and 2) new construction projects. All work is expected to be completed six years from the award of the contract to the City of Houston from the Texas General Land Office (GLO), HUD's direct recipient of Hurricane Harvey CDBG-DR funds.

As this is a federally funded program, no fiscal note is required on grant items as stated in Financial Policies.

This item was reviewed by the Housing and Community Affairs Committee on 10/16/2018.

Tom McCasland, Director

Amount of Funding:

\$61,205,100.00

Federal State Funding (5030)

Prior Council Action:

6/27/2018 (O) 2018-518

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CITY OF HOUSTON - CITY COUNCIL

Meeting Date: 10/31/2018

ALL Districts

Item Creation Date: 9/20/2018

Housing Committee Date: 10/16/2018

HCD18-86

Guidelines for Community Housing Development
Organization (CHDO) Single Family Development Program
Agenda Item#: III.

Background:

The Housing and Community Development Department (HCDD) requests that City Council approve an ordinance establishing HCDD's Community Housing Development Organization (CHDO) Single Family Development Program Guidelines. These guidelines inform all interested stakeholders of the requirements for participating in the City of Houston's CHDO Program.

A CHDO is a private nonprofit, community-based service organization with specific legal, organizational requirements and qualified paid staff that serves the role of the owner, developer or sponsor of affordable housing for the community it serves. The objective of the City's CHDO Single-Family Home Development Program is to expand affordable housing for Houstonians with an annual household income at or below 80% of the area median income.

The Code of Federal Regulations (CFR) requires the City to reserve at least 15% of its HOME allocation for investment only in housing to be owned, developed or sponsored by CHDOs. To be eligible for funding, CHDOs are required to meet certain legal and organizational requirements and have the capacity and experience to develop affordable housing projects.

For the CHDO Single-Family Home Development Program, the CHDO serves in the role of developer. HCDD is responsible for administering the program in accordance with HUD regulations to include: (1) Certifying and recertifying that organizations meet the definition of a CHDO; (2) Documenting each CHDO's development capacity each time it recommends funding for the organization; (3) Expanding the capacity of CHDOs to develop and manage quality affordable housing and; (4) Effectively utilizing available resources to provide more affordable housing choices.

The Houston Land Bank (HLB) has set aside vacant lots that can be purchased for a nominal amount by certified CHDOs selected to participate in the CHDO Program. Lots will be located in but not limited to the Complete Communities. The CHDO will be responsible for the marketing and sale of such properties. HCDD will be responsible to ensure homebuyer income eligibility.

The HCDD Director, or his designee by written instrument, will have approval authority for administrative matters related to the CHDO Program, and will be authorized to amend these guidelines and adopt procedures in order to comply with regulatory requirements and ensure the efficient and proper administration of the CHDO Program.

No Fiscal Note is required on Grant Items. The Housing and Community Affairs Committee reviewed this item on October 16, 2018.

Tom McCasland, Director

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