



CITY OF HOUSTON

Housing & Community Development Department

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Subject: Letter of Clarification No.2
Notice of Funding Availability (NOFA)
Housing & Community Development Department
Economic Development

Reference: Request for Proposal No.: T29701

To all Prospective Proposers:

This Letter of Clarification is issued for the following reason:

- To answer the following question:

Question: (A) Does the loan capital provided to the CDFI administering the RLF need to be repaid to the City of Houston?
(B) If so, how long after the end of the program (either month 12 or month 24) does the CDFI administering the RLF have to complete repayment. This deadline is important because loan payments by small construction contractor borrowers will continue past the end of the program. For example, a loan made in month six with a one-year term will not be paid off until month 17.
(C) If not, will the administering CDFI have the right to continue to loans from the RLF loans in perpetuity? Will these loans have to conform to the terms set in the RFP?

Answer:

(A). No; as noted in the NOFA, the loan capital is intended to support a revolving loan structure designed to redeploy funds after they have been repaid.
(B). N/A
(C). Yes as noted in the NOFA, the loan capital is intended to support a revolving loan structure designed to redeploy funds after they have been repaid, and when the funds are redeployed, the selected CDFI partner must reissue the funds in a manner consistent with the terms and conditions agreed upon with the City of Houston in relation to the administration of the revolving fund agreement only.

This Letter of Clarification will be considered part of the solicitation referenced on the first page of this document.

Furthermore, it is the responsibility of each PROPOSER to obtain any previous Letter(s) of Clarification associated with this solicitation.

Tywana L. Rhone

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