



**HOME Investment Partnerships Program (“HOME”)  
CFDA# 14.239**

**2017 HOME Single Family Programs  
Notice of Funding Availability (“NOFA”)**

**1) Summary.**

- a) The Texas Department of Housing and Community Affairs (“TDHCA” or the “Department”) announces a NOFA of approximately \$3,000,000 in funding from the HOME Investment Partnerships Program (“HOME”) for single family housing contract awards benefitting housing for low-income Texans.
- b) The availability and use of these funds are subject to the HOME rules including, but not limited to the following Texas Administrative Code (“TAC”) rules in effect at the time of contract execution, Title 10, Part 1, Chapter 1, Administration; Chapter 2, Enforcement; Chapter 20, the Single Family Programs Umbrella Rule; Chapter 21, the Minimum Energy Efficiency Requirements for Single Family Construction Activities; Chapter 23, the Single Family HOME Program, effective August 30, 2015, (“State HOME Rules”); and Tex. Gov’t Code §2306. Other federal and state regulations include but are not limited to, 24 CFR Part 58 for environmental requirements, 2 CFR Part 200 for Uniform Administrative Requirements, 24 CFR §135.38 for Section 3 requirements, 24 CFR Part 5, Subpart A for fair housing, (“Federal HOME Rules”), and for units of government the Uniform Grant Management Standards (“UGMS”) as outlined in Chapter 783 in the Texas Local Government Code. Applicants must familiarize themselves with all of the applicable state and federal rules that govern the HOME Program.
- c) Capitalized terms in this NOFA have the meanings defined herein or as defined in State HOME Rules and the Federal HOME Rules.
- d) In the event that the Resale and Recapture provisions in 10 TAC §23.29 conflict with the Resale and Recapture provisions in the Department’s action plan as approved by the U.S. Department of Housing and Urban Development (“HUD”), the provisions in the action plan will prevail, in accordance with 24 CFR §92.254(a)(5).
- e) If changes to the contract are required during the contract term due to required changes in Federal or State law, the Department may initiate an amendment process to ensure compliance.

- 2) **Source of Funds.** Funds totaling \$3,000,000 are made available for single family activities through prior year allocations in accordance with 10 TAC, Chapter 1, §1.19, Reallocation of Financial Assistance, and are not subject to the Regional Allocation Formula. The Department, in its sole discretion, may also release additional unallocated HOME funds, deobligated funds, Program Income, and funds reallocated from undersubscribed set-asides, as allowable and available, under this NOFA. The Department, in its sole discretion, also reserves the right to cancel or modify the amount available in this NOFA.
- 3) **Eligible Activities.**
  - a) **Homebuyer Assistance (“HBA”).** HBA provides down payment and closing cost assistance, as well as possible rehabilitation assistance for accessibility modifications for eligible low-income Households. Specific program guidelines can be found at 10 TAC Chapter 23, Single Family HOME Program, Subchapter D, Homebuyer Assistance Program, §§23.40 - 23.42.
  - b) **Tenant-Based Rental Assistance (“TBRA”).** TBRA provides rental subsidies to eligible low-income Households. Assistance may include rental, security, and utility deposits. Specific program guidelines can be found at 10 TAC Chapter 23, Single Family HOME Program, Subchapter F, Tenant-Based Rental Assistance Program, §§23.60 - 23.62.
- 4) **Eligible Applicants.**
  - a) Eligible Applicants include Units of General Local Government, nonprofit organizations, Public Housing Authorities, Local Mental Health Authorities, and Councils of Government.
  - b) If an Applicant that is a private nonprofit organization is requesting a waiver of the grant application fee, they must do so in a board resolution authorizing the submittal of the application to the Department, and must state that the nonprofit organization offers expanded services such as child care, nutrition programs, job training assistance, health services, or human services.
  - c) Applicants are encouraged to familiarize themselves with the Department’s certification and debarment policies prior to application submission.
  - d) All Applicants will be subject to a Previous Participation Review by the Department.
  - e) Audit Requirements. An Applicant is not eligible to receive funds or any other assistance from the Department unless a past audit or Audit Certification Form has been submitted to the Department in a satisfactory format, per 10 TAC §1.3(d). This is a threshold requirement outlined in the application, therefore applications that have outstanding past audits will be disqualified. Staff will not recommend applications for funding unless the Applicant has successfully completed a previous participation review as outlined in 10 TAC §1.302.
- 5) **Prohibited Activities.**
  - a) Prohibited activities include those at 24 CFR §92.214 and in the State HOME Rules.

- b) Funds provided under this NOFA are not eligible for use in a Participating Jurisdiction (“PJ”).

**6) Allocation of Funds.**

- a) **HBA.** Approximately \$1,000,000 in funds is available for contract awards in accordance with 10 TAC §1.19 for **General Set-Aside HBA** activities from prior year allocations of HOME funds. Applications will be accepted on a first-come, first-served basis starting **January 27, 2017, 8:00 a.m. Austin local time until June 1, 2017, 5:00 p.m. Austin local time**, at which time staff may reprogram remaining available funding into the statewide Reservation System balance for Single Family General Set-Aside activities. In accordance with Tex. Gov’t Code §2306.111(d), this reallocation of funds is not subject to the RAF.
- b) **TBRA.** Approximately \$2,000,000 in funds is available for contract awards in accordance with 10 TAC §1.19 for **General Set-Aside TBRA activities** from prior year allocations of HOME funds. Applications will be accepted on a first-come, first-served basis starting **January 27, 2017, 8:00 a.m. Austin local time until June 1, 2017, 5:00 p.m. Austin local time**, at which time staff may reprogram remaining available funding into the statewide Reservation System balance for Single Family General Set-Aside activities. In accordance with Tex. Gov’t Code §2306.111(d), this reallocation of funds is not subject to the RAF.
- c) **Open Application Cycle.** In accordance with 10 TAC §23.22(a), an application received by the Department in response to an open application cycle will be assigned a “Received Date and Time” and will be prioritized for review based on a first-come, first-served basis.
  - i) Awards will be made for the first received eligible applicants in order of Received Date and Time for which sufficient funding is available. Any funds that remain after **June 1, 2017, 5:00 p.m. Austin local time**, may be added to the Reservation System, at the Department’s sole discretion.
  - ii) Applicants can apply for more than one award under the Open Application Cycle, provided that the Applicant submits a separate Application for each request and the service areas identified in each Application are mutually exclusive and do not overlap. In no instance will the Department award more than three contracts to the same Applicant under the Open Application Cycle.
- d) All Applicants will be evaluated for satisfying Threshold Criteria and then processed through the Department’s Application Evaluation System, which includes a previous award and past performance evaluation. Previous performance or other deficiencies identified in the evaluation may disqualify an Applicant for a funding recommendation, or the award recommendation may include conditions.
- e) Funding recommendations for Awards will be presented to the Department’s Executive Award and Review Advisory Committee (“EARAC”), which will in turn make its recommendations to be presented to the Governing Board based on eligibility and previous participation review. Recommendations are limited by the total amount of funds available under this NOFA and the maximum award amount limitations for each Activity type.

- f) The Department may decline to consider any Application if the proposed activities would not, in the Department's sole determination, represent a prudent use of the Department's funds. The Department is not obligated to proceed with any action pertaining to any Applications that are received, and may decide it is in the Department's best interest to refrain from pursuing any selection process or making awards. The Department reserves the right to request clarification on individual elements of any Application.
- g) An Applicant may appeal decisions made by staff in accordance with 10 TAC §1.7.

**7) Administrative Deficiencies.**

- a) Administrative deficiencies noted during the review of an Application during an Open Application Cycle shall be subject to the administrative deficiency process outlined in 10 TAC §23.24(c).
- b) The time period for responding to a deficiency notice commences on the first business day following the deficiency notice date. If an administrative deficiency is not resolved to the satisfaction of the Department by 5:00 pm Austin local time on the fifth business day following the date of the deficiency notice, the application shall be terminated. Applicants that have been terminated may reapply.

**8) Limitations on Funds.**

- a) The maximum amount of Project funds awarded to a contract is established in the NOFA in accordance with 10 TAC §23.26(a). The maximum amount of funds awarded for administrative costs may not exceed the limitations set forth in 10 TAC §23.41(f) for HBA and 10 TAC §23.61(i) for TBRA. Alternately, Administrator may request up to 10% of modified total direct costs ("MTDC") as defined in 2 CFR §200.68, provided that the Administrator notifies the Department of the election to use the 10% MTDC approach with their Application, costs are consistently charged as either indirect or direct costs, and costs are not double charged or inconsistently charged as both. Administrative funds may only be utilized for eligible administrative costs in accordance with 24 CFR §92.207.
  - i) **HBA.** A maximum award amount of \$100,000 in Project Funds, and no more than 4% of the Direct Project Costs exclusive of Match funds for administrative costs. The maximum amount eligible for project soft costs is defined in 10 TAC §23.41(e).
  - ii) **TBRA.** A maximum award amount of \$200,000 in Project Funds and no more than 4% of the Direct Project Costs exclusive of Match funds for administrative costs except that funds for administrative costs may be increased an additional 1% of Direct Project Costs if Match is provided in an amount equal to 5% or more of Direct Project Costs in accordance with 10 TAC §23.61(i). The maximum amount eligible for project soft costs is defined in 10 TAC §23.61(h).
- b) In accordance with 10 TAC §23.26(f), the Administrator may incur and be reimbursed for eligible administrative and Project Soft Costs incurred before the effective date of the HOME contract in accordance with 24 CFR §92.212 and at the sole discretion of the Department. In no event will the Department reimburse expenses incurred more than six (6) months prior to the Department's Governing Board approval of the Administrator's award.

- c) With the exception of Tenant-Based Rental Assistance, the minimum HOME assistance amount per unit may not be less than \$1,000 per HOME assisted unit.
- d) For Tenant-Based Rental Assistance, Applicants are typically limited to the Fair Market Rent limits; however, if an Applicant anticipates that it would like to request a higher rental payment standard for all or part of its service area, such a request must be submitted with the Application. The request should contain supporting documentation such as identification of a Small Area Fair Market Rent for a zip code, identification of a higher payment standard by the Public Housing Authority administering the Section 8 program for the area, or a market study.

## 9) Threshold Requirements

- a) General Threshold and Selection Criteria are established in 10 TAC §23.25 for all Set-Aside types. Additional threshold requirements for Activity Types are located at:
  - i) 10 TAC §23.40 for HBA; and
  - ii) 10 TAC §23.60 for TBRA.
- b) Applications submitted in response to an Open Application Cycle which do not meet threshold will be issued a deficiency notice as noted above and threshold must be satisfied prior to a recommendation for funding.
- c) Pursuant to 10 TAC §23.25(a)(5), if a submitted Application has an entire Volume of the application missing; has excessive omissions of documentation from the Threshold Criteria or uniform Application documentation; or is so unclear, disjointed or incomplete that a thorough review cannot reasonably be performed by the Department, as determined by the Department, will be terminated with notice and rights to appeal but without being processed as an Administrative Deficiency. To the extent that a review was unable to be performed, specific reasons for the Department's determination of ineligibility will be included in the termination letter to the Applicant.

## 10) Application Requirements.

- a) Applications will be required to adhere to the HOME Rule and threshold requirements in effect at the time of the Application submission. Applications must be on forms provided by the Department, cannot be altered or modified, and must be in final form before submitting them to the Department.
- b) All Application materials including manuals, program guidelines, and applicable HOME rules, are available on the Department's website at <http://www.tdhca.state.tx.us/home-division/applications.htm>.
- c) All Applications must be submitted in accordance with the 2017 Application Submission Procedures Manual ("ASPM") forms and instructions.

## 11) Extensions to Benchmark Requirements for Open Cycle Awards.

Because of stringent deadlines by HUD on commitment and expenditure of funds, and how that is calculated by HUD, extensions to contract end dates or to the deadline to draw down funds for benchmark

requirements will not be considered. If there are funds available, Applicants may apply again for the same household activity for Reservation funds, if they have an approved active RSP.

## 12) Application Submission.

a) All applications submitted for the Open Application Cycle must be received on or before **June 1, 2017, 5:00 p.m. Austin local time**, regardless of method of delivery. The Department will accept applications from **8:00 a.m. Austin local time to 5:00 p.m. Austin local time** each business day, excluding federal and state holidays, from the date this NOFA is published on the Department's web site until the deadline. For questions regarding this NOFA, please contact Jaclyn Pryll at (512) 475-2975 or via email at [HOME@tdhca.state.tx.us](mailto:HOME@tdhca.state.tx.us).

b) Applications can be sent via overnight delivery to:

Texas Department of Housing and Community Affairs  
HOME and Homeless Programs Division  
221 East 11th Street  
Austin, TX 78701-2410

Or via the U.S. Postal Service to:

Texas Department of Housing and Community Affairs  
HOME and Homeless Programs Division  
PO Box 13941  
Austin, TX 78711-3941

c) Applicants must submit a completed Application, required documentation, and associated application materials, as described in this NOFA and as detailed in the Application ASPM. All scanned copies must be scanned in accordance with the guidance provided in the ASPM.

d) All Application materials including manuals, this NOFA, program guidelines, and applicable HOME rules are available on the Department's website at <http://www.tdhca.state.tx.us/home-division/applications.htm>. Applications will be required to adhere to the HOME Rule and threshold requirements in effect at the time of the Application submission. Applications must be on forms provided by the Department, cannot be altered or modified, and must be in final form before submitting them to the Department.

e) Applicants are required to remit a non-refundable Application fee payable to the Texas Department of Housing and Community Affairs in the amount of \$30 per Application. Payment must be in the form of a check, cashier's check or money order. **Do not send cash.** Pursuant to Tex. Gov't Code §2306.147(b), the Department will waive Application fees for nonprofit organizations that offer expanded services such as child care, nutrition programs, job training assistance, health services, or human services. These organizations must include proof of their exempt status and a description of their supportive services in lieu of the Application fee. The Application fee is not an allowable or reimbursable cost under the HOME Program.



- f) This NOFA does not include text of the various applicable regulatory provisions that may be important to the HOME Program. For proper completion of the application, the Department strongly encourages potential Applicants to review the State and Federal regulations, and contact the HOME Division for guidance and assistance.

**13) Dispute Resolution/Appeal.**

- a) In accordance with Tex. Gov't Code §2306.082 and 10 TAC §1.17, it is the Department's policy to encourage the use of appropriate alternative dispute resolution procedures ("ADR") under the Governmental Dispute Resolution Act, Tex. Gov't Code Chapter 2009, to assist in resolving disputes under the Department's jurisdiction. As described in Chapter 154, Civil Practices and Remedies Code, ADR procedures include mediation. Except as prohibited by the Department's ex parte communications policy, the Department encourages informal communications between Department staff and Applicants, and other interested persons, to exchange information and informally resolve disputes. The Department also has administrative appeals processes to fairly and expeditiously resolve disputes. If at any time an Applicant or other person would like to engage the Department in an ADR procedure, the person may send a proposal to the Department's Dispute Resolution Coordinator. For additional information on the Department's ADR Policy, see the Department's Rule on ADR at 10 TAC §1.17.
- b) An Applicant may appeal decisions made by staff in accordance with 10 TAC §1.7.