



# City of Waco, TX

HOME-ARP Work Session

March 21, 2023

Baker Tilly US, LLP, trading as Baker Tilly, is a member of the global network of Baker Tilly International Ltd., the members of which are separate and independent legal entities. © 2022 Baker Tilly US, LLP.





# Overview of HOME-ARP

- The **HOME Investment Partnerships Program (HOME)** provides grants to state and local governments to create affordable housing for low-income households
- The **American Rescue Plan (ARP)** has allocated \$5B to assist individuals or households who are homeless, at risk of homelessness, and other vulnerable populations, by providing housing, rental assistance, supportive services, and non-congregate shelter to reduce homelessness and increase housing stability across the country
- All states and local PJs that qualified for an annual HOME Program Allocation for FY 2021 are eligible to receive HOME-ARP grants.
- The HOME-ARP allocation for Waco is **\$2,539,867**



# HOME-ARP Eligible Populations and Activities

## – Eligible Populations

- Homeless
- At-risk of homelessness
- Fleeing or attempting to flee domestic violence, dating violence, sexual assault, stalking, human trafficking
- Other populations where providing supportive services or assistance would prevent the family's homelessness or would serve those at greater risk of homelessness
- Veterans and families that include a veteran that meets one of the preceding criteria

## – Eligible Activities

- Production or Preservation of Affordable Housing
- Tenant-Based Rental Assistance (TBRA)
- Supportive Services, including services defined at 24 CFR 578.53(e)
- Purchase and Development of Non-Congregate Shelter



# HOME-ARP Definitions

## – At-risk of homelessness

-with respect to an individual or family, that the individual or family-

- (A) has income below 30 percent of median income for the geographic area;
  - 1 Person Household: \$14,700
  - 2 Person Household: \$18,310
  - 3 Person Household: \$23,030
  - 4 Person Household: \$27,750
- (B) has insufficient resources immediately available to attain housing stability; and
- (C)
  - (i) has moved frequently because of economic reasons;
  - (ii) is living in the home of another because of economic hardship;
  - (iii) has been notified that their right to occupy their current housing or living situation will be terminated;
  - (iv) lives in a hotel or motel;
  - (v) lives in severely overcrowded housing;
  - (vi) is exiting an institution; or
  - (vii) otherwise lives in housing that has characteristics associated with instability and an increased risk of homelessness.





## Eligible Activities: Supportive Services

- Case Management
- Child Care
- Education Services
- Food
- Mental Health Services
- Outpatient Health Services
- Outreach Services
- Housing Search and Counseling Services
- Life Skills Training
- Assistance with Moving Costs
- Substance Abuse Treatment Services
- Transportation
- Legal Services
- Employment Assistance and Job Training



# HOME-ARP Allocation Plan

- Describes proposed activities and how the PJ intends to distribute its HOME-ARP funds to address the needs of qualifying populations
- To receive the balance of HOME-ARP funds after receiving 5% of the PJs allocation for program admin and planning activities, PJs are required to submit a HOME-ARP Allocation Plan as an amendment to the FY2021 annual action plan to HUD for review/acceptance
- Allocation Plans are due to HUD by March 31, 2023





# HOME-ARP Allocation Plan Requirements

- Consultation
- Public Participation
- Needs Assessment and Gap Analysis
- HOME-ARP Activities
- HOME-ARP Production Housing Goals
- Preferences
- HOME-ARP Refinancing Guidelines



# Consultation Feedback

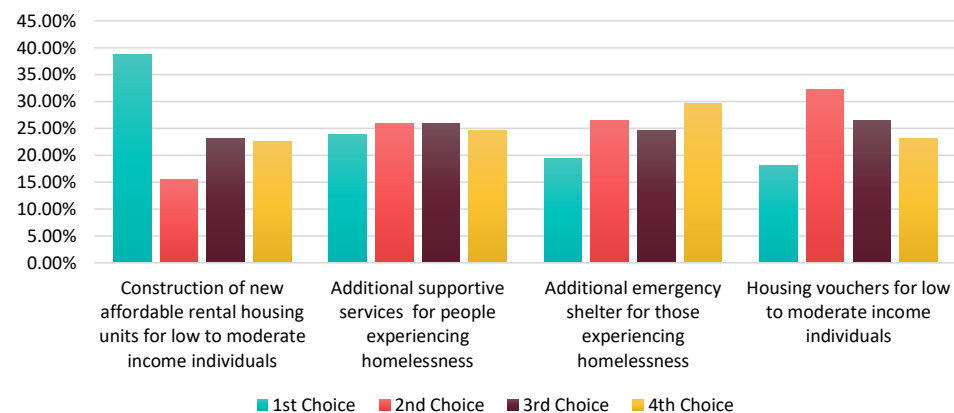
- Gathered by virtual meetings held on: 1/5/2023, 1/9/2023, 1/11/2023
- A total of **32** agencies were invited to participate in the virtual focus group sessions; **20** individuals representing **14** agencies participated in at least one focus group.
- The greatest area of need identified as a potential use of HOME-ARP funds is the production and preservation of new affordable rental housing and, more specifically, transitional housing with supportive services.
- Also of note was non-congregate shelter and supportive services for tenants including life skills training, rent and utility assistance, and mental health.



# Public Participation Feedback

- Surveys were made available in English and Spanish to Waco residents and 168 responses were received.
- When asked to rank the potential uses of HOME-ARP funding, 38.7% identified construction of new affordable rental housing units as their highest priority.

**Highest Priority for Funding**

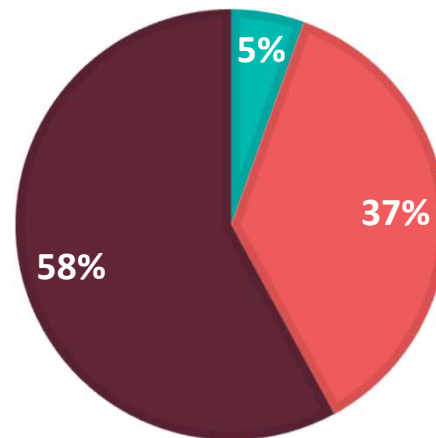


# Public Participation Feedback

- When asked about the single greatest housing need in the community, 58% of respondents identified affordable rental housing units.

SINGLE GREATEST HOUSING NEED

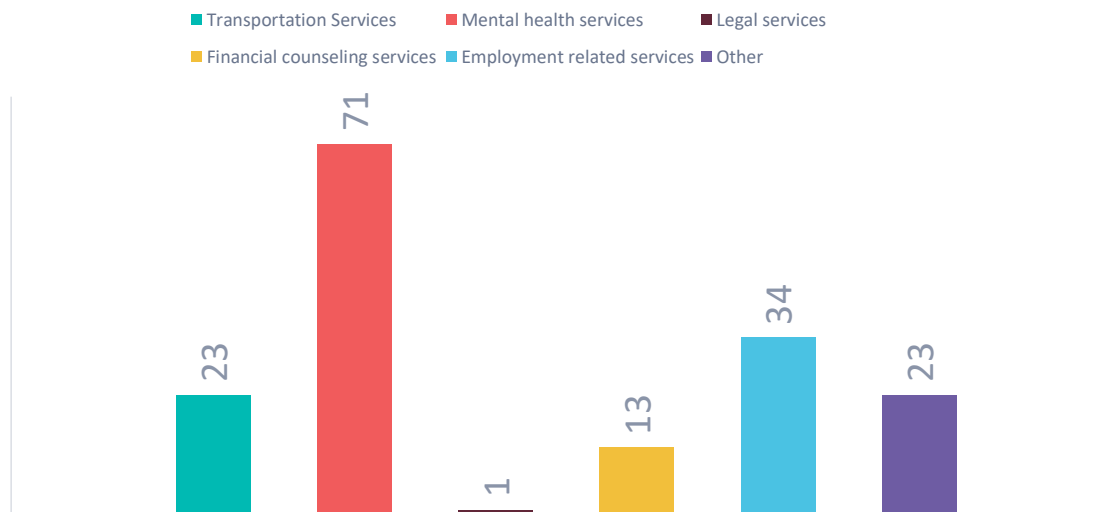
■ Non-congregate Emergency Shelter    ■ Transitional Housing with Supportive Services  
■ Affordable Rental Housing Units



# Public Participation Feedback

- When asked what respondents believed to be the most needed service for individuals that are homeless or at-risk of homelessness, 71 identified mental health services.

## GREATEST GAP IN SERVICES OR UNMET NEED



# Point In Time Homelessness

Homeless Needs													
	Current Inventory					Homeless Population				Gap Analysis			
	Family		Adults Only		Vets	Family HH (at least 1 child)	Adult HH (w/o child)	Vets	Victims of DV	Family		Adults Only	
	# of Beds	# of Units	# of Beds	# of Units	# of Beds					# of Beds	# of Units	# of Beds	# of Units
Emergency Shelter	64	5	87	0	11								
Transitional Housing	77	20	33	0	5								
Permanent Supportive Housing	25	9	84	0	53								
Other Permanent Housing	55	25	58	0	5								
Sheltered Homeless						22	45	8	12				
Unsheltered Homeless						0	75	8	5				
Current Gap										50	20	10	0

# Point In Time Homelessness

Housing Needs			
	Current Inventory	Level of Need	Gap Analysis
	# of Units	# of Households	# of Households
Total Rental Units	29,161		
Rental Units Affordable to HH at 30% AMI (At-Risk of Homelessness)	1,645		
Rental Units Affordable to HH at 50% AMI (Other Populations)	5,420		
0%-30% AMI Renter HH w/ 1 or more severe housing problems (At-Risk of Homelessness)		5,355	
30%-50% AMI Renter HH w/ 1 or more severe housing problems (Other Populations)		1,935	
Current Gaps			3,710

# HOME-ARP Allocation

	Funding Amount	Percent of the Grant	Statutory Limit
Supportive Services	\$ 0.00	0%	
Acquisition and Development of Non-Congregate Shelters	\$ 500,000.00	20%	
Tenant-Based Rental Assistance (TBRA)	\$0.00	0%	
Development of Affordable Rental Housing	\$ 1,658,886.95	65%	
Non-Profit Operating	\$ 0.00	0%	5%
Non-Profit Capacity Building	\$ 0.00	0%	5%
Administrative and Planning	\$380,980.05	15%	15%
Total HOME-ARP Allocation	\$ 2,539,867.00		





## HOME-ARP Allocation

- Funding in the amount of **\$1,658,886.95** will be made available for the development of affordable rental housing.
  - It is estimated that 15 to 20 housing units will be made available to veterans through this grant. Additionally, it is estimated that an additional 10 to 15 units of affordable housing will be made available to households at risk of homelessness and at greatest risk of housing instability.
- Funding in the amount of **\$500,000.00** will be made available for the **acquisition/development of non-congregate shelter.**
  - It is estimated that four units and 8 – 10 beds will be made available through this funding.



## Limitations

- HOME-ARP rental housing or NCS may be limited to a specific subpopulation of a qualifying population (e.g., the housing may be limited to homeless households; at risk of homelessness households; veterans and their families, victims of domestic violence, dating violence, sexual assault, stalking or human trafficking and their families).
  - ARP Allocation Plan limits portion of rental units to Veterans
    - Doris Miller VA Hospital only on-site psychiatric hospital in the Central TX VA system



# Preferences

- A PJ may establish reasonable preferences among the qualifying populations to prioritize applicants for HOME-ARP projects or activities based on the PJ's needs and priorities, as described in its HOME-ARP allocation plan.
  - Funds made available under this HOME-ARP Allocation Plan will offer preferences to families with children. Families with children will be preferred for non-congregate shelter units and for affordable rental units.
  - The gap in emergency shelter beds for families identified in Waco's Strategic Plan for Ending Homelessness report



# Important Dates

- Work Session and Public Hearing : March 21, 2023
- Council item for approval: March 21, 2023
- Deadline for submission to HUD: March 31, 2023

The background of the slide is a solid teal color with a pattern of flowing, wavy lines that create a sense of movement and depth. The lines are more pronounced on the right side and fade slightly towards the left.

**Questions?**



## Points of contact

If you have further questions, please reach out to the **Points of Contact** below:

- Daniel Jayroe, [daniel.jayroe@bakertilly.com](mailto:daniel.jayroe@bakertilly.com), (312) 240-2426
- Baron Bell, [baron@cdexperts.net](mailto:baron@cdexperts.net), (240) 350-1546