



**City of Dallas**

# **Major Home Rehabilitation Home Reconstruction NOFA**

Housing Preservation Team  
Department of Housing & Neighborhood Revitalization

# Presentation Overview



- About HIPP
- NOFA overview
- Q&A





- The Home Improvement and Preservation Program (HIPP) offers qualified low- and moderate-income homeowner's different ways to improve their homes for major rehabilitation:
  - Major Home Rehabilitation Program
  - Home Reconstruction Program
  - Minor Home Rehabilitation Program



# HIPP Eligibility for Assistance



- Must live in the City limits of Dallas
- Homeownership for at least 6 months
- Home must be a detached single-family dwelling
- Household income under 80% AMI
- Current on Property Taxes or have written plan
- Property must obtain environmental clearance
  - City of Dallas will do this for each applicant ~60 days

#of Persons in the Household	1	2	3	4	5	6	7	8
Income	\$49,850	\$57,000	\$64,100	\$71,200	\$76,900	\$82,600	\$88,300	\$94,000



# NOFA – Eligible Repairs



- Major – up to \$73,170 – current average is \$49k
  - Interior and exterior repairs as needed
- Recon up to \$203,250 – current average is \$180k
  - Demo
  - New House







- Award a contractors or subrecipients to administer both the Major Home Rehabilitation Program and the Home Reconstruction Program.
  - \$3M available in direct delivery cost (actual construction costs) and seeking proposals on amount to administer this program



# NOFA – General



- Contractors
  - Typically, a **for-profit** organization that can carry out the duties listed in the NOFA
  - Procurement and Income Eligibility can be handled with different methods than the city
- Subrecipients
  - Typically, a **non-profit** organization that can carry out the duties listed in the NOFA
  - Will do all the duties that the City would do in the same manner



# NOFA – Responsibilities



<b>Marketing the Programs</b>	<b>City and 3<sup>rd</sup> Party</b>
<b>Application Intake</b>	City
<b>Eligibility Review – income and home eligibility</b>	3 <sup>rd</sup> Party
<b>Title Search</b>	3 <sup>rd</sup> Party
<b>Property Inspection</b>	3 <sup>rd</sup> Party
<b>Scope of Work</b>	3 <sup>rd</sup> Party
<b>Environmental Review</b>	City
<b>Bidding (if needed)</b>	3 <sup>rd</sup> Party
<b>Contract Execution</b>	3 <sup>rd</sup> Party
<b>Housing Inspection of Work</b>	City
<b>Completion of Repairs / Reconstruction</b>	3 <sup>rd</sup> Party
<b>Reimbursement of Costs</b>	City





# NOFA – Proposals



- Section 1 - Organization Chart: Entire Agency
  - Chain of command/ titles/ duties
- Section 2 - Organization Chart and Narrative: Division/Section
  - Narrative of programmatic and fiscal groups/qualifications of staff
- Section 3 – Historic Narrative
  - History purpose of org/years in service/other projects or grants ongoing/any statements on impact to org



# NOFA – Proposals



- Section 4- Texas Secretary of State Business Search Data base Screenshot
  - Go to [sos.state.tx.us](http://sos.state.tx.us) and take a screenshot showing active status
- Section 5 – Workplan and Budget
  - Narrative of how work will get done/detailed budget



# NOFA – Proposals



- Section 6- Insurance Requirements
  - You do not need insurance in place to apply, but will need it if selected to move forward
- Section 7 – Audited Financial Statements
  - Please provide latest audited statements or p&l, line of credit, or other financial documents that show ability to handle a reimbursable project.



# NOFA – Scoring



- Organizational Capacity - 50 points
  - Demonstrate past and current ability to administer this program
  - Shows financial capacity to administer the program
  - Highlights experience working with LMI populations
- Work Plan - 50 points
  - Demonstrates how program will be marketed
  - Shows the team needed to administer the program
  - Explains the project flow and how the proposer will approach the administration





- Does the City require that the Contractor/Subrecipient track their costs separately for direct delivery and administration?
  - Yes
- In order to provide fair and equitable pricing, can the City provide more details on what the anticipated duties and responsibilities of the Contractor/Subrecipient will be associated with marketing of the program?
  - Duties would be to share any City of Dallas advertising for the HIPP programs with any local networks or organizations that may have potential applicants – if proposer has additional details on how they would do that, please include it in the proposal





- HUD allows that entities may use the IRS definition of income and income verification process to determine income eligibility. This is a more streamlined approach than using the Part 5 methodology, and is less burdensome on homeowners to provide documentation. Would the City consider using this method for determining homeowner income eligibility instead of Part 5?
  - A contractor may submit this alternative method as part of their proposal
  - A subrecipient must use the part 5 method

- On Page 4 under Bidding, the NOFA references a master contract for construction. Can you please provide a definition for Master Contract?
  - If contractor or subrecipient has a procurement method to hire 1 or more contractors outside of the houses being individually bid, then they should include this method of how they will handle construction aspects of program administration
- Will the City be providing the contract template for the loan contract that will be executed for construction work?
  - Yes



- Will the City be providing the templates for the Promissory Note and the Deed of Trust?
  - The City of Dallas will provide templates of all loan documents needed as well as a work write up, change order, and construction close out documents.
- The NOFA does not address assessments for lead paint and asbestos? Who will be providing those services? If they are to be provided by the Contractor/Subrecipient, is the cost included in the Project Costs (loans to homeowners) or Direct Delivery Costs?
  - Lead paint is assumed to be found on all properties older than 1978, a lead test should be part of the work write up and the scope of work should be altered based on the lead report findings





- Page 8, Section 7: Audited Financial Statements – since for-profit entities are not typically required to have audited financials, is it acceptable to provide a reviewed financial statement that clearly demonstrates the Contractor's ability to cash/flow a reimbursement program of this size?
  - Yes
- Page 9 – Work Plan – the content being requested here appears to focus primarily on program outreach. However, information elsewhere in the NOFA indicates that the City will be doing the marketing/outreach with assistance from the Subrecipient/Contractor. Can the City please clarify the role and responsibilities that the Subrecipient/Contractor will have in regards to the program outreach?
  - Please see addendum 1 for update language on this





- If the responding entity is a Contractor and not a Subrecipient, procurement and auditing requirements under the Uniform Administrative Requirements under 2 CFR 200, are not applicable. Is the City in agreement with this?
  - Yes, but there will be some requirements added
- Will the City allow the use of Xactimate estimating software to determine the costs of the rehabilitation services?
  - Yes







- Page 23 refers to a Model Construction Agreement to be submitted by Subrecipients. Is this applicable to Contractors as well? If yes, does the City have a template that can be made available for review?
  - The City of Dallas will provide templates of all loan documents needed as well as a work write up, change order, and construction close out documents.
- On Page 25, #2 – it states that all services are to be rendered to the homeowner as a grant. Elsewhere in the document, there are references to promissory notes and loans. Can the City provide clarification?
  - This will be a forgivable loan. Please see addendum 1 for update language on this.





- If there is an issue on a title search, and the homeowner does not meet the HIPP homeownership criteria, Does the City have the ability to pay for the cost of the title search?
- This should be part of the services the proposer anticipates as costs to administer the program.
- Is there any requirement for the Contractor/Subrecipient to assist the Homeowner with clearing their title?
  - There is no requirement. Applicant would be ineligible at time of application. City does have a program open to assist individuals with this. [www.texastapa.com](http://www.texastapa.com)





- Is there a mechanism in place / funding available if the walls are opened up and items not found during the Estimated Cost of Repairs Inspection takes the total cost to rehab above \$60,000?
  - There is no work allowed over the total amount available under the program guidelines.
- Does the City require that closings be held at or provided by a title company?
  - Loan closings should be performed by qualified organizations
- Can the City provide a sample of a recent work write-up (with all PII removed) that demonstrates a typical scope of work?
  - Yes, see new attachment on website.



- Please email any additional questions to [hipp@dallascityhall.com](mailto:hipp@dallascityhall.com)
- We will post all answers received in the Q&A document posted at [www.dallashousingpolicy.com](http://www.dallashousingpolicy.com)
- What Questions do you have for us today?