



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

**2018 HOME Single Family Programs HBA and TBRA General Set-Aside
Notice of Funding Availability (“NOFA”)**

1) Summary.

- a) The Texas Department of Housing and Community Affairs (“the Department”) announces an initial NOFA of approximately \$7,796,148 in HOME funds for Homebuyer Assistance (“HBA”) and Tenant-Based Rental Assistance (“TBRA”) programs under the general set-aside.
- 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 application review or contract execution (as applicable), 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, 24 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 or the Federal HOME Rules.

- 2) Source of Funds.** Funds totaling \$7,796,148 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) **Homebuyer Assistance.** 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.

Tenant-Based Rental Assistance. 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.

b) Prohibited activities include those at 24 CFR §92.214 and in the State HOME Rules.

4) Limitation on Funds.

a) Funds will not be eligible for use in a Participating Jurisdiction (“PJ”).

b) The Department awards Open Application Cycle HOME funds to eligible entities for the intent of one or more Households and the maximum amount of each award may not exceed the following amounts (exclusive of administrative costs) per program activity:

- i) \$150,000 for HBA applications
- ii) \$350,000 for TBRA applications

c) Applicants may apply for more than one award under the Open Application Cycle. Applicants requesting more than one award must submit a separate application for each request, and the service areas for each award per program activity must be mutually exclusive. The Department will not award more than two contracts per program activity to the same Applicant under the Open Application Cycle.

d) Funding under this NOFA may be available through the Reservation System to HOME Administrators with active Reservation System Participation (“RSP”) Agreements. Applications to request an RSP Agreement are accepted on an ongoing basis. Applicants requesting an RSP Agreement must submit a completed application, required documentation, and associated application materials as detailed in the RSP Application Submission Procedures Manual (“ASPM”).

e) Each applicant that is awarded HOME funds may also be eligible to receive funding for Administrative costs.

- i) For HBA applications, funds for Administrative costs cannot exceed 4% of the direct activity costs awarded under a contract.
- ii) For TBRA applications, Applicants may request Administrative funds in an amount not to exceed 8% of direct activity costs awarded. Applicants that request a maximum of 4% of direct activity costs awarded may be eligible for up to \$1,200 in project soft costs per activity assisted under the Contract in accordance with 10 TAC §23.61(g).

f) Except as limited in this NOFA or by statute, the Department may reprogram funds at anytime to the Reservation System, or to administer directly.

5) Regional Allocation Formula. In accordance with Tex. Gov’t Code §2306.111(d), these funds are subject to the Regional Allocation Formula (“RAF”). Refer to Table 1: Regional Allocation for Homebuyer Assistance and Tenant-Based Rental Assistance, which will also be published on the Department’s website at <http://www.tdhca.state.tx.us/home-division/applications.htm>.

Table 1: Regional Allocation for Homebuyer Assistance and Tenant-Based Rental Assistance			
Region	Urban Subregion	Rural Subregion	Total Available in Region
1	\$ 80,268	\$ 356,094	\$436,362
2	\$ 71,869	\$ 289,004	\$360,873
3	\$ 1,158,396	\$ 197,978	\$1,356,374
4	\$ 229,913	\$ 518,617	\$748,530
5	\$ 127,886	\$ 336,661	\$464,547
6	\$ 251,947	\$ 164,315	\$416,262
7	\$ 551,968	\$ 164,414	\$716,382
8	\$ 251,792	\$ 256,248	\$508,040
9	\$ 206,102	\$ 184,138	\$390,240
10	\$ 180,165	\$ 264,503	\$444,668
11	\$ 202,545	\$ 336,936	\$539,481
12	\$ 154,755	\$ 301,618	\$456,373
13	\$ 170,875	\$ 787,140	\$958,015
Total	\$ 3,638,481	\$4,157,667	\$7,796,148

6) Allocation of Funds.

a) **Tenant-Based Rental Assistance and Homebuyer Assistance.** Approximately \$7,796,148 in funds is available for general set-aside TBRA and HBA program activities under an Open Application Cycle for contract awards in accordance with section 4 of this NOFA.

- i) Requirements of the RAF and 10 TAC §23.22(a) will be utilized in prioritizing funding recommendations. Applicants for the Open Application Cycle may apply for the maximum allowed in each activity even though the amount of available funds utilizing the RAF may be less. However, only the maximum allowable under the RAF will be recommended for award during the RAF period.
- ii) Applications that do not exceed the RAF limitation for the Subregion under which the Application is received will be prioritized for award based on Application received date. Remaining funds after subregional awards will collapse into the Region, and Applications which do not exceed the remaining funds available in the Region will be prioritized based on the Application received date. Applications that exceeded the remaining funds available by Subregion or Region, as applicable, will be prioritized for remaining funds available statewide based on the Application received date.
- iii) Applications for the Open Application Cycle will be accepted beginning on **Tuesday, January 22, 2019, at 10:00 a.m. Austin local time on a first-come, first-serve basis.** Applications received prior to the commencement of the Application acceptance period will not be accepted.
- iv) On **Tuesday, March 26, 2019, at 10:00 a.m. Austin local time,** funds not requested under the Open Application Cycle utilizing the RAF will collapse and will be made available in any Uniform State Service Region. Applications will be accepted by the Department on an on-going basis until the earlier of the award of all funds or **Tuesday, May 28, 2019, at 5:00 p.m. Austin local time.**

- v) On **Wednesday, May 29, 2019, at 10 a.m. Austin local time**, funds which have not been requested under the Open Application Cycle will be made available under the Reservation System for reservation and commitment of funds benefiting individual Households through RSP Agreements in any Uniform State Service Region for General set-aside TBRA or HBA Activities.
 - vi) On **Tuesday, July 30, 2019, at 10:00 a.m. Austin local time**, any remaining funding not requested under this NOFA may be reprogrammed in a manner that is consistent with the Department's 2018 One-Year Action Plan approved by HUD.
 - b) 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.
- 7) Application Selection Process.**
- a) 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>.
 - b) Applications must 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) Administrative deficiencies noted during the review of an Application shall be subject to the administrative deficiency process outlined in 10 TAC §23.24.
 - d) All Applicants will be subject to a Previous Participation Review by the Department as outlined in 10 TAC §1.302.
 - e) Audit Requirements. All Applicants are subject to the requirements of 10 TAC §1.403 concerning Single Audits.
 - f) 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.
- 8) 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.
- 9) Application Submission.**
- a) The Department will accept applications for the Open Application Cycle on an ongoing basis. **Applications are to be submitted as an upload to the Department's FTP server in the format requirements detailed in the Open Application Cycle ASPM.** The

Department will not accept Open Application Cycle applications submitted otherwise.

- b) Applications for the Open Application Cycle must be received no later than **Tuesday, May 28, 2019, at 5:00 p.m. Austin local time. Applications received after the deadline for submission will not be considered for an award.**
- c) Applicants must submit a completed Application, required documentation, and associated application materials, as described in this NOFA and as detailed in the applicable ASPM. All scanned copies must be scanned in accordance with the guidance provided in the applicable 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 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.
- 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 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.
- 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 and Homelessness Programs Division for guidance and assistance.

10) 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.