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Breaking Ground

A newsletter published by the Texas Department of Housing and Community Affairs

Austin Affordable Home Builders Win Award for Best Product Design

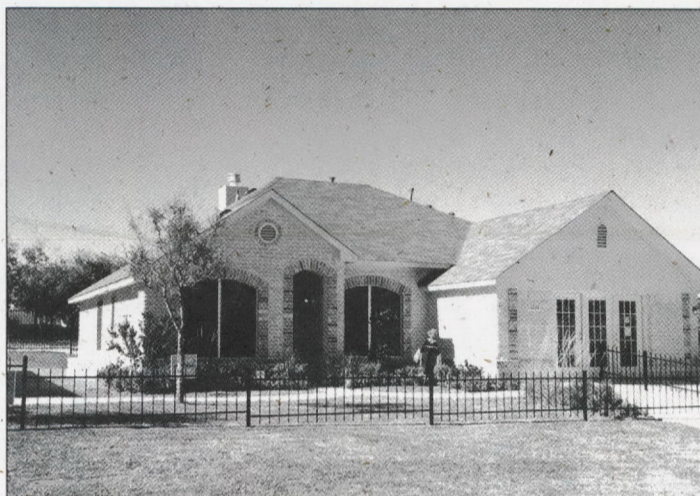
Two Austin affordable home builders were recently recognized by the Texas Capital Area Builders Association for outstanding design.

Clark Wilson Homes and Willow Homes received the association's MAX Award for best product design. Both builders participate in the innovative and nationally-recognized Neighborhood Partnerships for Texans Program funded by TDHCA.

"This award marks an outstanding achievement for these builders and the state.

It demonstrates that affordable housing created through a partnership with the private sector can produce a quality product," said Larry Paul Manley, executive director. "It also shows that low and moderate income families can receive the same standards as higher income buyers

"Award" continued on page 2



The Cottonwood model by Willow Homes, a division of AffordAmerica, won a MAX Award for best product design for homes priced between \$85,000 to \$110,000. The home was built in Southeast Austin's Fairway Ridge Subdivision, the pilot development created through the Neighborhood Partnerships for Texans Program.

Housing Trust Fund Opens Funding Cycle with \$2.3 Million Available

Texas' Housing Trust Fund has approximately \$2.3 million available in loan proceeds to finance, acquire, rehabilitate, and develop safe, decent and affordable housing. Funds will be awarded through a competitive application process.

The Housing Trust Fund is the only state-funded affordable housing program administered by TDHCA. Since 1991, the Program has awarded more than \$12 million in grants and loans to create more than 2,600 low and very low income housing units.

The Program provides gap funding to ensure that projects have the final amount of funds necessary for the completion of a project. The maximum award amount is \$500,000. Mixed income projects are encouraged, provided that a portion of the units target families

at or below 80 percent of area median family income (AMFI).

Eligible applicants include local governments, nonprofit organizations, public housing authorities and community housing development organizations (CHDOs).

Applications meeting threshold criteria will be evaluated and scored according to leveraging, housing need and program design. Applications will then be selected based on program scoring criteria, with consideration given to geographic distribution, applicant's past history with the Department and community impact.

An applicant's high score will be used to evaluate the project, but does not guarantee that an award will be made. The Department

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Self-Help Housing Solution to Create Model Subdivision

Jessups Colonia Families to Build New Homes

A collaborative partnership between TDHCA's Office of Colonia Initiatives (OCI), Proyecto Azteca, a nonprofit housing development organization, and the Hidalgo County Colonia Self-Help Center, is creating a unique model subdivision designed to eliminate a substandard colonia.

With TDHCA assistance, Proyecto Azteca is dramatically improving living conditions for residents in Jessups colonia, widely-recognized as one of the worst subdivisions along the Texas/Mexico border. Through the project, families will build safe and affordable houses in a new subdivision, which is properly platted and has all

necessary infrastructure in place.

Families living in Jessups, located in the northeastern section of Hidalgo County, faced deplorable living conditions which make daily life a virtual nightmare. Because individual lots in the colonia were sold to families after the removal

of several feet of topsoil, the colonia experiences severe flooding with every rainstorm. As a result of this flooding, unpaved roads are impassable and outdoor privies have become a breeding ground for mosquitoes and disease. The colonia lacks water and sewer service, and the 17 housing units are substandard and in some cases, dilapidated. Proyecto Azteca developed the

Jessups Model Subdivision Project to address these conditions.

Residents were first surveyed to ensure that they fully supported plans to relocate. Proyecto Azteca then located a suitable site for the new development. After residents approved the site, Proyecto Azteca negotiated the purchase of the tract of land. The new subdivision site is located in close proximity to Colonia Jessups, making relocation feasible and affordable. The subdivision is properly platted, with all necessary infrastructure in place, including paved roads, water and electricity.

Created in 1991, Proyecto Azteca developed a model self-help housing program for colonia residents through which very low income families come together to build their own homes under the supervision

"Jessups Colonia" continued on page 5



Consumer Protection:

Be Cautious of Unlicensed Manufactured Housing Installers

When purchasing a home, buyers often take care to examine the home's foundation, ensuring that it is level and built to pass city codes. When purchasing and installing a manufactured home, buyers should utilize the same caution, if not more. The safety and durability of a manufactured home depends greatly on whether the home is properly installed.

Manufactured homes are installed by the dealer or a private company. In Texas, any person who installs a manufactured home must be properly licensed with the Texas Department of Housing and Community Affairs (TDHCA).

When having a manufactured home installed, it is the responsibility of the consumer to contract with a licensed installer. Homebuyers should know that using an unlicensed installer could lead to a potentially unsafe situation for the home's occupants.

Homebuyers who use unlicensed installers risk damaging their home through failure of the installer to follow current standards. Installation instructions for manufactured homes carry warnings about the dangers of not having a professionally-trained contractor set up and install the home. Failure to follow the manufacturer's installation instructions may damage the home and adversely affect the homeowner's warranty coverage. Additionally, lay persons unfamiliar with installation skills risk serious personal injury to themselves and others.

Using an unlicensed installer could also cause the homebuyer to lose their consumer

protection rights. Homebuyers who use licensed installers are protected through a surety bond and the Manufactured Homeowners' Recovery Fund (HORF). If an unlicensed person installs the home, consumers are not eligible to claim against the HORF.

State law regarding the transportation and installation of manufactured homes was recently modified by the Texas Legislature, making it even more critical for consumers to make sure they are using a licensed installer. Prior to Sept. 1, 1997, a person transporting a manufactured home to the consumer's site was also responsible for its installation. As of Sept. 1, 1997, a consumer can contract separately for the transportation and the installation. However, if the transporter also contracts for the installation, the transporter must be licensed as an installer. This change in the law may create problems once manufactured homes are moved to a site, if they are installed by people who lack the ability and knowledge to install the home properly.

Any person who installs a manufactured home who is not properly licensed to do so is subject to a civil penalty in an amount not to exceed \$10,000 for each violation in addition to reasonable attorney's fees, court

Failure to properly install a manufactured home can lead to:

- ★ Major structural damage;
- ★ Early failure of certain construction components;
- ★ Excessive moisture penetration and damage to the home including possible permanent discoloration of paneling by mold and mildew within the walls;
- ★ Failure of some components of the home to perform as designed;
- ★ Higher than necessary utility bills for the consumer due to inadequate insulation or gaps between sections;
- ★ Advanced depreciation in the value of the home; and
- ★ Occupants of the home and the public being exposed to unnecessary risk to life and property.

costs, witness fees, investigative costs and deposition expenses. In certain cases, violators of the law may, on conviction, be confined to the county jail not longer than one year.

Homebuyers should ask to see an installer's license. Also, if homebuyers are unsure about whether an installer is licensed by the Department, they should call the Manufactured Housing Division at 800/500-7074 or contact the Department's web page at www.tdhca.state.tx.us, to obtain more information.

For homeowners wishing to install their own home, the Department does have special provisions for temporary licensing of these homeowners.

For more information regarding these and other state regulations about manufactured homes, contact the TDHCA Manufactured Housing Division toll-free at 800/500-7074.

Clarification:

A story in the December 1997 issue of Breaking Ground discussed Manufactured Housing complaint procedures. The article and accompanying pie chart generically referred to all complaints documented by the Department as "consumer complaints."

The term "consumer complaints" as used in the article may have been misleading. The numbers and percentages used in the article reflect all complaints processed by the Manufactured Housing Division. Not all of these complaints are generated by consumers. In fact, about half of the complaints are generated by Department staff when inspecting manufactured homes and in discharging other regulatory responsibilities.

For information, contact the complaints section at 512/463-7335.



The Snapdragon model by Clark Wilson Homes won a Max Award for best product design for homes priced between \$60,000 to \$85,000. The home was built in north Austin's Wildflower Subdivision.

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when purchasing their first home."

Each winning home was built in an affordable subdivision which participates in the Neighborhood Partnerships for Texans Program. The program encourages local communities to develop public-private partnerships to increase affordable housing opportunities for low to moderate income first time homebuyers.

Willow Homes received the award for its Cottonwood model in the Fairway Ridge Subdivision, which competed against homes priced between \$85,000 to \$110,000. The model is a single-story, four bedroom, two bath home with 1,640 square feet.

"Winning this award shows builders that your product can be both innovative in design and affordable, while at the same time allow your company to make a profit," said Rick Parke, president of Willow Homes. "Furthermore, we are accomplishing this in inner-city areas that historically, have been neglected and crime-ridden."

Competing against model homes in the \$60,000 to \$85,000 price range, Clark Wilson Homes received the award for its Snapdragon model home in the Wildflower Subdivision. The model is a single-story three bedroom, two bath home with 1,520 square feet. The home features an open design in living areas and an optional detached garage to reduce costs to the homebuyer.

Entries were judged on several criteria, such as energy features, home design and ability to meet the needs of the target market.

1998 Funding Cycle for HOME Program Opens

Approximately \$21.6 million is available through the 1998 Home Investment Partnerships Program (HOME) funding cycle.

The HOME program provides grants and loans to assist local governments, public housing agencies, nonprofit organizations, and for-profit developers in providing safe, decent affordable housing for very low and low income families.

Application workshops are currently being held in Lubbock, Socorro (El Paso area), Dallas, Austin, Houston and Harlingen.

Another \$4.4 million will be made available to Community Housing Development Organizations (CHDOs).

The deadline to apply is 5:00 p.m. on May 15. A \$30 nonrefundable fee is required per application.

For information, contact the HOME Program at 512/475-3109.

Emergency Shelter Grants Program

Helping the Homeless Find New Opportunity

A 1996 survey of 29 cities in the United States found that 20 percent of all requests for emergency shelter went unmet due to a lack of resources.¹ In addition, a review of homelessness in 50 cities found that in virtually every city, the estimated number of homeless people greatly exceeded the emergency shelter and transitional housing space.²

The need for services to the homeless in Texas is illustrated by the statewide demand for funding through the federal Emergency Shelter Grants Program (ESGP). TDHCA has administered the Program since 1987. Each year, demand for the program exceeds available funds. During the program's most recent application cycle for fiscal year 1998, the Department received 120 applications. Program staff anticipate that about half of the applications will be funded with the \$5.05 million received from the U. S. Department of Housing and Urban Development (HUD) — the largest grant TDHCA has ever received for the Program.

ESGP is a competitive grant which provides funds to cities, counties and nonprofit organizations for activities relating to shelter and services for homeless persons and for the prevention of homelessness.

In fiscal year 1997, HUD allocated \$3.46 million in ESGP funds to TDHCA, which received 112 requests for program funds. Of those, 58 organizations from all of the state's planning regions were funded.

Several of the ESGP contractors have developed programs to focus on the long term needs of the homeless population. These programs not only provide emergency services, but also administer comprehensive service systems which seek to help homeless individuals achieve self-sufficiency. The most successful of these programs offer life skills classes, job training, child care, medical services, housing counseling and other transitional services. Highlighted below are only a few of our ESGP contractors with successful and innovative programs.

Career Training in Houston

Service of the Emergency Aids Resource Center for the Homeless (SEARCH) does not have to look any farther than Harris County to accomplish its mission: rebuilding the lives of homeless persons one life at a time. SEARCH combines an interfaith network of 25 congregations, community leaders, and an array of private, federal and local resources to attack the problem of homelessness within their borders.

For the past seven years, SEARCH has operated an employment and education

center specifically for the homeless population of Harris County seeking employment in clerical, bookkeeping, building maintenance or culinary arts. The culinary arts instructor and executive chef, Chris Olson, formerly a chef at the Doubtree Hotel, trains on average seven students in food preparation and handling. During the first year of the program, nine students were enrolled. All of the enrolled students graduated and were employed in kitchens of Houston hotels and restaurants with salaries ranging from \$7.50 to \$15.00 an hour. One of the graduates has already received a job with the Marriott Corporation.

SEARCH also has the only state-licensed child care center which serves homeless children exclusively. In addition, the agency operates a 60-unit transitional housing program, provides emergency shelter for 32 persons, and maintains an on-site transitional housing program for homeless men and women infected with HIV/AIDS or who have mental or physical impairments. SEARCH assists more than 2,300 homeless men, women and children each month.

Helping Children with Disabilities in San Antonio

Davidson Respite House operated by Respite Care of San Antonio provides emergency shelter to homeless children with disabilities who require the care of skilled nursing staff. The concept of respite care for homeless families with disabled children was developed when the organization

place their children in one of the 11 beds or five cribs while they seek assistance for



Photo shows a playground at the Davidson Respite House, a homeless shelter in San Antonio that helps children with disabilities. The playground is equipped for wheelchairs.

themselves at other adult facilities. Children usually remain at the Davidson facility anywhere from one to 30 days, depending on individual and family need.

Providing Shelter to Battered Women in Austin

The Center for Battered Women, located in Austin, Texas and founded in 1977, was the first shelter for battered women in the state.

Over the years, the Community Services Section has helped the Shelter expand facilities and services. The Center includes a 24-hour hotline, an emergency shelter which houses up to 65 women and children, a 26-unit supportive housing apartment community, counseling services, and community education and awareness

programs. Over the last three years, funds from the Department have helped the organization renovate and expand the family shelter and renovate and furnish a new shelter for single women.

The organization was recently joined at a dedication ceremony by Secretary of Health and Human Services Donna Shalala, U. S. Representative Lloyd Doggett and Austin Mayor Kirk Watson.

Recently, the Center for Battered Women merged with the Austin Rape Crisis Center to become Safe Place, which provides comprehensive services to victims of domestic violence in Central Texas.

1998 Funding Cycle

The Department is currently reviewing the applications received for fiscal year 1998. Applicants will receive notification of the status of their application by the second week in May. The Department anticipates that contracts will begin in September.

For more information, contact Eddie Fariss at 512/475-3897.

Each year, demand for the ESGP Program exceeds available funds. During the program's most recent application cycle for fiscal year 1998, the Department received 120 applications.

identified this group as the most at-risk, underserved population in San Antonio. Davidson Respite House is the only facility in San Antonio that can provide emergency shelter services to these children.

The Davidson Respite House is listed in the National Historic Register and is located in an historic San Antonio neighborhood. The home has recently been renovated in a fashion that replicates its historic design and at the same time meets all American Disability Association (ADA), Department of Health Life and Safety Codes and Texas Department of Protective and Regulatory Services standards. The home has an accessible playground with sand boxes and a water table at wheelchair height. The playground even includes swings that can accommodate wheelchairs.

Homeless families may temporarily

¹ Waxman and Hinderliter. *A Status Report on Hunger and Homelessness in America's Cities: 1996.*

² National Law Center on Homelessness and Poverty. *Mean Sweeps: A Report on Anti-Homeless Laws, Litigation and Alternatives in 50 United States Cities, 1996.*

More Than \$5 Million Given for Disaster Relief

When droughts, floods and tornadoes hit a small, rural Texas town, the disaster's effect on local residents is often compounded by the community's lack of resources to repair damaged infrastructure. In 1997,



Disaster relief funds can help small communities recover from tragedies like the tornado that struck Jarrell in May 1996.

TDHCA's Texas Community Development Program (TCDP) provided more than \$5 million in disaster relief assistance to help small communities recover.

Non-entitlement communities, or cities under 50,000 in population and counties under 200,000 in population, are eligible for TCDP funds. For disaster relief assistance, the governor must either have requested a presidential disaster declaration or have issued a state disaster declaration. Typically, the governor will send a letter to TDHCA's executive director stating that a disaster has occurred and requesting that the agency make funds available to assist the locality.

The maximum amount of assistance provided is \$350,000 per applicant.

Depending on the extent of the disaster

and the amount of need, other TDHCA programs may also provide funding, if available. For example, in the case of the tornado that struck Jarrell, the needs were so great that the required assistance came from several TDHCA sources: the Disaster Relief Fund for infrastructure repairs, funds from the HOME program for housing construction and rehabilitation and a grant of \$30,000 from Community Services Block Grant for

emergency food, shelter and clothing. The situation in Jarrell also required a greater amount of assistance because the federal government refused the state's request for assistance under the Federal Emergency Management Act (FEMA).

In 1997, 17 disaster relief grants were awarded totaling \$5.17 million.

For more information, contact Gus Garcia at 512/475-3817.

1997 DISASTER RELIEF PROJECTS

BANDERA COUNTY - \$245,691

25 percent match toward FEMA grant to repair roads and water crossings damaged by floods.

CAMERON COUNTY - \$350,000

Repair of county roads due to flooding.

CLARENDON - \$350,000

Repair wastewater treatment plant & transfer stations due to floods.

DELTA COUNTY - \$350,000

Extend supply line from Cooper to Pecan Gap, Lone Star & West Delta due to drought.

DONLEY COUNTY - \$250,000

Reconstruction of 14 drainage structures and crossings damaged by floods.

GALVESTON - \$299,600

Replace damaged water main over Rollover County Pass damaged by Tropical Storm Josephine.

HAMILTON COUNTY - \$350,000

Provide 10 percent match for county toward TxDOT grant to repair four bridges washed out by floods.

HOWARDWICK - \$326,500

Repair crossing which has stranded residents of Nocona Hills, due to floods.

JACKSBORO - \$64,545

Repair dam and roads surrounding dam for Lost Creek Reservoir following heavy rains.

KIMBLE COUNTY - \$350,000

25 percent match toward FEMA grant to repair five crossings damaged by floods.

MASON COUNTY - \$195,858

Restore roads and low water crossings damaged as a result of floods.

POINT GAP - \$118,000

Construct intake structure and extend further into Lake Tawakoni due

to drought conditions.

POST - \$350,000

Locate alternate and permanent water source due to drought conditions.

SAN SABA COUNTY - \$295,875

25 percent match toward FEMA grant to repair roads and water crossings damaged by floods.

SPUR - \$350,000

Locate alternate and permanent water source due to drought conditions.

WILLIAMSON COUNTY - \$350,000

As a result of Jarrell tornado, funds utilized for septic, well and road paving.

WILLIAMSON COUNTY - \$575,570

As a result of Jarrell tornado, added funds to pave roads damaged by the storm.

Home Equity Lending Available in Texas

One of the most hotly debated issues of the 75th Legislature revolved around the proposal to allow the citizens of Texas to have access to the equity in their homes. Home equity lending has long been one of the most contentious debates in the Legislature, where the issue generally stalled in committee until this year.

The roots of the issue date to 1837, when a recession devastated Texas settlers and caused many to lose their property.

Shocked over the severity of the downturn, lawmakers added a ban on home equity lending into the Texas Constitution. Prior to the statewide vote to overturn the prohibition, Texas had been the only state with such a ban.

Before the change, a borrower could use a homestead as security only for loans to purchase, pay taxes due on, partition (as in a divorce), improve or refinance the property. Under the new constitutional amendment approved by voters, a homeowner can now borrow for any reason as long as the loan meets the lender's requirements. Refinancing in an amount that exceeds the original debt and related transaction costs is now permissible.

The new law also legalizes reverse

mortgages, allowing homeowners older than 55 to obtain advances against the equity built up in their home. The law also strengthens consumer protections on home improvement loans, the only type of home equity lending that was allowed prior to the ban's removal.

Backers and opponents agree that the Texas law has some of the toughest consumer safeguards in the nation: lenders will not be able to foreclose without a court order, and may not be able to seize cars, businesses, or other assets of borrowers who default on secondary mortgages.

A specific notice must be provided to borrowers to inform them of the following rules:

- if discussions with the borrower occur in a language other than English, the lender must also provide notice in that language;
- the loan cannot be closed within one to two days of application or receipt of notice or within one year of a previous home equity loan;
- closing documents must be signed in the office of the lenders, an attorney, or a title company;
- the borrower cannot sign a document with blanks left to be completed;
- either the borrower or his/her spouse may rescind the loan within three days (after closing) without penalty or charge;

- the lender must send the borrower a recordable release of lien and a canceled promissory note within a reasonable time after payment; and

- the lender risks forfeiting all principal and interest if the loan fails to meet one of these obligations and fails to remedy it after notification and a reasonable amount of time.

Some protections for the lender are also included in the law:

- if the property offered as security is not the borrower's homestead, the law allows the lender to rely on an affidavit (unless known to be incorrect) that designates another property as the homestead;
- a lender may rely on an appraisal of fair market value of the property to be used as security (unless known to be incorrect);
- a purchaser of a foreclosed property may presume the lender's lien is valid if the lender made proper disclosures, the title is acquired pursuant to the foreclosure of the lien and the purchaser is not the lender or its assignee; and
- the Texas Supreme Court will announce procedural rules for expedited foreclosure proceedings.

For further information, contact the Office of Consumer Credit Commissioner at 800/538-1579 or 512/936-7600.



"Jessups Colonia" continued from page 1

of experienced construction trainers. Beyond construction assistance and training, Proyecto Azteca also secures financial assistance for participating families, which covers the cost of construction and enables families to refinance colonia lots.

The nonprofit has helped more than 80 families construct their own homes in over 35 Hidalgo County colonies through its Self-Help New Construction Program.

The first group of Jessups families began building their new homes in February. These families have completed a series of five pre-construction/homeownership classes, and will build their homes on-site in the new subdivision in about four months. Proyecto Azteca plans to complete construction in the new subdivision by August 1998.

OCI secured funding for the project, covering home construction and lot acquisition for the Jessups families. In addition, Proyecto Azteca worked with TDHCA to access funding to purchase nine additional lots within the subdivision. While Proyecto Azteca originally committed to assisting 17 families, the new subdivision will now include 26 lots.

In partnership with TDHCA, Proyecto Azteca is creating a model for other subdivision developers who seek to provide affordable housing to a growing market — very low income families who for decades have pursued the dream of homeownership.

This article was written by Leslie Newman, Assistant Director of Proyecto Azteca

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will also consider credit underwriting and experience. The Program will select a diverse group of single family and multifamily projects that meet various housing needs throughout Texas.

The deadline for applications is 5:00 p.m. on May 15, 1998. For information, please call 512/475-1458, or send an e-mail to: cgutierrez@tdhca.state.tx.us.

Nonprofit Capacity Building Funds Available

The Trust Fund is also accepting proposals to provide training to nonprofit and community housing development organizations in Texas. The purpose of the training is to help nonprofits and CHDOs develop the capacity to provide safe, decent and sanitary housing for low, very low, and extremely low income individuals, families and persons with special needs. Proposals will be considered to provide training on a statewide or regional basis.

Proposals must be received at TDHCA by 5:00 p.m. on May 1, 1998 and faxed proposals will not be accepted. Awards will be made as grants.

For information, please call 512/475-1458, or send an e-mail to: jcormier@tdhca.state.tx.us.

HOME Program Develops Construction Standards

Since its inception in 1992, the Home Investment Partnerships Program (HOME) has helped low and very low income Texans purchase new homes, rehabilitate existing single family homes, build new subdivisions and purchase and renovate rental projects. The program has also provided rental assistance for families striving to attain self-sufficiency. Thus far, through the homebuyer assistance program, 2,180 new homes will be occupied by first time homebuyer families, and some 2,900 additional single family homes will be rehabilitated.

At any given time, about 1,000 single family homes are under new or rehabilitation construction by private sector construction crews utilizing HOME funds. HOME staff have worked diligently to ensure that these homes are decent, safe and habitable structures that improve the quality of life for literally thousands of Texas families. The compounding effect of new awards each year coupled with the geographical size of Texas has required HOME staff to continuously reach new levels of efficiency. This efficiency has been accomplished through extensive training of local award administrators, travel scheduling, field inspection techniques and efficient document flow. Such measures ensure a continual level of improvement in quality control of both existing and future housing stock.

Document to Improve Efficiency

In an effort to further ensure quality control, HOME staff have produced a working draft of what is called, "Texas Minimum New and Rehabilitation Construction Standards" (TMNRCS). This proposed publication documents minimum construction specifications, uniform work write-ups and cost estimates in a spreadsheet format. It will help contract administrators statewide provide a more detailed analysis of each construction project from beginning to end. Uniform documentation will also increase efficiency in the monitoring process for HOME staff and auditors, and provide a construction data base that will help determine the financial feasibility of future projects.

The proposed construction standards expanded the Program's existing housing quality standards. Building codes relating to safety issues, as published by the Council of American Building Officials and the Southern Building Code Congress International, were researched and incorporated.

While useful in new home construction, the biggest impact on quality control will undoubtedly be in the rehabilitation construction of existing homes. The checklist portion of the proposed TMNRCS is designed to work as both a field tool and a

computerized record of the rehabilitation process. As a field tool, the checklist allows the inspector to conduct a room by room survey of a property using both the existing housing quality standard codes as well as the updated TMNRCS codes.

Uniform Construction Checklist

The checklist will allow for greater inspection efficiency. Designed to give inspection cues, the checklist provides specific standards and asks general questions. Once retrieved from the field, the checklist can be refined as it is entered into an information system; the work column will automatically update the cost estimate sheet. The checklist sorts items by trade and allows costs to be quantified, thus allowing a professional trade summary and cost estimate by calculating labor, materials and profit. A uniform contractor invoice is linked to the cost estimate sheet when a bid is entered and calculates payment according to percentage of completion. As in the case of the trade summary and cost estimate, these items can be traced to the original work write-up completed in the field. Using this uniform system, the inspector can compare an actual field inspection with cost estimates, work write-ups and funds drawn.

The success of any new construction quality control feature is the qualification of the professionals providing the on-site expertise. Certainly, the responsibility of contractor selection is borne by the contract administrators, but through the implementation of the proposed TMNRCS, each contract will require the use of third-party professionals at several levels. Work write-ups and construction draws will require review by a real estate inspector licensed by the state. As the cost of inspections is an eligible cost of the HOME Program, use of a licensed real estate inspector (at a statewide average cost of \$157) will add little to total project costs.

According to the Texas Real Estate Commission, there are approximately 1,500 licensed real estate inspectors in Texas. In rural Texas, the use of licensed real estate inspectors may in some instances be prohibitive to construction time and costs. In these cases, waivers of the use of a licensed real estate inspector will be reviewed by HOME staff, provided there are other professional construction personnel that will be used to produce and review work write-ups and construction draws.

HOME staff is testing the proposed TMNRCS and receiving input from construction specialists. After testing, a final draft will be presented to executive management for possible approval.

For more information, contact Gus Cannon at 512/475-1431 or Skip Beaird at 512/475-0908.



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Breaking Ground

March 1998



1998 State Low Income Housing Plan Available

The final version of the 1998 State Low Income Housing Plan and Annual Report will be available on March 23. The Plan, prepared in accordance with Senate Bill 1356, is one of three comprehensive planning documents TDHCA is required to submit annually.

The Plan gives a comprehensive overview of the state's affordable housing need. It describes TDHCA's housing programs and discusses how resources will be allocated to meet Texas' housing needs. The Plan acts as a useful tool to inform housing providers, policy makers, units of local government, community based organizations and citizens of the need for housing and the

resources available to address this need.

The Plan also provides the opportunity to illustrate to consumers the Department's commitment to strengthening communities. To do this, the Department works with organizations across the state to assess community needs and devise ways to meet these needs. Department strategies are applied to address varying needs and ultimately improve communities. Information contained throughout this Plan assists housing providers and community organizations in accessing Department programs.

To request a copy, call the Housing Resource Center at 512/475-4595 or send an e-mail to: clandry@tdhca.state.tx.us

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TDHCA WEBSITE UPDATED WEEKLY!

www.tdhca.state.tx.us

Visit TDHCA's website for weekly updates on program application deadlines, public hearings, training and workshops. The site has been expanded to include job postings and a calendar of Department events. For information or comments, contact Esme Longoria at 512/475-2240.

Calendar of Events

April

National Fair Housing Month

National Community Development Week
 April 6-12

Low Income Housing Tax Credit Program Application Deadline
 Austin, April 30

May

National Community Action Month

Deadline for Nonprofit Training Proposals, Housing Trust Fund
 Austin, May 1

RTC Compliance Training
 Houston, May 12

LIHTC Compliance Training
 Houston, May 13

Training for Revised CSBG Community Action Plan
 Location to be announced, May 13

Training for New Community Action Agency Executive Directors
 Austin, May 14

ROMA Task Force Meeting

Location to be announced, May 14

Application Deadline for HOME Program,
 Austin, May 15

Application Deadline for Housing Trust Fund
 Austin, May 15

RTC Compliance Training
 Austin, May 19

LIHTC Compliance Training
 Austin, May 20

June

Application Deadline for CDBG Housing Infrastructure Fund
 Austin, June 1

RTC Compliance Training
 Dallas, June 16

LIHTC Compliance Training
 Dallas, June 18