



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

**2018 HOME Investment Partnerships Program Single Family Contract for Deed and
Persons with Disabilities Set-Asides Reservation System Notice of Funding Availability**

1) Summary.

- a) The Texas Department of Housing and Community Affairs (the “Department”) announces a NOFA of approximately \$2,749,313 in HOME funds for single family housing programs under the Persons with Disabilities (“PWD”) and Contract for Deed (“CFD”) set-asides under a Reservation System. These funds will be made available to HOME Reservation System Participants with a current Reservation System Participation (“RSP”) Agreement.
- 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 3, 2017, (“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) If changes to the RSP are required during the RSP 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 \$2,749,313 are made available for single family activities through the Department’s 2018 annual HOME allocation from the U.S. Department of Housing and Urban Development (“HUD”). The Department, in its sole discretion, may also release 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 Activity Types. The following activity types are eligible uses of Set-Aside HOME funds awarded under this NOFA:

- a) **Homeowner Rehabilitation Assistance (“HRA”).** HRA provides funds for the rehabilitation, reconstruction, or new construction of a single family residence owned and occupied by eligible low-income Households. Specific program guidelines can be found at 10 TAC Chapter 23, Single Family HOME Program, Subchapter C, Homeowner Rehabilitation Assistance Program, §§23.30 - 23.32.
- 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.
- c) **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.
- d) **Contract for Deed (“CFD”).** CFD provides funds for the acquisition or refinance, in combination with rehabilitation or reconstruction, of single family housing occupied by the purchaser as shown on an executory contract for conveyance. Specific program guidelines can be found at 10 TAC Chapter 23, Single Family HOME Program, Subchapter E, Contract for Deed Program, §§23.50 - 23.52.

4) Allocation of Funds.

- a) Approximately \$2,749,313 in funds is available through the Reservation System for single family activities under the **Persons with Disabilities (“PWD”)** and **Contract for Deed (“CFD”)** set-asides. In accordance with Tex. Gov’t Code §2306.111(d), these set-asides satisfy a legislatively mandated set-aside and therefore are not subject to the Regional Allocation Formula. The funds will be set aside in the manner described until Friday, February 15, 2019, 9:00 a.m. Austin local time after which any remaining funds in any of the set asides described below may be reprogrammed in a manner that is consistent with the 2018 One-Year Action Plan (“OYAP”) approved by HUD. :
 - i) **PWD Set-Aside.** Approximately \$1,749,313 is available for **HRA, TBRA, and HBA** activities under this set-aside. The balances that are available in the Reservation System from any prior year funds for PWD set-aside activities will be incorporated into the PWD Set-Aside for Tenant-Based Rental Assistance under this NOFA and combined with the funds specified in this NOFA to assist eligible PWD Households. Funds may be reserved for individual households for the following activities:

- A. **HRA.** Approximately \$962,122 in set-aside funding will be available beginning **Monday, October 29, 2018, 10:00 a.m. Austin local time** for HRA activities until **Tuesday, December 18, 2018, 10:00 a.m. Austin local time**, at which time all remaining funding will be made available for any activity under the PWD set-aside until **Friday, February 15, 2019, 10:00 a.m. Austin local time**.
- B. **TBRA.** Approximately \$699,725 in set-aside funding will be available beginning **Monday, October 29, 2018, 10:30 a.m. Austin local time** for TBRA activities until **Tuesday, December 18, 2018, 10:00 a.m. Austin local time**, at which time all remaining funding will be made available for any activity under the PWD set-aside until **Friday, February 15, 2019, 10:00 a.m. Austin local time**.
- C. **HBA.** Approximately \$87,466 in set-aside funding will be available beginning **Monday, October 29, 2018, 11:00 a.m. Austin local time** for HBA activities until **Tuesday, December 18, 2018, 10:00 a.m. Austin local time**, at which time all remaining funding will be made available for any activity under the PWD set-aside until **Friday, February 15, 2019, 10:00 a.m. Austin local time**.
- ii) **CFD Set-Aside.** A total of approximately \$1,000,000 in set-aside funding will be available in the Reservation System CFD set-aside beginning **Monday, October 29, 2018, 11:30 a.m. Austin local time** for CFD Activities until **Friday, February 15, 2019, 10:00 a.m. Austin local time**.

- b) Except as limited in this NOFA or by statute, the Department may reprogram funds at any time to the Reservation System, or to administer directly.
- c) An alternative timeline and method of releasing funds may be implemented, at the Department's sole discretion. Subsequent changes to the timeline or method of release will be published on the Department's website. However, failure to do so will not invalidate reservations that are otherwise made in accordance with this NOFA.
- d) Updated balances for the Reservation System may be accessed online at www.tdhca.state.tx.us/home-division/home-reservation-summary.htm. Reservations of funds may be submitted at any time during the term of a RSP Agreement, as long as funds are available in the Reservation System. Participation in the Reservation System is not a guarantee of funding availability.

5) Application Selection Process.

- a) Funding under this NOFA will be made available through the Reservation System to HOME Administrators with active RSP Agreements. Applications to request a RSP Agreement are accepted on an on-going basis. Applicants requesting a RSP Agreement must submit a completed application, required documentation, and associated application materials as detailed in the Application Submission Procedures Manual ("ASPM").
- 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](#). Applications for an RSP Agreement 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.

- c) Reservations of funds may be submitted at any time during the term of a RSP Agreement, as long as funds are available in the Reservation System. Updated balances for the Reservation System may be accessed online at www.tdhca.state.tx.us/home-division/home-reservation-summary.htm.
- d) Administrative deficiencies noted during the review of an RSP Application shall be subject to the administrative deficiency process outlined in 10 TAC §23.24(c).
- e) An Applicant may appeal decisions made by staff in accordance with 10 TAC §1.7.
- f) All Applicants will be subject to a Previous Participation Review by the Department as outlined in 10 TAC Chapter 1, Subchapter C.
- g) Audit Requirements. All Applicants are subject to the requirements of 10 TAC §1.403 concerning Single Audits.
- h) Pursuant to Tex. Gov't Code §2306.1112, the Executive Award and Review Advisory Committee will make recommendations to the Board regarding funding and allocation decisions.

6) Eligible and Ineligible Applicants.

- a) Eligible Applicants include Units of General Local Government, nonprofit organizations, Public Housing Authorities, Local Mental Health Authorities, and Councils of Government.
- b) Applicants are required to familiarize themselves with the Department's certification and debarment policies prior to application submission.

7) Eligible and Prohibited Activities.

- a) Prohibited activities include those at 24 CFR §92.214 and in the State HOME Rules.
- b) Funds will not be eligible for use in a Participating Jurisdiction ("PJ") except for Applications specifically requesting to access funds under the Persons with Disabilities set-aside.
- c) Contract for Deed funds must be utilized in colonias pursuant to 10 TAC §23.51(d) and as defined in Tex. Gov't Code, Chapter 2306.

8) Application Submission.

- a) The Department will accept applications for the Reservation System on an on-going basis. **Applications for the Reservation System are to be submitted as an upload to the Department's FTP server in the format requirements detailed in the RSP ASPM.**
- b) Applicants must submit a completed Application, required documentation, and associated application materials, as described in this NOFA and as detailed in the RSP ASPM. All scanned copies must be scanned in accordance with the guidance provided in the RSP ASPM.
- c) 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 Application forms published online at the above reference site provided by the Department which cannot be altered or modified, and must be in final form before they are submitted to the Department.
- d) 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 private nonprofit organizations that offer expanded services such as child care, nutrition programs, job training assistance, health services, or human services. These organizations must request a waiver of the grant application fee in a board resolution authorizing the submittal of the application to the Department, and must include with the application 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.
- e) 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 and Homelessness Programs Division for guidance and assistance.

9) **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.

For questions regarding this NOFA, please contact Jaclyn Leasure, HOME Production Coordinator for the HOME and Homelessness Programs Division, at (512) 475-2975 or via email at HOME@tdhca.state.tx.us.