



2019 HOME SINGLE FAMILY DEVELOPMENT APPLICATION SUBMISSION PROCEDURES MANUAL (ASPM)



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Part I: General Application Information

1) HOME Overview

- a) The State of Texas receives an annual fund allocation from the U.S. Department of Housing and Urban Development (HUD).
- b) The HOME Investment Partnerships Program (HOME) is authorized by Title II of the Cranston-Gonzalez National Affordable Housing Act of 1990 (42 United States Code Sections 12701-12839) and the Federal HOME Final Rule at 24 CFR Part 92, as amended.
- c) This application is governed by the Texas Department of Housing and Community Affairs' ("TDHCA" or the "Department") HOME Rules at 10 Texas Administrative Code (TAC) Chapter 23 and the Single Family Umbrella Rules at 10 TACH Chapter 20 in effect at the time the application is submitted.
- d) Additional or 'cross-cutting' Federal regulations cited in 24 CFR Part 92 must also be followed in administering any HOME Program Activity.
- e) Tex. Gov't Code §2306.111(c) requires that TDHCA expend 95% of HOME Program funds for the benefit of nonparticipating small cities and rural areas that do not qualify to receive funds under the Cranston-Gonzales National Affordable Housing Act directly from HUD. Five percent (5%) of the funds must be for the benefit of persons with disabilities who live in any area of the state.
- f) In accordance with Tex. Gov't Code §2306.111(d-1)(2), Persons with Disabilities set-aside funds are not required to be allocated utilizing the Regional Allocation Formula (RAF) developed by the Department.
- g) Applicants recommended for funding consideration and approved by the TDHCA Governing Board will execute a written agreement with TDHCA and will agree to comply with all statutory, regulatory, and other legal requirements applicable to the HOME Program as described in the application.
- h) TDHCA provides technical assistance to all HOME Program Applicants to ensure that participants understand the State and Federal regulations governing the HOME Program.

2) General Applicant Eligibility Requirements

- a) Eligible Applicants are private nonprofit housing developers who are eligible for certification as Community Housing Development Organization (CHDO). Applicants must submit an application for CHDO certification in conjunction with the 2019 Single Family Development Application, and must be certified as a CHDO by TDHCA to be eligible for award.
- b) A nonprofit organization must meet the following definition of a CHDO pursuant to 24 CFR §92.2 to be eligible for CHDO certification:
 - i) Is organized under State or local laws;
 - ii) Has no part of its net earnings inuring to the benefit of any member, founder, contributor, or individual;
 - iii) Is neither controlled by, nor under the direction of, individuals or entities seeking to derive profit or gain from the organization. A community housing development organization may be sponsored or created by a for-profit entity, but:
 - (1) The for-profit entity may not be an entity whose primary purpose is the development or management of housing, such as a builder, developer, or real estate management firm.

- (2) The for-profit entity may not have the right to appoint more than one-third of the membership of the organization's governing body. Board members appointed by the for-profit entity may not appoint the remaining two-thirds of the board members;
 - (3) The community housing development organization must be free to contract for goods and services from vendors of its own choosing; and
 - (4) The officers and employees of the for-profit entity may not be officers or employees of the community housing development organization.
- iv) Has a tax exemption ruling from the Internal Revenue Service under section 501(c)(3) or (4) of the Internal Revenue Code of 1986 (26 CFR 1.501(c)(3)-1 or 1.501(c)(4)-1)), is classified as a subordinate of a central organization non-profit under section 905 of the Internal Revenue Code of 1986, or if the private nonprofit organization is an wholly owned entity that is disregarded as an entity separate from its owner for tax purposes (e.g., a single member limited liability company that is wholly owned by an organization that qualifies as tax-exempt), the owner organization has a tax exemption ruling from the Internal Revenue Service under section 501(c)(3) or (4) of the Internal Revenue Code of 1986 and meets the definition of “community housing development organization;”
 - v) Is not a governmental entity (including the participating jurisdiction, other jurisdiction, Indian tribe, public housing authority, Indian housing authority, housing finance agency, or redevelopment authority) and is not controlled by a governmental entity. An organization that is created by a governmental entity may qualify as a community housing development organization; however, the governmental entity may not have the right to appoint more than one-third of the membership of the organization's governing body and no more than one-third of the board members may be public officials or employees of governmental entity. Board members appointed by a governmental entity may not appoint the remaining two-thirds of the board members. The officers or employees of a governmental entity may not be officers or employees of a community housing development organization;
 - vi) Has standards of financial accountability that conform to 2 CFR 200.302, ‘Financial Management’ and 2 CFR 200.303, ‘Internal Controls;’
 - vii) Has among its purposes the provision of decent housing that is affordable to low-income and moderate-income persons, as evidenced in its charter, articles of incorporation, resolutions or by-laws;
 - viii) Maintains accountability to low-income community residents by:
 - (1) Maintaining at least one-third of its governing board's membership for residents of low-income neighborhoods, other low-income community residents, or elected representative of low-income neighborhood organizations. For urban areas, “community” may be a neighborhood or neighborhoods, city, county or metropolitan area; for rural areas, it may be a neighborhood or neighborhoods, town, village, county, or multi-county area (but not the entire State); and
 - (2) Providing a formal process for low-income program beneficiaries to advise the organization in its decisions regarding the design, siting, development, and management of affordable housing;
 - ix) Has a demonstrated capacity for carrying out housing projects assisted with HOME funds. A designated organization undertaking development activities as a developer or sponsor must satisfy this requirement by having paid employees with housing development experience who will work on projects assisted with HOME funds. For its first year of funding as a community housing development organization, an organization may satisfy this requirement through a contract with a consultant who has housing development experience to train appropriate key staff of the organization. An organization that will own housing must

demonstrate capacity to act as owner of a project and meet the requirements of §92.300(a)(2). A nonprofit organization does not meet the test of demonstrated capacity based on any person who is a volunteer or whose services are donated by another organization; and

- x) Has a history of serving the community within which housing to be assisted with HOME funds is to be located. In general, an organization must be able to show one year of serving the community before HOME funds are reserved for the organization. However, a newly created organization formed by local churches, service organizations or neighborhood organizations may meet this requirement by demonstrating that its parent organization has at least a year of serving the community.
- c) If an Applicant that is a nonprofit organization is requesting a waiver of the grant application fee, they must do so in the resolution, and must state that the nonprofit organization offers expanded services such as childcare, nutrition programs, job training assistance, health services, or human services.
- d) Applicants are encouraged to familiarize themselves with the Department's certification and debarment policies prior to application submission.
- e) All applicants will be subject to a Previous Participation Review by the Department.

3) Application and Award Limitations

- a) In accordance with the **2019 HOME Single Family Development Program Notice of Funding Availability (NOFA)**, the maximum award amount per applicant is \$1,000,000. Applicants may also request an award of \$50,000 for CHDO operating expenses.
- b) Applicants may 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 two contracts to the same Applicant under the Open Application Cycle.
- c) Regardless of the number of Applications submitted or awards made, CHDO operating expense grants will not exceed \$50,000 per Applicant or a total of \$50,000 of CDHO operating expense funds from all Participating Jurisdictions per fiscal year.

4) Contract Terms

- a) Any program activity funded under the HOME Program will be governed by a written contract that identifies the terms and conditions related to the awarded funds. The contract will not be effective until executed by all parties to the contract. The contract terms shall not exceed **24 months** for **SFD**.
- b) Performance will be evaluated based on the benchmarks as stated in 10 TAC §23.26(c). Any funds not requested for a household after the commitment benchmark will be deobligated and returned to the Department, at the Department's discretion.

5) Application Review Process (Open Cycle)

- a) The process for application review is described in the HOME Rules at 10 TAC §23.22(a). The NOFA establishes a deadline for receiving applications and indicates the approximate amount of available funds.
- b) The Department will accept applications on an ongoing basis as described in the **2019 HOME Single Family Development Program NOFA**.

- c) Each application will be assigned a Received Date and Time based on the date it is physically received by the [HOME and Homeless Programs Division](#) (Division). Applications received after the Application deadline will not be accepted, reviewed, or considered for award.
- d) Applications received are reviewed for eligibility and threshold requirements regarding documentation and compliance with performance on previously awarded contracts. Applications will be prioritized for review based on a first-come, first-served basis as further described in the NOFA.
- e) The Department will ensure review of materials required under the NOFA and the application, and will issue a notice of any administrative deficiencies in accordance with 10 TAC §23.24(c). Note that administrative deficiencies that are not resolved timely may result in termination of the Application.
- f) All Applicants will be evaluated through a Previous Participation Review in accordance with 10 TAC §1.302. Issues concerning but not limited to previous performance, outstanding debt owed to the Department, or results from the Applicant's most recent Single Audit may disqualify an Applicant for a funding recommendation, or the recommendation may include conditions.

6) Administrative Deficiencies

- a) If an Application contains deficiencies, staff may request that the Applicant provide clarification, correction, or non-material missing information to resolve inconsistencies in the original Application or to assist staff in evaluating the Application. The Department staff will request clarification or correction in a deficiency notice via an email, or if an email address is not provided in the Application, by facsimile or a telephone call to the Applicant. Responses are required to be submitted electronically. 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 on the 5th business day following the date of the deficiency notice, then the Application shall be terminated. Applicants that have been terminated may reapply. Department staff may in good faith provide an Applicant confirmation that an administrative deficiency response has been received or that such response is satisfactory. Communication from staff that the response was satisfactory does not establish any entitlement eligibility status or to any presumption of having fulfilled any requirements. An administrative deficiency may not be cured if it would, in the Department's determination, substantially change an Application, or if the Applicant provides any new unrequested information to cure the deficiency.
- b) Pursuant to 10 TAC §23.25(a)(5) an Application must be substantially complete when received by the Department. An Application will be terminated if an entire tab of the Application is missing; has excessive omissions of documentation from the threshold or selection 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. Such Application will be terminated without being processed as an administrative deficiency.
- c) Recommendations for funding will be presented to the Department's Executive Award and Review Advisory Committee (EARAC) before presentation to the TDHCA Governing Board. Funding recommendations will be made available on the Department's website at least seven calendar days prior to the date of the Governing Board meeting at which staff recommendations are submitted for approval, unless an exigent matter requires a later posting (not less than a three day posting).
- d) 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 Tex. Gov't Code Chapter 154, Civil Practices and Remedies Code, ADR procedures include mediation.

- e) 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 anytime 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. Additional information on the Department's ADR Policy can be found at 10 TAC §1.17.
- f) An Applicant may have appeal rights for decisions made by staff in accordance with 10 TAC §1.7.

7) Additional Requirements

- a) Applicants are required to have a Unique Entity Identifier Number (UEIN) (previously referred to as a Data Universal Numbering System or "DUNS" number). A UEIN number is a unique nine-digit identification number provided by the commercial company D&B. Call D&B at 866-705-5711 if you do not have a UEIN number or register on line at www.dnb.com and click on the tab "D&B D-U-N-S Number" then follow the directions provided. The process to request a UEIN is short and free of charge.
- b) Applicants are also required to register in the System for Award Management (SAM). The SAM is the primary registrant database for the U.S. Federal Government. SAM collects, validates, stores, and disseminates data in support of agency acquisition missions, including Federal agency contract and assistance awards. Please note that the term "assistance awards" includes grants, cooperative agreements and other forms of Federal assistance. Whether applying for assistance awards, contracts, or other business opportunities, all entities are considered "registrants". Both current and potential Federal government registrants are required to register in SAM in order to be awarded contracts by the Federal government. You may register in the SAM at <https://www.sam.gov>. You must have a UEIN number in order to register with the SAM.

8) Performance Reviews and Sanctions

The Department may review and monitor the performance of Administrators in carrying out its responsibilities in accordance with the Contract, Rules at 10 Texas Administrative Code (TAC) Chapters 1, 2, 20, and Chapter 23 (State Rule) , the HOME Final Rule, and any other applicable Federal and State requirements.

9) Application Fees and Waiver of Application Fees

- a) Applicants are required to remit a non-refundable application fee payable to the Texas Department of Housing and Community Affairs in the amount of \$30.00 per application. Please send a check, cashier's check, or money order. Do not send cash.
- b) Tex. Gov't Code §2306.147(b) requires the Department waive application fees for nonprofit organizations that offer expanded services such as child care, nutrition programs, job training

assistance, and health or human services. If the Applicant wishes the Department to waive the application fee, the Applicant must state in the Resolution that the nonprofit organization offers expanded services to be eligible for this fee exemption.

- c) The Application fee is not an eligible or reimbursable cost under the HOME Program.

10) Application Deadline

- a) The Application with the required fee must be received by the Department at the time of Application submission.
- b) Applications that do not meet the filing deadline requirements will be returned to the Applicant and will not be considered for funding. The Department will accept applications from 8:00 a.m. 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.
- c) Applications may be sent via overnight delivery to:

**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 78711-394**

Part II: Application Submission Format

- a) Applications must be on forms provided by the Department, cannot be altered or modified, and must be in final form before submission to the Department.
- b) **One copy of both the SFD Open Cycle Project and the CHDO Certification Application in EXCEL format, and one copy of the SFD Open Cycle Project and the CHDO Certification Application including all attachments in PDF format must be received by the Department by the application deadline. Both EXCEL and PDF formats must be submitted to constitute an application. Instructions for how to submit the applications are described in 4) Submission Procedures of this section.**
- c) The Applicant is responsible for ensuring that the Application is submitted in the correct format, and that the Application components and files are not corrupted. Applicants are encouraged to contact the Department after Application submission but before the closing of the NOFA to ensure that the files submitted were not corrupt and may be reviewed. Applications files which cannot be opened and reviewed by the Department are not eligible for award.
- d) The Application includes a Volume 1 and 2 and must be submitted with both EXCEL and PDF formats to constitute an Application.
- e) **Hard copy submissions are not an acceptable application format.** Any hard copies received by the Department will be confidentially destroyed and will not be considered as an Application for the purposes of review or receipt of an Application.

2) Excel Application Document

- a) The Application is an EXCEL Workbook, and consists of a series of tabs. Please fill out each tab to the best of your ability. Please use the drop-down menu when prompted, to answer questions.
- b) After you complete the application, save it as an excel document using the following format (red lettering indicates Applicant must provide the Applicant's name):
2019_ APPLICANT NAME_SFD_OPEN_Application.xlsx
And
2019_ APPLICANT NAME_CHDO_CERT_Application.xlsx

3) PDF Application Document

- a) The PDF Application file is created by converting the EXCEL Workbook file to PDF format. The workbook can be converted using the following steps:



- i) Click the Microsoft Office Button
- ii) Point to the arrow next to Save As, and then click **PDF** or **XPS**
- iii) In the File Name list, type or select a name for the workbook using the following format (red lettering indicates Applicant must provide the Applicant's name):
2019_ APPLICANT NAME_SFD_OPEN_Application.pdf

2019_ APPLICANT NAME_CHDO_CERT_Application.pdf
- iv) In the Save as type list, click **PDF**

- v) If you want to open the file immediately after saving it, select the **Open file after publishing** check box. This check box is available only if you have a PDF reader installed on your computer.
 - vi) Under Optimize for, click **Standard (publishing online and printing)**
 - vii) Click **Options**
 - viii) Under Publish What: select **Entire Workbook** then click **OK**
 - ix) Click **Publish**
- b) Remember that there are tabs that require support documentation and/or signatures. Tabs that require additional documentation are noted with a red paperclip symbol.



- c) Once you have executed all required documents and forms, scan them and insert the scanned documents and forms into the PDF application file, behind the respective tab. The Application must be the electronic PDF file created from the Excel file, not a scanned copy of the Excel or PDF file. Scanned copies of the Application are difficult to read, and slow down the process for staff and make it more difficult for applicants to review for completeness of the application prior to submission.
- d) Creating Bookmarks
- i) After the Excel file has been converted to PDF and all executed forms have been re-inserted into their appropriate location within the file, you will need to create Bookmarks. To set the Bookmark locations correctly you must have the PDF file open in Adobe Acrobat. Click on the Bookmark icon located on the left-hand side of the Adobe Acrobat screen, or go to the task bar and select these options in the following order: **View → Navigation Panels → Bookmarks.**
 - ii) If a Bookmark has already been created for each tab within the Excel file, simply re-set the bookmarks to the correct locations. To re-set the location for the Bookmarks, go to the first page of each separately labeled form/exhibit. You will then right-click on the corresponding Bookmark for the form/exhibit you are currently viewing. Select **Set Destination** and a pop-up box will appear asking you the following: "Are you sure you want to set the destination of the selected bookmark to the current location?" Select **Yes.**
 - iii) If Bookmarks were not already created within the Excel file, then you will need to create these Bookmarks. Go to **Document → Add Bookmark.** Right-click on the first Bookmark and re-name it for the appropriate form or exhibit. You will then need to set the location of the Bookmark by going to the first page of each form or exhibit, right click on the corresponding Bookmark and select **Set Destination.** A pop-up box will appear asking you the following: "Are you sure you want to set the destination of the selected bookmark to the current location?" Select **Yes.**
 - iv) If after conversion of the Excel file to PDF you have extra blank pages of any exhibit, you can delete those pages in order to limit the size of the file. To delete any extra, unnecessary pages identify the page number(s) you want deleted. On the Adobe Acrobat Task Bar click on Document and select Delete Pages from the drop down list. A box will appear prompting you to select which page(s) you would like to delete. Enter the page numbers to be deleted and hit **OK.**
 - v) The PDF formatted file must be checked for the following prior to submission:
 - (1) Each tab must be correctly bookmarked
 - (2) Files should average less than 100 kilobytes per page

- (3) Files must be readable with free PDF file viewers including Adobe Reader and be compatible with Adobe Reader 5.0 and above
- (4) Files should be saved so that "Fast Web View" (or page at a time downloading) is enabled
- (5) Text within the PDF file should be searchable using the "Find" command in the PDF viewer

4) Submission Procedure

- a) **One copy of both the SFD Open Cycle Project and the CHDO Certification Application, and one copy of both the SFD Open Cycle Project and the CHDO Certification Application including all attachments in PDF format must be uploaded to TDHCA's FTP server and received by the Department by the application deadline.** To submit via the FTP server, go to the following website and use the username and password below:

<https://sf-files.tdhca.state.tx.us/>

User Name : HOMEApp

Password: H44QXyxF

Upload your application by using the "upload" button in the lower left-hand corner of your screen.

- b) Application fees that are to be mailed in may be submitted via overnight delivery or U.S. Postal Service.

For overnight delivery:

HOME Division
221 East 11th Street
Austin, TX 78701-2410

Or via the U.S. Postal Service:

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

Part III: Application Procedures and Contents

1) Application Procedures

- a) Each Application for HOME Single Family Development will consist of Volume 1, Volume 2, and Volume 3 for Contract Awards. Volume 1 contains general applicant information and the cash reserve threshold requirement, and will be the same for each Applicant. Volume 2 contains Activity specific information including additional threshold criteria, and Volume 3 contains certifications and documentation of compliance with federal cross-cutting regulations.
- b) Additional documentation requirements are only required to be present on the PDF Application Document.

2) Volume 1 – General Applicant Information

- a) **Volume 1 – Tab 1: Applicant Information. This tab is general information about the Applicant. Complete all highlighted fields.**
 - i) The signature authority identified must correspond with the signature authority named in **Volume 2 – Tab 1: Resolution.**
 - ii) The UEIN must correspond to the number shown on the documentation submitted under **Vol 1 – Tab 8: Administrative Forms and Third-Party Reports.** The Applicant must have 501(c) status and be in good standing with the Texas Secretary of State at the time of Application and throughout the Contract period.
 - iii) The UEIN and SAM expiration date must correspond to the evidence of registration in the SAM submitted under **Vol 1 – Tab 8: Administrative Forms and Third-Party Reports.**
- b) **Volume 1 – Tab 2: Nonprofit Organization Information.** This tab is required for all nonprofit organizations applying for HOME funds. This tab requires submission of the organization’s by-laws behind the tab. Applicant must highlight the section of the bylaws, which states that provision of affordable housing is included in the purposes of the nonprofit corporation.
- c) **Volume 1 – Tab 3: Applicant/Developer Organizational Chart.** This tab requires submission of the organizational chart for the Applicant and any special interests as described in the Application. The chart must include the Applicant and each member of the board of directors and the executive director, including their ownership percentage. The ownership percentage should be 100% for the Applicant, and 0% for all members.
- d) **Volume 1 – Tab 4: Organizations with an Ownership or Special Interest in the Applicant.** This tab requires identification of all organizations with an ownership or special interest in the Applicant. All organizations identified on Vol 1- Tab 4 must be included in the organizational chart(s) in **Vol 1 – Tab 3: Applicant/Developer Organizational Chart.**
- e) **Volume 1 – Tab 5: Disclosures.** This tab requires submission of a supplemental narrative behind the tab if the Applicant answers questions under Part A in the affirmative.

- f) **Volume 1 – Tab 6: Previous Participation.** This tab requires submission of the Previous Participation information more thoroughly described in the Application. Applications will undergo a review of previous participation prior to recommendation for award.
- g) **Volume 1 – Tab 7: Financial Capacity. Adequate financial capacity is a threshold requirement for all Applications.** Available funding up to the maximum amount required is reported on this tab. Requirements for evidence of financial capacity are located at 10 TAC §23.70. Additional documentation must be submitted behind the tab as further described in the Application.
- h) **Volume 1 – Tab 8: Administrative Forms and Third-Party Reports.** Required forms and third-party reports for all Applications as described in the Application must be submitted behind this tab. Required third-party reports include:
 - i) Phase 1 Environmental Assessment. This is required if the Applicant is proposing development of land that has not previously been developed and does not have existing infrastructure. The Phase 1 ESA must be prepared by a qualified third party and dated not more than 12 months from the date of Application submission.
 - i) Appraisal evidencing the "as-complete" value of at least one of the proposed units that is:
 - (1) Prepared by a qualified Third Party;
 - (2) Dated not more than 6 months from the date that the Application is submitted; and
 - (3) Prepared in accordance with the Uniform Standards of Professional Appraisal Practice.
 - (4) The appraisal must also include the “as vacant” value of at least one of the proposed lots if one of the following is true:
 - (a) The Applicant has an Identity of Interest with the seller or current owner of the property; or
 - (b) Any of the proposed property is part of a newly developed or under-development subdivision in which at least three other third-party sales cannot be evidenced. If any lot proposed for use in the program is already owned by the person(s) that will own the completed home, the current owner must sign a certification indicating that they understand that ownership of the lot will be relinquished during the period that construction and development occurs.
 - (c) The purchase price of any lot in which the current owner has an Identity of Interest with the Applicant cannot exceed the lesser of the following: The original third-party acquisition cost plus verifiable costs of owning, holding, or improving the property since the date of original acquisition; and
 - (d) The appraised value of the lot or comparable lot as reflected in the required appraisal.

3) Volume 2 – Development Information

- a) **Volume 2 – Tab 1: Resolution. Submission of a resolution which includes all provisions listed in the Application and at 10 TAC §23.25(a)(2) is a threshold requirement for all Activities.**
 - i) The resolution must also include a valid signature and title block for the Applicant and its related entities that can be used to prepare Loan Commitments or Contracts. Ensure the Applicant’s legal counsel has reviewed the title block information before submission with the Application.

- b) **Volume 2 – Tab 2: Development Cost Schedule:** Complete all highlighted fields and include all sources of funding. To correctly calculate the total costs, the estimated number of each unit type must be completed. The Development Cost Schedule must correspond to **Vol 2 – Tab 3: Funding Request**. If the Applicant proposes to undertake rehabilitation or new construction of condominium housing, the Applicant must contact the HOME Division to obtain a Development Cost Schedule template for that project type.
- c) **Volume 2 – Tab 3: Funding Request.** This tab consists of three parts:
- i) **A. Uses** This section auto-fills from information included in the **Volume 2 – Tab 2: Development Cost Schedule**
 - ii) **B. Sources** Complete all fields and include all anticipated sources and uses of funds for the entire development. Ensure that the funds requested correspond with the HOME Funding Request in Section B of this tab. The amount of the TDHCA HOME Award may not exceed the maximum amount stated on lines 1 and 2 of this section.
 - iii) **C. CHDO Operating Funding Request:** Applicants may request up to \$50,000 per Applicant, regardless of the number of Applications submitted, as a grant for CHDO Operating Expenses. In accordance with the NOFA, Funds for CHDO Operating Expenses may be drawn in an amount not to exceed \$25,000 prior to submission of eligible projects in accordance with the performance benchmark requirement defined in 10 TAC §23.26(c). In the event that the CHDO does not comply with the performance benchmark requirements, the remaining funds awarded for CHDO Operating Expenses may be deobligated. Expenses eligible for CHDO Operating funds are defined in 24 CFR §92.208 as including salaries, wages, and other employee compensation and benefits; employee education, training, and travel; rent; utilities; communication costs; taxes; insurance; and equipment, materials, and supplies.
- d) **Volume 2 – Tab 4: Financing Narrative:** Applicant must submit a narrative describing the financing structure for each phase of the Development. The narrative must include all anticipated sources of funding for the project identified in **Vol 2 – Tab 3: Funding Request**.
- i) A commitment, term sheet, or letter of interest/intent for each non-TDHCA source of funds must be provided in this tab.
- e) **Volume 2 – Tab 5: Development Team Members:** Complete all fields for each member of the development team. If the team member that will be utilized is not yet known, indicate “TBD”. If it is anticipated that the development team category will not be utilized, indicate “N/A”. Applicant should make every effort to identify all team members prior to submission of the Application. Excessive omissions in the Development Team could delay the Application for Funding.
- f) **Volume 2 – Tab 6: Site Information:** A separate **Vol 2- Tab 6: Site Information** must be completed for each of the proposed lots. For example, if the Applicant proposes three units in the Development, three separate versions of **Vol 2- Tab 6: Site Information** and accompanying documentation must be submitted with the Application. The Applicant must have all lots that will be used for development under site control at the time the Application is submitted to the Department.

- i) Evidence of Colonia status from the Secretary of State’s website if the Application is submitted during the period in which funds are available only for activities in colonias, as specified in the NOFA.
 - i) Letters documenting appropriate zoning and access to adequate utilities must be submitted for each lot or set of contiguous lots.
 - ii) A FEMA flood map identifying each lot or set of contiguous lots with an outline must be submitted with this tab.
 - iii) Documentation of site control *e.g.* purchase contract, earnest money contract, warranty deed, etc.) must be submitted for each lot proposed for development. If acquisition of any lot is considered an Identity of Interest, an appraisal may be required.
- b) **Volume 2 – Tab 7: Unit Type and Amenities:** A separate **Vol 2- Tab 6: Site Information** must be completed for each of the proposed unit types included in **Vol 2 – Tab 2: Development Cost Schedule**. For example, if the Applicant proposes two unit types in the Development, two separate versions of **Vol 2- Tab 7: Unit Type and Amenities** and accompanying documentation must be submitted with the Application. An architectural floor plan and exterior elevation with legible dimensions or an accurate scale are required for each unit type. The elevations must reflect the percentage of exterior building materials (*e.g.* 50% masonry/50% hardi-board).
- g) **Volume 2 – Tab 8: Loan Affordability Analysis:** Complete highlighted fields in their entirety. The analysis provided in the Application is an estimate of the income levels that may be eligible to purchase homes in the proposed development, and can be utilized to inform the Applicant’s marketing efforts.
- h) **Volume 2 – Tab 9: Market Assessment:** Complete highlighted fields in their entirety. The information provided in the Application is intended to demonstrate market demand.
- i) Submit a map outlining the market area from which the majority of the buyers are likely to be currently located. This may or may not coincide with the applicant’s service area, but must include all areas referenced in the **Vol 3 – Tab 1: Affirmative Fair Housing Marketing Plan**.
 - ii) Estimate the number of households in the market area whose income supports participation based on the analysis provided in **Vol 2 – Tab 8: Loan Affordability Analysis** and the most recent American Community Survey income data for the market area. Submit a copy of the data from the American Community Survey utilized to create the estimate behind this tab.
 - iii) Identify other organizations or entities that provide comparable services or offer comparable programs to the program proposed by the Application, and the approximate number of households served per year. For example, the Applicant would include entities and approximate number of households served in their service area utilizing comparable USDA, NSP, or CDBG programs.
 - iv) Include the number of units available for sale on the open market within 6 months of the Application date that are comparable to the proposed unit types identified in **Vol 2 – Tab 7: Unit Type and Amenities**, and the average number of days on the market. Submit documentation utilized to determine the average number of days on the market behind this tab.

4) Volume 3 – Cross-Cutting Requirements and Certifications

- a) **Volume 3 – Tab 1: Affirmative Fair Housing Marketing Plan:** All applicants for HOME funds must establish an Affirmative Fair Housing Marketing Plan and show through a corporate resolution that the plan will be enforced by the applicant. Applicants must submit an Affirmative Fair Housing Marketing Plan in accordance with 10 TAC §20.9(b) behind the tab which includes:
- i) A completed HUD Affirmative Marketing Plan – Single Family Housing (HUD form 935.2(B). Note that Persons with Disabilities must always be designated as least likely to apply under “Direction of Marketing Activity” for TDHCA programs;
 - ii) An Affirmative Fair Housing Marketing Plan that describes the procedure the applicant will take to market and make available housing units to the full range of potential clients and must be consistent with the completed HUD Form 935.2.
 - iii) Documentation confirming the demographics of the marketing area that evidences how the groups designated as least likely to apply were selected for targeted marketing efforts.
 - iv) Proposed correspondence to be sent to community contacts listed in 4(c) of the HUD form
 - v) Copies of any proposed marketing materials (flyers, brochures, etc) to be utilized to market the program.
 - vi) The Applicant's corporate resolution that states that the Affirmative Fair Housing Marketing Plan will be enforced by the Applicant.
- b) **Volume 3 – Tab 2: Public Notifications and Certification Form:** Complete all highlighted fields in their entirety. Information for all persons requested must be completed. The certification form must be executed and dated by the signature authority named in **Vol 2- Tab 1: Resolution**.
- i) The Department will utilize the information provided to notify all persons or organizations required by the Texas Government Code for any single family development activities. It is the Applicant’s responsibility to complete the forms correctly, or the Application may be terminated.
 - ii) The request for neighborhood organizations must be completed at least 14 days prior to submission of the Application. Any neighborhood organizations required to be notified must be included in this exhibit or the Application may be terminated. A template Neighborhood Organization Request letter is located as a supplement to **Volume 3 – Tab 2: Public Notifications and Certification Form** within the Application. A copy of the letter sent utilizing the template must be submitted behind **Volume 3 – Tab 2: Public Notifications and Certification Form**.
 - iii) The Applicant may also review the list of neighborhood organizations on record with the State of Texas. This list can be found on the Department’s website with the application materials for multifamily financing at <http://www.tdhca.state.tx.us/multifamily/apply-for-funds.htm>.
- c) **Volume 3 – Tab 3: Davis-Bacon Certification:** Davis-Bacon requirements are applicable to developments that are rehabilitated or constructed with 12 or more HOME-assisted units. Complete the form as instructed in the Application to determine Davis-Bacon applicability. The certification form must be executed and dated by the signature authority named in **Vol 2- Tab 1: Resolution**.

- d) **Volume 3 – Tab 4: Lead Safe Housing Applicability Checklist:** Select the statement(s) applicable to the proposed development and submit the completed form with the Application. A copy of the form must also be maintained in the file for the project. The certification form must be executed and dated by the signature authority named in **Vol 2- Tab 1: Resolution**.
- e) **Volume 3 – Tab 5: Lead Safe Housing Checklist:** Select responses in the highlighted fields as applicable to the project. The certification form must be executed and dated by the signature authority named in **Vol 2- Tab 1: Resolution**.
- f) **Volume 3 – Tab 6: Certification of Principal:** The Certification of Principal form is required to be executed on behalf of the Applicant by the Applicant’s authorized representative. Additionally, a Certification of Principal must be executed by each natural person shown in **Volume 1 - Tab 3: Applicant/Developer Organizational Chart**. **All certifications must be notarized.**
- g) **Volume 3 – Tab 7: Certification of Applicant:** The tab must include responses in all highlighted fields. The certification form must be executed and dated by the signature authority named in **Vol 2- Tab 1: Resolution**.