

2015

PAAO GRANT MANAGEMENT

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VIRGINIA DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT



Welcome

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Housing & Community
Development – (DHCD)

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Managing Housing Projects

Rehabilitation and Production

Housing Program Design

- Establishes the policies and procedures
- Purpose and Objectives
- Oversight/Staffing
- Project Area Boundaries

- Must be approved by DHCD
- Must be adopted by the local governing body

Housing Program Design

- Describe the program purpose and objective
- Eligibility criteria and application process
- Project area description and map
- Contracting procedure

- Home Maintenance Education Program
- Temporary Relocation
- Liens, debt and clear title
- Conflict of interest
- Complaint and appeals

Housing Program Design

- Cost of housing
- Developer's fee
- Architect's fee
- Cost to homebuyer
 - Downpayment/Assistance
- Construction management

- Homebuyer's club
- Security requirement
- Resale requirement
- Default policy



Program Management Plan

A Pre-Contract Activity. Stipulates the roles and responsibilities of everyone involved in the project and establishes a timeline as to when and how the activities will take place.





Housing Rehabilitation Projects

Housing Rehabilitation Board



Housing Rehabilitation Board
appointed by locality

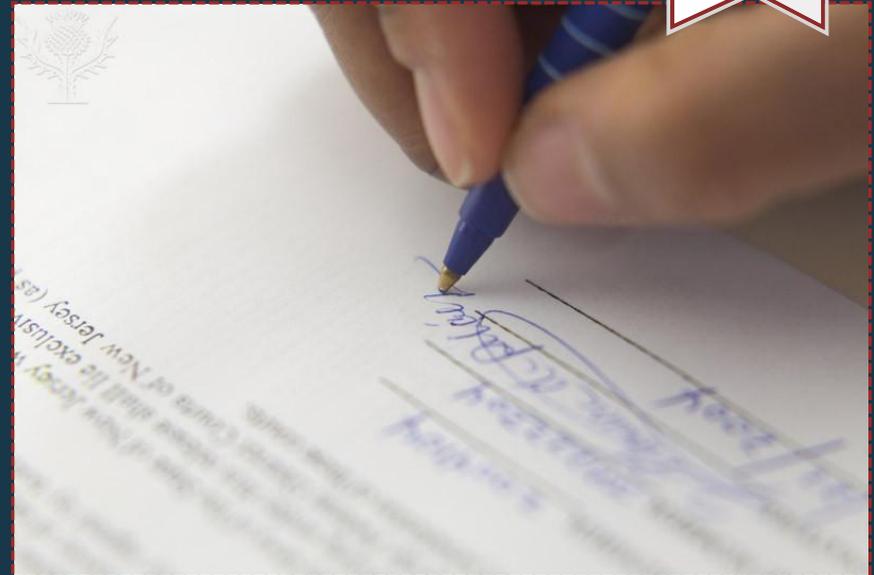
Monitor Progress

Approve Applications

Approve Contractors

Approve Bids

Resolve complaints/disputes



Application Process



Soliciting applicants

Accepting applications

Screening applicants

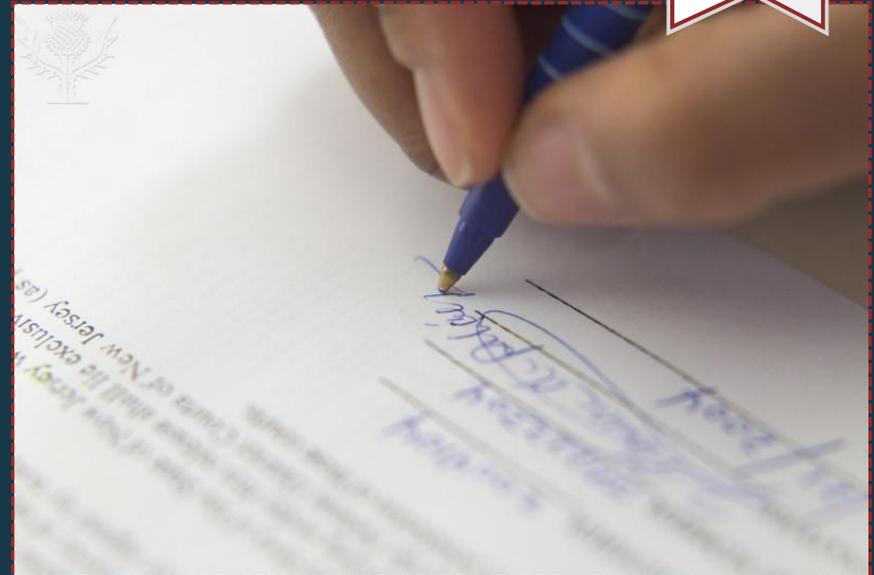
Completing the application

Conducting the interview

Income/asset verification

Property ownership

Property eligibility



Loan Packaging

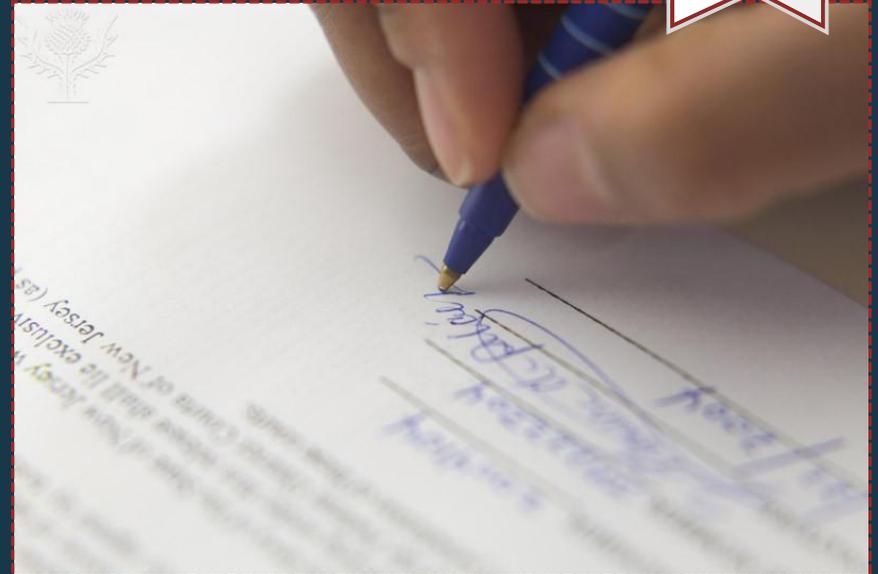
Assistance provided as a loan

Repayment based on ability

Minimum monthly pymt \$25
secured by ten yr lien/dot

dot tied to note

Loan Servicing



Contracts and Agreements



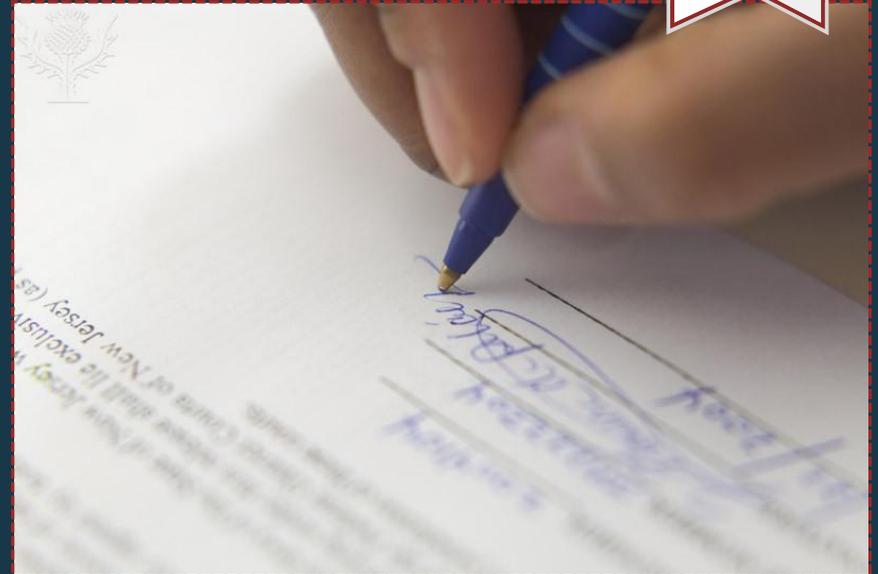
Construction Contract

Deed of Trust

Deed of Trust NOTE

Notice of Right to Cancel

Truth-in-Lending Disclosure



Contractors – Selecting/Qualifying



Classifications

Lead Training

Pre-Qualifying

Standards

Advertising

Direct Solicitation

Inspections

DHCD HQS

Initial inspection

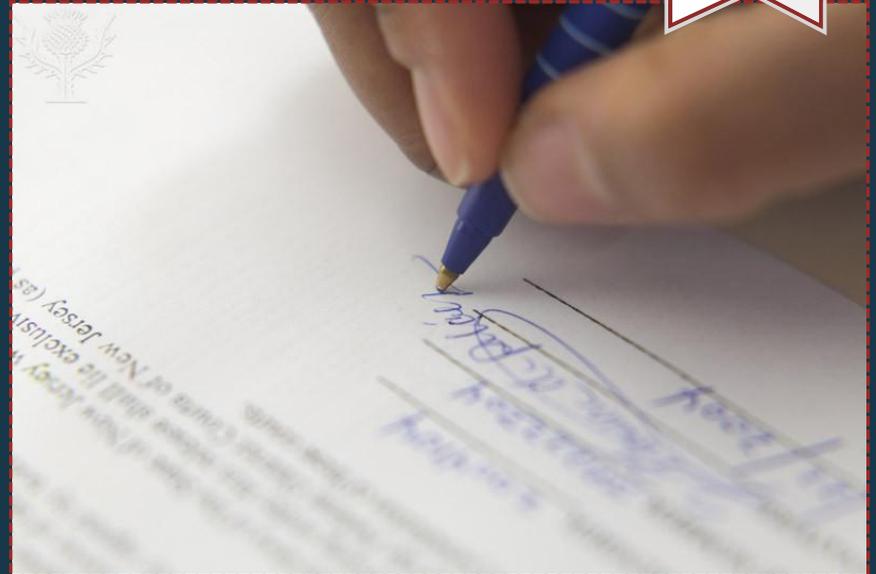
Lead inspection

Asbestos inspection (demo)

Progress inspection

Payment inspections

Final inspections



Job Specifications and Bids



Specification language

Master specifications

Cost estimating

Bidding process

Pre-bid

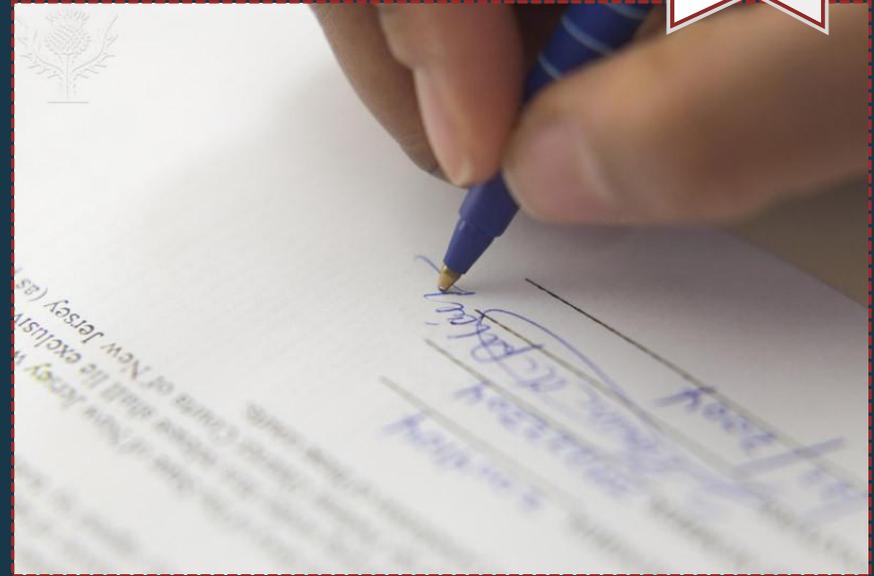
Addenda

Bid Opening

Contract award

Pre-Construction conference

Change Orders



Bidding / Construction Process



Abide by Va Procurement Act

Pre-Bid Conference

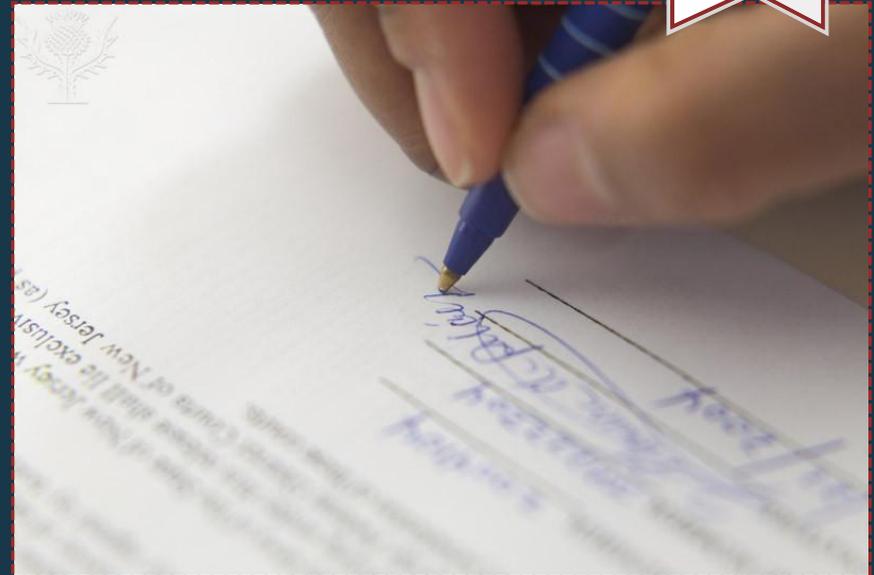
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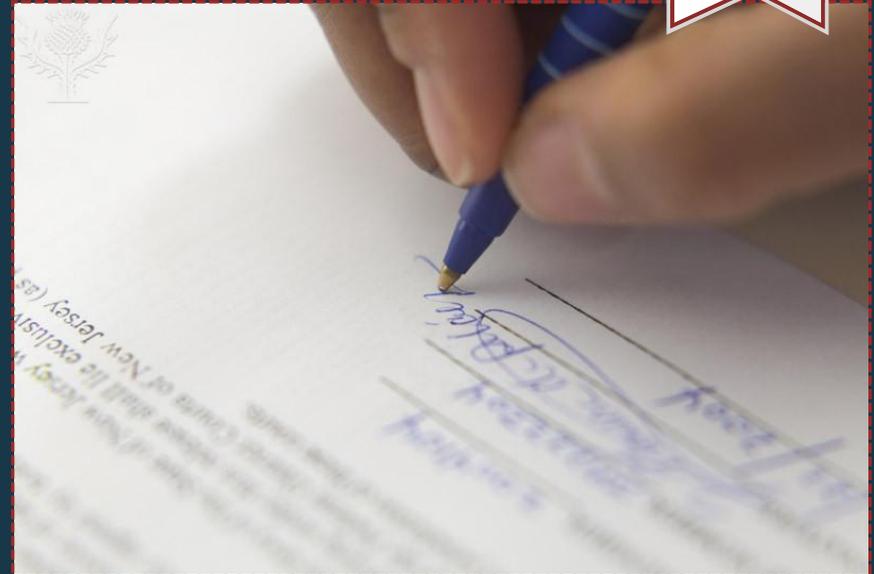
Change Orders



Recordkeeping/Tracking



Extensive Documentation
Grant Files/Client Files
Ranking of applicant
Application/Verification
Beneficiary Tracking





HOUSING PRODUCTION PROJECTS

Types of Production Projects



Single-family Homes



Rental Units

Single-Family Production Project Management Team (PMT)



- ✓ Developer and Construction Manager,
- ✓ Local banker familiar with downpayment assistance programs,
- ✓ Local realtor familiar with project area and working with low- and moderate-income (LMI) households, and
- ✓ Housing Counselor experienced with resolving credit problems.

Rental Production PMT



- ✓ Developer and Construction Manager,
- ✓ Representatives of the project's beneficiaries, and
- ✓ Representatives of the other funding sources in the project e.g.; HOME funds or Low-income Housing Tax Credits

Commonalities

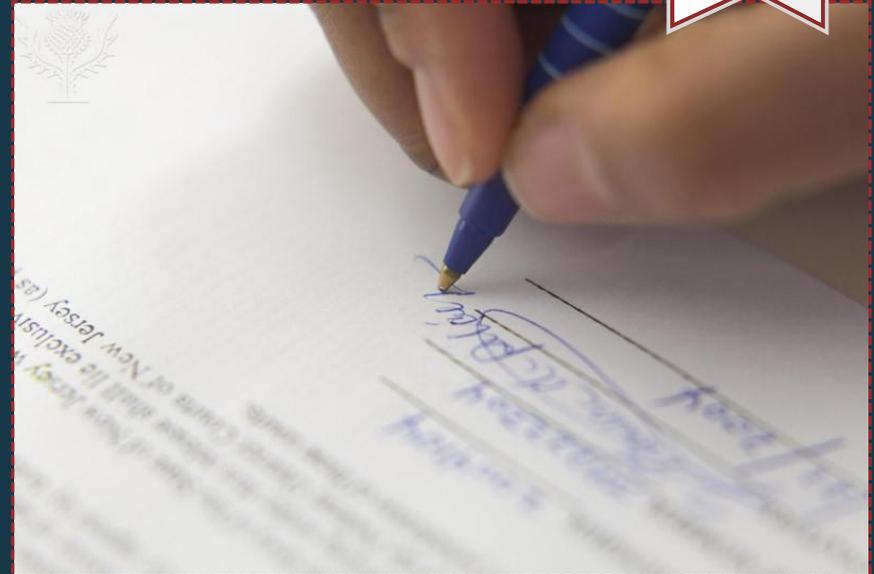


- Prior to real property acquisition, an appraisal and a review appraisal must be done; and
- Design and VDOT approval of drainage ponds.

Contract with Developer



- ✓ By when do all of the units have to be built and occupied?
- ✓ How will leverage funding be documented and verified?
- ✓ How will affordable rents be documented?
- ✓ How will LMI eligibility be verified and reported?
- ✓ How will beneficiaries be tracked and reported?

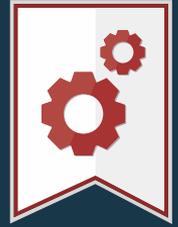


Control of Property



- The Grantee, not the Developer, must hold title or legally control the property while CDBG-funded activities are being constructed.
- The Grantee, not the Developer, must procure and manage all CDBG-funded activities.

Housing Production Marketing



Booth at local community fair

- Post “For Sale” sign in yards right after acquisition;
- Establish homebuyer’s club while infrastructure is under construction; and
- Build a spec house and hold an open house.

Rental Production Issues



- Benefit to LMI persons must continue for a minimum of 20 years. How will this requirement be secured?
- How will the rental complex be sustained over the 20 years?
- How will the property be managed?





Any Questions?



THANK YOU!
