



CITY OF HOUSTON

Housing & Community Development Department

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Date: April 18, 2024

Subject: Letter of Clarification for 2024 Multifamily Notice of Funding Availability (NOFA) – N040824

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) N040824 on Page 8, Paragraph 7 under “Fees”
 - Change “Compliance Monitoring Fee of **\$25** per HOME or other HCD financed unit.” to “Compliance Monitoring Fee of **\$30** per HOME or other HCD financed unit.”
- To provide responses to the questions received from prospective Applicants prior to the deadline to submit questions:

	Question	Answer
1	Will 2024 Tax Credit Applications be considered under this NOFA?	No, 2024 9% tax credit applications will not be considered; however, 2024 4% tax credits applications will be considered as priority 2. Another NOFA will be released in the 4 th quarter of 2024. That NOFA will include the 2024 9% tax credit award applicants.
2	List of Developers interested in partnerships	<ul style="list-style-type: none"> • Morris Lang – DSW Homes, LLC. Friendswood, Tx 225-747-5448 • 281-454-9804 A. PROCTOR GEMINI HOLDINGS • Charlene Zak-Knepper with James W. Turner Construction, Ltd. - Builder - 281-290-9011 x 502 ; info@jwtc.net
3	How long does it take for HUD to issue an AUGF typically?	The timeline varies. It can take up to six months to go through the entire environmental review process.
4	Would a project that received a 9% tax credit in 1996 with an extended affordability period (and willing to further extend) in need of rehabilitation be eligible to apply?	For 9% tax credits, this NOFA is targeting awards from 2021, 2022, and 2023. Therefore, a project that received a 9% tax credit award in 1996 with an extended affordability period (and willing to further

		extend) in need of rehabilitation is not eligible to apply .
5	Is a project site located in an Extraterritorial Jurisdiction (ETJ) eligible?	No, all projects must be located within the City of Houston City Limits.
6	When will the awards be made?	Award recommendations are expected to be determined in June 2024.
8	Are all the funds deposited all at once or in project phases?	All funding is subject to 10% retainage, including acquisition and applicable soft costs. If we are funding the acquisition, the total amount of funding towards acquisition minus the 10% retainage will be wired. Otherwise, the funds will be wired in phases. After you have paid your general contractor, you will be asked to submit a draw with supporting documentation that will be reviewed by various HCD divisions and then sent to the Controller to wire.
9	For each draw, is there an inspection point from the City included in that process?	Yes, it is. We require reliance on the third-party construction reports that analyze the draw. The construction report is included with the draw request.`
10	If the property sells throughout the process, is there an abatement back to the city of about 50% of net proceeds?	It will have to go through the Legal Department, but in general, for a sell or refinance, your agreement is going to state that if there are any net proceeds from the transaction, the City will get a share of that.
12	What are some of the qualifications for the 64 minimum units that are required for the project? What percentage of the units must be affordable?	The percentage of the project that you are requesting to be funding should be equal to the percentage of affordable units. For example, if you request 15% of the project to be funded, 15% of the units should be affordable.
13	Does the project need to be apartment style or are duplexes allowed?	Duplexes are allowed; however, our preference is apartment style. Please note that for duplexes, the environmental review will take longer since there are individual addresses.

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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