NOTICE OF FUNDING AVAILABILITY FREQUENTLY ASKED QUESTIONS

CITY OF EL PASO

HOME INVESTMENT PARTNERSHIPS (HOME) AND AMERICAN RESCUE PLAN (HOME-ARP) PROGRAM

FOR THE DEVELOPMENT AND REHABILITATION OF AFFORDABLE RENTAL HOUSING

1. Who is eligible to apply for funding?
Eligible applicants include qualified housing developers and Community Housing Development Organizations (CHDOs) proposing affordable housing projects within the City of El Paso. Applicants must demonstrate the financial and organizational capacity to successfully develop and manage the proposed project.

2. What types of projects are eligible for funding?
Eligible activities may include acquisition, rehabilitation, or new construction of affordable housing, subject to the applicable funding source and NOFA requirements. Proposed projects must meet federal eligibility standards and align with the City's affordable housing priorities.

3. What financing terms will apply to awarded projects?
Under the proposed NOFA terms, private developers will receive HOME assistance in the form of loans carrying 3% simple interest. Eligible CHDOs may receive assistance in the form of grants, subject to the requirements of the NOFA and applicable federal regulations.

4. Is there a maximum amount of funding an applicant may request?
Applicants should refer to the NOFA for available funding amounts and any applicable award limitations. Funding decisions will consider project eligibility, demonstrated financial need, available resources, and the City's evaluation criteria.

5. Can an applicant submit more than one project?
Applicants may submit multiple proposals unless otherwise restricted by the NOFA. Each application must independently satisfy eligibility, documentation, and evaluation requirements. Submission of multiple applications does not guarantee funding.

6. What documentation is required to demonstrate project readiness?
Applicants should provide the documentation identified in the NOFA, which may include evidence of site control, development budgets, financing commitments, project schedules, organizational capacity, and other materials necessary to assess feasibility.

7. How will applications be evaluated?
Applications will be evaluated using the criteria established in the NOFA, which may include project feasibility, financial capacity, development experience, readiness to proceed, affordability, community benefit, and compliance history.

8. Can applicants with unresolved compliance findings receive funding?
The City may consider unresolved monitoring findings, outstanding corrective actions, and other documented compliance concerns when evaluating applications. Material unresolved compliance issues may affect an applicant's eligibility or funding

recommendation, consistent with the NOFA's published criteria and applicable federal requirements.

9. Can funding be used to reimburse expenses incurred before an award?
Applicants should not assume that expenses incurred before award or execution of an agreement will be reimbursed. All costs must meet applicable federal eligibility requirements, including environmental review restrictions and any conditions established by the City.

10. Are projects required to comply with federal labor and construction requirements?
Yes, where applicable. Projects must comply with relevant federal requirements, which may include Davis-Bacon prevailing wages, Section 3, Build America, Buy America, environmental review, and other applicable regulations. The specific requirements depend on the funding source, project characteristics, and applicable thresholds or exceptions.

11. What happens if a selected project experiences delays or changes in financing?
Applicants must promptly notify the City of material changes affecting the project's scope, financing, schedule, or feasibility. The City will evaluate the circumstances and determine whether modifications, additional documentation, or other actions are necessary under the applicable agreement and federal requirements.

12. What is the difference between HOME and HOME-ARP funding?
Although both programs support affordable housing, HOME and HOME-ARP are separate federal funding programs with distinct eligibility, occupancy, compliance, and reporting requirements. HOME-ARP includes additional requirements related to qualifying populations, tenant selection, and ongoing documentation. Applicants interested in HOME-ARP funding are responsible for reviewing and understanding these requirements before applying.

13. Can HOME and HOME-ARP funding be awarded to the same project?
Yes, provided the proposed activities and expenditures meet the requirements of each funding source. Applicants receiving both HOME and HOME-ARP assistance will be required to execute separate agreements with the City, maintain appropriate financial and compliance records for each program, and ensure that the same costs are not reimbursed twice. Each funding source will remain subject to its own requirements and reporting obligations.

14. Is the City responsible for ensuring applicants understand all applicable federal requirements before applying?
Applicants are responsible for independently reviewing and understanding the federal requirements associated with the funding they request. While the City may provide technical assistance and clarification regarding the NOFA, applicants must demonstrate the capacity to comply with applicable eligibility, financial, construction, reporting, and

long-term affordability requirements. This responsibility applies to both HOME and HOME-ARP funding and continues throughout the applicable period of compliance.