



CITY OF HOUSTON - CITY COUNCIL

Meeting Date: 11/29/2016

ALL

Item Creation Date: 10/25/2016

HCD16-100 Down Payment Assistance Program

Agenda Item#:

Background:

The Housing and Community Development Department (HCDD) requests approval to appropriate \$2,000,000 of TIRZ Affordable Housing funds for the Homebuyer Assistance Program. This request is in conjunction with the Substantial Amendment for the Reallocation of CDBG dollars to the Homebuyer Assistance Program.

HCDD's Homebuyer Assistance Program is designed to increase homeownership opportunities for low- to moderate-income residents (defined as residents whose income does not exceed 80% of the area median income). Funding sources for the program include U.S. Department of Housing and Urban Development (HUD) HOME Investment Partnership (HOME) grants, Community Development Block Grants (CDBG) and City of Houston Affordable Housing Tax Increment Reinvestment Zone (TIRZ) funds.

The TIRZ funds will be used to reduce the principle on home loans for eligible low- to moderate-income homebuyers, increasing the number of Houstonians eligible to purchase and sustain a home of their own. This will increase economic opportunities for low- to moderate-income residents in the City of Houston.

HCDD adheres to guidelines which describe basic requirements, policies and procedures by which its various housing assistance programs are managed and applicants are selected. These guidelines must comply with regularly changing requirements of the various funding sources, including federal sources.

In order to allow for the proper and efficient administration of the program and to comply with regulatory requirements related to different funding sources, HCDD recommends adopting the revised program guidelines as outlined in the attached ordinance. HCDD further recommends allowing the HCDD Director to amend these guidelines in order to comply with HUD and other regulatory requirements or to ensure the efficient and proper administration of the program. However, without prior Council approval, such administrative revisions (1) must limit the maximum subsidy to program participants to no more than \$25,000, and (2) must limit the area median income requirement for participants to no more than 80%.

The Fourth Amended and Restated Homebuyer Assistance Program Guidelines shall supersede the Third Amended and Restated Homebuyer Assistance Program Guidelines.

The Housing and Community Affairs Committee reviewed this item on November 15, 2016.

A handwritten signature in blue ink, appearing to read "Tom McCasland", written over a horizontal line.

Tom McCasland, Interim Director

Prior Council Action:

2007-1193 (O) 10/16/2007

2014-841 (O) 9/17/2014

Amount of Funding:

\$2,000,000.00

Tax Increment Reinvestment Zone (TIRZ) Affordable Housing Fund 2409

Contact Information:

Roxanne Lawson

(832) 394-6307