

2019 HOME GRANTEE WORKSHOP

HOMEOWNER REHABILITATION AND
RECONSTRUCTION AND HOMEOWNERSHIP
DEVELOPMENT PROJECTS

JOINT SESSION

Community Programs Division
Tennessee Housing Development Agency

June 11, 2019

Congratulations!!!



Contacts

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FY2019 Application Round

Rural Matrix:

- \$6.5M available for program activities
- \$9.2M in applications for program activities from 22 communities
- \$5.6M awarded to 14 communities to improve 116 residences

Urban Matrix

- \$5.3M available for program activities
- \$2.8M in applications for program activities from 7 communities
- \$1.2M awarded to 3 communities for program activities

FY2019 Application Round

CHDO Matrix:

- \$2.3M available for program activities
- \$2.6M in applications for program activities from 5 CHDO's
- \$2.3M awarded to 4 CHDO's to develop 20 affordable residences



Now the real work begins....

The HOME Program is a performance contract....

- ! THDA has a contract with HUD to perform....
- ! Each Grantee has an agreement with THDA to perform....

...those recipients that meet the terms of the THDA HOME program will receive funds to cover eligible costs that help to improve the housing stability of residents in your community or service area by offering homeowner rehabilitation or homeownership development.

Our Goal and Yours....





Grants Management System

THDA's new grants management system will be the system for all grants management going forward

1. Applications
2. Grant set-up
3. Project set up
4. Submission of ERR
5. Submission of work write-up's or plans
6. All draw requests
7. Project closeout

Quarterly Status Reports

1. THDA will begin requesting quarterly status reports based on the timeline submitted with the grantee's application
 - Requests will be made directly to the grantee with the Administrator copied where applicable
2. Section 3 reports will be collected on each project.
3. MBE/WBE reports will be collected on each project.

Construction Issues

Codes:

All construction shall comply with applicable federal, state, county, and local codes, planning and zoning requirements, local authorities' rules and regulations. Federal regulations which may pertain to any specific project such as the Fair Housing Amendment Act of 1988, Section 504 of the Rehabilitation Act of 1973 and Americans with Disabilities Act of 2010, as amended, also apply.



Absence of Local Codes

In the absence of local codes, the Tennessee State adopted ICC codes and the Existing Building Code as published by the International Code Congress (ICC) and the Uniform Physical Condition Standards (UPCS) shall apply.

- a comprehensive list which can be found on the HUD.Gov website
- The UPCS standards can be found here:

http://portal.hud.gov/hudportal/documents/huddoc?id=DOC_26481.pdf

Other Federal Requirements

Lead-Based Paint

- For all units that are pre-1978, all families must receive a copy of LBP-1 (Protect Your Family from Lead in Your Home) before they sign anything other than the application.
 - The family must sign verifying that they did receive the information

- HUD designates three categories of rehabilitation based on the level of investment in the unit:
 - Less than \$5,000
 - \$5,000 - \$25,000
 - More than \$25,000

- Follow instructions in HOME Manual based on level of investment in the unit

ENVIRONMENTAL REVIEW

HOME funds **cannot** be committed to a project prior to the completion of the environmental review and release of funds.

The Grantee may not take any **choice limiting actions** prior to completion of the environmental review.

- Choice-limiting actions will reduce or eliminate your opportunity to choose alternatives
- Examples: property acquisition, leasing, demolition, rehabilitation, construction, and site improvements (including site clearance)

Levels of Environmental Review

1. Exempt
2. Categorically Excluded not subject to the authorities of the Statutory Checklist
3. Categorically Excluded subject to the authorities of the Statutory Checklist
4. Categorically Excluded activities converted to Exempt
5. Environmental Assessment

Responsibility for the Environmental Review

Grantees assume full responsibility for the completion of the Environmental Review.

- Completes the Tier One environmental review.
- Makes public notices and Request for Release of Funds to THDA
 - Submits copy of the environmental review and published Notice to THDA.
- After the close of the public comment period and based on a favorable review of any comments received and the documentation provided by the Grantee, THDA issues the Release of Funds.

Flood Plains



THDA does not generally permit the rehabilitation of housing located in the 100 year flood plain however on reconstruction or new construction projects where the flood plain can be mitigated by a minimum of 12", for the lowest occupiable floor and all systems, the project will be considered.

Promoting Fair Housing & ADA

All program material must include the fair housing and ADA logos:



Fair Housing and Equal Opportunity

FHEO laws are designed to protect individuals and groups against discrimination and to provide equal opportunities in housing, employment and contracting with federal funds.

- No person shall on the grounds of race, color, religion, sex, familial status, national origin or disability be excluded from participation, denied benefits or subjected to discrimination under any program funded in whole or in part by HOME.

Fair Housing Activities

The Grantee must provide each applicant with a copy of **Fair Housing: Equal Opportunity for All** brochure as part of the application process

Maintain documentation in your files that all potential homeowners have received the brochure – Homeowner to acknowledge receipt

Fair Housing Activities

The Grantee must take steps outlined in their Policies and Procedures to encourage the application for assistance of those who are least likely to apply for assistance

- To accomplish, the Grantee may advertise for assistance availability at:
 - Churches
 - Convenience stores
 - Libraries
 - Senior centers
 - Local offices of the TN Department of Human Services

Limited English Proficiency

Each Grantee must have policies and procedures to assist non-English speaking applicants

Each Grantee must also have a process that notifies LEP persons of language assistance available (i.e. notices, signs) and that is accessible to individuals seeking assistance

Grantee staff should be knowledgeable of all procedures and processes

Americans with Disabilities Act (ADA)

Title II requires that State and local governments give people with disabilities an equal opportunity to benefit from all of their programs, services, and activities

State and local governments must relocate programs or otherwise provide access in older buildings that are inaccessible and communicate effectively with people who have hearing, vision, or speech disabilities

- Grantees must take steps to promote the availability of HOME assistance at locations that are accessible to individuals with disabilities, including any web sites that are used to publicize the program

Conflict of Interest

The HOME Conflict of Interest policy applies to any person who is an employee, agent, consultant, elected or appointed official of THDA, a State Recipient (Grantee) receiving HOME funds.

No person listed above who exercise or have exercised any function or responsibility with respect to activities assisted with HOME Funds or are in a position to participate in a decision-making process or gain inside information may obtain a financial interest or benefit from any HOME activity or the proceeds of such activity either for themselves or for those who they have business or immediate family ties.

Conflict of Interest

Covered familial relationships are limited to immediate family members:

- Immediate family ties include (whether by blood, marriage or adoption) the spouse (including a step-parent), child (including step-child), sister, brother (including step-brother or step-sister), grandparent, grandchild, and in-laws of a covered person

Appearance of a Conflict of Interest

All Grantees must also take steps to avoid the appearance of a conflict of interest.

Grantees must notify THDA of the Appearance of any Conflict of Interest before taking any action.

Procurement

Any contract \$3,500 or greater must undergo an informal or formal bidding process.

- Projects requiring general contractors must be advertised for bid a minimum of 14 days prior to the bid opening to insure an open and competitive process
 - Must be published in a local newspaper or a broadly distributed newspaper of the closest metropolitan area.
 - Maintain copies of bid advertisements in your files
 - There should be at least 3 valid bids
 - If less than 2 qualified bids are received, the project must be re-bid

Grantees **may not** negotiate with the lowest bidder

- If the scope of the project changes, all bidders must be given an opportunity to amend their bid

Section 3

All grantees with a contract of over \$200,000 must take steps, *to the greatest extent feasible*, to provide employment and other economic opportunities to low and very low income individuals within the project area

Also applies to all contracts and subcontracts over \$100,000

A grantee is obligated to direct, to the greatest extent feasible, new hires and contracts to Section 3 businesses and residents.

Section 3 applies to the entire project regardless if the project is fully or partially funded with HOME resources.

Section 3 Resident

A Section 3 Resident is:

- A Public Housing Resident
- A resident of the metropolitan area or non-metro county in which the Section 3 covered assistance is expended and who qualifies as a low or very low income person.

Section 3 Business Concern

- 51% or More Owned by Section 3 Residents
OR
- 30% of Employed Staff are Section 3 Residents
OR
- 25% of subcontracts committed to Section 3 Businesses

Section 3 Qualifications

A Section 3 Resident must meet the qualifications of the position to be filled

A Section 3 Business Concern must have the ability and capacity to perform under the contract

Section 3 Responsibilities

- Provide a hiring preference to Section 3 Residents
- Provide an award preference to Section 3 Business Concerns
- Assist with achieving compliance among contractors

Section 3 Preference

Section 3 is race and gender neutral

Section 3 is not Minority Business Enterprise (MBE) or Woman Business Enterprise (WBE)

Hiring preference is based on:

- Income (80% or less of AMI)

And

- Location (project area)

Section 3 Responsibility

Notify Section 3 residents and business concerns about hiring and contract bids

- Post job/contract notices at public housing sites
- Form partnerships with organizations working with low income job seekers
- Work with local trade unions to identify businesses that qualify as Section 3 business concerns

Incorporate Section 3 clause into all contracts. - 24 CFR §135.38

Tell Your Story

Highlight Your Successes

- Tell the story of your program and the investment of federal resources into your community
- Take before and after photos of each unit assisted and submit to THDA
- Telling Your Story – Communications Guide
- Faces Behind the Funding Questionnaire and Photo Release

HOME Resources

HOME Resources

HUD:

- Bookmark the HUD website:

<https://www.onecpd.info>

- Sign up for email updates

THDA:

- Bookmark the THDA HOME website:

<https://thda.org/business-partners/home>

HOME Resources

On the THDA Web Site: <https://thda.org/business-partners/home>

- 2019 HOME Program Description
- HOME Manual
- THDA Design Standards for Rehabilitation
- Current Forms
- Property Value Limits, Income Limits, Max Per Unit Subsidy Limits
- Telling Your Story – Communications Guide
- Faces Behind the Funding Questionnaire and Photo Release

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