



# CITY OF HOUSTON

Housing & Community Development Department

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July 12, 2021

**Subject:** Letter of Clarification No. 4  
Notice of Funding Availability (NOFA)  
Harvey Public Services

**Reference:** Request for Proposal No.: T29938

To all Prospective Proposers:

This Letter of Clarification is issued for the following reason:

- To answer the following questions:

<b>1</b>	<p><b>Question 1:</b> We are current recipients of the CDBG-DR Public Service funds, and some of our costs in our monthly financial reimbursement requests have been disallowed due to back-up documentation. We are currently working with our liaison to submit additional back-up documents to recoup the disallowed costs. Will we still be able to apply for funds?</p>
	<p><b>Q1 Answer:</b> Yes, this will not prevent any organization from applying for funding.</p>
<b>2</b>	<p><b>Question 2:</b> During this morning’s preproposal conference for Solicitation #T29938, Melody mentioned that there is no ceiling on the request amount; however, that the CDBG-DR regulations stipulate that an organization can receive no more than \$5 million in DR funding. Is the \$5 million limit per funding cycle (i.e. NOFA Round #1, NOFA Round #2, etc.) or is the \$5 million a total limit across all CDBG-DR Public Service funding cycles?</p>
	<p><b>Q2 Answer:</b> For the Public Services program under DR-17 funding, a maximum of up to \$5,000,000 is awarded per selected contractor.</p> <p>See page 9 of the Public Services guidelines: <a href="https://houstontx.gov/housing/plans-reports/guidelines/hpsp/Harvey_Public_Services_Program_Guidelines-v1_5-050919.pdf">https://houstontx.gov/housing/plans-reports/guidelines/hpsp/Harvey_Public_Services_Program_Guidelines-v1_5-050919.pdf</a></p>

<p><b>3</b></p>	<p><b>Question 3:</b> Are the following required documents for submission: Logic Model, Fair Campaign Ordinance Form, Affidavit of Ownership control?</p>
	<p><b>Q3 Answer:</b> A logic model is recommended but not required. Please refer to the Letter of Clarification # 1 regarding the required Affidavit of Ownership Control.</p>
<p><b>4</b></p>	<p><b>Question 4:</b> Does everyone have to complete at submit the Ownership Form?</p>
	<p><b>Q4 Answer:</b> Yes.</p>
<p><b>5</b></p>	<p><b>Question 5:</b> The presentation slides for the NOFA indicated that we should be ready to close by December 31, 2021 but the NOFA itself gives a date of March 1, 2022. Which date should we be targeting?</p>
	<p><b>Q5 Answer:</b> Please refer to the Solicitation Schedule listed in the NOFA, neither December 2021 nor March 2022 are listed. It is the expectation that all programs applying, should they be awarded, are ready to begin operations by October 2021, the earliest estimated contract start date.</p>
<p><b>6</b></p>	<p><b>Question 6:</b> Covenant House Texas (CHT) is planning to submit an application in response to the 2021 NOFA - Harvey Public Services. CHT is considering two options for the proposed application: programmatic services and/or shelter redevelopment construction.</p> <p>CHT leadership has met with Ms. Ana Martinez regarding funding opportunities for the shelter redevelopment project. Please clarify if the following questions meet the CDBG-DR eligible activities for #T29938 Harvey Public Service NOFA. These are:</p> <p>Shelter Redevelopment Construction:</p> <ol style="list-style-type: none"> <li>1. Can the posted Excel form for the Harvey Public Services NOFA Application budget line items be adjusted for construction costs such as demolition, construction hard costs, and soft costs?</li> <li>2. Should the applicant include the schematic design, survey, project timeline, and pre-development activities as support documents in the application?</li> <li>3. Can the proposed project budget include combined total costs for both the programmatic expenses and the shelter redevelopment costs?</li> <li>4. Kindly confirm the ceiling request amount per agency is \$5 Million.</li> </ol> <p>Program Services:</p> <ol style="list-style-type: none"> <li>1. Will CDBG-DR compliance monitoring require CHT to provide client documentation that supports the homeless individuals served by these grant funds were impacted by or as a result of Harvey?</li> </ol>
	<p><b>Q6 Answer:</b></p> <p>#1 – Regarding Shelter Redevelopment Construction – Construction costs are not eligible per funding. Please refer to the NOFA – Scope of Work regarding activities eligible for CDBG-DR public service funds.</p> <p>#2 – See Environmental Clearance in the NOFA related to pre-development costs. The items listed do not support eligible Public Services activity.</p>

	<p><b>Q6 Answer continued</b></p> <p>#3 – Please refer to the Scope of Work regarding activities eligible for CDBG – DR public service funds. See 24 CFR 570.201.</p> <p>#4 – See response for question #2 above.</p> <p>re: Program Services: #1 – Agency will need to determine tie back to Hurricane Harvey and how this program supports the tie back.</p>
<p>7</p>	<p><b>Question 7:</b> If we have an in-house notary on staff, can that person notarize our application? Or does it need to be a third party?</p>
	<p><b>Q7 Answer:</b> The requirement is that the document be notarized.</p>
<p>8</p>	<p><b>Question 8:</b> I am writing to ask about the financial requirement for the Harvey grant application. Will it be possible to turn in our 2019 Single Audit with our Harvey application on July 22, and then send our 2020 audit to ya'll in August? Thank you in advance for your consideration.</p>
	<p><b>Q8 Answer:</b> Please refer to:          - Part 13: Required Supportive Documentation; #3 Financial Audit          - Part V- Exceptions to Terms and Conditions.</p>
<p>9</p>	<p><b>Question 9:</b> I am looking to understand what exactly the City is discussing with regard to the requirement of a signed letter from the Board of Directors confirming the cash flow reserve for this proposed project. What does the City consider the "cash flow reserve for this proposed project"? Is the City seeking to determine that Capital IDEA Houston has sufficient cash reserves for the reimbursement period such that when an invoice is rendered, the invoice is paid within 45-60 days? Or is the City seeking to determine that Capital IDEA Houston has sufficient cash reserves for a six month period without reimbursement? I am very unclear as this is not common language used. When we make the confirmation I'd want to ensure we know what we are confirming.</p>
	<p><b>Q9 Answer:</b> The cash flow reserve is equivalent to 25% or 3-months of the award that is being requested. The City is seeking to determine that the organization has the cash flow required to spend the requested funding while waiting on reimbursement from the City.</p> <p>Example: Requested amount is \$120K. Three months or 25% of this is \$30K. Monthly expense average is \$10K. Month 1 expenses are submitted on the 20<sup>th</sup> day following that month. City may take 30-days to process that reimbursement request, which will be in the 3<sup>rd</sup> month. The Organization in this example is expending funds for 2.5 months prior to receiving a reimbursement from the City. If the organization does not have access to this cash flow reserve, this funding may not be the most appropriate funding to utilize.</p>

<p>10</p>	<p><b>Question 10:</b> 1 – It was discussed in the pre-proposal conference that a word doc of the application portion was going to be uploaded to the files section but we have not yet seen that. Is one going to be uploaded?                  2 – It was also discussed about a logic model and whether one was to be submitted or not – and that was going to be clarified. Can you please clarify?                  Thank you very much</p>
	<p><b>Q10 Answer:</b></p> <p>#1 – For application in word format, see:  <a href="https://purchasing.houstontx.gov/Bid_Display.aspx?id=T29938">https://purchasing.houstontx.gov/Bid_Display.aspx?id=T29938</a></p> <p>#2 – A logic model is recommended but not required.</p>
<p>11</p>	<p><b>Question 11:</b> 1. Can you clarify the number of hard copies and USB's that need to be submitted. (One place it says 1 original and 4 copies, another place it says 1 original and 5 electronic submissions)                  2. Do we also need to present a bid online along with the hard submission?                  3. We are providing workforce services – Do we need an environmental review?                  4. On page 13 it says we are only allowed one page for each narrative response. However, on page 19 (Program Narrative) it appears to have different page limits for each response. Which is accurate?</p>
	<p><b>Q11 Answer:</b></p> <p>#1 – See Part IV – Submission of Proposal: Submit one (1) printed original signed in BLUE ink, and five (5) electronic copies of the Proposal on 5 separate thumb drives sealed in a separate single envelope bearing the assigned solicitation number.</p> <p>Part 1: Public Services Program Checklist has an error. The first line should read: "One original and <b>5</b> electronic copies of Part 1 through 13".</p> <p>#2 – There is no online submission.</p> <p>#3 – All Public Services programs that are selected will go through an Environment Review process that is conducted in house.</p> <p>#4 – Please refer to the Program Narrative page count that is listed on page 19.</p> <p>Submission requirements on page 13, section 3.0 should read as follows: Proposal Content and Program Narrative (max page limit per narrative response as listed under Part 3: Proposal Content and Program Narrative).</p>
<p>12</p>	<p><b>Question 12:</b> We are a volunteer based home repair organization. We would be seeking funding to continue/expand our program of home repair for low income homeowners in North East Houston. I would consider us a public service, and all of our clients are those impacted by Harvey or other disasters. Is that what is mean in the scope of work as "Housing and/or Rehousing Services"?</p> <p>we work with other case managers, but only provide a level of client services to the family's we are working for and are able to connect to other resources that go beyond what we provide.</p> <p>Is this the kind of program the city is looking to fund?</p>

	<p><b>Q12 Answer:</b> Unfortunately, not enough information was presented to make a determination regarding your specific situation. However, please refer to the Scope of Service and the regulations provided to help guide your application.</p>
<p>13</p>	<p><b>Question 13:</b> 1. Can the grant fund a land purchase that will result in additional programming for the identified population in the grant?                  2. Can the grant fund a lease of property that includes utilities and insurance on rental space for programming for the identified population in the grant?                  3. How do you/we report who was impacted by Harvey? Is it based on zip code or is self-report of Harvey impact sufficient for program eligibility? Will the CDBG-DR monitoring require Recenter to provide client documentation that supports homeless individuals served by these grant dollars and were impacted as a result of Harvey?                  4. Can the grant fund salaries/contractual staff as related to the programming?                  5. Can the grant pay for unfunded rent or living expenses of residents in a program that contains these program services?                  6. Can the grant pay for improvements to property that will be used for the programming?                  7. Can the grant pay for new construction?                  8. Can the grant be part capital and part related programming?                  9. Please confirm that the minimum grant is \$100K and maximum \$5 million per project.</p>
	<p><b>Q13 Answer:</b></p> <p>#1 – Acquisition is not an eligible activity under this program.</p> <p>#2 – This is not a yes or no question; however, it is based on program design. Please refer to 24 CFR 570.201.</p> <p>#3 – This is up to the applicant proposing the project. The applicant must provide the tie back to Hurricane Harvey to meet the CDBG-DR eligibility requirements. Suggestions to support tie back include but are not limited to providing information from data sources (i.e. Plans and Reports, Action Plans, Housing Vulnerability).</p> <p>#4 – Grant funds may be used to support the operation of service delivery to beneficiaries.</p> <p>#5 – Income payments are not eligible under this NOFA, including rent or living expenses.</p> <p>#6 – This funding is for services only.</p> <p>#7 – Construction is not an eligible cost. Please refer to the Scope of Work regarding activities eligible for CDBG – DR public service funds. See 24 CFR 570.201.</p> <p>#8 -- Please refer to the Scope of Work regarding activities eligible for CDBG – DR public service funds. See 24 CFR 570.201.</p> <p>#9 – NOFA states: <i>There is a budget floor of \$100,000 per application request. Any application that requests less than the floor will not be considered.</i> Also, see response to question #2 above.</p>

14	<p><b>Question 14:</b> Will it be possible to turn in our 2019 Single Audit with our Harvey application on July 22, and then send our 2020 audit to you in August?</p>
	<p><b>Q14 Answer:</b> Please refer to the following:                  - Part 13: Required Supportive Documentation; #3 Financial Audit                  - Part V- Exceptions to Terms and Conditions.</p>
15	<p><b>Question 15:</b> I am reaching out in regarding the above referenced RFP. Will applications from for-profit organizations be considered as a prime or subcontractor? The solicitation only mentions non-profits, so we wanted to double check.</p>
	<p><b>Q15 Answer:</b> See project summary, page 1. HCDD is seeking nonprofit organizations ('Applicants'), with a 501(c)3 nonprofit status or similar nonprofit status, to provide public services programs to Houston residents.</p>
16	<p><b>Question 16:</b> Hello! I am reaching out to ask about the Harvey NOFA that is unlocked and editable. During the information webinar, we were told that a NOFA that was fillable/editable would be sent out to all participants. Will you please send me a copy? The NOFA I downloaded from the website does not allow one to type into the forms that need to be signed.</p> <p>Also, I would like to know if we can submit our 2019 audit with the grant application, in case our 2020 audit is not finalized before the July 22<sup>nd</sup> submission date.</p>
	<p><b>Q16 Answer:</b> Please refer to the response for questions # 8 and #10 above.</p>
17	<p><b>Question 17:</b> Shelter Redevelopment Construction:</p> <ol style="list-style-type: none"> <li>1. Can the posted Excel form for the Harvey Public Services NOFA Application budget line items be adjusted for construction costs such as [d]emolition, construction hard costs, and soft costs?</li> <li>2. Should the applicant include the schematic design, survey, project timeline, and pre-development activities as support documents in the application?</li> <li>3. Can the proposed project budget include combined total costs for both the programmatic expenses and the shelter redevelopment costs?</li> <li>4. Kindly confirm the ceiling request amount per agency is \$5 Million.</li> <li>5. Program Services:                  Will CDBG-DR compliance monitoring require CHT to provide client documentation that supports the homeless individuals served by these grant funds were impacted by or as a result of Harvey.</li> </ol>
	<p><b>Q17 Answer:</b> Please refer to the response for question #6 above.</p>
18	<p><b>Question 18:</b> How long is the compliance period for the DR17 Public Services Round 3 funding?</p>
	<p><b>Q18 Answer:</b> The compliance period runs while the program is operational and receiving City of Houston funds. Record retention is typically 5 to 7 years.</p>

<p>19</p>	<p><b>Question 19:</b> I have a question regarding the number of hard copies to submit. The NOFA says to submit 1 printed original and 5 electronic copies on thumb drives. However, the application Program Checklist says 1 original and 4 copies. Which guidelines should we follow?</p>
	<p><b>Q19 Answer:</b> Please refer to the response to question #11 above.</p>
<p>20</p>	<p><b>Question 20:</b> On page 19 of Solicitation #T29938 under the “Problem Statement/Demonstration of Need” section, the packet asks that “For applications with lead agency and sub-agencies, please describe the relationship and responsibility of each sub-agency”. Can you provide clarity on what would be considered a sub-agency for the purposes of this application? Would a sub-agency include organizations that we list as contractors in our project budget or does the term have a different definition?</p>
	<p><b>Q20 Answer:</b> A lead agency is an entity applying for funds that intends to distribute a portion of funding to other agencies (sub agency-ies) to carry out the program.</p>
<p>21</p>	<p><b>Question 21:</b> 1. Can you be more specific on how we document direct tie-back to Hurricane Harvey, considering the event occurred in 2017?                  2. One of the eligibility requirements for proposal is 501(c)3 or similar. Can you define similar? Would that include 501(c)5?                  3. How should we document the Low to Moderate Income (LMI) requirement on specific individuals?</p>
	<p><b>Q21 Answer:</b></p> <p>#1 – Please refer to the response to question #13.3 above.</p> <p>#2 – Must be a not-for-profit entity designated by the IRS.</p> <p>#3 – This is part of the client eligibility that each applicant/program design must meet. A requirement of utilizing CDBG funds is that the program must meet a National Objective. Low and Moderate Income is the National Objective.</p> <p>To document this information please see 24 CFR 570.208(a)(2)(i)(B) and (C), as well as 24 CFR 570.506(b)(3)</p> <p>Client files must have the required information on family size and income so that it is evident that at least 51% of the clientele are persons whose family income does not exceed the Low- to Moderate-Income limit.</p>
<p>22</p>	<p><b>Question 22:</b> I attended the Pre-proposal conference for T29938 Harvey Public Service and wanted to see if there was a link to the recorded webinar that I could receive. In lieu of that, is there an example budget that you could make available?</p>
	<p><b>Q22 Answer:</b> The link for the Pre-proposal Conference can be found on our website: <a href="https://houstontx.gov/housing/funding.html#nofa">https://houstontx.gov/housing/funding.html#nofa</a>. For the direct link to the recording please see: <a href="https://www.youtube.com/watch?v=w5oUGyppg8No">https://www.youtube.com/watch?v=w5oUGyppg8No</a>.</p>

<p><b>23</b></p>	<p><b>Question 23:</b> 1. Under Part IV, section B: Submission Requirements it states under 3.0 Proposal Content and Narrative there is a max 1-page limit per narrative response. However, this is contradicted by the instructions in Part 3: Proposal Content and Program Narrative which allow for two page responses for several of the narratives. I assume the instructions in Part 3 are correct? 2. Just double checking, but our understanding is that the title page is the only document that needs to be notarized? 3. Is a sub-agency the same as a contractor or sub-contractor? 4. Do the amounts listed on Part 11: Leveraging Funds for the Program have to match the amounts listed on the Detailed Project Budget under Total Other Funding Sources? 5. If the Executive Director of the agency has signatory authority can they sign the various forms or do the forms have to be signed by the President or Chair of the Board of Directors for the agency?</p>
	<p><b>Q23 Answer:</b></p> <p>#1 – Please refer to the response to question #11 above.</p> <p>#2 - Yes</p> <p>#3 – Please refer to the response to question #20 above.</p> <p>#4 – No, these do not have to match.</p> <p>#5 – The Executive Director may sign all forms with the exception of the Cash Flow documentation. The Cash Flow documentation must be signed by the Board Chair.</p>



<p style="text-align: center;"><b>24</b></p>	<p><b>Question 24:</b> 1. Local housing needs assessment link can't be accessed - <a href="https://recovery.houstontx.gov/wp-content/uploads/2019/01/City-of-Houston-Local-Housing-Needs-Assessment-11.28.2018.pdf">https://recovery.houstontx.gov/wp-content/uploads/2019/01/City-of-Houston-Local-Housing-Needs-Assessment-11.28.2018.pdf</a>.</p> <p>2. Conflict of Interest Questionnaire on page 34 #7 shows as <b>Exhibit A</b>, however on page 16 and 36 it's documented as Exhibit II. Is there another form we should be using as well as <b>Exhibit II</b>?</p> <p>3. Is direct client assistance allowable under this funding? EX: housing repairs, short term rental assistance, move in expenses, one-time utility payments.</p> <p>4. Under the calculation of leveraged funds, under the category of "Public Funding" Column N on the detailed Budget- are there restrictions on the type of public funding which can be utilized for leverage calculation? Do the funds have to be fully in place before the grant award or can they be acquired during the performance of the grant?</p> <p>5. Does utilization of another program within our organization qualify as resource leverage?</p> <p>6. Can the funding from the Rapid Re-Housing (RRH) component of the Community-Wide COVID-19 Housing Program (CCHP) be used as a resource for leveraging, even though its funded by the City of Houston?</p> <p>7. Can this funding be used for direct client assistance?</p> <ul style="list-style-type: none"> <li>• Rental assistance</li> <li>• Housing application</li> <li>• Housing repair</li> </ul> <p>8. Please define what site control is under Activity and Implementation: (Pass/Fail) see pg. 10.</p>
	<p><b>Q24 Answer:</b></p> <p>#1 – Use this link to access the local housing needs assessment: <a href="https://houstontx.gov/housing/plans-reports/Local-Housing-Needs-Assessment-112818.pdf">https://houstontx.gov/housing/plans-reports/Local-Housing-Needs-Assessment-112818.pdf</a></p> <p>#2 – Conflict of Interest Questionnaire is the same for Exhibit A and Exhibit II. This will be corrected to reflect the same Exhibit title.</p> <p>#3 – Direct client assistance is not an allowable cost.</p> <p>#4 – The funding should be fully in place when the agreement starts. This is a zero-based budget and needs to accurately reflect how the program will operate with funding. No other restrictions.</p> <p>#5 – Yes, it may count and should be reflected on the budget.</p> <p>#6 – Yes, it may count and should be reflected on the budget.</p>

	<p><b>Q24 Continued</b></p> <p>#7 – Direct client assistance is not an allowable cost.</p> <p>#8 – The City wants to know that you have control of the site where you are intending to operate the program. Agencies must submit the documentation of site control.</p>
<b>25</b>	<p><b>Question 25:</b> We are currently putting together a proposal for Public Services NOFA T29938. I'm curious if the housing counselors for this program need to be HUD-certified counselors? This is in reference to the housing counseling service area listed as a prioritized activity.</p> <p>If counselors do need to be HUD-certified, can this be listed as a task to complete once our proposal is accepted?</p>
	<p><b>Q25 Answer:</b> This is not a yes or no question. The answer is dependent on the program/project design. If housing counseling, as defined in <a href="#">24 CFR 5.100</a>, is provided, it must be carried out in accordance with <a href="#">24 CFR 5.111</a>.</p>

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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