



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

**2023 HOME Investment Partnerships Program Single Family Contract for Deed Set-Aside
Notice of Funding Availability
Amended November 1st, 2022**

1. Summary.

- a. The Texas Department of Housing and Community Affairs (the Department) announces a NOFA of approximately \$1,000,000 in HOME funds for single family housing programs under the Contract for Deed (CFD) set-aside 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, (State HOME Rules); and Tex. Gov't Code Chapter 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), the Uniform Grant and Contract Management requirements as outlined in Chapter 783 in the Texas Local Government (UGMS or TxGMS, as applicable). 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 \$1,000,000 are made available for single-family activities through the Department's 2022 annual HOME allocation from the U.S. Department of Housing and Urban Development (HUD). 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 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 Activities. The following activity types are eligible uses of HOME funds awarded under this NOFA:

- a. **Contract for Deed (CFD).** CFD provides funds for the acquisition or refinance, in combination with New Construction, 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 D, Contract for Deed Program, §§23.40 - 23.42.

4. Prohibited Activities. Prohibited activities include those at 24 CFR §92.214 and in the State HOME Rules. Funds will not be eligible for use in a Participating Jurisdiction.

5. Allocation of Funds.

- a. Approximately \$1,000,000 in funding is available through the Reservation System for CFD activities in the manner described below, beginning **Tuesday, November 8, 2022, at 10:00 a.m. Austin local time** and expiring **Tuesday, June 6, 2023**. After expiration any remaining funds in any of the set asides described below may be reprogrammed in a manner that is consistent with the 2022 One-Year Action Plan (OYAP) approved by HUD.
- b. Beginning **Tuesday, November 8, 2022, at 10:00 a.m. Austin local time**, funds may be reserved for eligible activities where the activity is located in a colonia as defined by Tex. Gov't Code, Chapter 2306, and where the household income does not exceed 60% of the Area Median Family Income (AMFI) as defined by HUD.
- c. Beginning **Tuesday, March 7, 2023, at 10:00 a.m. Austin local time**, funds may be reserved for eligible activities in any area of the state, excluding Participating Jurisdictions, where the household income does not exceed 80% of the AMFI as defined by HUD. Funds not reserved at or before **5:00 p.m. on Monday, June 5, 2023**, may be reprogrammed for use to other HOME activities.
- d. 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.
- e. 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.
- f. 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.

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. Application Submission.

- a. The Department will accept applications for the Reservation System on an ongoing 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. 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.

8. Application Selection Process

- a. Administrative deficiencies noted during the review of an Application shall be subject to the administrative deficiency process outlined in 10 TAC §23.24(c).
- b. All Applicants will be subject to a Previous Participation Review by the Department as outlined in 10 TAC Chapter 1, Subchapter C.
- c. Audit Requirements. All Applicants are subject to the requirements of 10 TAC §1.403, concerning Single Audits.
- d. 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.

9. Dispute Resolution/Appeal.

- a. The Department encourages the use of alternative dispute resolution in accordance with Tex. Gov't Code §2306.082, and as described more fully in 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 the Single Family and Homeless Programs Division via email at HOME@tdhca.state.tx.us.