

# East Texas Council of Governments

## Housing East Texas

### Program Guidelines

#### PURPOSE OF THE PROGRAM

Housing East Texas is dedicated to providing fair and affordable housing through strategic partnerships and promotion of programs which address regional needs, the preservation of existing structures and a diversity of housing to meet the needs of all citizens of East Texas, regardless of income, age, disability, race or religion.

Housing East Texas provides assistance to build a community that supports older residents of East Texas, and allows them to age in place with dignity, security, and enhanced quality of life.

Housing East Texas has developed several partnerships and utilizes federal, state and private grants that provide the necessary funds to serve the East Texas region. Through these partnerships, Housing East Texas is able to provide a variety of programs, such as Home Repair for the elderly, Home Modifications for the disabled, emergency response programs, and the Hurricane Ike Disaster Assistance Program. Each program has the authority to designate specific program rules and guidelines according to the different type of funding utilized.

#### AREA OF SERVICE

Housing East Texas serves the 14 county region served by East Texas Council of Governments (ETCOG). The 14 counties are: Anderson, Camp, Cherokee, Gregg, Harrison, Henderson, Marion, Panola, Rains, Rusk, Smith, Upshur, Van Zandt and Wood. Certain grants may restrict services to specific cities, counties or areas.

#### PROGRAMS

**Home Repair for the Elderly Program** This program is part of the Area Agency of Aging of East Texas (AAA), which is one of 28 area agencies in the State of Texas designated by the Texas Department of Aging and Disability Services (DADS) to coordinate services. Housing East Texas' primary focus is to provide services within the 14 predominately rural counties of ETCOG.

**Home Modification for the Disabled** This program is available as funding is identified; but is not an ongoing program at this time. Participants who are disabled and over 60 years of age will qualify for the **Home Repair for the Elderly Program**.

**Emergency response programs** As specific emergency needs are identified within the community; funds may be made available for a limited time. An example of the program guidelines for a recent **emergency response program** is available in Appendix B.

**Hurricane Ike Disaster Recovery Program** The purpose of this program is to provide assistance to eligible households directly affected by Hurricane Ike, which occurred on September 13, 2008, in the following ETCOG counties: Gregg, Cherokee, Harrison, Rusk and Smith.

The Community Development Block Grant (CDBG) Hurricane Ike Recovery funds will only be used for those households that meet the low to moderate income eligibility guidelines and continue to have unmet housing needs including, but not limited to, those of uninsured homeowners whose homes had major or severe damage directly related to Hurricane Ike. TDHCA has specific program rules which are outlined in more detail. The Program Guidelines can be found in Appendix C.

## **PARTNERSHIPS**

To expand services to our community, Housing East Texas has developed an ongoing partnership with the Center of Housing Resources in Dallas, Texas. The Center for Housing Resources in a non-profit which operates home repair programs through private grants. Housing East Texas refers participants who meet the eligibility requirements set by the Center of Housing Resources.

Another ongoing partner is the Texas Ramp Project. This non-profit has branches operating in areas throughout the state, including the East Texas region. Housing East Texas refers participants who meet the eligibility requirements set by the Texas Ramp Project.

Housing East Texas promote future partnerships with community groups, non-profits and faith-based organizations. All organizations, regardless of affiliation, must complete a Vendor Packet to begin a mutually beneficial relationship which can expand the services currently provided solely through Housing East Texas. To inquire about further partnership opportunities, please contact the Housing Manager.

## **ELIGIBILITY**

To be eligible for **Home Repairs for the Elderly** the applicant must met the requirement set by the Older Americans Act. Priority will be given to individuals who are 60 or older, with particular attention to low-income minority older individuals, older individuals with limited English proficiency, and older individuals residing in rural areas. Additional services are provided to live-in caregivers of individuals age 60 and older. According to the Texas Administrative Code (TAC) residential repair services can not to exceed \$5,000 per participant unless written approval from DADS is received prior to service. A copy of TAC Title 40, Part 1, Rule §85.308 can be found in Appendix A.

All programs have specific eligibility requirements set by the grant source. These specific eligibility requirements can be found within the respective grants' program guidelines.

## **PRIORITY OF SERVICE**

All applicants must first provide basic information when requesting repairs. A complete application/intake will not be performed until funds are identified for the participant. Clients will be served on a first come-first served basis, unless the following conditions apply:

- Funding is identified for a specific city, county or area, which would cause requests from those identified areas to be served first
- Funding is identified for a specific cause (i.e.-wheel chair ramps, roofs), which would cause requests for the identified need to be served first
- The request is for services which would cause immediate harm or imminent danger to the client, in which case the client will be referred to Adult Protective Services

Any client who has been served under any of the Residential Repair programs will **not** be eligible to receive services for a period of 5 years after completion of the repair(s) or until all unserved clients have received services.

## **PARTICIPANT RESPONSIBILITIES**

Once funding is identified for a project, Housing East Texas program staff will first attempt to make contact with applicants by phone using the numbers provided at the time of the original request. Program staff will make three attempts on three different days to contact participants. If unable to reach participants, a letter will be mailed to the address provided by the applicant with a deadline by which the participant must respond. Should the letter be returned as undeliverable or is not returned by the deadline, the applicant will be removed from the waiting list. Should extenuating circumstances exist (for example, hospitalization) which prevent the applicant from returning the letter by the deadline, it will be at the sole discretion of the Housing Manager whether the applicant will be returned to their original position on the waiting list or the request be treated as a new request.

Once a complete application/intake is taken by program staff, the appropriate paperwork will be mailed to the applicant. It is the participant's responsibility to ensure the paperwork is returned by the deadline listed on the cover page. Any questions about the paperwork should be brought to the attention of program staff immediately. Program staff are available to assist participants in resolving any questions or concerns. If additional time is needed to complete the paperwork (for example, locating a deed or other requested information) the Housing Manager must be contacted immediately to make arrangements.

Due to the large number of requests for the Residential Repair Program, it is imperative that the participant take an active role in ensuring all paperwork is completed and returned in a timely manner. Funding restraints present varying deadlines for obligation and expenditure of funding. It is the goal of Housing East Texas to assist all requests for assistance; however, the participant must be responsive to the requests of program staff. Failure to provide proper, complete, or accurate information may disqualify the applicant from participating in the program.

## APPROVED SERVICES

Texas Department of Aging and Disability determines the type of services provided by Home Repairs and Renovation for Elderly and Disabled Program services include but not limited to the following:

1. **Structural Services** – Are any repairs to the structure of the residence considered necessary to the health and safety of the program participant.
2. **Accessibility Modification** – Are structural adaptations to meet the needs of a program participant who has a disabling condition. Includes but not limited to, Wheel chair Ramp, Grab Bars, Widening of door ways for wheel chair access.
3. **Electrical Services** – Are replacement, repair, and installation of essential electrical wiring or fixtures including telephone wiring.
4. **Weatherization Services** – Are repairs and modification or purchase of supplies that protect a resident from the effects of the weather, conserve energy, or provide alternative energy sources to heat or cool.
5. **Safety and Security Modification** – Are measures taken to prevent accidents, fires, or intrusion in to a dwelling and the repair, modification, treatment, or removal, of safety hazards in the residence.
6. **Essential Appliances** – Are appliances necessary to sustain healthy environment and independent living.
7. **Rental Units** – If the resident in which the program participant is living is not owned by the program participant, AAA must obtain a signed agreement from the owner authorizing the services before services are provided. Repairs to rental units are restricted solely to accessibility modifications.

## PROHIBITED SERVICES

Prohibited services include, but are not limited to:

1. Construction, repair and maintenance of out buildings such as garages, carports, animal shelters or greenhouses
2. Installation, repair or maintenance of non-essential appliances and fixtures
3. Beautification of property or activities which are strictly for cosmetic purposes
4. Installation, repair or maintenance of any septic system
5. Repair or maintenance to any structure with existing termite infestation/damage
6. House leveling

Repairs can only be performed on a participant's primary residence. No repairs can be made to secondary, vacation or family member homes, or other non-primary residences. All repairs are subject to funding restraints, feasibility, contractor recommendation and any other project restrains which may arise. A "walk-away" results when the required repairs are estimated to

exceed the program's previously established budget or funding limitations, the contractor determines the condition of the home is degraded to the point repairs are prohibitive, or when either ETCOG or the participant elect not to allow repair of the home. Any project may be discontinued by Housing East Texas at any time if the environment becomes hazardous, life-threatening or hostile to the contractors.

Should the project be beyond the scope of the program's budget or funding limitations, Housing East Texas will work with the participant to locate alternate resources, if available.

### **OCCUPANCY REQUIREMENT**

All applicants must be residing in the home at the time of request with the intent of continually occupying the home for a period of no less than one year following completion of repairs. For those grants requiring a Retention Agreement, the period of continual occupancy will be based on the specific terms of the agreement.

In special circumstances the applicant may not be required to be occupying the home at the time of request. This include medical circumstances, such as conditional release from a rehabilitation center, hospital, or other medical facility. However, the requirement of occupancy upon completion of repairs can not be waived.

Any other circumstances regarding occupancy requirements will be reviewed on a case by case basis, with the final determination residing with the Housing Manager. Any and all specific grant requirements will supercede this Occupancy Requirement, when such guidelines are more restrictive.

### **GRANT AGREEMENT - 5 YEAR RESIDENCY REQUIREMENT**

Some applicants will be required to enter into a Retention Agreement, according to the specific program guidelines. The Retention Agreement will be filed with the County Clerk having jurisdiction. The Retention Agreement provides for a 5 year residency requirement, with applicants eligible to buy-out of this agreement at a pro-rated amount. This is figured as 1/60<sup>th</sup> of the grant amount per month over the 5 year period. An example of this Retention Agreement for the Center for Housing Resources programs may be found at Appendix E.

### **DONATIONS**

Housing East Texas accepts donations to offset the costs of home repairs and enable the program to continue providing services to others in need. One hundred percent of contributions are used for direct provision of services for the elderly and other program participants. None of the funds collected are used for administration purposes. All donations are tax deductible under Section 170(c)(1) of the IRS Code. No one will be denied services if unable or unwilling to make a donation or contribution.

### **PUBLIC INPUT AND OUTREACH**

All participants are encouraged to take an active role in the provision of services. All suggestions and recommendations for changes to policy or services can be made without restraint, interference, coercion, discrimination or reprisal. To make a suggestion or recommendation contact the Housing Manager.

Sign up events are held throughout the year in various locations. Depending on current grant funding, certain cities and/or counties may be targeted for funding. All participants on the waiting list will be contacted and encouraged to come to the sign up event. All eligible interested parties are encouraged to attend for immediate application processing. Notice of these events will be posted on the official ETCOG website and press releases are sent to local media outlets.

Certain grants require public meetings to garner input from potential participants and concerned citizens in the East Texas region. All public meetings are posted on the official ETCOG website at [www.etcog.org](http://www.etcog.org). In addition, public notice is posted in major newspapers throughout the region informing citizens of the date and time of these public meetings.

Housing East Texas can be found on the internet at [www.etcog.org](http://www.etcog.org). The public can download applications, safety checklists and find relevant information about current programs. Housing East Texas also has a Twitter site where the public can be informed about current housing events. The web address is <http://twitter.com/@HousingEastTx>

#### **GUARANTEE OF WORKMANSHIP**

Housing East Texas strives to provide high-quality repairs at all times; however, extenuating circumstances are inevitable. Contractors working with Housing East Texas guarantee workmanship for a period of one year from the date of completion. Periodic inspections will be conducted by program staff to ensure quality workmanship and participant satisfaction. Should a participant identify a problem with work performed, the Housing Manager should be contacted immediately to ensure the problem is resolved in a timely manner. Housing East Texas will re-execute any faulty work and agrees to remedy any defects resulting from faulty materials or workmanship which become evident during the one year period. Should the defect result from acts of God, fire, flood or any other unavoidable casualties, or by neglect of the participant, the guarantee of workmanship is null, void and otherwise invalid.

#### **FILES AND RECORDKEEPING**

Housing East Texas shall locally maintain accurate files and records on the program and on each applicant for a minimum period of five years, or longer if required by the funding source. Files and records over three years old may be maintained electronically, if allowable, and are subject to the same regulations as all files maintained by Housing East Texas. All files and records are shredded or disposed of in accordance with applicable standards once they become inactive. All files and records are secured or stored in such a way as to prevent any violation of confidentiality or the unintentional release of private information. Such files shall be open for inspection as to qualifications, bids, and awards.

All records are subject to the Public Information Act. All Open Records Requests should be made to: Public Information Officer, 3800 Stone Road, Kilgore, Texas 75662, or by emailing [lindsay.vanderbilt@etcog.org](mailto:lindsay.vanderbilt@etcog.org)

## **DISPUTE RESOLUTION PROCEDURES**

An informal complaint made by the homeowner or contractor will be directed to: Housing Manager, 3800 Stone Road, Kilgore, Texas 75662. All problems, informal or specific, will be investigated by the Housing Manager immediately. Should the homeowner or contractor feel unsatisfied with the results of the Housing Manager's investigation, further complaint may be made to the Director of Public Information and Public Services. Based on the nature of the complaint and the age of the complainant, the Director of Aging Services may become involved in the investigation.

A formal complaint made by the homeowner or contractor will be made in writing and addressed to: ETCOG Executive Director, 3800 Stone Road, Kilgore, Texas 75662. The Executive Director shall be involved in disputes which affect the program as a whole and which may be considered beyond a minor scope. Problems which cannot be resolved by the Executive Director shall be handled by the ETCOG Executive Committee. Complaints that cannot be resolved at the local level will be addressed to the appropriate funding source. Upon request, information shall be provided to clients in a timely manner as to which agency is responsible for funding the respective program.

Both informal and formal complaints are taken very seriously, and every effort will be made to ensure a resolution which is satisfactory to the client. Every step of the process will be thoroughly documented and maintained in the applicant's file. All records are subject to the Public Information Act. All Open Records Requests should be made to: Public Information Officer, 3800 Stone Road, Kilgore, Texas 75662, or by emailing [lindsay.vanderbilt@etcog.org](mailto:lindsay.vanderbilt@etcog.org)

Housing East Texas has sole discretion, and may revise, rescind, or modify any portion of the guidelines at any time, vary from the policies in any of its handbooks, and may change or revoke any of those policies at any time.

Appendix A

Texas Administrative Code  
Title 40 Rule §85.308

**TITLE 40**

**SOCIAL SERVICES AND ASSISTANCE**

**PART 1**

**DEPARTMENT OF AGING AND DISABILITY SERVICES**

**CHAPTER 85**

**IMPLEMENTATION OF THE OLDER AMERICANS ACT**

**SUBCHAPTER D**

**OLDER AMERICANS ACT SERVICES**

**RULE §85.308**

**Residential Repair Services**

- (a) Purpose. This section establishes the requirements for residential repair services, a service provided under the Older Americans Act and funded, in whole or in part, by DADS.
- (b) Eligibility. A AAA must ensure that a program participant who receives residential repair services:
- (1) is 60 years of age or older;
  - (2) lives in a residence that requires repair or modification to enhance or address:
    - (A) energy efficiency;
    - (B) structural integrity; or
    - (C) the health and safety of the program participant.
- (c) Requirement for vendor to provide services. A AAA must enter into a vendor agreement for the provision of residential repair services.
- (d) Service authorization. Before residential repair services are provided by a vendor to a program participant, a AAA must ensure that the vendor obtains authorization for the services from the AAA in accordance with §83.3(o)(2)(B) of this title (relating to System of Access and Assistance).
- (e) Intent of services. A AAA must ensure that the residential repairs made by a vendor are essential for maintaining the health, safety, and independence of the program participant living in the residence.
- (f) Unit of service. The unit of service of residential repair services is one residence receiving services totaling no more than \$5,000 within the current federal fiscal year. A AAA may exceed the \$5,000 limit if it has prior written approval from DADS.
- (g) Descriptions of residential repair services.
- (1) Structural services. Structural services are any repairs to the structure of the residence considered necessary to the health and safety of the program participant.
  - (2) Accessibility modifications. Accessibility modifications are structural adaptations to meet the needs of a program participant who has a disabling condition.
  - (3) Electrical services. Electrical services are replacement, repair, and installation of

essential electrical wiring or fixtures including telephone wiring.

- (4) Plumbing services. Plumbing services are replacement, repair, and installation of essential plumbing lines or fixtures.
  - (5) Weatherization services. Weatherization services are repairs and modifications or purchase of supplies that protect a residence from the effects of the weather, conserve energy, or provide alternative energy sources to heat or cool.
  - (6) Safety and security modification. Safety and security modifications are measures taken to prevent accidents, fires, or intrusion into a dwelling and the repair, modification, treatment, or removal of safety hazards in the residence.
  - (7) Essential appliances. Essential appliances are appliances necessary to sustain a healthy environment and independent living.
- (h) Rental units. If the residence in which a program participant is living is not owned by the program participant, a AAA must obtain a signed agreement from the owner authorizing the services before services are provided.
- (i) Prohibited activities. Residential repair services do not include the following activities:
- (1) construction, repair, or maintenance of outbuildings such as garages, carports, animal shelters, or greenhouses;
  - (2) installation, repair, or maintenance of nonessential appliances and fixtures; and
  - (3) beautification of property or other activities that are strictly for cosmetic purposes.
- (j) Services completed before payment. A AAA must ensure that before payment is made for residential repair services one of the following occurs:
- (1) the program participant acknowledges, in writing, the services have been completed; or
  - (2) the AAA has confirmed by an on-site visit that the services have been completed.

## Appendix B

### Program Guidelines Emergency Response to Arctic Freeze Program

**East Texas Council of Government  
January 2010  
Emergency Response to Arctic Freeze Program**

**PURPOSE OF THE PROGRAM**

The purpose of the **January 2010 Emergency Response to Arctic Freeze Program** is to provide assistance to eligible households directly affected by Freezing Conditions, which occurred on January 4, 2010 - January 31, 2010, in the following ETCOG counties: Rains, Wood, Camp, Upshur, Marion, Van Zandt, Henderson, Anderson, Panola, Gregg, Cherokee, Harrison, Rusk and Smith.

**TYPE OF ASSISTANCE**

The primary objective of the East Texas Council of Governments Emergency Response to Arctic Freeze Program is to provide decent, safe, and sanitary housing conditions to senior (60+) residents whose homes sustained damage from the effects of the current freeze conditions.

III-B funding will be made available to eligible households for direct plumbing repairs capped at \$250 and will be provided to clients 60 years or older (60+).

If the cost of repairs exceed \$250 then the client will be responsible for the remainder of the cost. If the client declines to pay remainder, ETCOG will be unable to provide work under this program.

**PARTICIPANT ELIGIBILITY**

**Age**

In order to be eligible, the applicant must be 60 years or older.

**Ownership**

The applicant must be property owner. If applicant is not the owner, then written permission from the owner is required.

**Principal Residency**

Eligible applicant must have owned and occupied property as primary residence on January 4, 2010

**Repairs have to be directly related to the January 2010 Freezing Conditions**

The following have oversight responsibility for the Emergency Response to Arctic Freeze Program, and will make a determination whether to extend the program, if existing weather conditions continue.

- Karen Cline, Housing Manager
- David Cleveland, Executive Director
- Claude Andrews, Director of Aging
- Luke Kimbrough, Director of Public Information and Regional Services

Appendix C

TDHCA Program Guidelines  
Community Development Block Grant  
Hurricane Ike Disaster Recovery Program:  
Assistance for Unmet Housing Needs

## **PURPOSE OF THE PROGRAM**

The purpose of the East Texas Council of Governments (ETCOG) Hurricane Ike Recovery program is to provide assistance to eligible households directly affected by Hurricane Ike, which occurred on September 13, 2008, in the following ETCOG counties: Gregg, Cherokee, Harrison, Rusk and Smith.

The Community Development Block Grant (CDBG) Hurricane Ike Recovery funds will only be used for those households that meet the low to moderate income eligibility guidelines and continue to have unmet housing needs including, but not limited to, those of uninsured homeowners whose homes had major or severe damage directly related to Hurricane Ike.

## **DESIGNATED AUTHORITY TO ADMINISTER PROGRAM**

David A Cleveland, Executive Director, East Texas Council of Governments is the designated authority to administer the CDBG Disaster Recovery Program and has authority to sign the contract between the Texas Department of Housing and Community Affairs and the East Texas Council of Governments, and is responsible for overseeing and ensuring completion of the contract in accordance with regulations stipulated within the contract, the Housing Guidelines, and by state and federal laws.

Karen Cline has been designated as the project manager for the CDBG Disaster Recovery Program, with responsibility for oversight of the program, and reports directly to Mr. Cleveland.

This program shall be operated in accordance with all applicable rules and regulations of the U. S. Department of Housing and Urban Development (HUD), Texas Department of Community Affairs (TDHCA), The Texas Administrative Code, all applicable local codes and ordinances; and the East Council of governments rules and regulations.

## **TYPE OF ASSISTANCE**

The primary objective of the East Texas Council of Governments CDBG Disaster Recovery Program is to provide decent, safe, and sanitary housing for low to moderate income residents whose homes sustained damage from the effects of Hurricane Ike.

CDBG Disaster Recovery Program (CDBG-DRP) funding will be made available to eligible households for the following:

- Rehabilitation;
- Reconstruction
- Activities directly related to and/or supporting the above types of assistance

## **Amounts of Assistance and Assistance Type**

The East Texas Council of Governments will make grants available to eligible households in the following manner:

- **Housing Rehabilitation** – unsecured note up to ████████ but not to exceed ██████ of the home's pre-hurricane value, for the repair of housing damaged by Hurricane Ike. These repairs include, but are not limited to, weather-related conditions; water leaks; unsafe plumbing conditions or hazards; unsafe electrical conditions or hazards; roof replacement; house leveling; sheetrock replacement; and general weatherization activities. The cost of

necessary repairs cannot exceed 25% of home's pre-hurricane value. In addition, the participating housing unit must comply with local building codes and standards, and upon completion, the entire structure must comply with Housing Quality Standards (HQS) and with existing local health and safety codes.

- **Reconstruction** – unsecured note up to [REDACTED] for the reconstruction or the replacement of a home damaged by Hurricane Ike that is not repairable. The home can be replaced with a modular or stick built home. The amount of the reconstruction assistance will be made to eligible households based on a feasibility analysis, and family size based on Section 8 Occupancy Standards. If the home is to be replaced, the home may be in form of modular home or a stick built home.
- Amendments executed between ETCOG and TDHCA that affect these limits apply to these Housing Guidelines as if incorporate herein.

## **PROGRAM MARKETING PROCEDURES**

An advertisement about the CDBG-DRP application process will be sent to at least one paper per Eligible County, this will also be submitted to television stations, cable companies, and radio stations to consider as Public Service Announcements. In addition, this information will be provided to the Disaster Case Management Office. The information will also be available in Spanish.

Eligible applicants must be individuals or families who owned and occupied a single family residential unit on September 13, 2008, have a total household income that does not exceed 80% of the Area Median Family Income and live in one of the following counties: Gregg, Cherokee, Harrison, Rusk and Smith.

Rehabilitation or reconstruction assistance will be made available to eligible households based on a scoring and ranking system. **The submission of an application does not guarantee that any assistance will be provided by the East Texas Council of Governments.**

Interested persons may request an application by calling 903-984-8641, extension 235. The application is also available on the internet at [www.etcog.org](http://www.etcog.org), under Hurricane Ike Disaster Recovery Assistance Application.

## **APPLICATION INTAKE PROCEDURES**

ETCOG will use an Application to obtain detailed information which conforms with the required information from TDHCA form 14.22. The Application will obtain information about the applicant household and to establish eligibility for participation in the CDBG Disaster Recovery Program.

- **Announcement** – the ETCOG will announce the availability of the CDGB-DRP assistance through newspapers, radio, television PSA notices, flyers, etc., to ensure that all eligible households will have an opportunity to be informed about the CDBG-DRP program.
- **Location** – Applications will be accepted at the ETCOG offices, 3800 Stone Rd, Kilgore, Texas. Applications will be accepted from homeowners in person or by mail.

- Timing – Applications will be accepted during open application period (October 19, 2009 - December 15, 2009) from potentially eligible homeowners seeking CDBG-DRP assistance, the application will be scored and ranked.
  - All incoming Intake Applications will be date stamped when they are received and matched with prior unmet needs applications, if appropriate.
- Method of Application – Applicants will be asked to complete the Intake Application personally. If the applicant is unable to do so, he/she may request assistance from ETCOG Housing Coordinator.
  - The ETCOG Housing Coordinator will also conduct an interview to obtain required information and support documentation, as well as to explain the program eligibility requirements to potential applicants. Incomplete application will not be accepted.
- Method of Award – CDBG-DRP assistance awards will be based on a scoring and ranking system and will be used to select the most deserving applicants, based upon pre-established criteria. In the event of a tied score, the tie will be broken using Area Medium Income percentage (AMI). The applicant with the lowest AMI will receive priority.
- Staff will work with applicant to ensure all requested information is complete and accurate. Incomplete applications will only be considered when there are not enough applicants to fill available spots.

## **PARTICIPANT ELIGIBILITY**

### **Income**

All CDGB-DRP households must, at a minimum, qualify as low to moderate income (LMI), defined as household income not exceeding 80% of the Area Median Family Income (AMFI). (A household is defined as a householder and one or more other persons living in the same household who are members of his/her immediate family. Immediate family is considered to be parents, children, and grandchildren. An individual living alone is also eligible.)

### **Ownership**

In order to be eligible, the applicant household must demonstrate property ownership. Proof of property ownership will be obtained through deeds and property records. Eligible forms of ownership include:

- Fee simple title to the property; or
- Ninety-nine (99) year leasehold interest on the property (or a fifty (50) year leasehold on a trust, or fifty (50) year leasehold on restricted Indian lands); or
- Ownership or membership in a cooperative or mutual housing project that constitutes homeownership under Texas law; or

- Warranty Deed; or
- Life estates.

In the absence of proof of property ownership described above, to be eligible for assistance, the applicant household must provide:

- Contracts for Deed; or
- Proof of current property taxes paid; or
- Proof of paid homeowner's insurance (for the year that included 9/13/2008).

ETCOG may accept alternate forms of ownership as approved by TDHCA.

### **Property Taxes**

Prior to making an award for rehabilitation or reconstruction, the CDBG-DRP beneficiary must provide proof that all delinquent property taxes have been paid. If it is not possible for the homeowner to pay all delinquent taxes, he/she may enter into a written agreement with the taxing authority to pay on an installment basis, provided there are no tax suits. Or eligible homeowners may qualify for and receive a tax deferral as allowed under Section 33.06 of the Texas Property Tax Code, or a tax exemption pursuant to Section 11.182 of the Texas Tax Code. A copy of this written agreement and all supporting documents will be provided by the homeowner, and will be kept in the beneficiary's Activity File.

### **Principal Residency**

Eligible applicant must have owned and occupied property as primary residence on September 13, 2008.

### **3 year Unsecured Deferred Forgivable Note**

All applicants will be required to enter into a Unsecured Deferred Forgivable Note, which will be filed with the County Clerk having jurisdiction. The Note provides for a 3 year residency requirement. In the event of default, please refer to the Unsecured Deferred Forgivable Note Agreement guidelines for more detail.

## **PROPERTY ELIGIBILITY REQUIREMENTS**

Only properties that suffered damages due to Hurricane Ike will be eligible for Disaster Recovery Assistance.

- Only single family owner-occupied units will be eligible for assistance.
- Assistance to homeowners has the following limitations:
  - Manufactured housing cannot be rehabilitated under this program.
  - A manufactured housing unit may be replaced with a site-built housing unit if the manufactured housing unit is listed registered as real property with the TDHCA Manufactured Housing Division and is filed in the real property records in the county in which the home is located. The project would be considered reconstruction.

- The homeowner may request the housing type of their choice (modular, or stick built) subject to funding limitations; however the final offer of housing type is at ETCOG's discretion.
- Units must be located within one of the five designated counties of the ETCOG region. These counties are: Gregg, Cherokee, Harrison, Rusk and Smith.
- A preliminary inspection shall be conducted to determine the condition of the unit and to prepare a list of the code deficiencies. This will also help determine if the unit can be repaired within the limits of the grant and whether the home requires more rehabilitation than what is possible through the provisions of this program. Interim and final inspections will be conducted by the Housing Inspector. The Housing Inspector will be procured through bid process and the inspector will be retained on a contract basis.
- Applicant must furnish evidence that all property taxes assessed on the property proposed for repair, rehabilitation, or reconstruction have been paid prior to the award of the grant, or the property owner qualified for and received a tax deferral as allowed under Section 33.06 of the Texas Property Tax Code.
- The unit to be repaired, rehabilitated, or reconstructed must have been owned and occupied by the applicant and/or eligible family members on September 13, 2008. Proof of occupancy may be made with homestead exemption status, copies of active utility bills in the name of the applicant and/or eligible family members. ETCOG may accept alternate forms of occupancy as approved by TDHCA.
- If the property is located within a designated flood plain, the rehabilitation or reconstruction assistance will not be available for this program.
- Upon completion of the rehabilitation, units must comply with city building codes and minimally with HUD Section 8 Existing Housing Quality Standards.
- Units must also comply with the local city and/or county plumbing and electrical codes at the completion of the work. If there is no defined code within the city or county, then the applicable state codes shall apply.

## **Reconstruction**

With the exception of manufactured housing units and modular homes, reconstructed and newly constructed housing must comply with the universal design features in new construction, established by §2306.514, Texas Government Code, energy standards as verified by a RESCHECK certification, and the International Residential Codes, as required by Subchapter G, Chapter 214, Local Government Code. Manufactured and units must comply with HUD codes applicable to these units. Modular homes must meet state, local, or regional building codes. All reconstructed and newly constructed housing units, regardless of type must comply with existing local health and safety standards.

## **ELIGIBLE IMPROVEMENTS AND EXPENSES**

All property improvements, rehabilitation and/or reconstruction must be for unmet housing needs resulting from Hurricane Ike. Non-Ike damage may only be addressed on structures that also have Ike-related storm damage. Improvements may include the following:

- Improvements needed to meet city building codes, city plumbing and electrical codes, HUD Section 8 Housing Quality Standards, and *Cost Effective Energy Measures*.
- Improvements must be physically attached to the property and be permanent in nature (e.g., window air conditioners, a shed or garage located separately from the house, carports, and washers and dryers) are not eligible. However, a stove or refrigerator is eligible.
- Improvements may include lead-based paint abatement, asbestos abatement, accessibility for special needs, energy efficiency or ventilation items such as ceiling fans, window screens, screen doors, and window blinds.
- Cook stoves, refrigerators, air conditioning (not window air conditioning units) and heating systems, water heaters and other necessary appliances are eligible items, but will only be considered when they are **not** present or the repair would not be cost effective. They will be approved on a case-by-case basis.

Improvements such as widened doorways, ramps, level entry and doorways, and grab bars in bath areas for accessibility will be installed if appropriate.

CDBG-DRP funds may not be used for luxury items including, but not limited to, swimming pools, fences (other than those required for security), television, satellite dishes and dishwashers.

## **LEAD-BASED PAINT**

All structures built before 1978 must be inspected for lead-based paint hazards, and if detected, the homeowner will be notified and appropriate steps will be taken to mitigate dangers from lead-based paint. ETCOG will not reimburse lead-based paint testing, risk assessments, or any other type of testing related to lead-based paint if the housing unit was built after January 1, 1978; or if built before 1978 and existing housing unit will be demolished. For cost estimate purposes, lead-based paint testing may be included in work write-ups for pre-1978 housing units.

Households must be notified of potential hazards, identified hazards, and the result of hazard reduction activities. Multiple notifications may be required.

Certified and licensed professionals may be required to assess lead hazards and provide clearance of the unit.

Identified lead hazards must be mitigated. Although abatement (complete removal) may not be necessary, interim measures or paint stabilization will be required for clearance of the home.

On-going maintenance of hazard reduction may be required. All work conducted to remove lead hazards will be performed in accordance with safe work practices and will be conducted and/or managed by a licensed and certified person.

## CONTRACTOR QUALIFICATIONS

In order to be eligible to participate in the construction work financed under this housing program, contractors must meet the following minimum requirements:

- The contractor must not be a debarred, suspended, or ineligible contractor according to HUD's "Consolidated List of Debarred, Suspended, and Ineligible Contractors" and the U.S. General Services Administration's "Consolidated List of Debarred and Suspended Contractors." ETCOG will verify contractor eligibility prior to awarding any contract. TDHCA will only verify debarment status for contracts where Labor Standards apply.
- The contractor must carry general liability and property damage insurance for rehabilitation or reconstruction work done within the ETCOG region in the amount of \$100,000 or cumulative value of awarded homes, whichever greater. This insurance must be applicable to construction work in relation to this program and must be in effect during the contracted period. Evidence of such insurance must be presented prior to the execution of the contract. Contractor must have Workers compensation throughout the contract period.
- Interested contractors will pre-qualify with ETCOG in order to be placed on the bidders' list and thus be eligible to bid on the rehabilitation packages. In order to *qualify*, the following must be completed and in the ETCOG files at least **one (1) week** prior to submitting a bid:
  - Contractors must provide verification of past workmanship by submitting **two (2) letters** of recommendation from other TDHCA housing rehab projects. If the contractor has had no experience with TDHCA, two (2) letters of reference will be accepted. All references will be checked upon receipt and letters must be originals.
  - A contractor's application and permits as required by ETCOG.
  - A certificate of insurance meeting the requirements as stated in above with a 30 day notice of cancellation
  - A payment bond for a qualifying amount made payable to the East Texas Council of Governments.
- ETCOG's Contractor Selection Procedures are as follows:
  - Bid packages with a maximum of ten (10) rehabilitations will be prepared and let for bid by public notice in a local newspaper(s) and on the ETCOG website.
  - Bid proposals shall be submitted separately for each residential property.
  - Bidders must pre-qualify prior to bid opening, as outlined above.
  - The low bidder or the most acceptable bidder will be awarded no more than two (2) contracts per bidding session. Before a contractor can be awarded more than two (2) contracts, he/she must have completed seventy-five percent (75%) of the other contracts.

- Consideration will be given to Historically Underutilized Businesses (HUBs), Low-income local workers (Section 3) and other locally owned businesses whenever possible.
- Contractors must provide proof of performance and/or payment bonds.

**Written Warranties**

Building contractors must provide a written warranty guaranteeing their work for a period of one (1) year after completion. Warranties are provided to the homeowner at the completion of the activity.

For a period of one (1) year, the homeowner may require the building contractor to correct defects or problems arising from his/her work under the contract by making a written request. The building contractor must contact the homeowner within four (4) business days from the date of the written request.

Should the building contractor fail to make adequate repairs and/or corrections within thirty (30) days, the homeowner may take any necessary legal recourse as described in the building contract.

**Procurement**

ETCOG has an approved written procurement policy in effect, and that policy will be followed for purchasing goods and services associated with the CDBG-DRP funding assistance. Any exemptions from this policy will comply with Local Government Code Section 252.022, which allows an exemption from competitive procurement if it is necessary to preserve or protect the public health or safety of the municipality’s residents.

**Selection**

ETCOG will send out are Request for Qualification (RFQ) to establish an approved building contractor list which includes bidders who meet the fair and reasonable criteria pre-established by ETCOG. Invitation for Bids (IFB) may be limited to building contractors on the established list.

**Preconstruction Conference**

- A **preconstruction conference** between the homeowner, contractor, all subcontractors, and the housing inspector(s) shall be conducted to insure that all parties are in agreement about the work to be completed. The preconstruction conference shall consist of two parts. The *first part* deals with basic contract and procedural issues:
  - begin and end dates of the contract;
  - terms of the contract;
  - payment schedules and procedures;
  - inspection procedures and requirements;
  - responsibilities of the contractor and the homeowner;
  - change order procedures;
  - payment requests and procedures;
  - lead-based paint requirements;
  - role of the program staff;
  - complaint and conflict resolution procedures; and
  - other programmatic procedures.

- The *second part* should consist of a *walk-through* of the house. All three parties should understand how the work will proceed. Instructions will be given regarding clean-up by the homeowner prior to work, and the contractor after the work. If there are any preferences in colors and styles, this is the best time to resolve these issues.

## **INSPECTIONS AND CONSTRUCTION PAYMENT**

### **Progress Inspections**

- At key junctures in the project, the housing inspector shall schedule inspections. Key stages are times when work such as wiring and plumbing are completed and still exposed prior to the wall or flooring being replaced; or when work being performed by a specialty subcontractor, who will be present for only a short time, is nearing completion.
- Inspections to approve progress payments shall be made at a time requested by the contractor. These inspections shall be made promptly upon request so as not to delay the processing of the contractor's payments.
- If at all possible, inspections shall be conducted by the same person each time.
- All electrical work will be inspected by the city's electrical inspector and electrical permits are required for all electrical work. All electrical work must be performed by an electrician approved and licensed in the city (or county).
- All plumbing work will be inspected by the city's plumbing inspector in accordance with the city's normal plumbing inspection requirements. Plumbing permits are required for all plumbing work. All plumbing work must be performed by a master plumber approved to do work in the city.
- Building permits are required for all applicable construction work.

### **Final Inspections**

- When work is nearing completion, the contractor shall notify the Housing Manager of a specific date when the job will be ready for a final inspection.
- The purpose of the final inspection is to guarantee that all work called for in the contract has been completed according to specification. If progress inspections were conducted often enough to make mid-course corrections, the final inspection should only need to catch those items which have been done since the last inspection.
- The final inspection shall be as thorough and deliberate as the initial inspection. Finished carpentry, painting, backfilling, electrical fixtures, all rehab activities, and clean-up should be closely checked for completion.
- The inspector shall make sure that the homeowner has received all warranties and instruction booklets for installed equipment.
- As in all construction projects, a *punch list shall be developed* toward the end of the job. A punch list is a listing of items written as specifications which constitute the work necessary to complete the contract. The punch list shall be developed by the contractor and the

inspector as a result of the final inspection, although it can be developed by the contractor and the homeowner prior to the final inspection.

- Either way, the punch list shall represent work yet to be done, *not additional work over and above the original or amended contract*. Once the punch list has been prepared, no other work items are expected of the contractor.
- If the punch list contains more than ten (10) items, the contractor is not ready for a final inspection.
- Final inspection is the acknowledgement that the work was completed. Inspection forms should not be signed until the contractor has corrected the faulty work.

### **Contract Completion**

When final inspection determines that the work is completed in accordance with the contract, the Housing Manager shall obtain from the contractor a “Release of Liens Form” from all subcontractors and suppliers, and the contractor’s request for payment. After receipt of these items, the Housing Manager shall order a request for funds, and upon receipt of the funds, disburse the funds to the contractor. ETCOG shall retain 10% of the funds pending a supplemental inspection in thirty (30) days unless the installed unit was a modular housing unit. Following a satisfactory supplemental inspection, the retainage will be paid to the contractor following the final inspection.

### **FILES AND RECORDKEEPING**

The ETCOG shall locally maintain accurate files and records on the program and on each applicant for a period of five (5) years as required by the Texas Department of Housing and Community Affairs. Such files shall be open for inspection as to qualifications, bids, and awards.

All records are subject to the Public Information Act. All Open Records Requests should be made to: Public Information Officer, 3800 Stone Road, Kilgore, Texas 75662, or by emailing [lindsay.vanderbilt@etcog.org](mailto:lindsay.vanderbilt@etcog.org)

### **DISPUTE RESOLUTION PROCEDURES**

ETCOG will attempt to prevent disputes by employing the following practices:

- ***The application interview*** - During this interview the program staff can first alert the homeowner as to the typical process of rehabilitation, discussing how most contractors do their work and what is normally expected;
- ***The initial inspection*** -During this walk-thru, program staff can explain to the homeowner what activities are eligible, method of repair, how the process will unfold; what work items are not negotiable, etc.
- ***The preconstruction conference*** -ETCOG will employ this process to head off potential problems and make sure all parties understand the “rules of the game”.

An **informal** complaint made by the homeowner or contractor will be directed to the CDBG-DRP program staff. All problems, informal or specific, will be checked out by the program staff immediately. **The program staff** shall deal with complaints that are unique to the project and minor.

A **formal** complaint made by the homeowner or contractor will be made in writing and addressed to the **ETCOG Executive Director**, 3800 Stone Rd., Kilgore, Texas. The Executive Director shall be involved in disputes which affect the program as a whole and which are major. Problems which cannot be resolved by the Executive Director shall be handled by the **ETCOG Board of Directors**. Complaints that cannot be resolved at the local level will be addressed to **TDHCA**. The ultimate recourse is the U.S. Department of Housing and Urban Development (HUD), upon the advice of TDHCA.

Every step of the process will be thoroughly documented and maintained in the files.

### **Appeals Procedures**

ETCOG's appeals process only applies to applicants appealing denial of eligibility and/or award amount, not for general complaints. General complaints must follow the dispute resolution process described under **Dispute Resolution Procedures** and can be submitted to ETCOG or directly to TDHCA at [www.tdhca.state.tx.us](http://www.tdhca.state.tx.us). *Applicants appealing eligibility or award amount determinations must first appeal these decisions to ETCOG.*

In all determinations of eligibility where a household is denied assistance, the COG must send a letter to the individual household explaining the purpose of the denial. That correspondence must clearly outline the COG's internal Appeals Policy, both for ineligibility and award amount denials.

### **Appeals Procedures and Minimum Requirements**

ETCOG's Appeals Policy will allow any entity that is denied by the ETCOG for CDBG funding, an opportunity to appeal to the Executive Director of the East Texas Council of Governments (ETCOG). Appeals to ETCOG should not involve TDHCA at the first level of appeal.

In the event that the ETCOG's Executive Director denies an appeal, ETCOG will send a letter to the appellant outlining the reasons for denial, and outlining the Department's Appeals Policy and related deadlines. NOTE: A Household may not appeal to TDHCA without having first been denied by ETCOG.

### **TDHCA-Level Appeals**

Pursuant 10 TAC §1.7, which outlines the Department's Appeals Policy, if a household would like to further appeal ETCOG's decision, it may do so first to the TDHCA Executive Director, and if not satisfied, to the TDHCA Governing Board using the following methodology, which must be included in all COG Appeals Policies:

§1.7(c): Appeal of Decision to the Executive Director.

An Appealing Party must file a written Appeal with the Department for the Executive Director not later than the seventh day after notice has been provided to the Appealing Party. For purposes of this section, posting on the Department's website is considered adequate notice when identified in the application process as a public notification mechanism. The written appeal must include specific information relating to the disposition of the Application or written request for change to the Contract, Commitment, Loan Agreement, and/or LURA. The Appealing Party must specifically

identify the grounds for the Appeal based on the disposition of underlying document. Upon receipt of an Appeal, staff shall prepare an Appeal file for the Executive Director's. The Executive Director shall respond in writing to the Appeal not later than the fourteenth day after the date of receipt of the Appeal. The Executive Director may take one of the following actions.

- (1) Concur with the Appeal and make the appropriate adjustments to the staff's decision; or
  - (2) Disagree with the Appeal and provide the basis for rejecting the Appeal to the Applicant.
- §1.7(d) Appeal of Executive Director's Decision to the Board.

If the Appealing Party is not satisfied with the Executive Director's response to the Appeal, they may appeal in writing directly to the Board within seven days after the date of the Executive Director's response. In order to be placed on the next Board agenda, the appeal must be received by the Department at least fourteen days prior the next scheduled Board meeting. Appeals requested under this section received after the fourteenth calendar day prior to the Board meeting will be scheduled at the next subsequent Board meeting. The Executive Director shall prepare an Appeal file for the board's review based on the information provided. If the Appealing Party receives additional information after the Executive Director has denied the Appeal, but prior to the posting of the Appeal for Board consideration, the new information must be provided to the Executive Director for further consideration or the Board will not consider any information submitted by the Applicant after the written Appeal. New information will cause the deadlines in this subsection to begin again. The Board will review the Appeal de novo and may consider any information properly considered by the Department in making its prior decision(s).

## Appendix D

### Sample No Contact Letter

February 10, 2009

Joe Client  
1234 Main Street  
Sometown TX 75777

Dear Mr. Client:

We have been unable to contact you regarding repairs to your house. No one answers the phone number you provided us (903) 555-1234. If you are still interested in having the Area Agency on Aging contact you about repairs to your house, please contact us or return this letter by Friday, March 6, 2009. If we do not receive a response by the required date, then you will be removed from our home repair list. You can call me at our toll-free number: 1-800-442-8845.

I look forward to hearing from you.

Sincerely,

*K.Cline*

Karen Cline, CIRS-A  
Housing Manager

\_\_\_\_\_ Yes, I still need repairs. My correct phone number is \_\_\_\_\_.

\_\_\_\_\_ No, I am no longer in need of services; please remove my name from your list.

Appendix E

Sample Retention Agreement  
Center for Housing Resources Program