



Member driven.
Community focused.

Disaster Rebuilding Assistance Program

Community Investment



Community Investment

March 2, 2018

Objectives

- Provide an overview of the Disaster Rebuilding Assistance Program
- Enrollment Process
- Preparing a Request
- Disbursement Process & Final Documents

Overview

- Provide assistance to owner-occupied households impacted by a disaster within a federally declared disaster area of the FHLB Dallas district
- The county or parish, in which the homeowner resides, must have been designated for Individual Assistance by the Federal Emergency Management Agency no earlier than March 12, 2017
- 2018 Allocation: \$500,000
- Member Cap: \$50,000
- Maximum Request: \$10,000 per household
- First-Come, First-Served Basis

Overview, Cont.

- Property must be the household's primary residence with at least 30 days' ownership prior to disaster declaration
- Assistance is limited to repair or replacement work not already paid for by insurance, federal or state emergency assistance or any other funding source
- Subject to five-year retention agreement



Getting Started

Getting Started

1. Member must submit a one-time Member Enrollment Application

The screenshot shows the FHLB Dallas website. The top navigation bar includes 'MyFHLB', 'Email Sign Up', 'Contact Us', a search bar, and social media icons. The main navigation menu has 'Home', 'Membership', 'Products', 'Services', 'Resource Center', 'Community', 'News', and 'About Us'. The 'Community' menu is open, showing options like 'Affordable Housing Program', 'Homebuyer Equity Leverage Partnership', 'Special Needs Assistance Program', 'Disaster Rebuilding Assistance Program', 'Housing Assistance For Veterans', 'Partnership Grant Program', 'Economic Development Program Plus', 'Community Advance Programs', and 'Community Highlights'. The 'Disaster Rebuilding Assistance Program' option is highlighted. Below the navigation, the page title is 'Disaster Rebuilding Assistance Program'. There are three tabs: 'Requirements', 'Application', and 'Funding process'. The 'Requirements' tab is selected. The main content area has a heading 'Disaster Rebuilding Assistance Program' and a sub-heading 'FHLB Dallas does not provide grants or loans directly to consumers'. Below this is a list of bullet points: 'Consumers, community-based organizations and similar entities seeking Disaster Rebuilding Assistance program funds should contact an FHLB Dallas member institution.' and 'Members submit Disaster Rebuilding Assistance program grant requests to FHLB Dallas.' There is a section titled 'Disaster Rebuilding Assistance program grants are available to member institutions on a first-come, first-served basis until funds are exhausted or the member reaches the member cap.' followed by a 'Member Enrollment' section. The 'Member Enrollment' section contains the text: 'FHLB Dallas members may access Disaster Rebuilding Assistance program funds once they have completed the [Disaster Rebuilding Assistance program member enrollment application](#). This is a one-time enrollment application necessary for participation in the Disaster Rebuilding Assistance program. The Disaster Rebuilding Assistance program member enrollment application includes the [Disaster Rebuilding Assistance program subsidy agreement](#), which explains member obligations under the program.' A red arrow points to the 'Disaster Rebuilding Assistance program member enrollment application' link. Below this is another section: 'The Disaster Rebuilding Assistance program member enrollment application and Disaster Rebuilding Assistance program subsidy agreement must be signed by a person listed on the current Advances Signature Card on file with FHLB Dallas. Original signatures are required. Please send the original forms to: Federal Home Loan Bank of Dallas Attention: Community Investment Department 8500 Freeport Parkway South, Suite 600 Irving, TX 75063'. The final paragraph states: 'After completing the enrollment process, members will be eligible to request Disaster Rebuilding Assistance program funds during each offering.'

Getting Started

2. Verify household meets all programmatic requirements:
 - Household income doesn't exceed 80% AMI
 - Property is household's primary residence
 - Property is in a federally declared disaster area that qualifies for individual assistance (www.fema.gov/disasters)
 - Homeowner(s) have at least 30 days' current ownership and ownership at time of disaster declaration
 - Repair or replacement work isn't being paid for by another source
 - Disaster funds are utilized to address habitability and code compliance issues

Getting Started

- Utilize Disaster Rebuilding Assistance Funding Manual to complete all required forms

The screenshot shows the FHLB Dallas website. The navigation menu at the top includes 'Home', 'Membership', 'Products', 'Services', 'Resource Center', 'Community', 'News', and 'About Us'. The 'Community' link is circled in red. Below the navigation is a banner for the 'Disaster Rebuilding Assistance Program' with a photo of five men. A sidebar on the left lists various programs, with 'Disaster Rebuilding Assistance Program' circled in red. The main content area has tabs for 'Requirements', 'Application', and 'Funding process'. It displays 'Available Funds as of March 12, 2018: \$500,000' and 'Current Member Maximum: \$50,000'. Below this is a 'Helpful Resources' section with links to '2017 Median Incomes', 'AHP Implementation Plan', 'Income Calculation Tool', and 'DRAP Funding Manual'. A large red arrow points from the 'DRAP Funding Manual' link towards the right side of the page.

- Submit completed application with supporting documents to ahp@fhlb.com



Preparing Your Request

Preparing Your Request

- Income Documents & Calculations
- FEMA Disaster IDs
- Inspections
- Allowable Fees
- Pass-Through Documentation
 - Invoices/Work Orders
 - Acknowledgement & Agreement Form
- Retention Agreement
- Sources & Uses

Income Documents

- Collect income documentation for all household members 18+
- Most income documents should be no more than three months old at time of income qualification:

Paychecks or Written Verification of Employment (VOE)

- No more than 3 months old at time of income qualification
- VOEs must include paid-through date

Non-Employment Income – Provide Most Recently Available Documents

- Social Security Award Letters
- Pension Statements
- Child Support

W2s & Signed Tax Returns – 2017 documents acceptable through March, 2018

Self-Employment & Seasonal Work- signed copies of last two years' filed tax return

Zero Income Certification- Required for all individuals 18+ who are not FT students and have no source of income (form located in funding manual)

Income Calculation

- Median income information is available on fhfb.com
- To calculate the household's income ratio:
 1. Calculate household income
 2. Multiply the "Very Low Income" (50% AMI) value by two for the household size
 3. Divide household income by value calculated in Step 2

-----SECTION 8 INCOME LIMITS-----

	1 PERSON	2 PERSON	3 PERSON	4 PERSON	5 PERSON	6 PERSON	7 PERSON	8 PERSON
Houston-The Woodlands-Sugar Land, TX HMFA								
FY 2017 MFI: 71500								
EXTR LOW INCOME	15050	17200	20420	24600	28780	32960	37140	41320
VERY LOW INCOME	25050	28600	32200	35750	38650	41500	44350	47200
LOW-INCOME	40050	45800	51500	57200	61800	66400	70950	75550

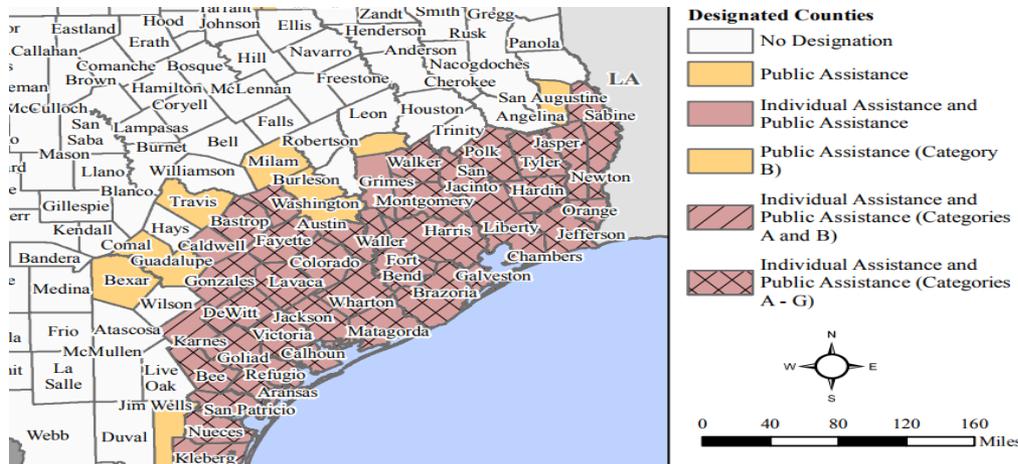
- Example: 3-Person Household, Houston, TX
 1. Annual household income calculated at \$47,500
 2. $\$32,200 \times 2 = \$64,400$
 3. $\$47,500 / \$64,400 = 73.8\% \text{ AMI}$

FEMA Disaster ID

- You must list the FEMA Disaster ID on the Residential Funding Record
- Visit www.fema.gov/disasters to locate the Disaster ID

Texas Hurricane Harvey (DR-4332)
Incident Period: August 23, 2017 - September 15, 2017
Major Disaster Declaration declared on August 25, 2017

- The county or parish must be designated for individual assistance



Inspections

- Pre- and post-inspections of rehabilitation work are required
- Inspector must be an independent, 3rd party selected by member
- Inspector must not be related to an intermediary, unless the intermediary is a government controlled entity
- Photos are required with both the pre- and post-repair inspections

Allowable Fees

- Combined inspection & developer fees may not exceed 15% of the rehab portion of Disaster Rebuilding Assistance funds
- If member conducts their own pre- and post-inspections at no cost, the developer fee to the intermediary may not exceed 10% of the rehab portion of the Disaster Rebuilding Assistance funds

Pass-Through Documentation

- Actual invoices or signed cost estimates required
- Include a detailed labor/material breakdown
- Invoices/Work Orders will be accompanied by the Acknowledgement & Agreement form, to be signed by homeowner & member institution:



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Acknowledgment and Agreement Disaster Program

Homeowner(s) _____, hereby acknowledges and agrees that by signing the attached Cost Estimate / Invoice provided by the contractor that 1) I/we have reviewed the written estimate and understand the work to be performed and 2) upon signing below, the homeowner(s) may no longer request changes of the work to be performed by the contractor. Furthermore, homeowner(s) agrees to sign the final cost certification form upon the completion of work.

If a change order is required to the Cost Estimate / Invoice due to structural or mechanical issues with the home discovered by the contractor once work has commenced, it must be approved by the Federal Home Loan Bank of Dallas prior to any additional work being completed. Justification outlining and supporting the need for the changes to the scope of work is required and must be submitted by the member.

Homeowner(s) accepts the repairs stated on the attached Cost Estimate / Invoice dated _____ and in the amount of \$ _____.

Signature of Homeowner

Date

Signature of Federal Home Loan Bank of Dallas Member Institution Representative

Date

Retention Agreement

- Beginning January 1, 2019, Deed Restrictions are no longer required for the Disaster Rebuilding Assistance Program

Sources of Funds

- List **all** sources of funds being used to rehab/repair home: homeowner equity, local funds, HOME, CDBG, loans, etc.
- List rate, term, type (equity, loan or grant), description code & status for each source

Codes provided in funding manual

Sources of Funds

Name of Source of Funds	Amount	Rate (%)	Term (months)	Type	Descrip. Code	Status
FHLB Disaster Grant	10,000.00	0	60	G	20	R
Galveston CDBG	4,500.00	0	60	G	9	A
Homeowner Contribution	500.00	N/A	N/A	E	12	A
TOTAL Sources of Funds	15,000.00					

Is the home being rehabilitated/modified a manufactured home? Yes No

Is the home being rehabilitated/modified a single family home (1 to 4 unit dwelling)? Yes No

Is the homeowner receiving homeowner counseling in conjunction with the rehabilitation/modification? Yes No

Uses of Funds

- Total cost will equal total sources of funds
- Disaster funds will equal the Disaster request

Uses of Funds

Please provide the uses of funds for this home:

Uses of Funds	Disaster Funds (\$)	Other Funding Sources (\$)	TOTAL (\$)
Rehabilitation	9,000.00	4,950.00	13,950.00
Inspection Fees*	150.00	0.00	150.00
Developer Fee*	850.00	0.00	850.00
Recording Fee	0.00	50.00	50.00
TOTAL COST	10,000.00	5,000.00	15,000.00



$$\begin{aligned}
 & \$150 \text{ (Inspection)} \\
 & + \$850 \text{ (Developer Fee)} \\
 & \hline
 & \$1,000 \\
 \\
 & \$1,000 / \$9,000 = \\
 \\
 & 11.1\%
 \end{aligned}$$

* - The combined third party Inspection Fees and Developer Fee cannot exceed 15% of the rehabilitation cost portion of the Disaster grant. If there are no Inspection Fees, the Developer Fee cannot exceed 10% of the rehabilitation cost portion of the Disaster grant.

The proper due diligence has been performed to ensure that:

- 1) The Disaster funds requested are for repair or replacement of damaged components for habitability or code compliance.
- 2) The scope of work being paid for by Disaster funds are not being paid for by insurance, federal or state emergency assistance or any other funding sources.
- 3) This is the applicant's primary residence. The applicant has owned the home for at least 30 days and was the owner of the property at the time of the disaster declaration.
- 4) The home inspector is not related to the intermediary. (Unless the intermediary is a government controlled entity).

Member Signature: Sandra Smith

Name: Sandra Smith, VP

Date: 4/15/2018

Combined inspection & developer fees cannot exceed 15% of rehab portion of the Disaster grant



Disbursement and Final Documents

Disbursement

- FHLB will provide notification upon approval of funding request
- Disaster Rebuilding Assistance Program funds will be deposited into the member institution's DDA Account

Final Documents

- Final documents are due to FHLB within 60 days of disbursement-
 - Post-Inspection
 - Post-Repair Photos
 - Final Invoice(s)
 - Final Cost Certification
 - Recorded Deed Restriction*

* Retention period begin date is the date Disaster funds are disbursed by FHLB

Final Cost Certification

- Form must be signed and dated by all parties
- Final cost for work (#4) should match invoice(s)





Disaster Program Final Cost Certification

FHFA ID Number: 1234

Homeowner/Grantee: Grant Jordan

Property Address: 789 Cance Pass

CERTIFICATIONS

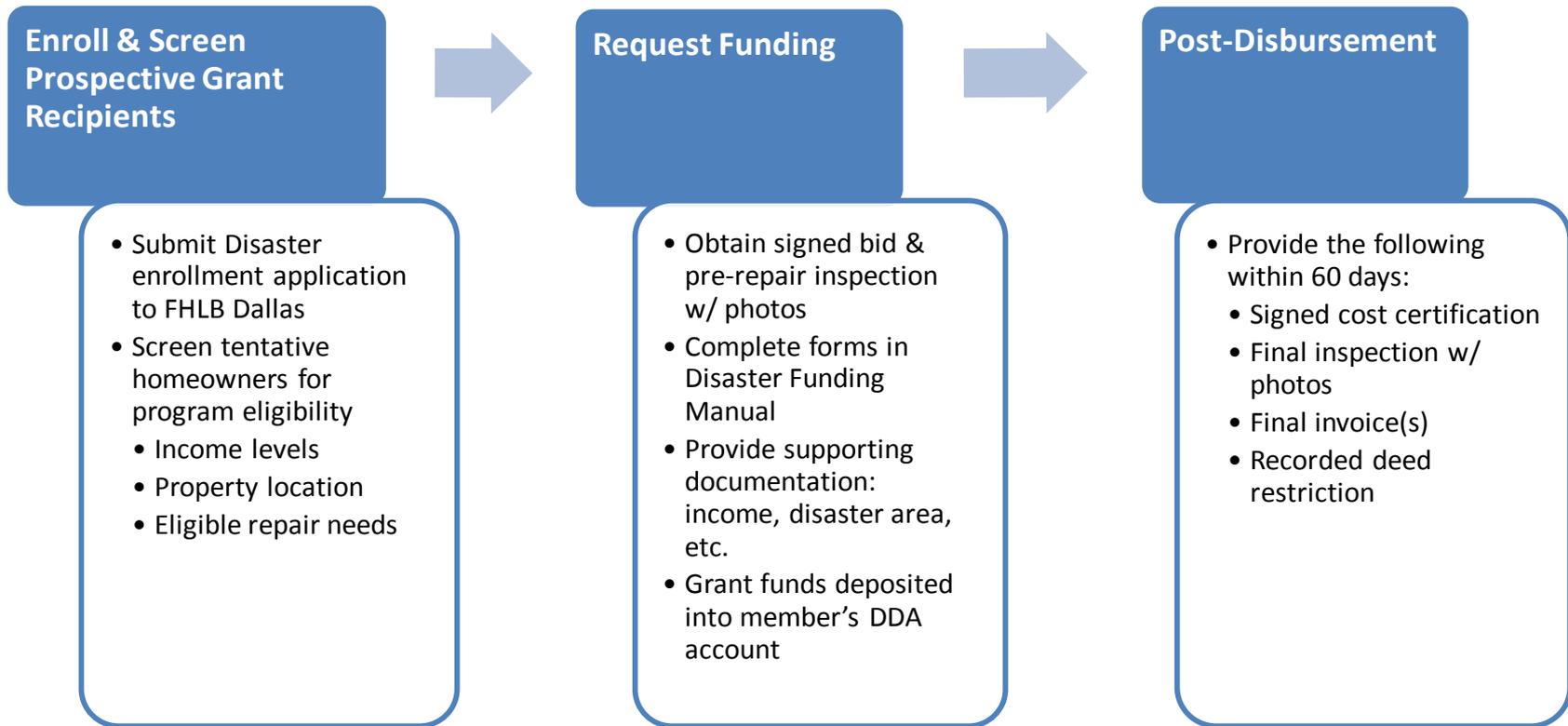
- 1) All Disaster Program-funded rehabilitation work was completed to the satisfaction of the homeowner.
- 2) The copies of architect's certifications (i.e. AIA Document G702), or contractor's invoices that detail the scope of work performed are accurate.
- 3) All modification work was completed as of 5/10/2018 by Jones Construction, LLC by 214-123-456.
(Contractor) (Phone Number)
- 4) The final cost for work completed is \$13,950.00.

Note: This is to be signed and dated by all parties after the completion of the work on the home.

<i>Mark Jones</i> <small>(Contractor)</small>	Mark Jones <small>(Print Name)</small>	5/10/2018 <small>(Date)</small>
<i>Grant Jordan</i> <small>(Homeowner)</small>	Grant Jordan <small>(Print Name)</small>	5/10/2018 <small>(Date)</small>
<i>Sandra Smith</i> <small>(Member Representative)</small>	Sandra Smith <small>(Print Name)</small>	5/12/2018 <small>(Date)</small>

NOTE: Along with the signed cost certification, please submit the final invoice(s) and post-rehabilitation inspection report at the completion of the work.

Disaster Rebuilding Assistance Program Summary



For more information, please contact:

**Community Investment at 800.362.2944 or
AHP@fhlb.com**

Additional information is available online at *fhlb.com/community*