



# CITY OF HOUSTON

Housing & Community Development Department

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**Date:** July 9, 2024

**Subject: Letter of Clarification (3) for 2024 Single Family Stella Link Development Project (NOFA) – N060724**

To all prospective Applicants:

This Letter of Clarification is issued for the following reason:

- To extend the NOFA submission deadline from Friday, July 12<sup>th</sup> at 3pm to Friday, July, 19<sup>th</sup> at 3pm.
- To provide clarity to Page 3 of the NOFA, Part I, General Information.
  - GLO funds totaling \$11,590,957.00 are available for the Stella Link project to be used for infrastructure and/or home construction.
  - In addition, The City received \$13,970,540.11 in a direct allocation from the GLO. These funds were used to acquire the land located at 10301 Stella Link Road. This land will be included as part of the loan agreement for the selected developer.
- To define the “close out conditions” as mentioned on Page 4, Paragraph 3, Line 11 of the NOFA.
  - The City's close out conditions include completion of all construction and sale of all homes by September 30, 2027 in order to meet the deadline.
- To provide clarity to Page 6, Part II. Scope of Work – Preliminary Community Design.
  - Detached homes are a requirement for this project.
- To increase the maximum homebuyer subsidy from \$135,000 per unit to \$300,000 per unit as discussed on Page 10, Part II. Scope of Work – Home Market Value Strategy. This subsidy will include the land cost, as well as any additional homebuyer assistance provided by the developer. The Harvey Single Family Development Program Guidelines will be updated to reflect this change.
- To provide clarification regarding garages. On Page 19, Scoring Criteria 6, the NOFA states “The housing mix should consist of a combination of two, three, and four-bedroom homes each with 2-bathrooms and a 2-car garage.”

- CDBG-DR funds cannot pay for garages. However, City of Houston ordinance requires 2 off street parking. Developers will be responsible for separating out the cost of garages from the total cost of development.
- On Page 19, Scoring Criteria 6, the NOFA states “The housing mix should consist of a combination of two, three, and four-bedroom homes each with 2-bathrooms and a 2-car garage.”
  - Two-bedroom homes will be allowed. The Harvey Single Family Development Program Guidelines will be updated to reflect this change.
- To provide clarity regarding the City’s Minimum Construction Standards as discussed on Page 11, Part II. Scope of Work - Minimum Construction Standards.
  - The City’s Minimum Construction Standards are regularly updated, and the City intends to have the developer comply with Texas Government Code - GOV'T §2306.514 Construction Requirements for Single-Family Affordable Housing.
- To add the Stella Link General Wage Determinations document to the Supplemental Documents located at <https://houstontx.gov/housing/funding.html#nofa>.
- To add the updated Environment Review documents to the Supplemental Documents located at <https://houstontx.gov/housing/funding.html#nofa>
- To provide responses to the questions received from prospective Applicants prior to the deadline to submit questions:

|           | <b>Question</b>   | <b>Answer</b>   |
|-----------|---|---|
| <b>1.</b> | By asking for five years of financials that are CPA certified, it stops many MWSBE firms from applying. CPA certified financials are an expense that many smaller firms cannot provide and as we are all committed to MWSBE prime building, will there be an alternative to this? | The NOFA states that an applicant should submit a letter prepared by a CPA that provides evidence of 5 years of financial statements.   |
| <b>2.</b> | Due to the significant amount of due diligence and planning detail that is needed, is it possible the City will extend the deadline two weeks so more comprehensive plans can be complicated by all parties and save time on the backend?   | The application deadline will not be extended. The applicant isn't required to provide a full drawn-up set of construction plans. We are requesting that the applicant provide a preliminary design to demonstrate how many lots the property can accommodate along with detention requirements. Any home plans can be conceptual with a possible layout of the floor plan. |
| <b>3.</b> | “Is there a requirement for the roads be to be PAE, private, or public?”  | HCD is seeking public streets for this development. The potential developer can be awarded up to 5 possible points by incorporating public streets with the Homeowner Association requirement, as stated in the NOFA.   |

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

It is the applicant's responsibility to ensure that it has obtained all such letter(s). By applying for 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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