



Texas General Land Office

Community Development and Revitalization

Affordable Rental Housing Program

The GLO is administering the Affordable Rental Housing Program. This program provides a total of \$250 million for the rehabilitation, reconstruction, and new construction of affordable multifamily housing projects in areas impacted by Hurricane Harvey. The maximum award for any applicant/development is \$25 million.

Eligibility Criteria:

- Development must meet CDBG-DR eligibility requirements;
- Development must be in a CDBG-DR eligible county;
- Minimum of 51 percent of the units must be restricted for twenty (20) or more years of an affordability period for low- to moderate-income (LMI) individuals earning 80 percent or less of the Area Median Family Income (AMFI) at affordable rents;
- The affordable rents must comply with HOME Investment Partnership (HOME) Rents and other existing Land Use Restriction Agreement (LURA) restrictions, if applicable;
- Multifamily rental development is eight or more rental units under common ownership; and
- Project construction must be completed within 18 months of the effective date of the contract.

****Developments located within the city limits of Houston and/or within Harris County are ineligible.**

Schedule of events:

EVENT	DATE/TIME
Issue Request for Application	July 9, 2018
90-day Application Submission Period Begins	July 23, 2018
Priority Submission Deadline for Rehabilitation Applications	August 22, 2018 at 12:00 p.m. CDT
Priority Submission Deadline for Rehabilitation and Reconstruction Applications	September 21, 2018 at 2:00 p.m. CDT
Final Submission Deadline for All Applications	October 22, 2018 at 5:00 p.m. CT

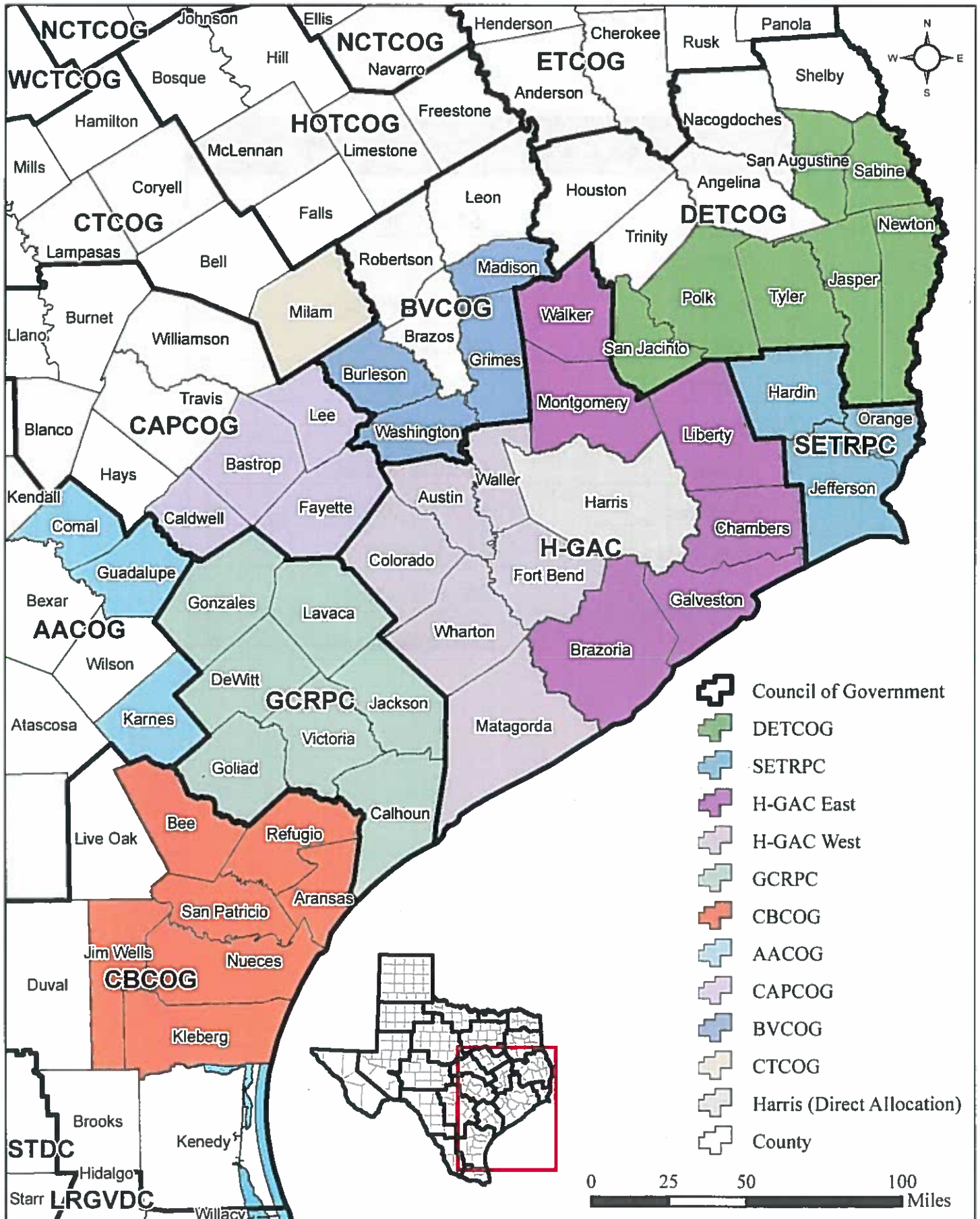
Note: The GLO reserves the right to modify these dates at any time prior to the deadline for submission of Applications upon notice posted on the GLO's texasrebuilds.org website.

For program specific questions relating to the application please use the following:

Email: HARVEYSUPPORT@glo.texas.gov

Subject line: Affordable Rental Program RFA

State of Texas: Multi-Family Allocation Regions



COG	Allocation Amount
AACOG	\$2,290,367.75
BVCOG	\$2,494,538.81
CAPCOG	\$8,942,865.85
CBCOG	\$42,196,325.14
CTCOG	\$500,000.00
DETCOG	\$30,000,814.75
GCRPC	\$18,612,232.81
H-GAC East	\$48,777,923.44
H-GAC West	\$35,137,608.62
SETRPC	\$61,047,322.83
TOTAL	\$250,000,000.00




Hurricane Harvey Affordable Rental Housing Program

The Texas General Land Office
Community Development and Revitalization Division
(GLO-CDR)

"We work to rebuild communities, to put Texans back in their homes, and to help businesses recover after the trauma of disaster."

*George P. Bush
Texas General Land Office Commissioner*

July 13, 2018



Hurricane Harvey Affordable Rental Housing Program

Program Summary:

- Allocation Amount: \$250,000,000
- Eligible Counties: 48 impacted by Hurricane Harvey*
- Applications Accepted: July 23 to October 23, 2018

* Does not include Harris County



Hurricane Harvey Affordable Rental Housing Program

Allocation by COG

AACOG	\$ 2,290,367.75
BVCOG	\$ 2,494,538.81
CAPCOG	\$ 8,942,865.85
CBCOG	\$ 42,396,325.14
CTCOG	\$ 500,000.00
DETCOG	\$ 30,000,814.75
GCRPC	\$ 18,612,232.81
HGAC East	\$ 48,777,923.44
HGAC West	\$ 35,137,608.62
SETRPC	\$ 61,047,422.83
Total	\$250,000,000.00

Hurricane Harvey Affordable Rental Housing Program
Program Terms:
• Minimum Allocation Amount – \$250,000
• Maximum Allocation Amount – \$25,000,000
• Grant Term – 20 Years
• Minimum development size – 8 units

Hurricane Harvey Affordable Rental Housing Program
Program Requirements:
• Federal
• State
• Reporting
• Compliance

Hurricane Harvey Affordable Rental Housing Program
Federal Requirements:
• Community Development Block Grant disaster recovery (CDBG-DR) funds can be used to acquire, rehabilitate, reconstruct or construct new affordable rental housing. Rehabilitation and reconstruction will be prioritized in this first Notice of Funding Availability (NOFA).
• Like all CDBG-DR activities, rental activities must meet one of the three National Objectives: benefitting low- and moderate-income (LMI) persons, addressing slum or blight, or meeting an urgent need.
• The LMI benefit is selected as the National Objective for rental activities.



Hurricane Harvey Affordable Rental Housing Program

Federal Requirements:


- At least 51% of the units must be occupied by LMI households at restricted rents to qualify.
- Rents must comply with HOME rent limits (capped at the High HOME rent level) or HUD-approved project-based rents.
- Tenant-paid rent, plus utility allowance, plus rental assistance (if any) must be under the High HOME or HUD-approved rent limit.



Hurricane Harvey Affordable Rental Housing Program

Federal Requirements – Eligible properties:

- Must meet the environmental guidelines per 24 CFR Part 58.
- Must affirmatively further fair housing.
- Must be financially feasible (pass underwriting).
- Must meet HUD green building standards.
- Must meet HUD broadband requirements for new construction.



Hurricane Harvey Affordable Rental Housing Program

Federal Requirements – Eligible properties:


- All properties must comply with applicable local and state housing quality standards and code requirements.
- Substantial rehabs, reconstruction and new construction must comply with FHA Design Manual and ADA 2010 (with exceptions).
- Minimal rehabilitation must comply with HUD Housing Quality Standards (HQS).
- Must comply with 24 CFR Section 570.605 (if located in flood plain).



**Hurricane Harvey
Affordable Rental Housing Program**

Federal Requirements – Wage and Labor:


- Davis Bacon and Related Acts:
 - General wage decisions and prevailing wage rates.
- Fair Labor Standards Act:
 - Establishes basic minimum wage rates and overtime for workers.
- Copeland (Anti-Kickback) Act:
 - Provisions prohibit the kickback of fees, wages, commissions, or granting of gifts such as an inducement of federal award.
- Contract Work Hours & Safety Standards Act (CWHSSA):
 - Applicable to construction contracts that are \$100,000 or more.



**Hurricane Harvey
Affordable Rental Housing Program**

Federal Requirements – Relocation:

- Any property involving displacement of residents while under construction is subject to the Uniform Relocation Act.
- Triggered by federally funded acquisition activities.



**Hurricane Harvey
Affordable Rental Housing Program**

State Requirements – Eligible Properties:

- Publicly or privately owned.
- Multifamily structures – 8 units or more.
- At a minimum, 51% of the units must target residents with income levels at 80% or less of the area median income.

Hurricane Harvey Affordable Rental Housing Program
State Requirements: Eligible Costs
<ul style="list-style-type: none"> • Labor, materials and other rehabilitation/construction costs; • Construction loan interest; • Energy efficiency improvements; • Utility connections; • Correcting lead-based paint issues; and • Accessibility improvements.

Hurricane Harvey Affordable Rental Housing Program
State Requirements – Visitability:
<ul style="list-style-type: none"> • All single family structures constructed with federal funds by the GLO or its subrecipients must meet visitability requirements including: <ul style="list-style-type: none"> • No step entrance; • At least one 36" entrance door; • 32" interior doors, 36" hallways; • Grab bars in baths; and • Plugs and switches at approved heights.


Hurricane Harvey Affordable Rental Housing Program
State Requirements – Application Submission:
<ul style="list-style-type: none"> • Threshold criteria: <ul style="list-style-type: none"> ◦ Developed in accordance with the State Action Plan and Texas Housing Guidelines. • Underwriting criteria: <ul style="list-style-type: none"> ◦ Feasibility; ◦ Cost reasonableness; and ◦ Duplication of benefits analysis. • Address previous participation and experience requirements.



Hurricane Harvey Affordable Rental Housing Program

State Requirements – Application Submission:

- **Threshold criteria:** Properties undergoing rehabilitation or reconstruction must agree to one of the criteria while newly constructed properties must agree to two of the criteria.
 - **High Opportunity Zones** – Development is located entirely in a census tract that has a poverty rate of less than 20%.
 - **Extremely Low-Income Targeting** – Development provides at least 10% of units to families or individuals with incomes at 30% or less of the area median income (AMI).
 - **Exceeding LMI Requirement** – Development designates at least 70% of the units to serve low/moderate income families earning 80% or less of the AMFI as defined by HUD for the applicable affordability period.
 - **Serving persons with Disabilities** – Development will increase the number of accessible units beyond the minimum required by Section 504, the Fair Housing Accessibility Guidelines or other mandated minimums by an additional 10%.
 - **Leveraging of Public and Private Financing** – Development receives a total contribution of funding from other local, state, federal or private contributions of at least 25% of the total Housing Development Cost (as reflected in the Cost Schedule).



Hurricane Harvey Affordable Rental Housing Program

Reporting Requirements:

- Monthly reports are required from the applicant to report progress and status of rental construction.
- Monthly progress reports are required from subrecipients to report unit rental activity status.



Hurricane Harvey Affordable Rental Housing Program


Reporting Requirements – Compliance & Section 3:

- Quarterly reporting for LMI compliance while under construction;
- Yearly unit status reports required for long-term compliance;
- Property inspections required every 3 years; and
- Section 3 information.

Hurricane Harvey Affordable Rental Housing Program
Reporting Requirements – Section 3 Plan: <p>The plan is used to ensure that employment and other economic opportunities generated by certain HUD financial assistance shall to the greatest extent feasible and consistent with existing federal, state and local laws and regulations be directed to low- and very low-income persons.</p> <p>The plan should particularly track those who are recipients of government assistance for housing, and to business concerns that provide economic opportunities to low- and very low-income persons.</p>

Hurricane Harvey Affordable Rental Housing Program
Reporting Requirements – Labor Standards: <ul style="list-style-type: none"> • Appointment of Labor Standards Officer; • Preconstruction conference; • Notice to proceed (10-day call) authorizing construction start or continuations of construction; and • Benchmarks tied to disbursements.


Hurricane Harvey Affordable Rental Housing Program
Reporting Requirements – Compliance Monitoring and Income Eligibility Record Keeping: <ul style="list-style-type: none"> • Types of files: <ul style="list-style-type: none"> ◦ Program ◦ Activity ◦ Environmental Review Record • Audit trail • Records <ul style="list-style-type: none"> ◦ All records must be retained for at least 3 years following contract closure (20-year affordability period).



Hurricane Harvey Affordable Rental Housing Program

Income Limits – Aransas County


AMT	Number of Household Members							
	1	2	3	4	5	6	7	8
30	\$ 11,300	\$ 15,420	\$ 19,540	\$ 23,660	\$ 27,780	\$ 31,900	\$ 36,020	\$ 40,140
40	\$ 15,320	\$ 20,760	\$ 26,200	\$ 31,640	\$ 37,080	\$ 42,520	\$ 47,960	\$ 53,400
50	\$ 19,340	\$ 26,120	\$ 32,900	\$ 39,680	\$ 46,460	\$ 53,240	\$ 60,020	\$ 66,800
60	\$ 23,360	\$ 31,440	\$ 39,520	\$ 47,600	\$ 55,680	\$ 63,760	\$ 71,840	\$ 79,920
70	\$ 27,380	\$ 36,840	\$ 46,300	\$ 55,760	\$ 65,220	\$ 74,680	\$ 84,140	\$ 93,600
80	\$ 31,400	\$ 42,000	\$ 52,600	\$ 63,200	\$ 73,800	\$ 84,400	\$ 95,000	\$ 105,600



Hurricane Harvey Affordable Rental Housing Program

Rent Limits – Aransas County

AMT	Number of Bedrooms					
	0	1	2	3	4	5
30	\$ 497	\$ 596	\$ 695	\$ 794	\$ 893	\$ 992
40	\$ 663	\$ 816	\$ 969	\$ 1,122	\$ 1,275	\$ 1,428
50	\$ 829	\$ 1,036	\$ 1,243	\$ 1,450	\$ 1,657	\$ 1,864
60	\$ 995	\$ 1,256	\$ 1,517	\$ 1,778	\$ 2,039	\$ 2,300
70	\$ 1,161	\$ 1,476	\$ 1,791	\$ 2,106	\$ 2,421	\$ 2,736



Hurricane Harvey Affordable Rental Housing Program

Rent Limits – Where to Find

<https://www.hudexchangeinfo/resource/reportmanagement/published/HOME IncomeLimits State TX 2018.pdf>

<https://www.hudexchangeinfo/resource/reportmanagement/published/HOME RentLimits State TX 2018.pdf>

Thank You

Jeff Crozier
Multifamily Manager
harveysupport@GLO.TEXAS.GOV

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