Home Repair Program Guidelines

City of Houston

Housing and Community Development Department

Single Family Division

Community Development Block Grant

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Version 1.6

Version Table

Version #	Date	Noted Edits	Page(s)
0	Unknown	Unknown	N/A
1.1	December 26, 2017	Unknown	N/A
1.2	February 11, 2019	• Inclusion of Policy Determination #19-01, amending policy governing heir options in the event of death of eligible owner-occupant • Moved "Definitions" section to the end of the document	Various
1.3	February 18, 2019	• Changed reference to "lien period" in "Death of Homeowner" section to read "Affordability Period" at request of Legal Dept	8-9
1.4	July 3, 2019	• Defined Affordability Period more explicitly and updated threshold to align with home repair programs	7-8
1.5	DRAFT	• Inclusion of Substantial Gut Rehabilitation option, per City of Houston Ordinance 2020-115 • Inclusion of local neighborhood requirements in possible repairs in repairs exempt from repair cost calculation. • Minor edits for formatting and grammar	Various
1.6	DRAFT	• Inclusion of intake survey mechanism in the application and approval process • Inclusion of pre-existing environmental requirements at the federal and local (Chapter 19) level • Minor edits for formatting and grammar	Various

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Introduction

The City of Houston's (City) goal in the Home Repair Program (HRP) is to ease life, health, and/or safety hazards resulting from substandard conditions in a home owned and occupied by low and moderate-income homeowners.

The City will use Community Development Block Grant (CDBG), and Tax Increment Reinvestment Zone (TIRZ) funding to provide HRP assistance to qualified homeowners. The Housing and Community Development Department (HCDD) will carry out the requirements of the HRP on behalf of the City and in accordance with the United States Department of Housing and Urban Development (HUD) regulations as outlined in 24 CFR Part 570 and Chapter 311 Tax Increment Financing Act of the Texas Tax Code, the Fair Housing Act, 42 U.S.C. 3601 et seq., and City's Housing Bond Funds.

These HRP Guidelines govern current allocations, and any future allocation of federal and local funds for housing Rehabilitation and Reconstruction activities to be performed under the HRP. The Director of the Housing and Community Development Department is authorized, at their discretion, to amend the Guidelines to comply with HUD and other regulatory requirements or to ensure the efficient and proper administration of the HRP without further Council approval.

Outreach

HCDD will perform outreach activities in targeted areas to advertise the program and encourage potential applicants to apply for assistance. Methods of outreach may include (but are not limited to) newsletters, brochures, and featuring the HRP ~~application~~Interest Survey on the HCDD website, social media platforms, and at public meetings, hearings, and other department events. Program information will be published in languages commonly used in the Houston area.

When all available funding has been committed to eligible households, the remaining list of unserved interested homeowners will not be retained.

Application Process

Interested homeowners ~~should~~can contact the HCDD Call Center (~~at~~ 832~~.~~) 394~~-~~6200~~)~~ and request an ~~application. Applications~~HRP Interest Survey phone interview. Surveys may also be ~~obtained~~submitted online ~~at: http://www.houstontx.gov/housing/home_repair_programs.html .~~under the "Home Repair" menu on the Housing and Community Development Department website:

https://houstontx.gov/housing/home-repair.html

Upon receipt of the Survey and subject to the availability of funds, ~~applications~~interested homeowners will generally be ~~processed~~selected to apply for assistance on a first-come-first-served ~~-~~basis, with consideration given to HCDD priorities.

Applicants may designate a representative to confer with HCDD staff on their behalf by submitting a Communication Designee form or Power of Attorney.

When all funding has been exhausted, unserved applicants will be notified that the HRP is closed. No preference will be given to previously submitted applications in future programs. Unserved applicants can reapply to the HRP when additional funding becomes available.

Applicants can voluntarily withdraw from the HRP at any time. Applicant(s) who voluntarily withdraw from the HRP will not be allowed to re-activate their application.

Eligibility Requirements

Applicants may be considered eligible if they meet certain eligibility requirements. HCDD will verify the following:

1. Ownership of the Property
2. Property taxes are current, deferred, or on an approved payment plan in good standing
3. Property type and location
4. Household income
5. Principal residency
6. previous assistance received

Applicants must be responsive in providing required documents supporting their eligibility. Failure to disclose accurate and complete information may render the applicant ineligible for assistance. Applicants deemed eligible will receive written notification and will be contacted by HCDD staff to schedule a meeting to discuss next steps.

Meeting the eligibility requirements does not guarantee assistance.

Ineligibility

Applicant(s) may be deemed ineligible for any of the following reasons:

1. Applicant not recorded owner of Property
2. Title issues
3. Senior lienholder refuses to sign subordination agreement
4. Reverse mortgage exists
5. Failure to complete Non-Resident Homeowner Consent and Acknowledgement Affidavit, if applicable
6. Pending Bankruptcy
7. Pending Foreclosure
8. Property taxes under suit
9. Properties in floodplain (see “Properties in the Floodplain” below)

Environmental Review

In accordance with 24 CFR Parts 50, 58, 92, 570, 574, 578, 576, and 970, homes of Applicants applying for assistance under the HRP are subject to a review to evaluate impacts to the environment. The Property must pass an environmental review before being deemed eligible for HRP assistance.

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Properties in the Floodplain

~~Substantial improvement~~ The Home Repair Program (HRP) projects must remain in compliance with the environmental regulations set forth by HUD regulations found at Part 55 – Floodplain Management (**24 CFR Part 55)** and ~~substantial damage~~ HUD Environmental Review Procedures (**24 CFR Part 58)**.

In addition to federal regulations, HRP projects must remain in compliance with the City of Houston Floodplain Ordinances, including but not limited to applicable provisions of Chapter 19 ~~of~~, as implemented by the Floodplain Management Office. The City ~~Code~~ of ~~Ordinances apply to~~ Houston's Office of Floodplain Management Office helps citizens of Houston learn more about the City's floodplain, flood insurance, and ways to protect people and property from the effects of flooding. Homes located in the 100-year floodplain ~~and floodway. This may make some floodplain properties ineligible~~have a 1% chance of flooding in any given year. The 1% annual chance floodplain or Special Flood Hazard Area (SFHA) are labeled as Zone A, Zone AO, Zone AH, Zones A1-A30, Zone AE, Zone A99, Zone AR, Zone AR/AE, Zone AR/AO, Zone AR/A1-A30, Zone AR/A, Zone V, Zone VE, and Zones V1-V30. Homes located in the flood zone are determined by the Federal Emergency Management Agency (FEMA). HCDD verifies the flood risk of homes utilizing Geographic Information Systems.

Property lookup can be conducted at the following website: http://msc.fema.gov/portal

The Floodplain Management Office (FMO) is responsible for permitting all construction activity within the City of Houston's Special Flood Hazard Area under the provisions of the floodplain ordinance and regulations set by FEMA. Construction activities conducted on homes located in the 100-year floodplain require a "Floodplain Development Permit" issued by the Floodplain Management Office. As per the 2018 Chapter 19, the City of Houston Ordinance requires "the lowest floor and all utilities must be elevated." An Elevation Certificate demonstrates that the structure is compliant with the floodplain ordinance (Chapter 19 of the Houston City Code) by **elevating the lowest floor and all utilities to at least the minimum flood protection elevation, which is 0.2% flood elevation plus 2 feet.** The FMO documents the compliance with the elevation requirements and performance standards of the City's floodplain ordinance. Hence per Chapter 19 requirements, single family structures must be elevated at least a minimum of 2 feet above the 0.2% base flood elevation (500-year floodplain) in the absence of any more stringent rules or requirements.

Rehabilitation or reconstruction of homes located within the floodplain is regulated by Chapter 19 of the City Code of Ordinances. When the Homeowner's property address is located within the 100-year floodplain, HCDD will request a floodplain development permit to ~~complete the proposed Work. HCDD will request that the Flood Management Office make a~~ protect the health, safety, and welfare of the Homeowner [**Ord 19-43(b)**]. Rehabilitation or reconstruction of properties located within the floodplain must adhere to Chapter 19 – City Code of Ordinance definition of substantial damage and substantial improvement as follows:

> ***Substantial damage*** ~~determination for any potential floodplain~~means the damage of any origin sustained by a structure for which the cost of repair or restoration of the structure to its before-damaged condition would equal or exceed 50 percent of the market value of the structure. For the purpose of this definition, the market value refers to the value of the structure immediately prior to the damage.

Substantial improvement means any repair, reconstruction, rehabilitation, addition, or other improvements of a structure, the cost of which equals or exceeds 50 percent of the market value of the structure before the start of construction of the improvement. This term shall include a structure that has incurred substantial damage, regardless of the repair work performed. The term shall not include either:

(1) Any project ~~as part of confirmation of eligibility~~ for ~~the HRP.~~improvement of a structure to correct existing violations of state or local health, sanitary, or safety code specifications that have been identified by the local code enforcement official and are the minimum necessary to assure safe living conditions; or

(2) Any alteration of a historic structure provided that the alteration will not preclude the structure's continued designation as a historic landmark structure.

Levels of Assistance

An HRP Inspector will perform an initial inspection to determine the level of assistance needed to remedy conditions that present threats to the life, health, and safety of the household. The table below indicates the levels of assistance available through HRP, as determined by the cost of repairs. The cost of repairs is inclusive of approved change orders but does not include other costs addressing elevation, environmental, lead, asbestos, mold, resiliency, accessibility, and local neighborhood requirements (Homeowner Associations).

Level of Assistance	Cost of Repairs	Affordability Period	Percentage of total assistance forgiven annually*
Minor Rehabilitation – Tier I	<$20,000	None	0%
Moderate Rehabilitation – Tier II	$20,000 to $40,000	5-year	20%
Substantial Rehabilitation – Tier II	$40,001 to $80,000	10-year	10%
Substantial Gut Rehabilitation** /Reconstruction– Tier III	>$80,000	20-year	5%

* Level of assistance forgiven annually is a percentage which is applied to the total amount of assistance provided, not the outstanding level assistance yet to be forgiven.

** Substantial Gut Rehabilitation assistance may be provided on a case-by-case basis when the integrity of the home's foundation is deemed sufficient to withstand construction, taking into considerations which are further discussed under the "Reconstruction Housing – Tier III" section of the guidelines

Tier I assistance is offered in the form of a grant. Tier II and Tier III assistance is offered in the form of a zero percent interest, deferred, forgivable loan that is secured by a lien on the property. HCDD will take second lien position if first lien exists. In cases where a second lien exists by the same lienholder, HCDD will take third lien position. The duration of the forgivable loan is referred to as the Affordability Period. During the Affordability Period the amount of assistance that is provided will be forgiven/reduced on an annual pro-rated basis for each year the Homeowner continues to occupy the home as their primary residence, with no credit given for partial years completed. The Affordability Period begins upon the date of the issuance of the Homeowner's Acceptance Form and ends on the Maturity Date.

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Minor Rehabilitation – Tier I

The cost of repairs cannot exceed $20,000, unless the Director has authorized an eligible residence cost waiver. Repairs may include but are not limited to: roof repairs/replacement, plumbing (domestic water lines and sanitary waste lines), HVAC repairs/replacement, electrical (Panel Box and Ground Fault Circuit Interrupter), siding/trim, windows, and doors to alleviate life, health, or safety hazards. Homes built prior to 1978 will be assessed for lead based paint and if present, this hazard will be removed in accordance with the Resident Lead-Based Paint Hazard Reduction Act of 1992 under Title X of the Housing and Community Development Act and the HUD Lead Safe Housing Rule under 24 CFR Part 35.

Moderate/Substantial Rehabilitation – Tier II

Moderate and Substantial Rehabilitation repairs include renovations to a limited and specific area or portion of the housing structure. It is not the intent of this assistance to remodel homes, but to conserve and preserve the existing home. HCDD anticipates funding moderate and substantial rehabilitation projects with CDBG and TIRZ Funds. These repairs include but are not limited to: structural, siding/trim, windows, doors, roof repairs/replacement, substantial systems such as HVAC, water, and wastewater. Homes built prior to 1978 will be assessed for lead based paint and if present, this hazard will be removed in accordance with the Resident Lead-Based Paint Hazard Reduction Act of 1992 under Title X of the Housing and Community Development Act and the HUD Lead Safe Housing Rule under 24 CFR Part 35.

Moderate Rehabilitation

Homes that qualify to receive Moderate Rehabilitation repairs between $20,000 and $40,000 will be offered this assistance in the form of a five (5) year, zero percent interest, deferred, forgivable loan that is secured by a lien on the Property. During this five (5) year period, also referred to as the Affordability Period, the amount of assistance will be forgiven/reduced on an annual pro-rated basis for each year the Homeowner continues to occupy the home as their primary Residence.

Substantial Rehabilitation

Homes receiving Substantial Rehabilitation repairs between $40,001 and $80,000 will be offered this assistance in the form of a ten (10) year, zero percent interest, deferred forgivable loan that is secured by a lien on the Property. During this ten (10) year Affordability Period, the amount of assistance will be forgiven/reduced on an annual pro-rata basis for each year that the Homeowner continues to occupy the home as their primary Residence. The lien on the Property will be removed upon compliance with the terms and conditions of all documents related to the HRP and completion of the Affordability Period.

Should the Homeowner sell or otherwise convey their ownership interest in the Property during the Affordability Period the unforgiven amount of assistance under the loan will become immediately due and payable.

Reconstruction Housing – Tier III

Homes requiring repairs that exceed fifty percent (50%) of the cost to rebuild the home (in accordance with its current configuration), or homes requiring repairs that exceed $80,000, may qualify for Tier III – Reconstruction assistance.

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HCDD anticipates using CDBG, and/or TIRZ Funds to assist homeowners with Reconstruction. The Property will be demolished and reconstructed on the same site. The replacement home will be constructed according to the market rates for new construction in the Houston area.

Homes qualifying for Tier III assistance may be considered for gut rehabilitation on a case-by-case basis, when the cost of repairs do not exceed $200,000, and where the integrity of the home's foundation is deemed sufficient to withstand construction, taking into consideration factors such as: HOA requirements; historical preservation obligations; the warranted benefit over program new home design standards, when considering current household composition and the homes existing structural configuration; and neighborhood aesthetics.

In the event that a home is eligible for Gut Rehabilitation per this definition however the structural integrity of the home is deemed insufficient to support a period of livability similar in duration to a Tier III Reconstruction, the home will be recommended for Tier III Reconstruction.

For homes located in the 100-year floodplain, the estimated cost of repairs **must be** less than fifty percent (50%) of the market value of the structure to qualify for Substantial Gut Rehabilitation Assistance in accordance with City of Houston Ordinance – Chapter 19. The project will require a Floodplain Development Permit issued by the Floodplain Management Office (FMO). An Elevation Certificate is needed to obtain the Floodplain Development Permit. The Elevation Certificate is used by the FMO to document the home's compliance with the elevation requirements and performance standards of the City's floodplain ordinance. Structurally sound homes with substantial damage located within the 100-year floodplain are required to meet the minimum flood protection elevation standards, as per Chapter 19 of The City of Houston Floodplain Ordinance.

Note: Per Chapter 19 of the City of Houston Code of Ordinances: "the lowest floor and all utilities must be elevated" to at least the minimum flood protection elevation, which is 0.2% flood elevation plus 2 feet. The 0.2% flood elevation is the key definition of the 500-year floodplain boundary. Substantial Gut Rehabilitation projects will remain compliant with the City of Houston Floodplain Ordinances and the current minimum flood protection elevations standards.

Based on the additional cost and federal permitting requirements for proposed construction within the 100-year floodplain, Substantial Gut Rehabilitation projects require approval by the Housing and Community Development Department Director or their designee.

Homes requiring Tier III assistance will be offered this assistance in the form of a twenty (20) year, zero percent interest, deferred forgivable loan that is secured by a lien on the Property. During this twenty (20) year Affordability Period, the amount of assistance will be forgiven/reduced on an annual pro-rata basis for each year the Homeowner continues to occupy the home as their primary residence. The lien on the Property will be removed upon completion with the terms and conditions of all documents related to the HRP and completion of the Affordability Period.

In the event that the cost of Tier III home Reconstruction is less than $80,000, assistance will be in the form of a ten (10) year, zero percent interest, deferred forgivable loan that is secured by a lien on the Property. During this ten (10) year Affordability Period, the amount of assistance will be forgiven/reduced on an annual pro-rata basis for each year that the Homeowner continues to occupy the home as their primary Residence. The lien on the Property will be removed upon compliance with

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the terms and conditions of all documents related to the HRP and completion of the Affordability Period.

Should the Homeowner sell or otherwise convey their ownership interest in the Property during the Affordability Period, the remaining prorated amount of assistance will become immediately due and payable.

Construction/Reconstruction

The applicant is held to certain responsibilities within this voluntary program. Applicants must provide all supporting documentation with their application within 30 days from the time HCDD provides applicants with the application package.

Assisted homeowners will have 45 days from signing the Project Initiation Document to prepare their home for program assistance.

Relocation assistance will be provided based on the Tier determination as follows:

- Moderate/Substantial Rehabilitation (Tier II): homeowners will be provided a container "Pod" for on-site storage.
- Reconstruction (Tier III): homeowners will be provided moving and off-site storage.

All inoperable or abandoned vehicles must be removed from the property prior to the start of the project. Failure on the part of the Applicant to prepare the Property for demolition and/or manage the utilities may jeopardize their ability to participate in the HRP.

In the event that program participants who are out of their homes for more than 120 days from the Notice To Proceed due to reasons outside of the homeowner's control, they will be eligible for limited rental assistance up to $5,000.

The Director reserves the authority to increase the amount of rental assistance in case of emergencies, extenuating or unforeseen circumstances, due to reasons outside the homeowner's control.

The Director may, at their discretion, extend rental assistance to temporarily relocated participants who are out of their homes for less than 120 days in the case of extenuating circumstances relating to health and safety.

The homeowner must attend home repair progress meetings/inspections.

Note: Neither the City, HCDD, nor the Contractor shall be held liable for theft or any damage to any personal belongings.

Property Insurance

Homeowner shall maintain property insurance, and, if applicable, flood insurance in accordance with applicable City, state and federal laws and regulations, and as may be required in these Guidelines or any related document. If the Homeowner fails to maintain the property insurance required by this paragraph, or fails to notify any transferee of the Property of such insurance requirements, and the Property is damaged by a future disaster, then Homeowner may not be eligible for future assistance. In

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addition, if the Homeowner resides in the 100-year floodplain and fails to maintain flood insurance, then the Homeowner will not be eligible for any further assistance.

If an insurance check is received for damages to an HRP Property in the amount of $10,000 or more, the progress of repairs to the Property will be monitored by the City.

CONSTRUCTION/RECONSTRUCTION

In accordance with Housing Quality Standards (HQS) and HCDDs' Minimum Property Standards for New Construction, Reconstruction, or Rehabilitation for Single-Family Housing, the HRP will address immediate threat(s) to the life, health, and/or safety hazards of household members by meeting these standards in addition to the most recent local, county or state building codes.

The General Contractors for the HRP will be procured through the City's Procurement Division.

General Contractors will be selected and assigned additional work based upon their financial capacity, ability to complete Work within scheduled timeframes, and ability to construct with minimal corrections.

Preconstruction Conference

HCDD will coordinate preconstruction conferences with the applicants that qualify to receive Tier I-Minor Rehabilitation, Tier II-Moderate/Substantial Rehabilitation, or Tier III-Reconstruction, HCDD Inspectors will coordinate a preconstruction conference with the Homeowner and the assigned contractor.

Construction Management

HCDD inspectors will perform field/progress inspections to ensure contract requirements have been satisfactorily fulfilled.

Death of the Homeowner

If the Homeowner receiving any Tier of assistance dies before the Work begins, the co-applicant or other adult household member(s) must be deemed eligible to participate in the HRP to become the new Applicant of the household. If no co-applicant and/or adult household member is listed on the HRP application, HCDD will be unable to proceed with the rehabilitation or construction.

If the Homeowner receiving Moderate/Substantial Rehabilitation-Tier II repairs or Reconstruction-Tier III assistance dies after the demolition/construction process has begun or during the Affordability Period, the surviving heir(s) can request one of the following options:

Loan Payoff

Surviving heirs can pay off the remaining loan amount according to the terms established in the Deed of Trust and Promissory Note, and a Release of Lien will be processed.

Modification of the Loan

A modification request can be submitted to HCDD that will allow surviving heirs to assume the original terms of the loan and reside in the home as their principal residence for the remainder of the Affordability Period.

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In the event of the sale or early loan payoff of the deceased Homeowners' Property, the City is not obligated to render any additional assistance associated with repairs or maintenance. The surviving heirs of the Property will be responsible for all maintenance on the Property at their expense.

Close-Out

Upon completion of an HRP activity and closure of a project under the HRP, a close-out audit will commence.

Duplication of Assistance

If the Homeowner qualifies under a new program's requirements, their existing Affordability Period will be not change and continue to be subject to the agreed upon terms outlined in the Note, Deed of Trust and/or other closing documents with the City. The new Affordability Period will run concurrent with the existing Affordability Period and mature as indicated on the Note, Deed of Trust and/or closing documents with the City of Houston. The only deviation from the original terms and conditions will be allowed for the occupancy required, if the new program requires temporary vacancy of the Property to complete repairs or replacement of the dwelling.

Monitoring Throughout Lien Period

It shall be considered a default if the program participant violates, fails to pay, or perform in accordance with any term, condition, or covenant contained in the signed documents pertaining to this program.

a. Monitoring

HCDD reserves the right to periodically monitor properties to determine if it was transferred or sold during the time the lien is active. The following sources of verification may be used:

- Title report search
- Lien and ownership search in the applicable County Clerk's Office online records
- Ownership verification in applicable tax office appraisal records

b. Sell or Transfer of Property

If a Property is sold or transferred before the lien matures, the remaining principal balance of the HRP assistance must be paid to the City.

Releases of Liens

Releases of liens will be issued once a Homeowner has successfully complied with all the terms and conditions of the HRP documents.

Verification of Insurance

If required, property insurance and/or flood insurance must be maintained throughout the Affordability Period and must be furnished upon request. See "Construction/Reconstruction" above for additional details.

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Complaints and Appeals

COMPLAINTS

The City of Houston Housing and Community Development Department (HCDD) welcomes feedback and complaints from any member of the public. Complaints are accepted in writing or over the telephone. Complaints will be responded to in writing within fifteen (15) business days, as practicable. For further information, please refer to the HCDD recovery website, https://recovery.houstontx.gov

Contact Information

Mailing Address

Housing and Community Development Department
2100 Travis St., 9th Floor
Houston, TX 77002
Attn: Planning & Grants Management

Email Address

HCDDComplaintsAppeals@houstontx.gov

Telephone

(832) 394-6200

HCDD Business Hours

Monday through Friday
8:00 AM to 5:00 PM

APPEALS

HCDD's appeal process will be provided in writing to any appellant upon request or receipt of an appeal, and the same process will be clearly posted on the City's websites, including disaster recovery websites and entitlement program websites. HCDD will keep a record of each appeal that it receives and include all communications and their resolutions therein.

Applicants have the right to appeal decisions made on their program file based on the following:

- Non-receipt of award through NOFA or RFP process
- Denied services through any of HCDD's programs
- Denial of a request for resolution for tax credits
- Program eligibility determination

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- Program award calculation
- Program determination of Moderate or Substantial damage leading to Rehabilitation or Reconstruction
- Procedural error where the application was not processed by program staff in accordance with the program guidelines
- Affirmatively Furthering Fair Housing

Appeals must be made in writing, and may either be in letter form, through HCDD's website, or on HCDD's Appeal Request Form (available on HCDD's website or at the HCDD office). Written appeals will be accepted either by mail or in-person at the HCDD office. To be considered complete, an appeal must contain the following information:

- Name
- Property Address
- Mailing Address (if different from Property Address)
- Phone
- Application number (if applicable)
- Email Address
- Reason for Appeal

Appeals must be made within thirty (30) days of notice of the determination on the applicant's file that generated the appeal. Upon receipt of an appeal, HCDD will respond in writing to the appellant of the program area's decision regarding the appeal and provide the basis thereof within thirty (30) days, as practicable.

Appeals Review Committee

Should the initial appeal process with the program area not achieve a resolution amenable to the appellant, the appellant has the right to escalate the appeal, in writing, to the Appeals Review Committee (ARC). The appellant may only escalate the appeal after the completion of the initial program area process.

The ARC will process the escalated appeal within thirty (30) days, as practicable. The ARC will transmit their decision to the appellant in writing. The ARC's decision on the matter is final.

Contact Information

Mailing Address

Housing and Community Development Department
2100 Travis St., 9th Floor
Houston, TX 77002
Attn: Planning & Grants Management

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Email Address

HCDDComplaintsAppeals@houstontx.gov

HCDD Business Hours

Monday through Friday
8:00 AM to 5:00 PM

Fair Housing Act

The federal Fair Housing Act prohibits the discrimination in all housing transactions based on race, color, national origin, sex, religion, handicap, or familial status (having children under the age of 18). Homeowners that feel they have been discriminated against can contact:

U.S. Department of Housing & Urban Development – Fair Housing & Equal Opportunity
Discrimination inquiries and/or complaints
800-669-9777 (Voice)
1-800-927-9275 (TTY)
HUD Local 713-718-3199 (Ask for a FHEO) www.hud.gov/offices/fheo

OR

Texas Workforce Commission
Civil Rights Division
1-888-452-4778 (Voice)
1-800-735-2989 (TTY)

Section 3

The City comply with Section 3 requirements to ensure 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.

Conflict of Interest

In accordance with the CDBG regulations at 24 CFR §570.611, Conflict of Interest, no person who is an employee, agent, consultant, officer, or elected or appointed official of the City, or of any designated public agency, or of a sub-recipient receiving funds from the City under the HRP, who exercises any functions or responsibilities with respect to the HRP or who are in a position to participate in a decision making process or gain inside information with regard to the HRP, may obtain a financial interest or benefit from the HRP, or have any financial interest in any contract, subcontract, or agreement with respect to the HRP, or with respect to the proceeds of the HRP, either for themselves or those with whom they have business or immediate family ties, during their tenure at the City or for one year thereafter.

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For City employees or their immediate family members to participate in the HRP, the employee must follow the policies and procedures set forth in the HCDD Non-Procurement Conflict of Interest and Ethics Policy, as may be amended from time to time.

Definitions

Affordability Period - the period during which a homeowner must comply with the terms of the HRP. The period begins upon the date of the issuance of the Homeowner's Acceptance Form and ends on the Maturity Date.

AMFI – Area Median Family Income, as annually determined by HUD.

Applicant - the person requesting assistance through the HRP.

Community Development Block Grant (CDBG) – a federal program administered by HUD under Title I of the Housing and Community Development Act of 1974, as amended.

City- City of Houston

Co-Applicant - an additional person seeking to obtain assistance along with a primary applicant.

Communication Designee – is a third party authorized by the Applicant to obtain, release, and provide information to the HCDD on their behalf.

Contractor - the person or entity selected to perform the Work on the residential structure under the HRP.

Deed of Trust - shall mean the deed between Homeowner and City of Houston wherein the legal title to the Property is transferred to a trustee, identified as the Director of HCDD.

Director - the Director of HCDD or any other person(s) that may be designated to perform the various functions assigned to the Director.

Forgivable Loan - a form of a loan that is deferred over a period and then forgiven at the end of the Affordability Period if all terms and conditions of the HRP have been met.

HCDD - City of Houston's Housing and Community Development Department.

Home Repair Program (HRP) – the City's Home Repair Program to be implemented based on these Guidelines.

Homeowner – the owner/occupant of a single-family structure who qualifies for the HRP.

Homeowners Acceptance Form – shall mean a written statement issued by the HCDD and signed by the HCDD's inspector and the Contractor, to be delivered to Homeowner for execution, stating that all Work has been satisfactorily completed.

HUD - United States Department of Housing and Urban Development.

Household Member- the occupant of the home listed in application documents that is not the applicant nor co-applicant.

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Low Income – a person/household whose annual income does not exceed eighty (80%) percent of the AMFI established by HUD for the City of Houston in effect at the time of the application.

Maturity Date – shall mean five years (Moderate Rehabilitation), ten years (Substantial Rehabilitation) and twenty years (Reconstruction) from the date of the Homeowners Acceptance Form.

Minimum Property Standards – shall mean standards adopted by HCDD to provide the HRP with a clear understanding of what procedures, workmanship, and material standards are required for the Rehabilitation and Reconstruction of single-family residences.

Minor Rehabilitation – also referred to as the Tier I component, these repairs are made to remove life, health, or safety hazards to a Property, the cost of which must not exceed $9,999.

Moderate Rehabilitation - also referred to as the Tier II component, these repairs are made to remove life, health, or safety hazards to a Property, the cost of which must be between $10,000 and $29,999.

Non-Resident Homeowner – An individual with an ownership interest in the Property that does not occupy the dwelling as their primary residence.

Notice to Proceed - the written authorization issued by HCDD for the Contractor to proceed with Work set forth in the applicable HRP documents and agreements.

Power of Attorney – provides the authority to act for another person in health, legal, and/or financial matters.

Promissory Note – shall mean the Promissory Note in the amount of the Grant executed by Homeowner and payable to the City of Houston.

Property – traditional stick built, detached, single-family dwelling unit located within the incorporated areas of the City, to be rehabilitated or reconstructed, as described in the HRP documents related to the Property.

Reconstruction – demolition and re-building of a Property.

Rehabilitation – restore to a habitable condition by removing life, health, or safety hazards.

Substantial Rehabilitation – shall mean repairs to remove life, health, or safety hazards to an existing home with a cost between $30,000 and $65,000.

TIRZ Funds - Tax Increment Reinvestment Zone Funds authorized under Chapter 311 of the Texas Tax Code.

Work – the labor necessary to complete the construction or rehabilitation of the home under the terms of the applicable HRP documents and agreements.

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