



CITY OF HOUSTON

Housing & Community Development Department

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Date: January 13, 2023

**Subject: Letter of Clarification for Public Services Notice of Funding Availability
(NOFA) - T32602**

To all prospective Applicants:

This Letter of Clarification is issued for the following reason:

- To make the following revisions to the Notice of Funding Availability (NOFA) T32602 on Page 10, Paragraph 2:
 - Remove "... no later than 5:00 PM, January 20, 2023" and replace with "... no later than **5:00 PM, January 17, 2023.**"
- To provide responses to the questions received from prospective Applicants prior to the deadline to submit questions:

	Question	Answer
1	What is the administrative percentage limitation for the budget?	No more than 15% of the total requested Public Service NOFA funding amount as stated in the budget.
2	Can client eligibility be determined geographically, or must it be determined based on individual income?	Please refer to the CDBG Public Services regulations at <i>24 CFR § 570.208 - Criteria for national objectives</i> . There are different ways to calculate the National Objective of benefiting 51% or greater low-to-moderate income (LMI) individuals or households. LMI is defined as being at 80% or less of the Area Median Income based on the published 2022 Income Limits for the Houston-The Woodlands-Sugar Land, TX HUD Metro FMR Area found at: https://www.huduser.gov/portal/datasets/il.html#2022 .

		<p>It will depend on your type of project, which calculation is appropriate. You cannot switch between Low-Mod Area and Low-Mod Clientele.</p> <p>IF you are going to use Low-Mod Area Benefit as your National Objective calculation, the LMISD data source is provided by HUD and is based on census data. The HCD GIS team will make the final determination if your project qualifies. You need to be very specific about the area that your proposed program will cover. Under the Area Benefit criteria, the public service must be available to all residents of an area where at least 51 % of the residents are LMI. The area must be clearly delineated by the grantee and must be primarily residential.</p>
3	Is building use or rent an eligible cost?	Costs need to be associated with the proposed program and we are looking for the tie-back. Building use and rent are eligible. Applicants are required to show us how you are allocating that cost when a building and/or rent may serve more than one program and funding source.
4	The cover page of the NOFA say questions are due 1/17 but page 10 of the NOFA say questions are due 1/20. Which is the correct date?	The correct date is Tuesday, January 17th, 2023 @ 5pm.
5	Can you please post the link for this (verifying debarment status and SAMS.Gov registration)?	https://sam.gov/content/home
6	Instructions #4 does not state page limitations. Which hyperlink?	Page limits can be found in the Application Content and Narrative document available at https://houstontx.gov/housing/funding.html#nofa
8	What do you need to verify organization is in the City of Houston? (T6)	The address of the location where services are to be provided.
9	Is there a place where we can check if we are in the "city" of Houston?	The Harris County Appraisal District (HCAD) can show if an address is being billed for City of Houston taxes which indicate the location is within the City's City Limits. Houston map viewer is another option: (https://mycity.houstontx.gov/houstonmapviewer/) – Applicants can enter address and it will let you know if you are in the city limits or not.
10	When we submit our documents in OnBase, about when can we expect the Confirmation Email to come through? Is it immediate or does it take some time?	At least 30 minutes.
11	do you accept NICRA rates?	Yes, we accept this. But again, you cannot use an indirect cost rate and an allocated admin cost. It is one or the other. We will need to see that documentation. You will only receive up to 15%.
12	Will we need need to deliver a hard copy to the city secretary as well as the online submission?	No

13	will you accept joint applications?	No. You can have an application in which you use other services with other providers, but we are looking to see what that cost is for your organization. If you are using other providers or contractors, you must document how you procured those service providers. We will want to see if there was a NOFA or RFP that was issued by the agency.
14	Will you accept multiple applications from one agency?	Yes. Submission of more than one application doesn't mean that all applications will be approved.
15	Low and moderate up to 80% or less than 80%; Childcare facility need license? Clarify results and evaluations; two years of balance sheet and income statement or current one?	All childcare facilities need licenses so we would need to see that documentation. Results and evaluations – what are you doing to maintain your program as a success. There should be some data. If your program doesn't have any data, then why are you continuing to fund it. What is the reason that our tax dollars should be going to this program? Is your organization financially secure? If you receive over \$750k in federal funds, then you are required to have a single audit. If your organization is smaller and not exceeded threshold of \$750k, then we will accept any audit or balance sheet/income sheet you use to track your organization's financial health.
16	Will the application portal save previous submissions?	No. Please have everything ready when you submit.
17	If you upload a file to Onbase, is it locked in or can you delete it out or change it to replace it?	Once you hit submit, it is locked in. Before it is submitted, you can change the file.
18	Can you give any guidance on the environmental review? Is there a contact person to assist with that? Is the Environmental review done after approval of funding?	All federal funds from HUD require an environmental review. This is done after we have made the recommendation for award, prior to going to city council. It is in the NOFA. This is not anything you are doing. This is an internal process on our side. We do mention it because it is a federal requirement. IF it reveals something that we need to mitigate then we may have to make adjustments to your program.
19	This is what it says on your website: Please remember that it is still a City policy that a sealed, signed bid be submitted to the City Secretary by the due date. After you submit your bid online, please PRINT and SIGN and SUBMIT to the City Secretary. More details... Please clarify	This does not apply to HCD NOFA applications. HCD NOFA applications do not need to be submitted to the City Secretary. HCD NOFA applications must be submitted through the OnBase portal at https://bit.ly/NOFA-DocumentPortal .
20	The NOFA mentions that housing placement is through the Coalition for the Homeless. Does that mean that rent assistance to clients is only provided by the coalition? Agencies then only do the case management?	That is correct. This particular NOFA does not provide any type of rental assistance.
21	Can an employee be an alternate on a City Board or Commission?	That is a legal question. Please fill out the Conflict of Interest form and our Legal team will make that determination. Just because it is a conflict, that doesn't

		necessarily preclude you from being awarded funds. All applicants are required to complete and submit a Conflict of Interest Form.
22	What is the grant period for this NOFA?	A term of 12 months with a possible 12-month renewal.
23	What if an applicant uploads their application and forgot to submit something, should they reach out to you or upload again.	Upload again and then contact Linsi Broom and let her know which application they want to submit, as long as it is before the 3pm deadline.
24	Are forms like the city Conflict of Interest one available somewhere as a template or do we create one?	All required forms are available at https://houstontx.gov/housing/funding.html#nofa under the Featured NOFA – Public Services section.
25	Is there an earlier deadline (before the end of the 12 months) by which a certain percentage of the grant needs to be already spent?	It depends on the funding source. All of our contracts have deadlines. We expect a 1:12 spend rate – that is the average. We will track this through the agreement period. Different funding sources have different deadlines. If your program is cyclical or seasonal, clearly explain this in your narrative.
26	About what date would the decisions be made, then agencies be alerted? And around what date would the funding begin?	It is anticipated that that decisions and agency notifications will occur by the end of Q2 2023. The date funding begins for selected applicants is dependent upon scoring and if a selected agency has an existing agreement with the City. Those with existing agreements will be timed to avoid a gap in services.
27	If you have contracts with the City, is that a Conflict of Interest?	No.
28	As a newer organization, can you discuss financial capacity – we are funded primarily by private grants?	When it comes to the financial capacity, this is a reimbursement grant only. If you apply for \$250k, you would need \$62,500 in cash flow (3-months) to apply. If it is not there, you do not meet the established threshold. Our system is designed to try to get the first reimbursement to you by the end of the third month of the grant period, but you will need the cash flow available to make it until you receive that reimbursement. We do not do this to penalize newer organizations but to reduce risk associated with cash advances.
29	We have two facilities adjacent to each other but with different zip codes, 77090 and 77014. If you pull by zip code it shows a lot of the area around our facility and much of the area we serve, such as the Greenspoint area, are all in the City of Houston. NAM has had City of Houston grants before including City ESG and CDBG. As long as we were serving City of Houston Residents, there was no concern about where we were located.	According to: § 570.309 Restriction on location of activities. CDBG funds may assist an activity outside the jurisdiction of the grantee only if the grantee determines that such an activity is necessary to further the purposes of the Act and the recipient's community development objectives, and that reasonable benefits from the activity will accrue to residents within the jurisdiction of the grantee. The grantee shall document

		<p>the basis for such determination prior to providing CDBG funds for the activity.</p> <p>For Public Services Program (T32602) NOFA – An eligible applicant agency that is located outside the City of Houston’s CDBG jurisdiction (based on the City Limits Boundary) may apply but must also include in their narrative application, under Program Objectives and Plans (ii. Delivery), why the activity is necessary and benefits ONLY the residents within the City of Houston jurisdiction. Additionally, the applicant agency must provide a sample of the program enrollment form that documents how the agency will determine eligibility based on residency. That document may be submitted under Other Supportive Documentation is in the OnBase portal and must be referenced in the narrative of the application.</p>
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This Letter of Clarification will be considered part of the solicitation referenced on the first page of this document.

It is the responsibility of the Applicant to ensure that it has obtained all such letter(s). By submitting application on this project, Applicants shall be deemed to have received all Letter(s) of Clarification and to have incorporated them into their applications.

Thank you,

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Finance
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