




Housing & Community Affairs Committee

November 27, 2018





Sylvester Turner, Mayor



Tom McCasland, Director

Item II.a.: HCD18-113

Harvey Single Family Development Program Guidelines (All Districts)

- The SFDP guidelines ensure compliance with all applicable regulations, outline priority populations, eligibility requirements, maximum assistance, and compliance period
- Houston's local Action Plan sets aside \$204,000,000.00 for the SFDP
- The SFDP should provide approximately 800 new and affordable homes for eligible Houstonians
- Available for public comment through December 26, 2018

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Item II.a.: HCD18-113

Harvey Single Family Development Program Guidelines (All Districts)

The SFDP will:

- Give residents the opportunity to leave flood prone areas and move to a new home for sale
- Work with other Harvey recovery programs to provide housing
- Emphasize housing choices and designs that reduce costs
- Work with for-profit and non-profit contractors and organizations to implement the program & identify lots

Item II.b.: HCD18-114

Harvey Homebuyer Assistance Program (HBAP) Guidelines (All Districts)

- The HBAP guidelines ensure compliance with applicable regulations, outline priority populations, eligibility requirements, maximum assistance, and compliance period
- Houston's local Action Plan sets aside \$21,741,300.00 for HBAP
- The HBAP will serve individuals earning up to 120% of the Area Median Income (AMI)

Item II.b.: HCD18-114
Harvey Homebuyer Assistance Program
(HBAP) Guidelines
(All Districts)

- Applicants do not necessarily have to be storm impacted to be eligible for this program
- The HBAP will provide eligible applicants with \$30,000.00 in down-payment assistance
- A five-year lien on the property will secure the City's investment
- Available for public comment through December 26, 2018

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Item II.c.: HCD18-116
Harvey Public Services Program (HPSP) Guidelines
(All Districts)

- HPSP is to provide public services programs that will aid extremely low- to moderate-income residents with social service needs, including, but not limited to homeless services, job training, workforce development, education services, and case management services.
- Houston's Local Action Plan sets aside \$60,000,000.00 for Public Services
- Available for public comment through December 19, 2018

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Item II.d.: HCD18-89
Cyclomedia Technology, Inc.
(All Districts)

HCDD recommends Council approval of an ordinance awarding a \$450,000.00 contract to **CycloMedia Technology, Inc.** to provide captured street level imagery, maintenance and support with Information Management System

	Two (2) Year License Agreement
GeoCyclorama with LIDAR data- 7,883 miles \$52 per mile	\$410,585.00
Privacy Filter/Blurring \$5 per mile	\$39,415.00
OnBase Integration	\$0.00
Total Cost	\$450,000.00

Item II.d.: HCD18-89
Cyclomedia Technology, Inc.
(All Districts)

The CycloMedia tool (GeoCyclorama) will:

- Perform spatial analyses
- Drive work processes
- Query and report information
- Facilitate environmental compliance

THANK YOU





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Housing & Community Affairs Committee Director's Report

November 27, 2018



Sylvester Turner, Mayor



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Tom McCasland, Director

Disaster Recovery Overview



November 27, 2018
Housing & Community
Affairs Committee



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Agenda

1. Houston and the national long-term disaster recovery framework
2. Preparing for recovery from Harvey
3. What's next: how can people get help?

Part I: Long-Term Recovery



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Part I: Long-Term Recovery

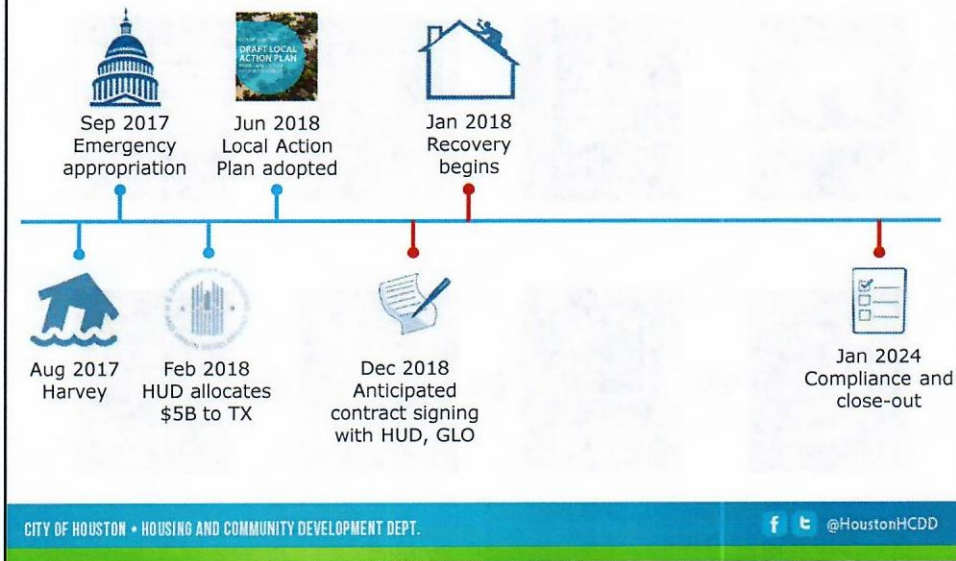
Key Takeaways:

- ✓ We are transitioning from short- to long-term recovery.
- ✓ Recovery is a long process. Most recoveries from major disasters take 5+ years.
- ✓ Additional advocacy with Washington will be required.

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Part II: Preparing for Harvey Recovery

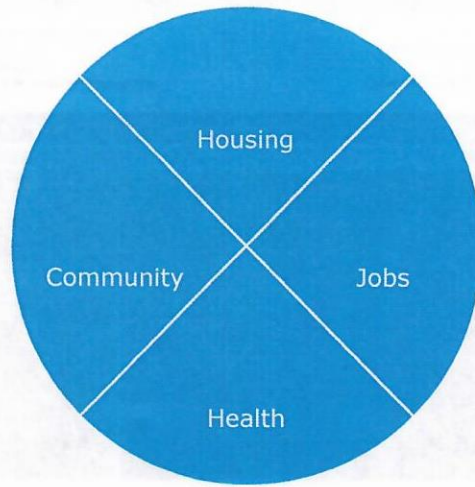


Part II: Preparing for Harvey Recovery

Guiding Principles

1. Equity: serve the most vulnerable
2. Data-driven
3. Resilience: build for the future
4. Housing+: holistic approach
5. Transparency

Part II: Preparing for Harvey Recovery



Holistic Approach

Part II: Preparing for Harvey Recovery

Accomplishments

HOUSTON CHRONICLE
 Houston, Harris County
 get \$2 billion in Harvey
 recovery funds



Local control over \$1B

Mayor Turner and Judge Emmett secured local control over recovery funds

Data-driven approach

Innovative methodology accounts for full cost of recovery, needs of socially vulnerable communities

Community engagement

Reached 4,500 Houstonians in 2 months to receive input on the local action plan

Building capacity

Growing HCDD staff from 150 to 200+, with surge capacity from best-in-class contractors

Part II: Preparing for Harvey Recovery

Building Capacity: Staff + Surge Capacity (Contractors)

150 → 200+ staff, plus additional capacity in other departments (ex: legal, permitting)

Harvey Administrative Budget: \$20.8 million (5 years)

Supports HCDD in overall disaster recovery program design and oversight

Current Budget: \$11 million

(anticipated total Harvey MPM budget: ~\$35 million)

City of Houston Housing and Community Development Department (HCDD)

Master Program Manager (MPM) – APTIM

Construction Management – Contractors to be Selected

Completes construction, repair work for homeowners & small landlords

Anticipated Contract Amount: \$400 million (5 years)

Multifamily Development Fund

Developers to be selected in a series of RFPs

Total Budget: \$320 million (5 years)

Single-Family Development Fund

Total Budget: \$204 million (5 years)

Public Services Fund

Partners to be selected via RFP

Total Budget: \$60 million (5 years)

3x Data and Analytics Contracts (\$4 million)

Intake, Outreach, Case Management – ICF (\$35 million)

Economic Revitalization Fund - \$30 million over 5 years

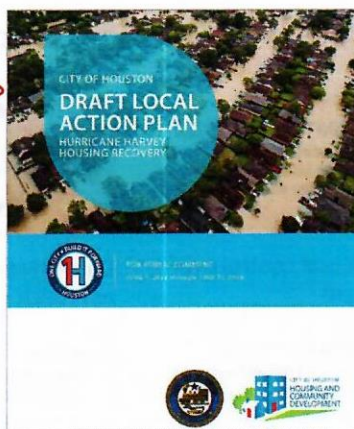
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Part II: Preparing for Harvey Recovery

7 Programs:

1. Homeowner Assistance Program (HoAP)
2. Single-family Development
3. Small Rental
4. Homebuyer Assistance
5. Buyout
6. Public Services
7. Economic Revitalization



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Part III: What's Next?

December and January Milestones

- HUD Approves Action Plan
- Sign contract with GLO
- Launch recovery: recovery centers open, intake survey available, outreach begins
- Engage construction contractors
- Start “strike team” approach to address most urgent cases (vulnerable Houstonians most likely to still be living in mold)

Part III: What's Next?

Intake Survey

- Easy way for people to get started before going through a long application process
- Helps the City determine if there are programs the applicant may qualify for
- Reduces paperwork by ensuring that applicants only apply when they're ready and to the best program for their needs
- Will be available in the coming weeks

Part III: What's Next?

Outreach

- Emphasis on hard-to-reach populations
- Leverage non-profit, faith-based, social service and other partners
- Canvassing and direct contact with potential applicants
- Organized around neighborhood clusters
- Media and events will help amplify outreach
- Applicants will have assistance to get through the process (intake)



Monthly Report

Preparing for Harvey Program Launch

- Building Capacity, hiring
- Developing and Vetting Program Guidelines
- Procuring Contractors
 - Information Management System
 - Single Family Development
 - GIS Program
 - Outreach, Intake and Case Management
 - Master Program Manager
- Coordinating with Harris County, GLO and HUD

Single Family

- New Home Development Program (NHDP) was relaunched on September 5th, 2018
- Currently building a pipeline to quickly ramp up operations
- Number of NHDP Housing Starts as of September 5th:
 - Eight (8)

HOUSING RECOVERY – SINGLE FAMILY

PROGRAM	INTAKE PIPELINE	Δ	PRE-CONSTRUCTION ¹	Δ	NTPS ISSUED ²	Δ	UNDER CONSTRUCTION	Δ	COMPLETED	Δ	TOTAL ³
DR2	0	0	0	0	0	0	0	0	322	-4	322
HRP – TIER 1 MINOR REPAIRS Less than \$10,000			0	0	0	0	0	0	54	0	54
HRP – TIER 2 SUBSTANTIAL REPAIRS Greater than \$10,000	531	+110	186	+154	0	0	18	-4	29	+20	233
HRP – TIER 3 RECONSTRUCTION Greater than \$65,000			199	+74	3	-1	4	4	0	0	206
2015 STORM DAMAGE ⁴	9	-48	31	+17	0	0	1	1	1	+1	33
NEW HOME DEVELOPMENT	125 lots	0	20	+20	0	0	8	8	0	0	28
TOTALS	540	+62	436	+265	3	-1	31	9	406	+25	876
PROGRAM	Population	Active Construction	Δ	Final Inspection Scheduled	Δ	Final Inspection Complete	Δ	IN CLOSEOUT with GLO	Δ		
DALHR	185	0		1		16		168			

Δ shows changes from the July 23 report (NOTE NO DELTAS FOR DALHR BECAUSE OF NEW REPORTING FRAMEWORK)

1. Pre-construction includes QC and pre-QC applications

2. Totals in far right column shows the total number of active files in each program (does not include intake pipeline)

3. 2015 Storm Damage reduction due to incomplete documentation submitted by Homeowners and/or files moved to an inactive status

4. New Home Development lots (125) are not included in the Intake Pipeline total (Intake pipeline total represents specific individuals/households identified for intake, New Home Development lots are not targeted to specific individuals or households)

Last updated: 11/19/18



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Public Services Programs

- 88,155 Clients served from October 2017 - September 2018
- Total expenditures (all sources) for this period: \$17,180,434.92
- Total Administrative Costs: \$853,825.67 (4.9%)

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Public Facilities Projects

- Average number of projects per month for October 2017 - September 2018: 18
- Total expenditures (all sources) for this period: \$19,704,212.52
- Total Administrative Costs: \$342,965.72 (1.7%)

Multifamily Projects

- HCDD Restricted Units Completed for October 2017 - September 2018: 609
- Total Units Completed for October 2017 - September 2018: 807
- Total expenditures for this period: \$14,117,895.71
- Total Administrative Costs: \$712,450.86 (5%)

Down-payment Assistance

- Total clients served from October 2017 - September 2018: 72
- Total expenditures for this period: \$1,678,764.42
- Total Administrative Costs: \$345,719.42 (4.9%)

Public Hearings – Entitlement Programs

Sunnyside Multi-Service Center
 Thursday, November 8, 2018
 9314 Cullen Blvd, Houston, TX 77051
 6:00-8:00 p.m.



Northeast Multi-Service Center
 Wednesday, November 7, 2018
 9720 Spaulding Street, Houston, TX 77016
 6:00-8:00 p.m.



HCDD is Moving soon!

New Location: 2100 Travis



- Accessible
 - Expanded Space
 - Modern Amenities
 - Significant Cost Savings



Interoffice

Correspondence



To: Houston City Council Members

From: Tom McCasland, Director

Cc: Marta Crinejo
Agenda Director

Date: November 6, 2018

Subject: Single-Family Home Repair Program and New Home Development Program

This memo is to inform you of several items that will be appearing on upcoming agendas. They are all inter-related and we wanted to ensure we reviewed them with you here.

The action items are:

1. **HCD18-101** – De-Appropriate \$9,935,050.00 from Home Repair Program and Appropriate \$9,935,050.00 to New Home Development Program of TIRZ Funding.
2. **HCD18-104** - De-Obligates \$6,665,326.00 in CDBG funds from the Master Contractor Agreement for New Home Development
3. **HCD18-108** - Substantial Amendments to amend action plan to move \$12,256,284.58 in CDBG funds from New Home Construction to Home Repair Program
4. **HCD18-102** –Allocates \$10,098,907.00 of the \$12,256,284.58 in CDBG funds to a Master Contractor Agreement for Home Repair Program

The Single-Family Program is comprised of two activities to support low- and moderate-income Houstonians: 1) new home development, and 2) home repair and reconstruction. HCDD relies on a mix of funding sources to support these activities, including Community Development Block Grant (CDBG) funding from the U.S. Department of Housing and Urban Development (HUD) and Tax Increment Reinvestment Zone (TIRZ) Affordable Housing funding. Typically, only the home repair aspect of the program is funded with CDBG dollars because HUD does not permit its funds to be used for new construction.

On October 13, 2017, HUD issued a waiver to temporarily allow existing CDBG funds to be used for new home construction to replace affordable housing stock lost due to the impact of Hurricane Harvey.

Based on a broad interpretation of the waiver, the waiver's limits are stricter than originally interpreted and only allow new construction funded with CDBG dollars to be sold to individuals who registered with FEMA. Furthermore, all homes must be sold by June 30, 2019. These two factors severely limit who would qualify for the program.

To align funding sources, we are requesting the four actions above to start work quickly.

- **Step 1:** De-Appropriate the \$9,935,050.00 in TIRZ Affordable Housing funds from the Home Repair Program and Appropriate the \$9,935,050.00 TIRZ Affordable Housing funds

to the New Home Development Program. We want to make sure the New Home Development Program Tri-Party Agreements funded before we de-obligate CDBG funds.

- **Step 2:** De-obligate \$6,665,326.00 in CDBG funds originally budgeted for the Master Contractor Agreement for the New Home Development Program.
- **Step 3:** Amend Action Plan to move \$12,256,284.58 in CDBG from New Construction budget line item to Home Repair budget line item. The \$12,256,284.58 in CDBG funds includes the de-obligated \$6,665,326.00 in CDBG funds.
- **Step 4:** Allocate \$10,098,907.00 of \$12,256,284.58 in CDBG funds to a Master Contractor Agreement for Home Repair.

Background: Master Contractor Agreements

On January 24, 2018, by Ordinance No. 2018-56, City Council approved the use of a Master Contractor Agreement for the City of Houston Home Repair Program and authorized the Mayor to execute a Master Contractor Agreement with each of the following contractors:

- SLSCO, LTD.;
- PMG CONSTRUCTION, INC.;
- THE BAPTISTE GROUP LLC;
- DSW HOMES, LLC;
- HOUSTON HABITAT FOR HUMANITY, INC.;
- CROWN RIDGE BUILDERS, LLC;
- THOMPSON CONSTRUCTION GROUP, INC.;
- BURGHLI INVESTMENTS INC dba BURGHLI HOMES;
- MAYBERRY HOMES, INC.;
- REBUILDING TOGETHER - HOUSTON;
- JAMES W. TURNER CONSTRUCTION, LTD.; and
- BYRDSON SERVICES LLC dba EXCELLO HOMES.

On August 8, 2018, by Ordinance No. 2018-612, City Council approved the use of a Master Contractor Agreement for the City of Houston New Home Development Program and authorized the Mayor to execute a Master Contractor Agreement with each of the following contractors list above. No funds under the New Home Development Program Master Contractor Agreement have been expended.

The contractors were selected through a request for proposal (RFP) process for housing rehabilitation and/or construction services for existing single-family homes and rehabilitation, reconstruction, and new construction of single family homes (solicitation number: S67-T26361), issued on August 25, 2017 and revised on September 19, 2017. The Director or Designee has the flexibility to move funding between contractors based upon their job performance scorecard and may terminate a contractor at will, with five days prior notice.

If you have any questions concerning this item, please contact Kimesha Sonnier at (832) 394-6251 or Laurie Vignaud at (832) 394-6133.

\$12M

CDBG



(Includes \$6.6M
deallocated from
Master Contractor Ag.)

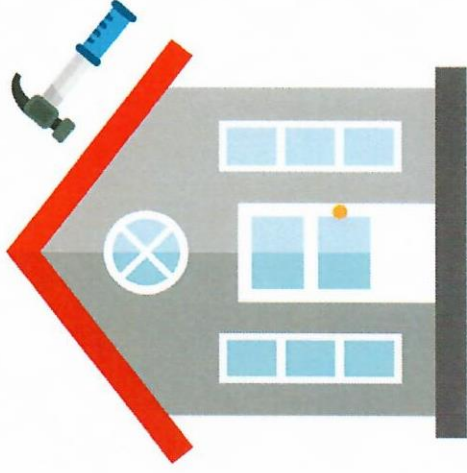


\$10M

TIRZ



**NEW
CONSTRUCTION**



**REPAIR /
RECONSTRUCTION**



SALE RESTRICTED FORGIVABLE LOAN

The City of Houston places a sale restricted, forgivable lien on homes that it repairs or builds to encourage the homeowner to continue to live in the property for a specified period of time. If the homeowner lives in the home for the full length of the lien period, the City forgives the lien. If the homeowner sells or moves during that period, the City forgives a prorated portion of the lien based on the length of time the homeowner has remained in the home. If the homeowner passes away, his or her heirs can fulfill the remainder of the lien term.

EXAMPLES:



STAY

Maria gets some help from the City to fix her roof and some plumbing issues. The amount of the repair is \$25,000 and the City puts a lien on the property for five years. Maria continues to live in her home for many years. After five years, the loan is forgiven and the lien is removed from the title.



SELL

David's home had structural damage and needed to be rebuilt so that it was safe. The City reconstructed his home, placing a lien on it for 20 years. After seven years, David wants to sell. When he sells the home, only a portion of the lien is forgiven and some of the sale price goes to the City to repay the remainder of the lien.



MOVE OR RENT

Joyce received \$30,000 in down payment and closing cost assistance when she bought her first home two years ago. The City placed a five-year lien on the property. Now she's able to buy a second home and wants to sell or rent out the first home. Because the first home is no longer her primary residence, she has to pay back some of the \$30,000.



PASS ON TO HEIRS

Fifteen years ago, the City rebuilt Jamelle's home and put a 20-year lien on the property. Jamelle passed away, leaving the home to his daughter, Celeste. Celeste inherits the home and the remaining five years of the lien. If she stays in the home for five years, the lien will be forgiven and removed from the title. Or she can repay part of the lien amount if she decides to sell or move.

Amount of Assistance	Length of the Lien
Less than \$20,000	No lien
\$20,000 - \$40,000	5 years
\$40,000 - \$80,000	10 years
Reconstruction	20 years

Other Conditions

When you receive assistance to buy, repair, or reconstruct your home, you have to meet certain obligations, such as:

- Paying property taxes
- Keeping the home as your primary residence
- Maintaining flood insurance if you live in a floodplain

Talk to a housing counselor about costs you should consider when budgeting for your new home, especially if you are receiving assistance from a disaster recovery program.



For complete guidelines visit:

www.houston.tx.gov/housing/home_repair_programs.html
or call 832-394-6200