

**Texas Department of Housing and Community Affairs  
FY 2018-2019 Texas Bootstrap Loan Program  
Notice of Funding Availability (NOFA)**

**NOFA Summary**

The Texas Department of Housing and Community Affairs (TDHCA), through its Single Family Operations and Services Division, is pleased to announce the availability of \$6,145,444.65 in funds from the State of Texas Housing Trust Fund (HTF) for Fiscal Year (FY) 2018 and 2019 of the Texas Bootstrap Loan Program (Program). The Program is a self-help housing construction program that provides very low-income households and persons with special needs (Owner-Builders) an opportunity to purchase or refinance real property on which to construct new housing or repair existing housing through sweat equity.

The \$6,145,444.65 that are available will be distributed through FY 2018 and FY 2019. Each FY may have varying deadlines, requirements, and amounts available, so please note which FY you are applying for and note the specific requirements for that year.

**On Monday, December 4, 2017, \$3,145,444.65 of \$6,145,444.65 will be available for immediate online reservation and access for the rest of FY 2018. On approximately Monday July 9, 2018, the remaining \$3,000,000 of the \$6,145,444.65 will be available for online reservations for FY 2019, but not accessible by participating organization until September 1, 2018 (the start of the FY 2019).** Additional funds may be added to this NOFA from loan repayments, interest earnings and cancelled reservations from prior years.

Requirements to participate in the Program may be found in Chapters 1, 2, 21, 24 and 26 of Title 10, Part 1, of the Texas Administrative Code (TAC), and Chapter 2306 of the Texas Government Code. In addition to other applicable federal laws, Program Participants may be required to comply with the Personal Responsibility and Work Opportunity Act (PRWORA) (Pub. L. 104-193, 100 Stat. 2105, codified at 8 U.S.C. §1601 *et. seq.*, as amended by Omnibus Appropriations Act, 1997, Pub. L. 104-208), Program Participants may be required to verify the immigration status of individuals applying for the Bootstrap Program. Any capitalized terms not defined in this NOFA will be defined in these chapters.

This NOFA will utilize an online reservation system for Program Participants to reserve funds to benefit eligible Owner-Builders. Prior to accessing the online reservation system, all Program Participants must:

- Either be a nonprofit organization certified by TDHCA as a Nonprofit Owner-Builder Housing Provider (NOHP) or be a Colonia Self-Help Center (CSHC) established by TDHCA under Chapter 2306 of the Texas Government Code and 10 TAC Chapter 25 and approved by TDCHA to participate in the Program;
- Have an executed "Loan Origination and Reservation System Access Agreement" for the Texas Bootstrap Loan Program; and
- Fulfill the additional requirements listed below.

## Funding Guidelines

Funds made available under this NOFA are not subject to the Regional Allocation Formula (RAF) since two-thirds of the funds are allocated in accordance with Tex. Gov't Code §2306.753(d) and the remaining one-third of funds is less than \$3,000,000 in accordance with Tex. Gov't Code §2306.111(d-1)(3).

The **\$3,145,444.65 in FY 2018** funds will be available for online reservation on December 4, 2017, as follows:

- Two-third set-aside available only to census tracts listed at <http://www.tdhca.state.tx.us/oci/bootstrap.jsp>: \$2,098,011.59
- Remaining one-third set-aside available statewide: \$1,047,433.06

The **\$3,000,000 in FY 2019** funds will only be available for online reservation on July 9, 2018, and will be accessible by participating organizations on or about September 1, 2018, as follows:

- Two-third set-aside available only to census tracts listed at <http://www.tdhca.state.tx.us/oci/bootstrap.jsp>: \$2,000,000
- Remaining one-third set-aside available statewide: \$1,000,000

Under Tex. Gov't Code §2306.754(a), the maximum Bootstrap loan per household is \$45,000.

The Owner-Builder may obtain supplemental funds from other sources. Rates and terms for all additional non-TDHCA resources must be fully documented in accordance to Program guidelines and the Texas Administrative Code at 10 TAC 24.9(l)(1).

After the completion of each home and mortgage loan closing, TDHCA will disburse an administration fee to the NOHP equal to 10% of the Bootstrap loan amount.

## Reservation System Guidelines

In order to submit Owner-Builder loan applications for reservation, a certified NOHP or CSHC must execute a Loan Origination and Reservation Access Agreement with TDHCA. NOHPs that have existing Agreements with TDHCA must be in compliance with all performance benchmarks per their current agreement.

NOHPs and CSHCs shall market the Program in accordance to 10 TAC §20.9, complete application intake, and qualify Households for participation.

NOHPs and CSHCs reserve Bootstrap funds on a first-come, first-served basis and TDHCA processes the reservations in the order they are received.

**For FY 2018 funds, a \$450,000 maximum reservation limit per NOHP and CSHC will apply for approximately 6 months starting on December 4, 2017. Then on Thursday, June 4, 2018, TDHCA will increase the maximum reservation limit an NOHP or CSHC may reserve to \$900,000, subject to the availability of funds.** For FY 2018 funds, TDHCA will continue to accept reservations on an ongoing basis until August 31, 2018 or until all funding has been reserved

**For FY 2019 funds, a \$450,000 maximum reservation limit per NOHP and CSHC will apply for approximately 6 months starting on July 9, 2018. Then on January 7, 2019, TDHCA will increase the maximum reservation limit an NOHP or CSHC may reserve to \$900,000, subject to the availability of funds.** For FY 2019 funds, TDHCA will continue to accept reservations on an ongoing basis until August 31, 2020, or until all funding has been reserved.

For NOHPs and CSHCs at the maximum reservation limit, additional reservations can only be submitted after an existing Bootstrap loan has closed.

After reserving funds, it is the NOHP's responsibility to submit the package of documents listed on the "Bootstrap Application/Compliance Checklist" (Exhibit 9 of the Texas Bootstrap Loan Program Manual, or <http://www.tdhca.state.tx.us/oci/forms.jsp>) within 10 business days of the date the Owner-Builder application was submitted on the online reservation system OR within 1 business day of receiving the following, whichever is sooner:

1. Consumer's/Applicant's Name;
2. Consumer's/Applicant's Income;
3. Consumer's/Applicant's Social Security Number to obtain a credit report;
4. Property Address;
5. The mortgage loan amount sought; and
6. An estimate of the value of the property

TDHCA will require that the Application/Compliance Package be submitted online through the Single-Family File Transfer System <https://sf-files.tdhca.state.tx.us/>. For access to the file transfer system, please contact Lisa Johnson at (512) 936-9888 or [lisa.johnson@tdhca.state.tx.us](mailto:lisa.johnson@tdhca.state.tx.us). Or contact Raul Gonzales at (512) 475-1473 or [raul.gonzales@tdhca.state.tx.us](mailto:raul.gonzales@tdhca.state.tx.us). If a participating organization or entity has limited or no internet access, TDHCA may waive this requirement. .

TDHCA staff will have a goal to review the Application/Compliance Package within 10 business days of receipt and provide written notification to the NOHP of the Owner-Builder's eligibility. A reservation for an Owner-Builder applicant does not guarantee funding.

For FY 2018 funds, the 24 hours of advanced priority access to the reservation system for eligible Owner-Builder applications will occur as follows:

- Begins on Monday, December 4, 2017, at 9:30 a.m. Austin local time, ends on Tuesday, December 5, 2017, at 9:29 a.m. Austin local time.
- On Tuesday, December 5, 2017, from 9:30 a.m. to 9:59 a.m. Austin local time, the online reservation system will be inactive in order for TDHCA staff to reconcile reservations. Absolutely no reservations will be accepted at this time.
- On Tuesday, December 5, 2017, at 10:00 a.m. Austin local time, all remaining funds will be available to any Owner-Builder applicant meeting Program Guidelines.
- TDHCA will cancel any reservation that does not meet the priority criteria upon further review.

For FY 2019 funds, the 24 hours of advanced priority access to the reservation system for eligible Owner-Builder applications will occur as follows:

- Begins on Monday July 9, 2018, at 9:30 a.m. Austin local time, ends on Tuesday, July 10, 2018, at 9:29 a.m. Austin local time.
- On Tuesday, July 10, 2018, from 9:30 a.m. to 9:59 a.m. Austin local time, the online reservation system will be inactive in order for TDHCA staff to reconcile reservations. Absolutely no reservations will be accepted at this time.
- On Tuesday, July 10, 2018, at 10:00 a.m. Austin local time, all remaining funds will be available to any Owner-Builder applicant meeting Program Guidelines.
- TDHCA will cancel any reservation that does not meet the priority criteria upon further review.

### **Contacts**

For more information regarding this NOFA, contact Lisa Johnson at (512) 936-9988 or [lisa.johnson@tdhca.state.tx.us](mailto:lisa.johnson@tdhca.state.tx.us), or contact Raul Gonzales at (512) 475-1473 or [raul.gonzales@tdhca.state.tx.us](mailto:raul.gonzales@tdhca.state.tx.us).