

HOME American Rescue Plan (HOME-ARP) Overview*

Naomi Cantu, HOME- ARP Director
Tiara Hardaway, HOME-ARP Manager

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Speakers

Naomi Cantu
HOME-ARP Director
Naomi.Cantu@tdhca.state.tx.us
737-247-1088

Tiara Hardaway
HOME-ARP Manager
Tiara.Hardaway@tdhca.state.tx.us
512-475-4227



HOME-ARP Basics

- ✓ TDHCA'S HOME-ARP OVERVIEW
- ✓ HOME-ARP QUALIFYING POPULATIONS
- ✓ HOME-ARP NONPROFIT CAPACITY BUILDING AND OPERATING COST ASSISTANCE



Texas Department of Housing and Community Affairs

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HOME-ARP Program Background

- Established by American Rescue Plan Act
- TDHCA received approx. \$132 million in HOME-ARP
- One-time funding
- Based on the HOME Annual program
- Federal expenditure deadline September 30, 2030

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Overview of HOME-ARP

Households must meet a definition of Qualified Population (QP) to be eligible.

QP pays no more than 30% of income toward rent.

New activities

- Nonprofit capacity building
- Non-congregate shelter rehab/development

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New Activities: Non-Congregate Shelter (NCS) and Capacity Building

- **Non Congregate Shelter:**
 - Private units or rooms as temporary shelter to individuals.
 - Units must include sanitary facilities in each unit.
 - More information about NCS development will be issued at a later date.
- **Capacity building:**
 - Expand or improve the organization so that it will be able to carry out HOME-ARP activities.

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TDHCA HOME-ARP Allocation Plan (approved May 2022)

HOME-ARP Activity	Funding Amount	Percent of the Grant
Non-Congregate Shelters	\$56,511,887	42.5%
Affordable Rental Housing Incl. Capitalized Operating Reserves	\$56,511,887	42.5%
Non-Profit Operating/Non-Profit Capacity Building	\$6,648,458	5%
Administration and Planning	\$13,296,915	10%
Total HOME ARP Allocation	\$132,969,147	100%

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Timeline (updated Dec 2022)

- TDHCA's Allocation Plan was approved by HUD in May 2022
- Summer 2022
 - HOME-ARP NHTF Set-Aside Application (\$10 million)
- December 2022
 - HOME-ARP Rental NOFA (\$49-59 million with cap. building/nonprofit operating)
- Winter 2022/2023
 - HOME-ARP Capacity Building/Nonprofit Operating Assistance NOFA for large-scale shelter (amount TBD)
- Summer 2023 (tentative)
 - HOME-ARP Non-Congregate Shelter NOFA (\$56 million)

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HOME-ARP Qualifying Populations



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HOME-ARP QUALIFYING POPULATIONS

1. Homeless - Experiencing Homelessness
2. Formerly Homeless But Housed With Temporary Resources
3. At Risk of Homelessness
4. Greatest Risk of Housing Instability
 - a. At-Risk of Homelessness Criteria, with income at 50% AMI (instead of 30% AMI)
 - b. Extremely low income and severely cost burdened
5. Individuals fleeing or attempting to flee, domestic violence, dating violence, sexual assault, stalking, or human trafficking

Veterans and families that include a veteran member that meet one of the following criteria are also a qualified population.

(Slide updated Dec 2022)

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Referrals

- Overview of QP definitions in this webinar
 - Provides expectations
 - Not detailed enough to determine QP eligibility
- More guidance on how to determine eligibility will be coming
- Referrals Methods may offer streamlining of eligibility process

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Documentation of Qualifying Population Status

- Order of priority:
 - 1. Third-party documentation
 - 2. *If unable to obtain third-party documentation*, intake worker observations
 - 3. *If unable to obtain third-party docs or observations*, certification from the person seeking assistance.
- Exception allowed if the third-party doc. or observation would jeopardize the safety of the individual or family in a domestic violence situation, certification.

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Homeless

- 24 CFR 91.5 and HUD Notice 21-10 include three categories for Homeless:
 - 1. Literally Homeless
 - 2. Imminent Risk of Homelessness
 - 3. Homeless Under Other Statutes

- HUD's Homeless Definition and Recordkeeping Handout*
<https://www.hudexchange.info/resource/1974/criteria-and-recordkeeping-requirements-for-definition-of-homeless/>

*HOME-ARP does not include Homeless Category 4 as listed on the HUD document.

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Overview of Homeless Categories

1. Literally homeless
 - An Individual or family who lack a fixed, regular and adequate residence (e.g., literally homeless)
2. Imminent Risk of Homelessness
 - An Individual or family who will lose their residence in 14 days without another unit identified and no other resources and supports.
3. Homeless Under Other Statutes
 - Unaccompanied youth under 25, or family with children and youth who meet another definition of homelessness and show housing instability and special needs/barriers, as listed in the statute.

This slide should not be used to qualify persons for eligibility – full definitions and eligibility tools can be found online at <https://www.tdhca.state.tx.us/HARP.htm>

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Documentation Examples for Homeless

Literally homeless:

- Written observation of the conditions where the individual or family was living.

Imminent risk:

- Eviction action or equivalent legal notice to leave residence within 14 days after they applied for assistance

Homeless Under Other Statutes:

- Certification of homeless status by the local private nonprofit organization or state/local gov. responsible for administering assistance; and
- Certification of no permanent housing and moving two or more times in 60 days prior to application; and
- Housing instability examples (more than one may be needed):
 - written diagnosis from a professional who is licensed by the state to diagnose and treat condition
 - employment records
 - department of corrections records
 - literacy/English proficiency tests

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HOMELESS CATEGORY 2 EXAMPLE

Mary and her daughter Margaret have been staying with Mary's brother, Rob, in the condo he owns. Rob says Mary and Margaret can no longer stay with him as of next week. Mary and Margaret may qualify as imminent risk of homelessness if:

- Rob provides a notice to vacate to Mary (date to vacate is within 14 days of application); and
- Mary certifies there is no subsequent residence and no other resources or support networks to obtain permanent housing.

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Formerly Homeless and Housed with Temporary Assistance

- Households who have:
 - previously been qualified as “homeless” per 24 CFR §91.5;
 - are currently housed due to temporary or emergency assistance;
 - and who need additional assistance or to avoid a return to homeless.

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Documentation for Formerly Homeless But Housed With Temporary Resources

Third-party documentation as the “homeless” definition

Documentation of current assistance end date by agency providing assistance*

Demonstration of additional need*

*Documentation may be subject to change based on future HUD guidance.

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At-Risk of Homelessness

- 24 CFR 91.5 and HUD Notice 21-10 have three categories for At-Risk of Homeless:
 - 1. Individuals and Families
 - 2. Unaccompanied Children/Youth
 - 3. Families with Children and Youth
- At-Risk of Homelessness Definition Handout: <https://www.hudexchange.info/resource/1975/criteria-for-definition-of-at-risk-of-homelessness/>
- At-Risk of Homelessness Recordkeeping Handout: <http://www.tdhca.state.tx.us/home-division/esgp/docs/RecordkeepingAtRiskHomelessDef.pdf>

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At Risk of Homelessness – (1) Individuals and Families

- i. Annual income <30% Area Median Income (AMI)
- ii. Without sufficient resources or support networks to prevent them becoming homeless
- iii. And meet a condition listed in the statute, which includes, but is not limited to:
 - Moved two or more times in the past 60 days because of economic reasons
 - Will lose right to occupy current housing within 21 days
 - Lives in a hotel/motel that is not paid by government support or charity
 - Is exiting a public institution or system of care

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At-Risk of Homelessness – Individuals and Families Example

Mark is has been staying at a hotel for five nights, has run out of funds, and has nowhere else to go. His income is below 30% AMI and he certifies that he lacks resources and supports.

The intake staff can certify that he/she observed that Mark is living in a hotel by

- writing a statement that the intake staff visited the hotel and talked to the manager, or
- writing a statement that Mark provided hotel receipts for the last five days.

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Documentation for At Risk of Homelessness - Individuals and Families

Examples:

- Income qualification; **and**
- Certification of lack of resources and supports; **and**
- Eviction notice that demonstrate one of the criteria; **or**
- Notice of termination from employment that demonstrate one of the criteria; **or**
- Bank statements that demonstrate one of the criteria; **or**
- Written statement by the relevant third party.
 - (e.g., former employer, primary leaseholder, public administrator, hotel or motel manager)

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At Risk of Homelessness – (2) and (3)

- (2) Unaccompanied Children and Youth
 - Qualifies as homeless under other statutes such as (but not limited to):
 - The Runaway and Homeless Youth Act
 - The Head Start Act
 - Violence Against Women Act
 - Public Health Service Act, Food and Nutrition Act or Child Nutrition Act
- (3) Families with children
 - A child or youth who qualifies as homeless under the McKinney-Vento Homeless Assistance Act, along with a parent/guardian.

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Documentation of At Risk of Homelessness – (2) and (3) Example

Certification of the child or youth's homeless status by the agency or organization responsible for administering assistance through other statute.

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At Greatest Risk of Housing Instability – At-Risk Except 50% AMI

- Have annual income at or below 50% AMI (instead of 30% AMI); and
- Meet a condition listed in the statute for at-risk of homelessness.
 - New: There is not a requirement to demonstrate lack of resources and support network.

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(Slide updated December 2022)

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At Greatest Risk of Housing Instability – Extremely Low income and Severely Cost Burdened



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Extremely low income = 30% or below; and
Severely cost burdened = paying more than 50% of monthly household income toward housing costs

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Documentation for At Greatest Risk of Housing Instability

At-risk of homelessness with higher AMI

- Same as at-risk of homelessness criteria except with 50% AMI and without need to document lack of resources and supports

Extremely low income with severe cost burden*

- Income evaluation form and source documents for assets
- Copy of lease or rental agreement showing cost burden

*Documentation may be subject to change based on future HUD guidance.

(slide updated December 2022)

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Fleeing, or Attempting to Flee, Domestic Violence, Dating Violence, Sexual Assault, Stalking, or Human Trafficking

- Any individual or family who is fleeing or attempting to flee:
 - Domestic Violence
 - Dating Violence
 - Sexual Assault
 - Stalking
 - Human Trafficking (sex and/or labor)

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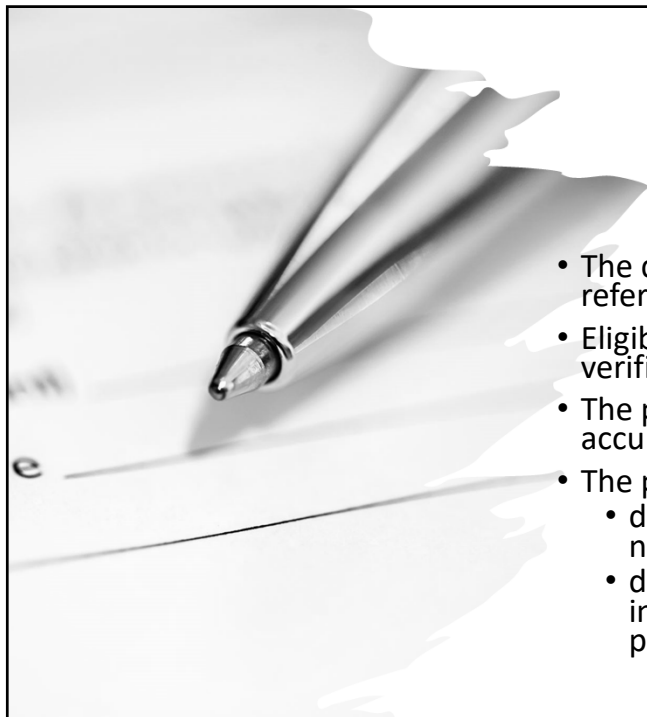


Documentation for Fleeing, or Attempting to Flee, Domestic Violence, Dating Violence, Sexual Assault, Stalking, or Human Trafficking

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Examples:

- a written certification by a victim service provider, intake worker, social worker, legal assistance provider, health-care provider, law enforcement agency, legal assistance provider, pastoral counselor, or an intake worker in any other organization from whom the individual or family sought assistance; or
- a written certification by the individual or head of household.



Referrals and Documentation

- The documentation and verification from the referral agency may be transferred.
- Eligibility documentation of QP status and verification of status must be kept at the project.
- The project is ultimately responsible for the accuracy of the QP eligibility criteria.
- The property must also:
 - document other preferences or limitations not in the referral;
 - determine other items (e.g. household income and the calculation of the tenant paid portion of the rent).

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Waitlists, Coordinated Entry and Referrals

- Further guidance will be provided in another webinar

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HOME-ARP Nonprofit Capacity Building and Nonprofit Operating Assistance



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Nonprofit Capacity Building and Operating Cost Assistance (NCO)

Capacity building

- Expand or improve the organization so that it will be able to carry out HOME-ARP activities.
- Must be a reasonable expectation that the nonprofit will be funded for a HOME-ARP activity within 24 months.

Operating cost assistance

- Support for the existing **general** operating costs
- Cannot be associated with a final cost objective, such as a particular award, internal project, or other direct activity.

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Eligible Capacity Building/Nonprofit Operating Costs

#	Type	Nonprofit Capacity Building	Nonprofit Operating Assistance
1	Payroll	Salaries for <u>new</u> hires including wages and other employee compensation and benefits	Existing employee salaries, wages and other employee compensation and benefits, but not project-level expenses
2	Training	Costs related to employee training or other staff development that enhances an employee's skill set and expertise	General employee education, training, and travel but not a property-level certification
3	Equipment and supplies	Equipment (e.g., computer software or programs that improve organizational processes), and upgrades to materials and equipment and supplies	Equipment, materials, and supplies
4	TA and Consultants	Contracts for technical assistance or for consultants with expertise related to the new HOME-ARP activity being undertaken and with qualifying populations	n/a
5	Operating/Overhead	n/a	Rent and utilities for the nonprofit's general office space; communication costs; some types of taxes and insurance

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Assistance

- Costs directly assignable to a HOME-ARP activity or project are ineligible for operating costs assistance.
- If the operating cost can be charged to the HOME-ARP activity, it must be charged to the HOME-ARP activity.
- Examples:
 - Costs to develop HOME-ARP rental housing are paid by a developer fee (a project delivery or soft cost) and ineligible for operating assistance.
 - Supportive services to residents is an eligible HOME-ARP activity (though not programmed through TDHCA's HOME-ARP) and would be ineligible for operating assistance.

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Ineligible Operating Cost Assistance (con't)

- Staffing and operating expenses of emergency shelters are prohibited.
 - Example: services, allocable overhead and staffing costs, property insurance, utilities, etc, of an emergency shelter.

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Misc. Eligibility Requirements for NCO

Equipment, materials, and supplies must be tracked and reported if aggregate is over \$5,000

Rental space must have been procured

Taxes are limited to employment taxes

Insurance is specific to Board of Directors and Officers

Property insurance would only be for the general office space

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NCO Availability

- Funds released:
 - In the Rental Development NOFA or NCS NOFA; or
 - Separately in its own NCO NOFA (e.g., for large-scale shelters)

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NCO Minimum and Maximum Amounts



Minimum: \$50,000



Max: The greater of 50% of the general operating expenses of the organization or \$75,000, or amount as specified in NOFA.

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Recap

HOME-ARP Overview

HOME-ARP QP and
Documentation Examples

HOME-ARP NCO

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THANK YOU

FOR MORE INFORMATION, PLEASE SEE THE
TDHCA HOME-ARP WEBSITE:

[HTTPS://WWW.TDHCA.STATE.TX.US/HOME-ARP/INDEX.HTM](https://www.tdhca.state.tx.us/home-arp/index.htm)

