



Texas Interagency Council for the Homeless (TICH): TDHCA Legislative Update

February 18, 2025

Agenda

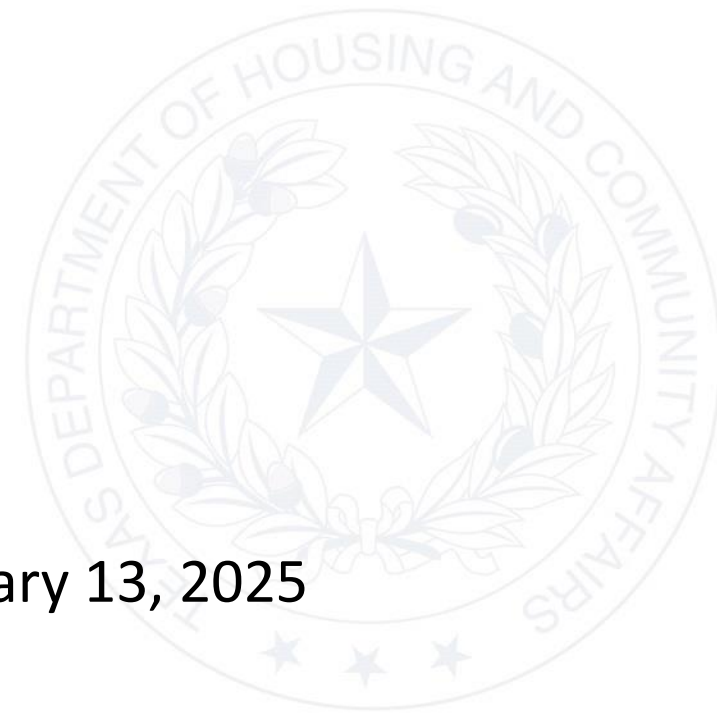
- 89th Legislative Session
- Bills on Homelessness
- Q&A



89th Legislative Session (1 of 3)

- Key Dates

- First Day of Session: January 14, 2025
- Committees Consideration of Non-Emergency Items: February 13, 2025
- Bill Filing Deadline/Voting Begins: March 14, 2025
- Sine Die: June 2, 2025
- Governor's Signature Deadline: June 22, 2025
- Effective Date for Most Enacted Bills: September 1, 2025



89th Legislative Session (2 of 3)

- Speaker of the House
- House Intergovernmental Affairs
- Senate Local Government



89th Legislative Session (3 of 3)

- The General Appropriations Act (SB1/HB1)

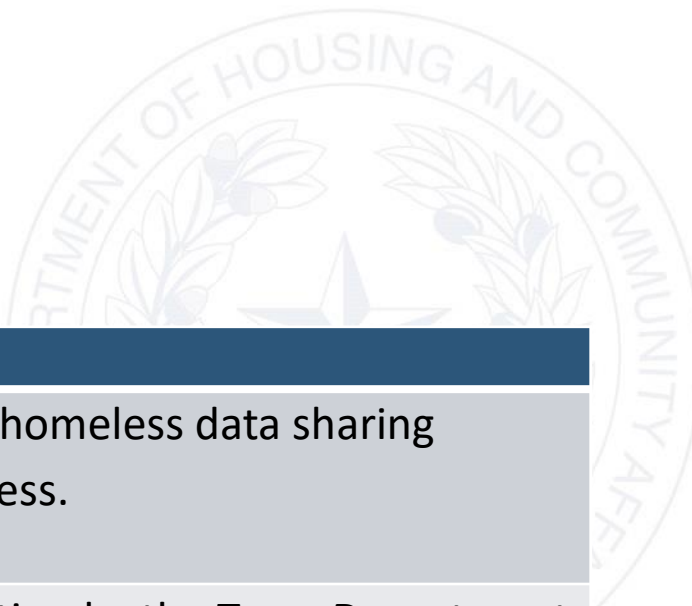


Bills on Homelessness



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Bills on Homelessness (1 of 2)



Bill Number	Author	Caption
HB 636	Walle	Relating to the implementation of a statewide homeless data sharing network to share real-time data on homelessness.
HB 714 / SB 337	Walle / Eckhardt	Relating to the establishment and implementation by the Texas Department of Housing and Community Affairs of the Texas Tenant Readiness and Landlord Incentive Pilot Program.
HB 1173	Raymond	Relating to the administration of the homeless housing and services program by the Texas Department of Housing and Community Affairs.
HB 2016	Bucy	Relating to the establishment of the housing Texas fund to be administered by the Texas Department of Housing and Community Affairs.
HB 2142	Simmons	Relating to a study by the Texas Department of Housing and Community Affairs on the feasibility of using certain models to address homelessness in this state.

Bills on Homelessness (2 of 2)

Bill Number	Author	Caption
HB 2426	Garcia, J.	Relating to an assessment on the use of surplus government property to provide housing to homeless veterans.
HB 2724	Cole	Relating to equitable operations policies for certain emergency homeless shelters.
HB 2746	Campos	Relating to the establishment by the Texas Department of Housing and Community Affairs of a pilot program to solicit donations made by text message for the benefit of local programs that provide services.
HB 2808	Rose	Relating to the administration by the Texas Department of Housing and Community Affairs of a homeless housing and services program for youth and young adults.
SB 399	Sparks	Relating to a biennial audit of the effectiveness and efficiencies of state services provided to homeless individuals.

Questions?



0613_PowerPoint Presentation



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HOME-ARP
Nonprofit Capacity Building and
Operating Cost Assistance
(NCO) for Non-Congregate
Shelter (NCS)
Notice of Funding Availability

Overview - HOME-ARP NCO

- **\$750,000** in HOME-ARP Nonprofit Capacity Building and Operating Cost Assistance (NCO) funds
- Eligible activities: To build the capacity and support general operations for nonprofit organizations that plan to undertake Non-Congregate Shelter (NCS) Development
- Eligible entities: Private nonprofit organizations as listed in the NOFA
- Locations: Listed in the NCO NOFA Appendix A for areas potentially needing NCS of 25+ units or more.
- Competitively awarded.

<https://www.tdhca.texas.gov/notices-funding-availability-nofas>

Eligible Non-Profits

- Demonstrate the need for NCS by having:
 - Counties within MSA or HMFA with FMRs for 1-BR units that increased by 30% or more during 2021 -2025.
 - FY2025 HUD Area MSA or FMRs for 1-BR units that exceed \$1000.

Ineligible Non-Profits

- Located in Texas MSAs that already have an award of HOME-ARP NCO funds:
 - Austin-Round Rock MSA

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 apply for HOME-ARP NCS within 9 months of award

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.

Ineligible NCO

NCO cannot pay for NCS Application Preparation, Soft Costs or Hard Costs

Ineligible NCO costs:

NCS Application Preparation

NCS Soft Costs -- legal fees, architect, consultants, etc.

NCS Hard Costs -- land acquisition, site work, etc.

Ineligible NCO and NCS

Staffing and operating expenses of emergency shelters are prohibited.

Example: services, allocable overhead and staffing costs, property insurance, utilities, etc, of an emergency shelter.

NCO Minimum and Maximum Amounts

➤ Minimum: \$100,000

- \$50,000 in capacity building
- \$50,000 nonprofit operating cost assistance.

➤ Maximum: \$750,000

- Capacity building assistance provided to a nonprofit organization may not exceed of 50% of the organization's total operating expenses for that fiscal year.
- Applicants requesting points for being located/serving in Pasadena, Odessa or Bryan:
 - May request up to the maximum award of \$750,000
 - Award may be reduced to \$314,917 if not highest application
 - Limited to proportional amount of funds prioritized for those geographic areas

NCS Minimum and Maximum Anticipated Amounts

- Minimum: \$2,000,000 for NCS
 - The Contract Term up to 36 months.
- Maximum: \$14,005,338
 - Applicants requesting points for being located/serving in Pasadena, Odessa or Bryan:
 - May request up to the maximum award of \$14,005,338
 - Anticipated award may be reduced to \$4,002,141 if not highest application
 - Limited to proportional amount of funds prioritized for those geographic areas

NCO Webinar

Thursday, February 20, 2025

1:00pm CST

<https://www.tdhca.texas.gov/calendar/feb-20-home-arp-nofa-webinar>



**TEXAS DEPARTMENT OF HOUSING AND
COMMUNITY AFFAIRS
2025 HOME-ARP NONPROFIT CAPACITY
BUILDING AND OPERATING COST ASSISTANCE
(NCO) FOR NON-CONGREGATE SHELTER (NCS)
NOTICE OF FUNDING AVAILABILITY (NOFA)**

(1) Summary. The Texas Department of Housing and Community Affairs (the Department) announces the availability of \$750,000 in total nonprofit capacity building assistance and operating expenses (NCO). Funds are available in accordance with the Department's HOME-ARP Allocation Plan, to assist one or more organizations in successfully performing the initial operating and capacity building steps required to then subsequently apply for and carry out the successful construction, reconstruction, or rehabilitation of a HOME-ARP Non-Congregate Shelter (NCS) project. NCO funds are meant to assist with the conception and preparation to create a NCS and support the nonprofit's general operating costs. This Invitation to Apply details the requirements for submission of an application for an NCO award and the eligible uses of such funds. **This NCO Notice of Funding Availability (NOFA) will begin accepting applications from Monday, March 3, 2025 to March 31, 2025 for the first application period, and July 14, 2025 to December 15, 2025 for the second application period, unless otherwise extended or closed by the Executive Director or his designee.**

These funds will only be awarded to private nonprofit organizations that are reasonably expected to be successful recipients of an award of the Department's HOME-ARP NCS construction funds for a shelter within 9 months of the NCO award per the HOME-ARP Allocation Plan, as amended. Anticipated amount for NCS is \$14,005,338, though the amount may increase based on other applications pending.

This Invitation does not include all text of the various applicable regulatory provisions pertinent to the fund sources. Program guidelines, including HUD CPD Notice 21-10 and Appendix, and Federal Rules and Regulations, are available on the Department's website at <https://www.tdhca.texas.gov/programs/home-american-rescue-plan>. For proper completion of the Application, the Department fully expects that potential Applicants have reviewed and are aware of the State and Federal regulations. The availability and use of these funds are subject to the following rules and plans:

- a) Texas Administrative Code
10 TAC Chapter 1 (Administration)

10 TAC Chapter 2 (Enforcement)

[https://texreg.sos.state.tx.us/public/readtac\\$ext.ViewTAC?tac_view=3&ti=10&pt=1](https://texreg.sos.state.tx.us/public/readtac$ext.ViewTAC?tac_view=3&ti=10&pt=1)

b) Texas Government Code

Tex. Gov't. Code Chapter 2306

<http://www.statutes.legis.state.tx.us/Docs/GV/htm/GV.2306.htm>

c) U.S. Department of Housing and Urban Development (HUD) Program

24 CFR Part 92 (HOME Investment Partnerships Program Final Rule)

HUD CPD Notice 21-10 and Appendix: Waivers and Alternative Requirements for Implementation of the HOME-ARP Program

<https://www.hudexchange.info/resource/6479/notice-cpd-2110-requirements-for-the-use-of-funds-in-the-home-arp-program/>

d) Other federal requirements

2 CFR Part 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards <https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200?toc=1>

All activities must have some type of environmental review in accordance under 24 CFR Part 58. <https://www.tdhca.texas.gov/environmental-compliance>

e) HOME-ARP Allocation Plan, as amended

HOME-ARP Allocation Plan, as amended.
<https://www.tdhca.texas.gov/programs/home-american-rescue-plan>

(2) NCO Definition

- a) Nonprofit capacity building assistance and operating expenses (NCO) are funds that are eligible to be used for:
- i. reasonable and necessary general operating costs that will result in expansion or improvement of an organization's ability to successfully expand the ability of the organization to develop a medium to large-scale non-congregate shelter (NCS), and
 - ii. reasonable and necessary general operating costs of the nonprofit organization that are not directly assignable to an activity or project.
- b) Eligible and Ineligible costs for these activities are found in Sections 10 through 12 of this Invitation.

(3) NCS Definition and Eligible Population.

- a) Because the NCO funds awarded under this Invitation must result in a subsequent application for the construction or rehabilitation of a HOME-ARP Non-Congregate Shelter (NCS) project, it is imperative that applicants understand the requirements associated with the NCS project.
- b) The nonprofit organization awarded NCO assistance must use the funds to prepare to develop and own an NCS project for Application to the Department. Per HUD CPD Notice 21-10, NCS is defined as "one or more buildings that provide private units or rooms as temporary shelter to individuals and families and does not require occupants to sign a lease

or occupancy agreement” (page 55).

- c) The future NCS must be occupied by qualified populations (QP) for HOME-ARP, defined in HUD CPD Notice 21-10 and explained further in the Department’s HOME-ARP Handbook. These QPs include:
 - iii. Persons experiencing homelessness per 24 CFR §91.5
 - iv. Persons who were formerly homeless but housed with temporary resources, per HUD CPD Notice 21-10
 - v. Persons at-risk of homelessness, per 24 CFR §91.5
 - vi. Persons at greatest risk of housing instability, per HUD CPD Notice 21-10:
 - A. Households that would meet the criteria of at-risk of homelessness, but have an income of at or below 50% AMI (instead of >30% AMI).
 - B. Households that have income less than or equal to 30% of the area median income, as determined by HUD and are experiencing severe cost burden (i.e., is paying more than 50% of monthly household income toward housing costs).
 - vii. Individuals fleeing or attempting to flee, domestic violence, dating violence, sexual assault, stalking, or human trafficking, as defined by HUD 24 CFR §5.2003.
 - viii. Veterans and families that include a veteran member that meet one of the above criteria are also a QP.

(4) Set-Asides and Regional Allocation.

- a) The HOME-ARP funds were programmed for NCO in urban areas and not subject to the Regional Allocation Formula, per state waiver of Tex. Gov’t Code §2306.111.
- b) Per the HOME-ARP allocation plan as amended, funds will be distributed to areas that show need of a NCS according to the following characteristics:
 - i. Fair market rent by county for 1-bedroom units that increased 30% or more between 2021 and 2025; and
 - ii. HUD-published one-bedroom fair market rents by county for FY2025 of \$1000 or more, which is the top 10% of rents in the state.
- c) Additionally, a preference will be given for organizations that are located in or serve Bryan, Odessa, and/or Pasadena.

(5) Eligible Organizations

- a) Eligible organizations for this NCO grant include private Nonprofit 501(c)(3) or 501(c)(4) organizations that meet the administrative and certification requirements of this Invitation.
- b) Organizations in Texas Metropolitan Statistical Areas (MSAs) that already have an awardee of HOME-ARP NCO will be ineligible for NCO funds under this NOFA.
- c) Organizations must be located in or have programs that serve areas that demonstrate need for NCS by having:
 - i. Fair market rent by county for 1-bedroom units that increased 30% or more between 2021 and 2025; and
 - ii. HUD-published one-bedroom fair market rents by county for FY2025 of \$1000 or more, which is the top 10% of rents in the state.
- d) An applicant is not eligible to receive funds or any other assistance from the Department unless a past Single Audit or Audit Certification Form has been submitted to the

Department in a satisfactory format in accordance with 10 TAC §1.403.

e) The Applicant must:

- i. Be subject to a Previous Participation Review by the Department per 10 TAC §1.302, and recommended for an award or an award with Conditions by the Previous Participation Review Advisory Committee;
- ii. Register in the System for Award Management (SAM). The SAM is the primary registrant database for the U.S. Federal Government. The SAM collects, validates, stores, and disseminates data in support of agency acquisition missions, including Federal agency contracts and assistance awards. Please note that the term "assistance awards" includes grants, cooperative agreements and other forms of Federal assistance. Whether applying for assistance awards, contracts, or other business opportunities, all entities are considered "registrants". Both current and potential Federal government registrants are required to have active registration with the SAM in order to be awarded Contracts by the Federal government. Organizations may register in the SAM at <https://sam.gov/SAM>.
- iii. Have a current annual operating budget of at least \$500,000 and Single Audit or Audit Certification Form submitted to the Department in a satisfactory format in accordance with 10 TAC §1.403;
- iv. Agree to follow 2 CFR Part 200 regarding Uniform Administrative Requirements, Cost Principles, and Audit Requirements (including procurement) as a Subrecipient;
- v. Agree to become knowledgeable of HOME-ARP program guidelines, HUD CPD Notice 21-10 and Appendix, and Federal and State Rules and Regulations;
- vi. Agree to receive both nonprofit capacity building and nonprofit operating funds, with the minimum amount being \$50,000 for each fund;
- vii. Have prior experience in innovative shelter programs and related service provision through coordinated efforts with other agencies, institutions, and other community service organizations;
- viii. Be the fee simple owner, the sole general partner (with no special limited partner), or the sole managing member to develop or rehabilitate an NCS of appropriate size for the community. The nonprofit organization awarded NCO must also be prepared to play a primary, active role in the Application, development, and ongoing operation of the future NCS.
- ix. The nonprofit capacity building and operating assistance must specifically expand the ability of the organization to develop a NCS -- the nonprofit must commit to provide a clear plan and strategy within six months of Board award for how the organization will prepare for and complete an NCS including, but not limited to: number of beds, potential services and partners, staffing plan for shelter; estimated financial requirements and funding needs/gaps of a future NCS;
- x. Be able to expend 40% of NCO funds by month 18 of the Contract (subject to negotiation upon award), and 100% by month 36, Contract end date; and
- xi. Submit materials to meet the requirements of the NCS reservation within 9 months of the NCO Board award, as described under NCS activity within this Allocation Plan.

(6) Capacity Building Assistance Program Funds Uses

- b) Capacity building expenses are defined as reasonable and necessary general operating costs that will result in expansion or improvement of an organization's ability to successfully carry out eligible HOME-ARP activities. For purposes of this Invitation, the

capacity increased through the award must specifically expand the ability of the organization to develop a medium to large-scale non-congregate shelter (NCS).

- c) The awarded applicant may not subgrant funds, but may subcontract after a procurement process (as applicable) for the provision of services.
- d) The eligible capacity building activities are payroll, training, equipment, and technical assistance/consultants, as listed in HUD CPD Notice 21-10.
 - i. Payroll. Salaries for new hires including wages and other employee compensation and benefits.
 - ii. Training. Employee training or other staff development that enhances an employee's skill set and expertise.
 - iii. Equipment. Computer software or programs that improve organizational processes, upgrades to materials, and supplies.
 - iv. Technical Assistance/Consultants. Contracts for technical assistance or for consultants with expertise related to the HOME-ARP qualifying populations.
- e) Capacity building costs must be used to prepare for possible NCS funding. For example, an organization could hire a consultant or train new staff on how to own and operate an NCS, how to structure general NCS development, train on what to look for in sites, or buy equipment (with Department written permission on equipment purchases over \$5,000 or leased equipment/office space) that is not used only for NCS development or a particular site.

(7) Operating Expense Assistance Program Funds Uses

- a) Operating expenses are defined as reasonable and necessary costs of operating the nonprofit organization. HOME-ARP funds used for operating expenses must be used for the "general operating costs" of the nonprofit organization. These operating costs must not have a particular final cost objective, such as a project or activity, and must not be directly assignable to a HOME-ARP activity or project. The eligible operating expense assistance activities are payroll, training, equipment, and overhead/operating, as listed in HUD CPD Notice 21-10.
 - i. Payroll. Employee salaries, wages and other employee compensation and benefits.
 - ii. Training. Employee education, training and travel.
 - iii. Equipment. Equipment, materials, and supplies.
 - iv. Operating/overhead. Rent, utilities, communication costs, taxes, and insurance. (Department approval needed for leases of office space.)
- b) Operating expenses must be used for general operating expenses. For example, an organization could pay its existing employee salaries, wages, compensation and benefits, provide general employee education, training and travel, purchase equipment, materials and supplies for existing staff and cover the rent and utilities for the nonprofits general office space, to include communication costs and some types of taxes and insurance.

(8) Ineligible Costs

- a) **Development Soft Costs.** NCO cannot pay for application preparation or eligible project costs as listed under 24 CFR §92.206(d), Soft Costs, and as modified by HUD CPD Notice 21-10. Per HUD Notice 21-10, "HOME-ARP project delivery costs may be paid, if eligible, by HOME-ARP funds provided under a written agreement for the activity or project and must not be paid with nonprofit operating expense or capacity

building assistance.” Application preparation costs and soft costs are not eligible under the NCO Contract, but may be able to be reimbursed through a potential award for NCS if the costs are HOME-ARP eligible.

- b) **Shelter Operating Costs.** HUD prohibits HOME-ARP funds from being used for shelter operating funds. While nonprofit operating expenses are eligible, operation expenses of emergency shelters are prohibited. Costs related to operating an emergency shelter (e.g., services, allocable overhead and staffing costs, insurance, utilities, etc.) are ineligible.
- c) **Specific Project or Activity Costs.** Actual costs of implementing a specific activity or project, including staff costs are considered HOME-ARP project delivery costs or project soft costs and are not eligible operating expense and capacity building costs. If the operating cost can be charged to a HOME-ARP activity, it must be charged to the HOME-ARP activity (e.g., operating costs to develop HOME-ARP NCS are paid for by a developer fee which is a project delivery or soft cost). This includes a purchase of land or buildings.

(9) Contract Term and Benchmarks

- a) Any program activity funded under the HOME-ARP Program will be governed by a written Contract that identifies the terms and conditions related to the awarded funds. The Contract will be effective based on an agreed upon commencement date by all parties, but not prior to approval by the TDHCA governing board and after environmental clearance.
- b) The Contract Term for funds awarded under this Invitation is anticipated to be not more than 36 months. The start date may vary, subject to the availability of adequate funding, and any additional terms and conditions from HUD.
- c) Contract benchmarks will include, but may be subject to negotiation upon award:
 - i. Expenditure rate of 40% of NCO funds by month 18 of the Contract.
 - ii. Full expenditure of all funds by month 36 of the Contract.
 - iii. Submission of materials to meet the requirements of the NCS application to the Department within nine months of the NCO award, per the HOME-ARP Allocation Plan, as amended.
- d) If Contract benchmarks are not met, the Contract Term or Contract amount may be reduced and the Contract amended accordingly.
- e) Any funds remaining at the end of a Contract's close-out period will be automatically deobligated. Deobligation of funds may impact future funding recommendations, such as in an Application for an NCS project.

(10) Terms and Limitations on Assistance

- a) **Maximum award per year.** In any fiscal year, capacity building assistance provided to a nonprofit organization may not exceed of 50% of the organization's total operating expenses for that fiscal year. For example, if a nonprofit organization's current total operating expenses are \$500,000, it would be eligible to apply for up to \$250,000 in NCO per year (or \$500,000 for two years), and if a nonprofit organization's total operating expenses are \$2,000,000, it would be eligible to apply for up to \$1,000,000 in NCO per year (or \$2,000,000 for two years).
- b) **Maximum Request Amount.** The maximum award for this Invitation is \$750,000. If an Applicant anticipates requesting points for being located/serving in Pasadena, Odessa

or Bryan, they may request up to the maximum award of \$750,000, however their award may be reduced to \$314,917, which is the proportional amount of funds prioritized for those geographic areas.

- c) **Minimum Request Amount.** The minimum award for this Invitation is \$100,000. Within this minimum request of \$100,000 is a minimum amount requested in capacity building of \$50,000 and minimum amount requested in nonprofit operating cost assistance of \$50,000.
- d) **Maximum NCS anticipated.** HOME-ARP is anticipated to provide up to \$14,005,338 for construction/rehabilitation of a NCS activity. For an Applicant that anticipates requesting points for being located/serving in Pasadena, Odessa or Bryan, they may request up to the maximum award, however their award may be reduced to \$4,002,141 for NCS, which is the proportional amount of funds prioritized for these areas.
- e) **Minimum NCS anticipated.** Applicants must request at least \$2,000,000 for the anticipated NCS construction/rehabilitation.
- f) **Contract Term.** The Contract Term will be up to 36 months.
- g) **Both Nonprofit Capacity Building and Operating Cost Assistance Required.** An applicant is required to apply for capacity building funds to also receive operating assistance funds. Operating cost assistance alone will not be awarded.
- h) **Minimum unit proposal.** An Applicant must be prepared to subsequently submit an application in response to the NCS Invitation for a minimum of 25 units.
- i) **Fidelity Bond Requirements** All HOME-ARP NCO Nonprofit Subrecipients and any nonprofit subgrantee shall maintain adequate fidelity bond coverage as set forth in [10 TAC §1.406](#). The fidelity bond must be for a minimum of \$10,000 or an amount equal to the contract if less than \$10,000. The bond must be obtained from a company holding a certificate of authority to issue such bonds in the State of Texas. Subrecipients may use Administrative funds to pay for this coverage or a proportional amount of coverage if the coverage is for more than the HOME-ARP NCO program funds.

(11) Application Due Dates and Submission Requirements.

- a) **Intent to Apply.** Applicants must submit an Intent to Apply, found in this NOFA, to receive Application Submission Materials. Instructions for submitting the Intent to Apply can be found in this NOFA as Attachment A. Organizations are encouraged to submit an Intent to Apply as soon as possible once the NCO NOFA is approved by the TDHCA Governing Board. The Intent to Apply should be submitted at least five (5) business days before the Application due date so that an Application can be sent to the Applicant. An Intent to Apply that is submitted less than five (5) business days before the Application due date may not receive an Application to complete and submit for consideration of funding.
- b) **Application Due Dates.** The first Application period March 3, 2025, 2025 to March 31, 2025, by 5:00pm Austin Local Time. Applications are due under the first Application period by March 31, 2025. The second Application period is July 14, 2025, to December 15, 2025. Applications are due under the second Application period by December 15, 2025, by 5:00pm Austin Local Time, unless extended by the Executive Director or his designee. Applications submitted during the first Application period may receive up to the full allocation of NCO request. Applications submitted during the second

Application period may receive remaining NCO funds after the first Application period awards have been made.

- c) **Application Submission Materials.** Application materials will be provided to eligible organizations that submit an Intent to Apply in areas that qualify for funding. The Intent to Apply should be sent to Peg McCoy, HOME-ARP Manager, at peg.mccoy@tdhca.state.tx.us. Applications must adhere to Federal Rules and Regulations in effect at the time of the Application submission, the requirements as stated in this Invitation, and any subsequent guidance provided by HUD.
- d) **Application Materials.** The Intent to Apply and Application must be on forms or in the format provided by the Department, cannot be altered or modified, and must be in final form before submitting them to the Department. **Application Transmittal Required Steps.** An Application must be uploaded to the Department's secure web transfer server. An Applicant requesting funding from the Department must submit an Application in order to be considered for an award. An Application must be complete (including all required supporting materials) and submitted by the deadline of this Invitation. Applicants are strongly encouraged to submit the required items on or before established deadlines. All Applications and all related materials are to be delivered electronically. Applicants are strongly encouraged to submit the required items well in advance of established deadlines. Applicants must ensure that all documents are legible, properly organized and tabbed, and that materials are fully readable by the Department. The Applicant must timely upload a PDF copy of the complete Application to the Department's secure web transfer server. The Application must be in a single file and individually bookmarked. Additional files required for Application submission outside the Application must also be uploaded to the secure web transfer server. It is the responsibility of the Applicant to confirm the upload to the Department's secure web transfer server was successful and to do so in advance of the deadline. Where there are instances of computer problems, mystery glitches, etc. that prevent the Application from being received by the Department prior to the deadline, the Application may be terminated. The applicant must send a separate email notification letting HOME-ARP staff know the documents were uploaded must also be sent to Peg McCoy at Peg.McCoy@tdhca.texas.gov.

(12)Application Review Process

- a) Each Application received from an Applicant will be assigned a Received Date and Time based on the date it is first received by the Division. Applications received after the Application Deadline for the first or second Application periods will not be accepted, reviewed, or considered for award.
- b) Applications will be ranked by self score, and TDHCA review of Applications will begin with Applications with the highest self-scores. Applicants whose self-score is lower than that of other Applicants may not be reviewed.
- c) Applications received are reviewed for eligibility requirements regarding documentation and compliance with performance on previously awarded Contracts. If Applicants exceed the maximum number of pages allowed under certain specified items, TDHCA staff may not review more than the maximum pages allowed. Applicants are encouraged to highlight or include key parts of documents as needed.

- d) The Department will ensure review of materials required under the Invitation and the Application and will issue a notice of any administrative deficiencies in accordance as described in the Invitation.
- e) Applicants expected to be awarded will be processed through the Department's Previous Participation review, which will include a previous award and past performance evaluation. Poor past performance may disqualify an applicant for a funding recommendation, or the recommendation may include conditions.
- f) Administrative deficiencies noted during the review of an Application shall be subject to the administrative deficiency process outlined below:
 - i. The Department will accept Applications from applicants on an ongoing basis during the Application acceptance periods as specified in this NOFA.
 - ii. The administrative deficiency process allows the applicant to provide additional information with regard to an Application after the Application acceptance period has ended, but only if it is requested in writing by Department staff. Staff may request that an applicant provide clarification, correction, or missing information to resolve inconsistencies in the original Application or to assist staff in evaluating the Application. Staff will request such information via one or more deficiency notices. Staff will send the deficiency notice via email and responses must be in kind unless otherwise defined in the notice.
 - iii. Department staff will make a good faith effort to provide an applicant confirmation that an administrative deficiency response has been received and/or that such response is satisfactory. Communication from staff that the response was satisfactory does not establish any entitlement to points, eligibility status, or to any presumption of a final determination that the applicant has fulfilled any other requirements as such is the sole determination of the Department's Board.
 - iv. An applicant may not change or supplement any part of an Application in any manner after submission to the Department, except in response to a direct written request from the Department to remedy an administrative deficiency or by amendment of an Application after the Board approval of a HOME-ARP award.
 - v. The period for responding to a deficiency notice commences on the first day following the deficiency notice date. A deficiency can be sent on both scored and threshold items. A response to the deficiency is due by 5:00 p.m. on the fifth business day following the date of the deficiency notice. If no response is received or the items are still deficient after a response, the Application will be reduced one point per day that the items are deficient. If the Applicant's score is reduced so that it is no longer a competitive Application, the Application review process may be paused in order for TDHCA staff to review other Applications for award.

(13) Application Criteria.

- a) Determination for nonprofit capacity building assistance and operating assistance will be conducted on demonstration of the approach to capacity building and operating assistance the nonprofit is proposing, Applicant history, and proposed budgets. Keep in mind that HUD expects these funds to be awarded to an organization that will apply for and receive NCS funds to construct or rehabilitate a

shelter; applicants who do not demonstrate that such results are possible, will not receive NCO funds. Supporting documentation is detailed in the descriptions in this section; any alternative documentation not listed below, if submitted, may be excluded from consideration at the discretion of the Executive Director or his designee.

b) The Application consists of four sections:

- i. **Threshold -- Applicant Information and Experience.** This section will gather necessary information about the nonprofit organization(s) applying for an NCO award, in accordance with the characteristics listed in the HOME-ARP Allocation Plan as amended.
- ii. **Scored Application Items.** This section will ask Applicants to provide information to be scored but are submitted to improve an Application's likelihood of receiving an award. TDHCA will request that all applicants identify a pre-calculated self-score for their Application. TDHCA will not award points in excess of an applicant's self-score for each individual scoring item. Upon Department determination of an Application's scores, the Department will notify each applicant that receives a review via email of their final score, identifying any specific scoring criterion in which the score awarded is lower than the self-score, and providing notification of a right to appeal.
- iii. **Threshold -- NCO Use of Funds.** Applicants must describe their approach to implementing the nonprofit capacity building and operating expense assistance, specifically how the funds will expand the ability of the organization to develop an NCS. As stated in the Contract Term and Benchmarks section and Terms and Limitations on Assistance section of this Invitation, current and proposed budgets will determine the maximum award of NCO funds.
- iv. **Threshold -- Non-Congregate Shelter Plan.** Applicants must commit to provide a clear plan and strategy for how the organization will prepare for and complete an NCS including, but not limited to: number of beds, potential services and partners, staffing plan for shelter, estimated financial requirements, and funding needs/gaps of a future NCS.

c) **Applicant Information and Experience.** Applicant must include appropriate details and supporting documentation to provide evidence of the below.

#	Threshold	Threshold Description
i.	Applicant Information	<p>Full legal nonprofit name, contact information, and signatory information.</p> <ul style="list-style-type: none"> ○ Include the contact person of the staff entering information on the Application. This must be the person that will be responsive to deficiency response requests. Deficiency requests will be sent to the Application contact person, and not the signatory.

#	Threshold	Threshold Description
ii.	Proof of Nonprofit status	Documentation of existing Section 501(c) tax-exempt status. Documentation of the 9-digit Federal Tax Identification Number from the IRS and evidence of existing 501(c) status as applicable. Submit a copy of a letter from the IRS which includes both the Applicant Name and the entire Federal Tax Identification Number. Applicant's tax return is not sufficient because it is not an IRS-generated document.
iii.	SAM registration	Evidence of current and active registration in the System for Award Management (SAM) at https://sam.gov/SAM . This evidence may be in the form of a printed page from the SAM website which states both the name and UEIN number of the Applicant.
iv.	Board resolution	<p>Resolution to Apply. A resolution or other governing body action from the Applicant's direct governing body which includes:</p> <ul style="list-style-type: none"> ○ Authorization to submit the NCO Application; ○ Intent to submit an NCS Application within 9 months of NCO award; ○ Title of the person authorized to represent the entity; and ○ Date that the resolution was passed by the governing body, which must be not older than 12 months preceding the date the Application is submitted. <p>The resolution to apply is the only document that may be submitted after the due date of the Application, if necessary. The resolution to apply will be due 60 days after the application due date.</p>
v.	Compliance Forms	<p>The PPR and Single Audit Certification Form should be submitted together, and are found at https://www.tdhca.texas.gov/compliance-forms.</p> <ul style="list-style-type: none"> ○ Previous Participation Review (PPR) is required by the Department, as outlined in 10 TAC §1.302. ○ The organization is required to have a current annual operating budget of at least \$500,000 and Single Audit or Audit Certification Form submitted to the Department in a satisfactory format in accordance with 10 TAC §1.403
vi.	Demonstration of need for shelter	<p>Applicant must demonstrate that there is unmet need among qualifying populations in their service area for an emergency shelter of 25+ beds or more through one of these data points:</p> <ul style="list-style-type: none"> ● Continuum of Care data,

#	Threshold	Threshold Description
		<ul style="list-style-type: none"> • public housing and affordable housing waiting lists, • point-in-time surveys, • housing inventory count, or • other relevant data on the need for NCS for the qualifying populations. <p><i>Evidence must reflect that at least four times the population of persons possibly in need of shelter as the number of beds in the to-be-proposed NCS from one of the data points listed above. If the applicant anticipates developing a 25 bed shelter, at least 100 persons possibly in need of the type of shelter proposed should be reflected in the data provided.</i></p>
vii.	Procurement Policy and Plan	The Applicant must submit procurement policy and plan to procure consultants/technical assistance professionals with expertise related to HOME-ARP qualified populations, as applicable. If the plan does not include professionals or consultants, the nonprofit's procurement policy at a minimum must be submitted.
viii.	Evidence of financial management	Applicant must show documentation that their internal controls align with Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards of 2 CFR Part 200, as further described by CPD-21-10. This includes written internal controls and budget standards such as asset safeguarding, cash management, and allowability of costs (may be pulled from Bylaws, if applicable).
ix.	Fidelity Bond Requirements	The fidelity bond must adhere to 10 TAC §1.406 and be for a minimum of \$10,000 or an amount equal to the contract if less than \$10,000. The bond must be obtained from a company holding a certificate of authority to issue such bonds in the State of Texas.
x.	Information Security and Privacy Agreement (ISPA)	ISPA signed by the person authorized to sign on behalf of the applicant, as indicated in the authorizing Board action. https://www.tdhca.texas.gov/tdhca-information-security-and-privacy-agreement
xi.	HOME-ARP Agreements and Certification	Applicant must agree with the items listed in the certification including, but not limited to: <ul style="list-style-type: none"> ○ Become knowledgeable of HOME-ARP program guidelines, and Federal and State Rules and Regulation; ○ Receive both nonprofit capacity building and nonprofit operating funds, with the minimum amount being \$50,000 for each fund; and

#	Threshold	Threshold Description
		<ul style="list-style-type: none"> Be the fee simple owner, the sole general partner (with no special limited partner), or the sole managing member to develop a NCS of 25+ units; <p>Applicants must submit an executed certification document by the signature authority.</p>

d) Scored Application Items. Applicant may include experience of the existing organization that will be working on the capacity building efforts and NCS construction, reconstruction, or rehabilitation.

	Question	Point Range
i.	<p>Does the organization have Experience rehabbing, converting or constructing NCS or congregate emergency shelters within the last 10 years.</p> <p>Max 10 points</p> <p>Submitted documentation max: 10 pages</p>	<p>If yes, did the emergency shelter have 25 or more beds = 10 points</p> <p>If yes, did the emergency shelter have between 10 and 24 beds = 5 points</p> <p>If no, or a shelter with less than 10 beds = 0 points</p> <p><i>Evidence must include construction close out documentation, publications of annual reports or other public outreach materials of an opening or completion.</i></p>
ii.	<p>Experience managing or administering an NCS or congregate emergency shelters</p> <p>Max 10 points</p> <p>Submitted documentation max: 10 pages</p>	<p>10 or more years of experience = 10 points</p> <p>Five to nine years of experience = 5 points</p> <p>Two to four years of experience = 2 points</p> <p>Under two years of experience = 0 points</p> <p><i>Evidence must include annual reports, operating budgets, news stories.</i></p>
iii.	<p>Governing Board Representation</p> <p>Max 5 points</p>	<p>Applicants with a Governing Board that has had one or more officials from local governments (e.g., cities or counties) or one or more elected officials as members for at least 6 months prior to application submission will receive 5 points.</p> <p>Officials from local governments can include decision-making government staff such as</p>

	Question	Point Range
		<p>directors or managers of planning, housing, parks and recreation, social services or homeless services. Elected officials can include mayors, city council members, or judges. Retired elected officials will count toward this criteria.</p> <p><i>Evidence must include Board meeting minutes or appointment announcements with the date.</i></p>
iv.	<p>Community Engagement</p> <p>Max 5 points</p> <p>Submitted documentation max: 10 pages</p>	<p>Applicants with experience facilitating communication with the public about shelter development and homeless services between December 2021 and November 2024 may receive up to five points. Consultations/discussions should be regarding homelessness and providing solutions to neighborhood organizations, businesses, and local governments.</p> <p>Participation in discussion at a city council/county board meeting = 5 points</p> <p>Consultation with community groups at a publicized event organized by the Applicant = 4 points</p> <p>Participation in discussion at neighborhood organization = 3 points</p> <p><i>Evidence may include meeting minutes, advertisement of event, or published agendas.</i></p>
v.	<p>History of fundraising or awards for homeless program activities to ensure the future non-congregate shelter developments will be able to raise funds to operate and serve shelter occupants</p> <p>Max 5 points</p> <p>Submitted documentation max: 10 pages</p>	<p>Demonstration that the organization has experience raising funds or receiving government awards to serve persons experiencing homelessness. Funds awarded through the US Coronavirus Aid, Relief, and Economic Security (CARES) Act of 2020 and the American Rescue Plan Act of 2021 are excluded from this point item.</p> <p>More than \$400,000 = 5 points</p> <p>Funds raised from \$150,000 to \$400,000 = 3 point</p> <p>Less than \$150,000 = 0 points</p> <p><i>Evidence would be general operating budget, award letters, contracts, MOUs, or annual</i></p>

	Question	Point Range
		<i>publications showing funding sources or awarded amounts from sources over a one-year period within the months of December 2019 to November 2024 (5 years).</i>
vi.	<p>Collaboration with service providers</p> <p>Max 5 points</p> <p>Submitted documentation max: 10 pages</p>	<p>Demonstration that the current organization has experience collaborating with service partners for clients. Evidence would be letters of confirmation, MOUs, or contracts from organizations confirming that they provided services to the applicant's clients or residents of at least 25 per year over a one-year period within the months of December 2019 to November 2024 (5 years).</p> <p>Three or more organizations = 5 points</p> <p>Two other organization = 2 points</p> <p>Less than two agencies = 0 points</p> <p><i>Evidence must include Memorandum of Understandings or other written agreement signed by both agencies, and evidence of number of residents/clients served.</i></p>
vii.	<p>TDHCA Monitoring History</p> <p>Max 5 points</p>	<p>No monitoring Findings, including applicants with no previous monitoring history = 5 points</p> <p>Monitoring close-out letter(s) that included Findings, but the Findings were not related to Household eligibility, habitability/safety, or violations of procurement requirements = 3 points</p> <p>Monitoring close-out letter(s) that included 2 or fewer Findings related to Household eligibility, habitability/safety, or violations of procurement = 2 points</p> <p>Monitoring close-out letter(s) included 3 to 4 Findings related to Household eligibility, habitability/safety, violations of procurement requirements OR resulted in disallowed costs between \$1,000 and \$4,999 = 1 point</p> <p>Monitoring close-out letter(s) included 5 or more findings related to Household eligibility, habitability/safety, violations of procurement</p>

	Question	Point Range
		<p>requirements OR resulted in disallowed costs in excess of \$5,000 which required repayment to the Department = 0 points</p> <p><i>Evidence must include monitoring correspondence from TDHCA, if available.</i></p>
viii.	<p>Investigation of potential NCS site</p> <p>Max 10 Points</p> <p>Submitted documentation max: 10 pages</p>	<p>Site control is not required, but is an additional high-value way of showing ability to proceed. Lacking site control, having narrowed down site options should be described.</p> <p>Applicant has site control including an option to purchase or an option for a lease for at least fifty years= 10 points</p> <p>Criteria for site identified and site search has begun with agent = 7 points</p> <p>Criteria for site identified <u>and</u> steps outlined to obtain site = 3 points</p> <p>Not present or extremely general plan = 0</p> <p><i>Evidence for 10 points would include purchase or lease agreement. Evidence for 7 points would be agent contract. Evidence for 3 points would be plan with site description and steps.</i></p>
ix.	<p>Located in or serving Bryan, Odessa and/or Pasadena.</p> <p>Max 5 points</p>	<p>Organizations that have in-person office space located in Bryan, Odessa, or Pasadena, or organizations that have an active grant or award for a federally funded shelter, housing, or services for the homeless population in Bryan, Odessa or Pasadena will receive additional points:</p> <p>Location or service in Bryan, Odessa or Pasadena Texas = 5 points</p> <p>Not located in or serving Bryan, Odessa or Pasadena Texas = 0 points</p> <p><i>Evidence must include physical location of offices with lease agreements or utility agreements, or</i></p>

	Question	Point Range
		<p><i>grant award letters/contracts showing service area in Bryan, Odessa, or Pasadena.</i></p> <p><i>If NCO amount is higher than \$314,917 or anticipated NCS amount is greater than \$4,002,141, then these points will not be awarded.</i></p>

- e) NCO Use of Funds Plan.** Applicant must include appropriate details, plans and supporting documentation to provide evidence of the below. The criteria listed below are required to be submitted with the Application and will be reviewed, but not scored.

i.	<p>Description of the Capacity Building Approach</p> <p>Submitted documentation max: 5 pages</p>	<p>An applicant must describe their approach to implementing the capacity building assistance through allowable activities. A narrative must also answer the questions: How will funds be used? How does the use of the funds in that way build capacity specific to NCS?</p> <p>Plan includes training needs identified and timeline for training.</p>
ii.	<p>Description of the Operating Expense Assistance Approach</p> <p>Submitted documentation max: 5 pages</p>	<p>An applicant will describe the need for operating cost assistance through allowable activities. Describe how the requested operating expense assistance will support an Application for NCS development within the next 9 months.</p> <p>Plan includes equipment, supplies, and staffing needs.</p>
iii.	Existing Budget	Submit the existing organization's current operating budget for the fiscal year.
iv.	Proposed Budget	Submit the proposed budget for the grant. The grant budget must be reasonable and well prepared and include major expenses. It must specifically include any equipment the applicant plans to purchase or lease over \$5,000, and must clearly show the difference between the capacity building and operating cost assistance.

- f) Non-Congregate Shelter Plan.** Applicant must include appropriate details, plans and supporting documentation to provide evidence of the below. The criteria listed below are required to be submitted with the Application and will be reviewed, but not scored.

i.	<p>Demonstration of Ability to Proceed with an NCS Application</p> <p>Submitted documentation max: 10 pages</p>	<p>Applicant should submit a clear plan and strategy for how it will prepare for and complete an NCS Application within the next 9 months. The Application must describe the general parameters of the future large-scale NCS.</p> <p>This section should include specific features including, but not limited to:</p> <ol style="list-style-type: none"> 1. approximate number of beds; 2. potential services and partners; 3. staffing plan for shelter; 4. description of any funds already raised for shelter; 5. estimated financial requirements and funding needs/gaps; and 6. a plan for research/technical assistance for funding future NCS operating costs and service provision (including both public and private sector fundraising). 7. Budget estimate for construction or rehabilitation of future NCS.
ii.	<p>Timeline with benchmarks</p>	<p>Timeline submitted with benchmarks that have measurable goals at least every 3 months</p>
iii.	<p>Plan to build community support for new NCS</p> <p>Submitted documentation max: 5 pages</p>	<p>Plan includes detailed strategy for building community support for NCS through work groups, local governments, existing shelters, eviction courts, neighborhood organizations</p>

(14) Award Selection Process.

- a) The Department may decline to consider any Application if the proposed activities would not, in the Department's sole determination, represent a prudent use of the Department's funds. The Department is not obligated to proceed with any action pertaining to any Applications that are received, and may decide it is in the Department's best interest to refrain from pursuing any selection process or making awards, or will make one or a limited number of awards per the threshold criteria regardless of the funding amount remaining in the Invitation. The Department reserves the right to request clarification on individual elements of any Application.
- b) Pursuant to Tex. Gov't Code §2306.1112 and 10 TAC §1.303, the Previous Participation Review Approval Process will make recommendations to the Board regarding funding decisions.

- c) Recommendations are limited by the total amount of funds available under this Invitation, and the maximum award amount limitations. As noted in Terms and Limitations on Assistance, organizations located in or serving Odessa, Bryan, Pasadena and claiming points for that preference may have their awards limited for NCO and NCS.
- d) Odessa, Bryan and Pasadena have a preference and not a set-aside in this NCO NOFA. There could be an award in these areas if the scored Applications are high enough. Likewise, there could be no award in these areas if the scored Applications (with the extra points for serving/location in these areas) do not score high enough for an award.
- e) Not more than one award will be made within the same Metropolitan Statistical Area (MSA). If the top two highly scored Applicants are within the same MSA, the highest scored Applicant will be awarded, and a second award, if funds are available, will be made to the next highly scored Applicant in another MSA.
- f) If the two highest-scored applications for NCO anticipate having NCS applications for less than \$14,005,338, the Department may negotiate NCO and NCS award amounts with the Applicants so there can be more than one shelter completed.
- g) In accordance with Tex. Gov't Code §2306.082 and 10 TAC §1.17, it is the Department's policy to encourage the use of appropriate alternative dispute resolution procedures (ADR) under the Governmental Dispute Resolution Act, Tex. Gov't Code Chapter 2009, to assist in resolving disputes under the Department's jurisdiction.
- h) An applicant may appeal decisions made by staff in accordance with 10 TAC §1.7.

(15) Post Award Requirements and Monitoring.

Any entity administering any or all of the HOME-ARP nonprofit capacity building or operating assistance is a Subrecipient. A Subrecipient may also administer other programs, including programs administered by other state or federal agencies and privately-funded programs. If the Subrecipient has contracts for other programs through the Department, including but not limited to the HOME Partnerships Program, the Emergency Solutions Grant, or the Texas or National Housing Trust Fund, the Department may, but is not required to and does not commit to, coordinate monitoring of those programs with monitoring of this program.

- a) Frequency of Reviews, Notification and Information Collection
 - i. In general, the Subrecipient will be scheduled for monitoring based on state or federal monitoring requirements and/or a risk assessment determined by the Department. Factors to be included in the risk assessment include but are not limited to: the number of contracts administered by the Subrecipient, the amount of funds awarded and expended, the length of time since the last monitoring, findings identified during previous monitoring, issues identified through the submission or lack of submission of a Single Audit, complaints received by the Department, and reports of fraud, waste and/or abuse. The risk assessment will also be used to determine which Subrecipients will have an onsite review and which may have a desk review.
 - ii. The Department will provide the Subrecipient with written notice of any upcoming onsite or desk monitoring review, and such notice will be given to the

Subrecipient by email to the Subrecipient's Contract contact at the email address most recently provided to the Department by the Subrecipient

- iii. In general, a 30 calendar day notice will be provided. However, if a credible complaint of fraud or other egregious noncompliance is received the Department reserves the right to conduct unannounced monitoring visits. It is the responsibility of the Subrecipients to provide to the Department the current contact information for the organization and the Board in accordance with the following:
 - A. Subrecipients will notify the Department and provide contact information for staff that approve the Contract or submit/approve reports in the Contract System. The notification will be sent to the Department by updating its Contract System access request information.
 - B. The Department will rely solely on the contact information supplied by the Subrecipient as indicated in the Department's web-based Contract System. It is the Subrecipient's sole responsibility to ensure such information is current, accurate, and complete. Correspondence sent to the email or physical address shown in the Contract System will be deemed delivered to the Subrecipient. The Department is not required to send a paper copy and if it does so it does as a voluntary and non-precedential courtesy only.
- iv. Upon request, Subrecipient must make available to the Department all books and records that Department determines are reasonably relevant to the scope of the Department's review. Typically, these records may include (but are not limited to):
 - A. Minutes of the governing board and any committees thereof, together with all supporting materials;
 - B. Copies of all internal operating procedures or other documents governing the Subrecipient's operations;
 - C. The Subrecipient's Board approved operating budget and reports on execution of that budget;
 - D. The Subrecipient's strategic plan or comparable document if applicable and any reports on the achievement of that plan;
 - E. Correspondence to or from any independent auditor;
 - F. Contracts with any third parties for goods or services and files documenting compliance with any applicable procurement and property disposition requirements;
 - G. All general ledgers and other records of financial operations (including copies of checks and other supporting documents) including those showing the distinct uses between capacity building and operating;
 - H. Applicable Program Participant files with all required documentation;
 - I. Applicable human resources records;
 - J. Monitoring reports from other funding entities;
 - K. Program Participant files regarding complaints, appeals and termination of services; and
 - L. Documentation to substantiate compliance with any other applicable state or federal requirements including, but not limited to, HUD requirements for environmental clearance.

b) Post Monitoring Procedures

- i. In general, within 30 calendar days of the last day of the monitoring visit, a written monitoring report will be prepared for the Subrecipient describing the monitoring assessment and any corrective actions, if applicable. The monitoring report will be emailed to the Subrecipient's Board Chair and Executive Director. All Department monitoring reports and Subrecipient responses to monitoring reports must be provided to the governing body of the Subrecipient within the next two regularly scheduled meetings. Issues of concern over which there is uncertainty or ambiguity may be discussed by the Department with the staff of cognizant agencies overseeing federal funding. Certain types of suspected or observed improper conduct may trigger requirements to make reports to other oversight authorities, state and federal, including but not limited to the State Auditor's Office and applicable Inspectors General.
- ii. Subrecipient Response. If there are any Findings of noncompliance requiring corrective action, the Subrecipient will be provided 30 calendar days from the date of the email to respond, which may be extended for good cause. In order to receive an extension, the Subrecipient must submit a written request to the Director of Compliance within the corrective action period, stating the basis for good cause that justifies the extension. The Department will approve or deny the extension request within five calendar days.
- iii. Monitoring Close Out. Within 45 calendar days after the end of the corrective action period, a close out letter will be issued to the Subrecipient. If the Subrecipient's response satisfies issues raised in the monitoring letter, the issue of noncompliance will be noted as resolved. If the Subrecipient's response does not correct all Findings, the follow-up letter will identify the documentation that must be submitted to correct the issue.
- iv. Options for Review. If, following the submission of corrective action documentation, Compliance staff continues to find the Subrecipient in noncompliance, and the Subrecipient disagrees, the Subrecipient may request or initiate review of the matter using the following options, where applicable:
 - A. If the issue is related to a program requirement or prohibition of a federal program, the Subrecipient may contact the applicable federal program officer for guidance or request that the Department contact applicable federal program officer for guidance without identifying the Subrecipient.
 - B. If the issue is related to Application of a provision of the Contract or a requirement of the Texas Administrative Code, the Subrecipient may request to submit an appeal to the Executive Director consistent with the following Appeal process:
 - C. The Subrecipient may request Alternative Dispute Resolution (ADR). Subrecipient may send a proposal to the Department's Dispute Resolution Coordinator to initiate ADR pursuant to Chapter 1, Subchapter A of this title, relating to General Policies and Procedures.
- v. If the Subrecipient does not respond to a monitoring letter or fail to provide acceptable evidence of compliance, the matter will be handled through the procedures described in Chapter 2 of this Title, relating to Enforcement.
- vi. Awarded applicants may, at the Department's discretion, be charged fees for ongoing monitoring.

- vii. An applicant may be required to meet additional requirements prior to Contract, as determined by the Board, or federal or state requirements.
- viii. An awarded applicant may be required to meet additional documentation requirements in order to draw funds, in accordance with its Previous Participation results.
- ix. Additional Post Award Monitoring guidance can be found in HUD 2 CFR Part 200 Overview for Grantees

For questions regarding this Invitation, please contact Peg McCoy, HOME-ARP Manager at Peg.McCoy@tdhca.state.tx.us.



HOME American Rescue Plan (HOME-ARP) Capacity Building and Operating Cost (NCO) Assistance for Non- Congregate Shelter (NCS) Qualifying Areas

The U.S. Department of Housing and Urban Development (HUD) develops requirements for many federally-funded programs by setting annual Fair Market Rents (FMRs) for Metropolitan Statistical Areas (MSAs) or HUD Metro FMR Areas (HMFAs) across the country. These rates represent the cost to rent a moderately-priced dwelling unit in the local housing market. Applicants should use these charts to determine if they are in areas that qualify for NCS due to high cost of living and increase in cost of living. Only areas reflected in both these charts are eligible to apply.

Areas with Fair Market Rent for One Bedroom Units between 2021-2025 Greater than 30%

HUD Area Name	Counties within MSA or HMFA	2021 Fair Market Rent	2025 Fair Market Rent	2021-2025 percent change
Amarillo, TX HMFA	Armstrong, Carson, Potter, Randall	\$705	\$952	35%
Andrews County, TX		\$838	\$1,252	49%
Atascosa County, TX HMFA		\$773	\$1,068	38%
Austin-Round Rock, TX MSA	Bastrop, Caldwell, Hays, Travis, Williamson	\$1,212	\$1,650	36%
Coleman County, TX		\$557	\$798	43%
College Station-Bryan, TX MSA	Brazos, Burleson, Robertson	\$774	\$1,089	41%
Collingsworth County, TX		\$644	\$843	31%
Colorado County, TX		\$574	\$814	42%
Concho County, TX		\$640	\$880	38%
Corpus Christi, TX MSA	Nueces, San Patricio	\$864	\$1,128	31%
Cottle County, TX		\$582	\$786	35%
Crane County, TX		\$582	\$795	37%
Culberson County, TX		\$571	\$786	38%
Dallam County, TX		\$668	\$874	31%
Dallas, TX HMFA	Collin, Dallas, Denton, Ellis, Hunt, Kaufman, Rockwall	\$1,134	\$1,606	42%
Dimmit County, TX		\$628	\$843	34%

HUD Area Name	Counties within MSA or HMFA	2021 Fair Market Rent	2025 Fair Market Rent	2021-2025 percent change
Eastland County, TX		\$629	\$843	34%
El Paso, TX HMFA	El Paso	\$687	\$1,020	48%
Fort Worth-Arlington, TX HMFA	Johnson, Parker, Tarrant	\$1,021	\$1,461	43%
Gaines County, TX		\$582	\$808	39%
Gillespie County, TX		\$734	\$971	32%
Grimes County, TX		\$564	\$785	39%
Hale County, TX		\$644	\$843	31%
Hardeman County, TX		\$557	\$731	31%
Henderson County, TX		\$609	\$816	34%
Hockley County, TX		\$644	\$843	31%
Hopkins County, TX		\$625	\$886	42%
Houston-The Woodlands-Sugar Land, TX HMFA	Chambers, Fort Bend, Galveston, Harris, Liberty, Montgomery, Waller	983	1279	30%
Hudspeth County, TX HMFA	Hudspeth	\$605	\$902	49%
Jack County, TX		\$582	\$843	45%
Karnes County, TX		\$640	\$861	35%
Kendall County, TX HMFA	Kendall	\$1,061	\$1,408	33%
Killeen-Temple, TX HMFA	Bell, Coryell	\$639	\$930	46%
Kleberg County, TX		\$681	\$899	32%
La Salle County, TX		\$572	\$755	32%
Lampasas County, TX HMFA	Lampasas	\$604	\$787	30%
Laredo, TX MSA	Webb	\$735	\$959	30%
Lavaca County, TX		\$590	\$839	42%
Longview, TX HMFA	Gregg, Upshur	\$721	\$995	38%
Lubbock, TX HMFA	Crosby, Lubbock	\$733	\$1,007	37%
Martin County, TX HMFA	Martin	\$595	\$1,589	167%
Matagorda County, TX		\$627	\$867	38%
Maverick County, TX		\$570	\$797	40%
McAllen-Edinburg-Mission, TX MSA	Hidalgo	\$574	\$798	39%
Medina County, TX HMFA	Medina	\$657	\$908	38%
Midland, TX HMFA	Midland	\$1,128	\$1,591	41%
Mitchell County, TX		\$601	\$838	39%
Nolan County, TX		\$559	\$780	40%
Ochiltree County, TX		\$610	\$795	30%
Odessa, TX MSA	Ector	\$924	\$1,295	40%

HUD Area Name	Counties within MSA or HMFA	2021 Fair Market Rent	2025 Fair Market Rent	2021-2025 percent change
Presidio County, TX		\$582	\$786	35%
Rains County, TX		\$623	\$843	35%
Real County, TX		\$679	\$911	34%
Red River County, TX		\$557	\$837	50%
Runnels County, TX		\$566	\$786	39%
Rusk County, TX HMFA	Rusk	\$575	\$840	46%
San Angelo, TX HMFA	Irion, Tom Green	\$762	\$998	31%
San Antonio-New Braunfels, TX HMFA	Bandera, Bexar, Comal, Guadalupe, Wilson	\$912	\$1,231	35%
San Augustine County, TX		\$582	\$786	35%
San Jacinto County, TX		\$582	\$843	45%
Shelby County, TX		\$557	\$843	51%
Sherman-Denison, TX MSA	Grayson	\$792	\$1,113	41%
Stephens County, TX		\$590	\$786	33%
Terry County, TX		\$557	\$752	35%
Upton County, TX		\$644	\$843	31%
Victoria, TX MSA	Goliad, Victoria	\$837	\$1,099	31%
Waco, TX HMFA	McLennan	\$721	\$1,106	53%
Ward County, TX		\$636	\$961	51%
Wichita Falls, TX MSA	Archer, Clay, Wichita	\$656	\$896	37%
Winkler County, TX		\$582	\$771	32%
Yoakum County, TX		\$652	\$993	52%
Young County, TX		\$572	\$752	31%

Areas with One Bedroom with Fair Market Rent 2025 greater than \$1,000.

HUD Area Name	Counties (if MSA or FMR)	2025 Fair Market Rent
Austin-Round Rock, TX MSA	Bastrop, Caldwell, Hays, Travis, Williamson	\$1,650
Dallas, TX HMFA	Collin, Dallas, Denton, Ellis, Hunt, Kaufman, Rockwall	\$1,606
Midland, TX HMFA	Midland	\$1,591
Martin County, TX HMFA	Martin	\$1,589
Fort Worth-Arlington, TX HMFA	Johnson, Parker, Tarrant	\$1,461
Kendall County, TX HMFA	Kendall	\$1,408
Odessa, TX MSA	Ector	\$1,295
Houston-The Woodlands-Sugar Land, TX	Chambers, Fort Bend, Galveston, Harris,	\$1,279

HMFA	Liberty, Montgomery, Waller	
Andrews County, TX		\$1,252
San Antonio-New Braunfels, TX HMFA	Bandera, Bexar, Comal, Guadalupe, Wilson	\$1,231
Brazoria County, TX HMFA	Brazoria	\$1,138
Corpus Christi, TX MSA	Aransas	\$1,128
Sherman-Denison, TX MSA	Grayson	\$1,113
Waco, TX HMFA	McLennan	\$1,106
Victoria, TX MSA	Goliad, Victoria	\$1,099
College Station-Bryan, TX MSA	Brazos, Burleson, Robertson	\$1,089
Tyler, TX MSA	Smith	\$1,084
Atascosa County, TX HMFA	Atascosa	\$1,068
El Paso, TX HMFA	El Paso	\$1,020
Lubbock, TX HMFA	Crosby, Lubbock	\$1,007
Wise County, TX HMFA	Wise	\$1,006



**HOME American Rescue Plan (HOME-ARP)
Capacity Building and Operating Cost (NCO) Assistance for Non-
Congregate Shelter (NCS)
Electronic Filing Agreement and Intent to Apply**

Nonprofit organizations interested in applying for HOME-ARP NCO to support an organization to construct or rehabilitate NCS must submit this completed form at least five (5) business days before the 2025 NCO Application is due. The NCO Application due dates are listed in the Notice of Funding Availability (NOFA) at <https://www.tdhca.texas.gov/notices-funding-availability-nofas>. Only after receipt and acceptance of the Intent to Apply will the nonprofit organization receive an application to complete for NCO.

This is an agreement between the Texas Department of Housing and Community Affairs and the NCO Applicant to facilitate the electronic submission of application documents for NCO in accordance with the Department policy. This agreement authorizes the Applicant to file application documents by means of electronic transmission for the duration of this Agreement and as specified by Department procedures. This agreement must be signed by the Applicant. The term "application documents" is defined to include responses to Administrative Deficiencies issued by the Department, supplemental reports, and any documentation required to meet ongoing program review and Department reporting requirements. The signature of the Applicant on this Agreement is deemed to appear on all electronically filed application documents as if actually so appearing. The Applicant's electronic submission of application documents must be in the manner prescribed by the Texas Department of Housing and Community Affairs HOME-ARP Division. This Agreement is effective as of the latest date specified below and remains effective until terminated by written notification from either party. This Agreement may be amended at any time by the execution of a written addendum to this agreement by the Applicant and the Texas Department of Housing and Community Affairs.

1. Name of Applicant:
2. Name of Executive Signatory:
3. Signatory email address:
4. Name of Contact for Application:
5. Mailing address of organization (address, zip, county):
6. Applicant or Contact Phone:
7. Contact email:
8. List of other email addresses of those who need to be emailed Serv-U setup/login information:

9. Potential area for the NCS (city, county):
10. Fair market rent (FMR) by county for 1-bedroom units percent difference between 2021 and 2025:
11. One-bedroom FMR by county for FY2025:
12. Estimated Application Amount for NCO (cannot exceed \$750,000):
13. Estimated Amount for development/rehabilitation of NCS:
14. Estimated Application Amount for NCS for HOME-ARP (Anticipated availability is \$14,005,338 pending submitted application processing):

Note: The FMR percent difference for Item 4 must be more than 30% for the organization to qualify to apply for NCO. The FMR amount for FY2025 in Item 5 must be \$1,000 or more for the organization to qualify to apply for NCO. Lists of Metropolitan Statistical Areas that meet the criteria for a NCS can be found online at <https://www.tdhca.texas.gov/programs/home-american-rescue-plan>.

Upon completion of this form, submit to Peg McCoy, HOME-ARP Manager, at peg.mccoy@tdhca.state.tx.us.

Applicant:

Signature

Printed Name

Date

Housing Stability Services Program Update to the TICH – February 18, 2025

Overview:

The HSS Program provides funds to local communities or nonprofits with services to help households maintain or obtain stable housing including legal services, outreach services, shelter services, community services, veterans services, and services offered at permanent supportive housing properties.

Program timeline:

- TDHCA started the HSS program in May 2021.
- All Expenditures must be completed by September 30, 2025.

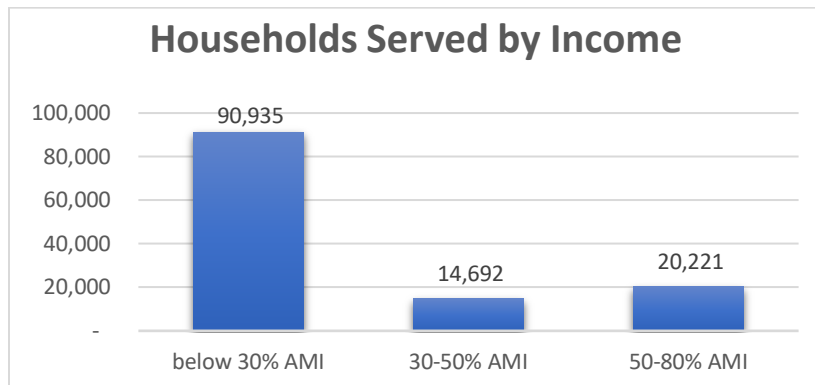
Funding:

Funding comes from Treasury, through the Consolidated Appropriations Act for ERA1, and the American Rescue Plan (ARPA) for ERA2.

Funding	Total Funds Awarded	Expended to Date	% expended	Status
ERA1 HSS	\$ 63,295,289.06	\$ 63,295,289.06	100.00%	All contracts closed
ERA2 HSS	\$ 157,100,715.52	\$ 131,019,225.06	83.40%	23 of 47 contracts remain open; see list below for Subrecipients still operating HSS activities
ERA1+2 TOTAL	\$ 220,396,004.58	\$ 194,314,514.12	88.17%	On track for September 2025 closeout

Program Accomplishments:

- To date, Subrecipients have served **125,848 households**:



- During SFY 2022-2024, HSS funds supported staff in the Veterans Mental Health Department at the Texas Veterans Commission connecting over 2400 homeless and at-risk veteran households to services.
- Partnered with the Texas Homeless Network to issue Emergency Housing Vouchers to eligible households within the Texas BoS CoC. HSS services were provided to nearly 400 households.
- Contracted with the Texas Access to Justice Foundation to create a statewide coordinated response to pandemic-related legal services needs focusing on housing stability and eviction diversion. To date, more than 46,000 households have received legal services related to housing stability.

HSS Subrecipients with open contracts as of February 2025:

Advocacy Outreach
Alliance of Community Assistance Ministries, Inc.
Blanco River Regional Recovery Team (BR3T)
Caritas of Austin
Community Action Corporation of South Texas (CACOST)
Community Link
Deaf Action Center (DAC)
El Paso Human Services, Inc.
Family Eldercare
Endeavors
Haven for Hope of Bexar County
Houston Area Women's Center (HAWC)
Panhandle Community Services
Lifeworks
Presbyterian Night Shelter of Tarrant County / Journey Home
Tarrant County Homeless Coalition
Legacy Community Development Corporation
Texas Access to Justice Foundation
The Coalition for the Homeless of Houston/Harris County
The Other Ones Foundation
Thrive Youth Center, Inc.
Waco Housing Authority and Affiliates

To connect with HSS Subrecipients: <https://www.tdhca.texas.gov/help-for-texans>

HSS Program Webpage: <https://www.tdhca.texas.gov/housing-stability-services-hss-program>

Contact: hss@tdhca.texas.gov

Attachment A: FEMA Designated Areas Eligible For Individual Assistance

Eligible County within TX-600 Dallas City & County, Irving CoC	
Dallas	

Eligible County within TX-604 Waco/McLennan CoC	
Falls	

Eligible Counties within TX-607 Balance of State CoC				
Austin	Bowie	Brazoria	Chambers	Galveston
Jackson	Jasper	Jefferson	Liberty	Matagorda
Nacogdoches	Orange	Polk	San Jacinto	Shelby
Trinity	Walker	Waller	Wharton	Anderson
Bell	Calhoun	Collin	Cooke	Coryell
Dallas	Denton	Eastland	Ellis	Van Zandt
Guadalupe	Hardin	Henderson	Hockley	Jones
Kaufman	Lamar	Leon	Navarro	Newton
Panola	Rusk	Sabine	Smith	Terrell
Tyler				

Eligible County within TX-624 Wichita Falls CoC	
Montague	

Eligible County within TX-700 Fort Bend CoC			
Fort Bend	Harris	Montgomery	