



Hidalgo County Precinct 2 Small Repairs and Rehabilitation Housing Program Proposal Proyecto Azteca

I. Introduction

The purpose of this program is to:

- a) Provide small repairs or larger rehabilitation to help make the house safe and have sanitary living conditions; and
- b) Provide qualified low income persons access to information for their families with other service organizations in the area

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Phone (956) 702-3307

P.O. Box 27
San Juan, TX 78589

fax (956) 702-3309



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OPPORTUNITY

Proyecto Azteca is an Equal Opportunity Employer and Provider.



II. Program Overview

The Small Repairs and Rehabilitation Housing Program provides funds for small repairs or rehabilitation of homes for income eligible applicants. Upon inspection of the home and a determination as to the estimated cost to bring the home up to standard an evaluation will be made by a certified home inspector and the Construction Supervisor. If the cost of repairs exceeds 100% of the total estimated improved value, then only small repairs of the most critical problem can be done. There will be limited funds available to do a complete reconstruction of the house on a first come first serve basis, again if funds are available.

III. Eligible Area(s)

The designated project area is the area of Precinct 2 in Hidalgo County, Texas. All assisted units under this program shall be provided in scattered site locations throughout the area of Precinct 2 and need to be in a Qualified Census Tract, QCT.

IV. Eligible Borrowers

To be eligible for the Small Repairs and Rehabilitation Housing Program, applicants must meet all the following criteria.

- a) Applicants must be low or very low income at the time of application. For the purpose of this program, low or very low income means total gross earnings equal to or less than 50% of median family income for this area, adjusted for family size, as defined by the most recently published HUD Income Limits for the McAllen-Edinburg-Mission metropolitan statistical area (MSA). Income shall be based on projected income for the next twelve months. Only under special circumstances determined by Proyecto Azteca Family Support staff will the percentage of median family income exceed 50%.
- b) The applicant must reside in Hidalgo County Precinct 2 for a minimum of one year prior to receiving assistance.

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- c) The applicant must occupy the property as a principal residence. The applicant may not sublease the property, even on a temporary basis.
- d) All property taxes must be current and no liens may exist on the property.
- e) To qualify for small repairs or rehabilitation, the home must be considered sub-standard by the certified home inspector. Only repairs to bring the home up to standard will be considered.
- f) Special preference will be given to families who have an elderly or disabled member, and to those who are very low income. People with these challenges will have top priority over others on the existing list of applicants.

Proyecto Azteca will determine total family income according to a signed self-attestation of the family. Income verification will be valid for a six-month period.

V. Eligible Properties

Eligible properties include all substandard homes located within the incorporated city limits in Precinct 2 or the unincorporated areas of Hidalgo County in Precinct 2. Eligible properties are defined as single-family residence with a fair market or appraised value that does not exceed 95% of the median purchase price for the area, as described 92.254 (a)(iii).

VI. Other Program Requirements

- a. Staff will process applicants on a “first come first served” basis and in the order in which they are received. Once program eligibility is determined by the certified housing inspector, a staff member of the Family Support Department will process the application according to internal underwriting guidelines and procedures herewith to ensure proper and accurate information according to the underwriting guidelines of Proyecto Azteca. These applicants will be on a program waiting list as maintained by Proyecto Azteca staff. There is limited funding for this



program.

- a) All repairs must comply with HUD Lead Based paint and other environmental regulations.

VII. Application Process

The Family Support Department Staff will provide an overview of the application process and approximate time frames involved in processing an application when the applicant's name is reached on the waiting list.

Proyecto Azteca's staff will arrange appointments for the initial interview for applicants registered on the waiting list. Staff will process applications for assistance on a first-come, first served basis and in the order in which they are received.

Once the full application is taken, the Family Support Department staff will process the application.

Applications will be underwritten subject to the above considerations, and shall be approved by the Executive Director once an analysis of all factors cited above is complete. The Assistant Executive Director will have the authority to approve in the absence of the Executive Director. If the applicant does not meet program guidelines, as set forth or other applicable requirements, a written denial will be processed by the Family Support Department staff.

VIII. Property Appraisal

No appraisal is required for rehabilitation under this program. However, an estimated valuation based on the tax records shall be reviewed to ensure that the maximum grant amount for a rehabilitation is complied with in accordance with Section II of this manual.

The appraised property value must not exceed 95% of the median value for the area.

IX. Construction Procedures/Property Inspection

Upon application, if a determination is made by the certified inspector that a small repair or rehabilitation grant is appropriate the Construction Supervisor

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shall provide a written report via scope of services indicating the necessary repairs to the house. This work write up shall be provided to the family for their review and approval to proceed with the next component of the construction process.

Proyecto Azteca has a list of previously approved contractors meeting Proyecto Azteca's established criteria to serve as contractors for Proyecto Azteca's various housing programs. Some work can be done by Proyecto Azteca's construction staff .

If the construction will be done by a contractor, they are instructed to perform work within work write-up approved by applicant. The intent is to select the lowest responsible and comprehensive bidder to undertake the project, plus any associated soft costs and administrative costs.

The Construction Supervisor will inform all applicants approved for small repairs or rehabilitation Proyecto Azteca's policy on selection of materials used towards repair of which will require the materials selected to be of comparable or of equal value as determined by Proyecto Azteca.

Once an application is approved, the Construction Supervisor shall contact the contractor if necessary, and discuss the inspection. The contractor may begin improvements and will be paid on a project completion basis (as work is completed, funds will be disbursed). Inspections shall be performed by the Construction Supervisor prior to disbursements to the Contractor.

The Construction Supervisor and Procurement Committee shall insure that the contractor secures, obtains and maintains the statutory workers compensation insurance (minimum of \$100,000) for all employees to be engaged in work on the project for the duration of construction contract on each respective assigned and approved work for rehabilitation activities. Concurrently the contractor shall also secure, obtain and maintain general liability insurance as shall protect him and any subcontractor performing work covered by from claims for damages for personal injury, including accidental death, as well as from claims for property damage, which may arise from operations or completed operations under this construction contract whether such operations be by himself or by any other subcontractor or by anyone directly or indirectly employed by either of them, and the amounts of such insurance shall not be less than the amounts indicated below and must list Proyecto Azteca as additional insured and provide for a 30 day advance notice of cancellation. The contractor is required to maintain a minimum amount of coverage of \$500,000 per occurrence and in the aggregate. Proof of insurance (certificate of insurance) must be provided to Proyecto Azteca upon award.

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1. A. Name and Address of Non-profit Organization

Proyecto Azteca Inc.
PO Box 27
San Juan, Texas 78589
Corner of Business 83 and Cesar Chavez
Telephone 956-702-3307
Fax 956-702-3309
E-Mail aarriaga@proyectoazteca.org

Proyecto Azteca's Construction Programs capitalize on families' willingness to help themselves and each other. Proyecto Azteca organizes moderate to very low-income colonia families to come together to undergo professional, full-time construction training. Each family, if able, contributes fifty (50) hours of sweat equity to the program.

2. Small business and minority firm

Proyecto Azteca assures Hidalgo County Precinct 2 that it is a small, local non-profit organization and a certified "Community Housing Development Organization" (CHDO).



3. Financial management, reporting and record-keeping requirements necessary under this program

Led by Executive Director, Ann Williams Cass, and the assistance of the Assistant Executive Director, Amber Arriaga-Salinas; Family Support Director, Janie Muñoz; Construction Supervisor, Raul Cervantes; and Finance Director, Ana Zamarron, Proyecto Azteca has the experience and capacity necessary to continue effective development of affordable housing in Hidalgo County and fulfill all the objectives of the Hidalgo County Precinct 2's Small Repairs and Rehabilitation Program.

Ann Williams Cass will have overall responsibility for the Small Repairs and Rehabilitation Program under the direction of the Board of Directors. She will be responsible for ensuring that Proyecto Azteca targets low to very low income colonia families who have severe housing needs and no chance of qualifying for traditional housing programs. Amber Arriaga-Salinas will oversee all program development and administration. Ana Zamarron will ensure that funds are properly utilized and distributed. Raul Cervantes will oversee construction staff and will ensure that quality, timeliness, and affordability are maintained and are consistent with the intent of the Program. Janie Muñoz will be in constant communication with the families who are chosen, facilitate the classes and with her staff conduct the under writing for the families.

Proyecto Azteca's Finance Department produces internal financial reports on a monthly basis for review by the Executive Director. Because Proyecto Azteca's Finance Department is accountable to the Board of Directors, the Executive Director shares the reports during board meetings. In the report Ms. Zamarron summarizes the total monthly construction expenses and source of funds, and summarizes each account's monthly deposits and balances.

The Finance Department ensures accurate cost accounting in which the department organizes all invoices and records by family. Record keeping occurs on a daily basis, and Proyecto Azteca strictly follows the "Internal Controls Checklist" for cash receipts, cash disbursements, petty cash, payroll, fixed assets, and financial statements as recommended by the U.S. Department of Housing and Urban Development. Lastly, at the end of each fiscal year, Proyecto Azteca hires an independent certified public accounting firm to prepare the organization's annual audit. All audits under Ms. Zamarron's supervision have cleared without findings.

Ana Zamarron has been employed with Proyecto Azteca for over ten (10) years. In the capacity as finance director she coordinates all financial operations in



collaboration with the executive level input. Ms. Zamarron works to manage accounts payable and receivable for construction and operations, oversees requests for reimbursement, and manages bank draws and transfers.

She has four other employees in her department that assist her. Her work is impeccable.

A copy of Proyecto Azteca's current general liability coverage will be available upon request.

4. Coordination of activities and services through on-site technical assistance visits or workshops.

The following activities are targeted for the families selected for the Program:

1) Proyecto Azteca proposes to use \$500,000 of Precinct 2 funding to implement the Small Repairs and Rehabilitation Program for low to very low income families. This includes 15% administration costs.

The Construction Manager will be making frequent on-site visits to the construction sites with construction staff assisting. It is his job to ensure that all construction requirements are being met.

Proyecto Azteca is concentrating on energy efficient homes. We will use Tex-shield, efficiency windows, solar screens, low VOC paint, energy star appliances, florescent light bulbs, water conserving shower heads and faucets, just to name a few of the green building techniques that we use in the small repairs and rehabilitation of housing program.

1. Proyecto Azteca staff will conduct frequent home visits with each approved family. The home visits will include the following:

- i. Initial home inspection by a certified housing inspector.
- ii. Coordination of a needs assessment for each approved. Initial home inspection by Proyecto Azteca's construction supervisor .
- iii. Final home inspection by Proyecto Azteca's construction supervisor.
- iv. Final walk through with family, Assistant Executive Director, building supervisor and general contractor where family will sign a document indicating work was done to their satisfaction.

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5. Outreach efforts

The Family Support staff and two part-time community organizers are ready to do any outreach that is necessary. Referrals will be accepted from Precinct 2 office staff.

6. Other home construction related activities

All low to very low income families participating in the program will be provided a range of support.

Families will also be invited to enroll in home repair classes learning how to fix a leaky faucet and toilet, replace ceiling fans, repair sheet rock and shingles on their roofs.

Ann Williams Cass

1/18/23

Ann Williams Cass, Executive Director

Date:

Amber Arriaga-Salinas

06/12/2023

Amber Arriaga-Salinas, Proyecto Azteca Asst. Exec. Director