

Texas Department of Housing and Community Affairs

Amendment to Supplement the 2012-2013 Housing Trust Fund Plan



Texas Department of Housing and Community Affairs

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Amendment to Supplement the 2012-2013 Housing Trust Fund Plan that was Originally approved by the Board of the Texas Department of Housing and Community Affairs on July 28, 2011

Amendment adopted July 26, 2012

A summary of amendments to the 2012-2013 Plan are outlined below.

1. Amy Young Barrier Removal Program

Because the Amy Young Barrier Removal Program is the only state-wide, state-funded program that exclusively addresses home accessibility for people with disabilities, the Plan will be amended to reflect the exclusion of the \$1,738,500 of 2012-2013 Amy Young Barrier Removal Program funds from the pooling (or collapse) of all unreserved HTF funds on August 31, 2012. This will ensure that existing and new Administrators can continue to fund accessibility repairs for low-income people with disabilities through the biennium.

2. HTF Homebuyer Assistance Program

Given that the Department has three other programs providing homebuyer assistance to low-income homebuyers (the HOME Investment Partnerships Program, the Texas Neighborhood Stabilization Program, and the First-Time Homebuyer Program), the Plan will be amended to reduce the existing set-aside by \$500,000. Administrators will continue to have access to some HTF funds to serve low-income homebuyers, but will be encouraged to utilize other existing Department resources.

3. Texas Homeless Housing and Services Program (HHSP)

The HTF will be dedicating \$869,250 to the Texas Homeless Housing and Services Program (HHSP) in order to help address the priorities of the 81st Legislative Session. The purpose of the Program is to provide for the construction, development, or procurement of housing for homeless persons, and to provide local programs to prevent and eliminate homelessness. This is a new activity for the Housing Trust Fund. It should be noted that this activity excludes the use of funds for multifamily activities.

4. Contract for Deed Conversion Pilot Program

In an effort to more fully meet the goals of the Contract for Deed Conversion Program, the Plan will be amended to reflect that \$500,000 will be dedicated to the new activity of a Contract for Deed Conversion Pilot Program. The purpose of the Program is to assist households that reside in a Colonia and earn 60 percent or less of the applicable Area Median Family Income become property owners by converting their contracts for deed into a deed that conveys title to the Colonia resident. Assistance will be in the form of deferred, forgivable loans and/or grants. Currently the program is available with HOME funds; the department is now using HTF funds as a pilot to determine whether the use of more flexible state funds increases program participation.

5. Affordable Housing Match Program

The amendment to the Plan also discontinues the Affordable Housing Match Program, funded at \$869,250. While the Affordable Housing Match pilot program had sufficient applications in the previous biennium, approximately 40% of the committed funds were ultimately returned to the Department because Administrators did not succeed at obtaining the required matching non-Department funds. Public requests and inquiries for the continuation of the Program for the 2012-2013 biennium have been few, justifying the discontinuation of the Program.

In summary, amended programming of funds for the 2012-2013 Plan is as follows:

2012-2013 Amended Use of Funds	Previous/ Current Plan	Amended Plan
Texas Bootstrap Loan Program	\$ 6,000,000	\$ 6,000,000
Amy Young Barrier Removal Program	\$ 1,738,500	\$ 1,738,500
HTF Homebuyer Assistance Program	\$ 869,250	\$ 369,250
Affordable Housing Match Program	\$ 869,250	\$ 0
Texas Homeless Housing and Services Program (HHSP)	\$ 0	\$ 869,250
Contract for Deed Conversion Program	\$ 0	\$ 500,000
Total	\$ 9,477,000	\$ 9,477,000