HOME-ARP Allocation Plan

CITY OF HOUSTON

SYLVESTER TURNER, MAYOR

HOUSING AND COMMUNITY DEVELOPMENT DEPARTMENT

KEITH W. BYNAM, INTERIM DIRECTOR

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This document is subject to change pending HUD approval.
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Introduction

In September 2021, the U.S. Department of Housing and Urban Development (HUD) announced the allocation to the City of Houston (City) of over $37 million in a new grant called the Home Investment Partnerships Grant American Rescue Plan (HOME-ARP). The purpose of the HOME-ARP funds is to provide homelessness assistance and supportive services through several eligible activities. Eligible activities include acquisition and development of non-congregate shelter, tenant based rental assistance, supportive services, HOME-ARP rental housing, administration and planning, and nonprofit operating and capacity building assistance. A certain portion of HOME-ARP funds must assist people in HOME-ARP "qualifying populations", which include

- Sheltered and unsheltered homeless populations
- Those currently housed populations at risk of homelessness
- Those fleeing or attempting to flee domestic violence or human trafficking
- Other families requiring services or housing assistance or to prevent homelessness
- Those at greatest risk of housing instability or in unstable housing situations

To receive funding, the City must develop and submit to HUD a HOME-ARP Allocation Plan, which describes the distribution of HOME-ARP funds and identifies any preferences for eligible activities. The development of the HOME-ARP Allocation Plan must also be informed through stakeholder consultation and community engagement. The following is the City of Houston’s HOME-ARP Allocation Plan.

Consultation

Summarize the consultation process.

The City partners with public and private entities, and these stakeholders were consulted during the development of the HOME-ARP Allocation Plan. These consultants have relevant knowledge that can speak to the needs, gaps in services, and potential activities that would best benefit qualified populations. Stakeholders consulted included those who work with families or individuals experiencing or at-risk of homelessness, fleeing domestic violence, and other vulnerable qualifying populations.

In the development of the allocation plan, HCDD consulted with stakeholders and asked for their input concerning the HOME-ARP grant, eligible activities, and the proposed budget. Consultants articulated their gap in services and/housing needs by providing written and verbal input. HCDD synthesized the consultants’ feedback, and the following table and narrative summarizes the feedback received. HCDD also deployed a HOME-ARP Consultation Survey for community partners to give their input on how to utilize HOME-ARP funds and on the needs and challenges that arise when working to address homelessness and housing instability. HCDD will continue to meet with stakeholders throughout the implementation of the HOME-ARP activities to assess the ongoing needs of stakeholders’ clients. HCDD will also strive to collaborate with stakeholders to develop and effectuate strategies that will help end chronic homelessness.
List the organizations consulted, and summarize the feedback received from these entities.

Table 1 Agencies/Organizations Consulted

<table>
<thead>
<tr>
<th>Agency/Organizations Consulted</th>
<th>Type of Agency/Organizations</th>
<th>Method of Consultation</th>
<th>Feedback</th>
</tr>
</thead>
<tbody>
<tr>
<td>Coalition for the Homeless of Houston/Harris County</td>
<td>Services-homeless Regional organization Planning organization</td>
<td>Virtual Meeting</td>
<td>HCDD consulted regarding the “Needs Assessment and Gap Analysis” section of this Plan. The Coalition also manages the HMIS system subrecipients report accomplishments related to homelessness. Data from HMIS is used to evaluate program performance. The Coalition is the lead agency to the Way Home Continuum of Care (CoC), and the CoC was consulted about potential HOME-ARP activities, fund distribution, and collaborations. The Coalition supported need for the funds to address public services and permanent supportive housing.</td>
</tr>
<tr>
<td>City of Houston – Mayor’s Office of Homeless Initiatives</td>
<td>Other government – Local</td>
<td>Virtual Meeting</td>
<td>HCDD consulted with the Mayor’s Office of Homeless Initiatives to determine priorities for addressing needs of persons experiencing homelessness. The feedback received supported funds to be used for non-congregate shelter and supportive services.</td>
</tr>
<tr>
<td>Covenant House</td>
<td>Services-homeless Regional organization Planning organization</td>
<td>Homeless Strategy</td>
<td>Covenant House provides housing and supportive services to HOME-ARP qualifying populations, including homeless, trafficked, and at-risk youth. Needs described included non-congregate shelter.</td>
</tr>
<tr>
<td>Houston Housing Authority (HHA)</td>
<td>PHA</td>
<td>Public Housing Needs Homeless Strategy</td>
<td>HHA serves on the CoC Board of Directors. HCDD and HHA will continue to meet regularly to discuss current projects and plan for potential future projects and initiatives to address homeless needs. Tenant based rental assistance continues to be a need for HHA applicants.</td>
</tr>
<tr>
<td>Agency/Organizations Consulted</td>
<td>Type of Agency/ Organizations</td>
<td>Method of Consultation</td>
<td>Feedback</td>
</tr>
<tr>
<td>-------------------------------</td>
<td>-------------------------------</td>
<td>-----------------------</td>
<td>----------</td>
</tr>
<tr>
<td>Way Home Funders</td>
<td>Regional organization Other: Partnership with Public/Private Organizations</td>
<td>Email and Annual Report</td>
<td>To address homeless needs identified in the HOME-ARP Allocation Plan, HCDD has consulted with Funders Together, a public/private funding group that has participated in homeless planning efforts and has agreed to strategically invest resources to leverage public investment and help meet the CoC’s goals.</td>
</tr>
<tr>
<td>Houston Area Women's Center</td>
<td>Services-homeless Regional organization Planning organization</td>
<td>Email and Annual Report</td>
<td>HAWC serves HOME-ARP qualifying populations including women, children, and families escaping domestic violence, sexual assault, or human trafficking. Needs include non-congregate shelter to help stabilize families.</td>
</tr>
<tr>
<td>Various Housing Advocates</td>
<td>Regional organization</td>
<td>Virtual HCDD Housing Advocates Collective Meetings</td>
<td>Housing Advocate stated more assistance should be given to veterans experiencing homelessness, and more partnerships should be established to provide program information to community and grassroots organizations.</td>
</tr>
<tr>
<td>Community Organizations</td>
<td>Services-homeless Regional organization Planning organization</td>
<td>Consultation Survey</td>
<td>Summary is included in the Consultation Survey section below.</td>
</tr>
</tbody>
</table>

**Consultation Survey**

During the consultation process, HCDD sent a HOME-ARP Consultation Survey to 45 agencies and community partners. Those that responded to the survey serve more than 28,000 individuals and over 12,000 families who fall within the HOME-ARP qualified populations, including sheltered individuals and families or individuals fleeing family or sexual violence. Respondents included staff from the following organizations:

- A Caring Safe Place, Inc.
- Access Care of Coastal Texas
- AIDS Foundation Houston
- The Alliance
- Child Care Council of Greater Houston
- City of Houston
- Coalition for the Homeless
- Buckner Children and Family Services
- Fort Bend Women’s Center
- The Housing Corporation
- Harris County Domestic Violence Coordinating Council
- Harris County Community Services Department
Almost 80% of the households served by the survey respondents are households seeking asylum from domestic/dating violence or sexual assault. About 61% of the population that respondents served were sheltered households experiencing homelessness and/or families at risk of homelessness.

The survey asked respondents to report the level of service provided to varying racial/ethnic groups. Survey responses showed that on average African Americans (52.5%) accounted for the largest racial/ethnic category of HOME-ARP qualifying populations receiving assistance provided by survey respondents. The next largest racial/ethnic category served by survey respondents was Hispanic residents, which encompassed about 28.8% of the qualified populations served by survey respondents.

![Figure 1 Consultation Survey: Racial/Ethnic Demographics of Qualified Populations Served by Survey Respondents](image)

Survey respondents expressed the need for supportive services for qualifying populations like case management, job placement, legal assistance, parenting classes, transportation, childcare substance abuse services, and mental health, amongst many other services. Daily essentials like food and clothing are also among the priority needs for their served populations. Service providers also specified housing-related priority needs like permanent supportive housing, housing placement, appropriate housing units based on family size, rental assistance, and other housing subsidies. Some respondents expressed the need for more funding to cover operating costs to manage housing programs more effectively.

Some survey respondents also reported that there are varying needs amongst racial ethnic groups. For example, employment and healthcare resources for immigrants, irrespective of documentation, are severely limited. Needs may also vary between documented and undocumented individuals; however, language assistance is a critical need, especially because of Houston’s proximity to the Texas/Mexico border and because Houston is an international hub, where a significant number of Hispanics and other immigrants need services and materials provided in languages other than English.
Many of survey respondents meet these needs of Houstonians by providing supportive services and rental assistance. Almost all provide supportive services, and over half, 61.5% said that they provide rental assistance. Only 23% of the respondents said that they manage or operate permanent supportive housing, while between 7-15% of respondents provide other services or housing assistance related temporary supportive housing or affordable rental housing. The demand for these services shows that there is a great need in Houston.

Figure 2 Consultation Survey: Kinds of Housing Assistance or Supportive Services

Despite the number of households served, respondents indicated there are gaps in services and assistance. Some respondents reported that households may have trouble being placed in housing because there is an “overwhelming shortage of housing units and a lack of short-term emergency housing, especially for persons with a criminal history.” Not only is there a lack of affordable housing and rental assistance, but it is also difficult for seniors to find homes because of the cost, available stock, and assistance.

Fair housing barriers may also contribute to gaps in services. The majority of survey respondents, 61.5%, reported that there are fair housing barriers that qualifying populations experience. Such barriers include accessible housing for individuals with multiple disabilities and cognitive disabilities, and many households, irrespective of disabilities, need help navigating complex systems and filling out paperwork. Some households also experience housing discrimination because of their sexual orientation or racial/ethnic group. Those who are don’t speak English or have limited English proficiency also encounter difficulties because of their need for language assistance. Other respondents also expressed concerns regarding the difficulties that individuals face when fleeing domestic violence like demonstrating income or rental denials. These barriers related to fair housing are likely to be associated with gaps in services.

Survey respondents agreed that the highest priority for HOME-ARP funding should be tenant-based rental assistance, as represented in Figure 3. The second highest priority was tied with acquiring and developing of non-congregate shelters, providing supportive services, and providing assistance to non-profit operating costs. Although the proposed HOME-ARP funding does not meet the need in Houston, survey respondents generally agreed that funding the acquisition or development of non-congregate shelters should be a high priority. Not only are more non-congregate shelters needed in Houston, but other cities in the region would also benefit from this kind of housing. Generally, respondents agreed with the proposed activities and
distribution of HOME-ARP funds, although a few respondents indicated more funding should be allocated for rental assistance.

Figure 3 Consultation Survey: HOME-ARP Activity Priorities

Which HOME-ARP activity should be the community’s highest priority to provide homelessness assistance? (select one.)

- Acquisition and development of non-congregate shelters: 18.2%
- Tenant based rental assistance: 36.4%
- Supportive services: 18.2%
- Nonprofit operating assistance: 18.2%
- Nonprofit capacity building assistance: 9.1%

When asked if HCDD should set preferences among the qualifying populations to prioritize applicants for any of the following activities, the majority of respondents did not indicate preferences for activities (see Figure 4). For those that did indicate preferences, only acquisition and development of non-congregate shelters had the majority of survey responses indicate that it should include preferences, and the preferences for qualified populations should be given to households fleeing domestic/dating violence or sexual assault. Conversely, all respondents (100%) seemed to agree that HCDD should not give preferences when funding assistance for nonprofit capacity building, and most survey respondents reported that no preference should be given to specific qualified populations for other activities like TBRA, supportive services, affordable rental housing and nonprofit operating assistance. However, one respondent noted that high priority should be given to domestic violence agencies providing housing services when providing non-profits with assistance for operating costs.

Figure 4 Consultation Survey: HOME-ARP Activity Preferences

Should HCDD set preferences among the qualifying populations to prioritize applicants for any of the following activities?

- Acquisition and development of non-congregate shelters: Preference 40.0%, No Preference 60.0%
- Tenant based rental assistance: Preference 60.0%, No Preference 40.0%
- Supportive services: Preference 80.0%, No Preference 20.0%
- Affordable rental housing: Preference 60.0%, No Preference 40.0%
- Nonprofit operating assistance: Preference 80.0%, No Preference 20.0%
- Nonprofit capacity building assistance: Preference 100.0%
Public Participation

Describe the public participation process, including information about and the dates of the public comment period and public hearing(s) held during the development of the plan:

Public participation is a vital element in assessing the needs of and gathering input from Houstonians. HCDD seeks to exceed the statutory requirements of holding one public hearing by hosting two public hearings in preparation for the HOME-ARP Allocation plan.

HCDD held two public hearings that discussed the development of the HOME-ARP Allocation Plan, which incorporated information and discussion of community needs and eligible activities related to HOME-ARP, along with the chance to provide public comment on the proposed budget and activities. These hearings were held on November 4 and 10, 2021.

During the public hearings, HCDD presented eligible HOME-ARP activities and the City’s proposed HOME-ARP budget. At the meetings, HCDD also had breakout groups in which each attendee had the opportunity to discuss the HOME-ARP budget and activities with HCDD staff and give their input on how HCDD should plan activities using HOME-ARP funding.

The public notice describing the budget and activities and how to review the HOME-ARP Allocation Plan was published in the Houston Chronicle on November 4, 2021 in English and in the La Voz on November 10, 2021 in Spanish. The public comment period on the Draft HOME-ARP Allocation Plan coincided with the public hearings and began November 4, 2021 and ended on November 19, 2021.

Describe any efforts to broaden public participation:

HCDD has employed a comprehensive strategy to broaden public participation in the development of the HOME-ARP Allocation Plan. HCDD aspires to reach many residents and stakeholders from varying backgrounds, including persons of color, limited English and non-English speakers, persons with disabilities, and special needs populations. To increase public participation, HCDD created several methods for residents to participate in development of the HOME-ARP Allocation Plan. HCDD’s efforts are summarized below.

- HCDD conducted two virtual public hearings to gather residents’ input from all areas of the city. The hearings were held on Microsoft Teams and broadcasted on HTV, HTV Facebook Live, and HCDD’s Facebook Live.
- The two public hearings were held at staggered times (afternoon and evening) to broaden resident reach.
- HCDD provided a Spanish interpreter for Spanish speakers with limited English proficiency and provided real-time captioning for persons who are deaf or have a hearing loss during the public hearings.
- Flyers for the public hearings were posted at community centers and on local news station community calendars.
- HCDD’s Electronic Newsletters with information about the public hearings were sent to over 27,000 city residents and stakeholders on October 20 and November 1, 2021.
- The hearings and the Draft Allocation Plan comment period were advertised in the Houston Chronicle, La Voz in Spanish (Spanish newspaper), and Viet Moi in Vietnamese (Vietnamese newspaper).
Residents were also able to download the draft. Residents could comment through email, voicemail, and postal mail or simply complete an online comment form.

HCDD staff attended stakeholder and community meetings to inform residents of the HOME-ARP grant and public hearings, which included several Super Neighborhood meetings and Super Neighborhood committee meetings, HCDD’s Housing Advocates Collective Meeting, and Coffee and Conversations with the Department of Neighborhoods.

**Summarize the comments and recommendations received through the public participation process:**

A full summary of comments and recommendations received during the public comment period and the public hearings are in the Appendix of the 2021 Annual Action Plan. The main topics of comments received during the public hearings encouraged program transparency, encouraged funding for economic development in certain areas to increase access to amenities and create jobs with good pay, and highlighted community needs, including providing health and social service information in languages other than English and Spanish, providing additional health and mental health services, providing social services in areas outside of central Houston, and addressing safety and gentrification concerns in certain neighborhoods.

**Summarize any comments or recommendations not accepted and state the reasons why:**

All comments were accepted.
Needs Assessment and Gaps Analysis

To assess the unmet needs of HOME-ARP qualifying populations, HCDD evaluated the size and demographic composition of those populations. HCDD has also identified gaps within its current shelter and housing inventory, as well as the service delivery system. In the needs assessment and gaps analysis, HCDD used current data, including Comprehensive Housing Affordability Data (CHAS), 2021 Point in Time Count (PIT Count), 2020 CoC Housing Inventory Count (HIC), or other data available data sources.

While the amount of people estimated to be experiencing homelessness may be underrepresented due to COVID-19, the following information includes the basis for the needs assessment and gap analysis for HOME-ARP qualified populations based on the latest available data.

Table 2 Homeless Needs Inventory and Gap Analysis Table

<table>
<thead>
<tr>
<th>Homeless</th>
<th>Current Inventory</th>
<th>Homeless Population</th>
<th>Gap Analysis</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Family</td>
<td>Adults Only</td>
<td>Vets</td>
</tr>
<tr>
<td></td>
<td># of Beds</td>
<td># of Units</td>
<td># of Beds</td>
</tr>
<tr>
<td>Emergency Shelter</td>
<td>924</td>
<td>253</td>
<td>1,014</td>
</tr>
<tr>
<td>Transitional Housing</td>
<td>176</td>
<td>54</td>
<td>617</td>
</tr>
<tr>
<td>Permanent Supportive Housing</td>
<td>2,223</td>
<td>703</td>
<td>3,834</td>
</tr>
<tr>
<td>Other Permanent Housing</td>
<td>1,077</td>
<td>350</td>
<td>704</td>
</tr>
<tr>
<td>Sheltered Homeless</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unsheltered Homeless</td>
<td>0</td>
<td>1,510</td>
<td>73</td>
</tr>
<tr>
<td>Current Gap</td>
<td>992</td>
<td>315</td>
<td>2,750</td>
</tr>
</tbody>
</table>

Data Sources: 2021 Point in Time Count (PIT); 2020 Continuum of Care Housing Inventory Count (HIC); Consultation

Note: A “Family” household is a household with at least 1 child, and an “Adult” household includes a household without children. The average household size is 3.15.
Table 3 Non-Homeless Needs Inventory and Gap Analysis Table

<table>
<thead>
<tr>
<th>Non-Homeless</th>
<th>Current Inventory</th>
<th>Level of Need</th>
<th>Gap Analysis</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td># of Units</td>
<td># of Households</td>
<td># of Households</td>
</tr>
<tr>
<td>Total Rental Units</td>
<td>531,110</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rental Units Affordable to HH at 30% AMI</td>
<td>106,535</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(At-Risk of Homelessness)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rental Units Affordable to HH at 50% AMI</td>
<td>84,500</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(Other Populations)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>0%-30% AMI Renter HH w/ 1 or more severe</td>
<td></td>
<td></td>
<td>80,050</td>
</tr>
<tr>
<td>housing problems (At-Risk of Homelessness)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>30%-50% AMI Renter HH w/ 1 or more severe</td>
<td></td>
<td></td>
<td>39,160</td>
</tr>
<tr>
<td>housing problems (Other Populations)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current Gaps</td>
<td></td>
<td></td>
<td>121,780</td>
</tr>
</tbody>
</table>

Data Sources: 2014-2018 Comprehensive Housing Affordability Strategy (CHAS)

Table 4 Current Gaps for Single Adults & Youth

<table>
<thead>
<tr>
<th>Program Component</th>
<th>Current System for Individuals (Units)</th>
<th>Estimated Optimal System for Individuals (Units)</th>
<th>Estimated Current Gap</th>
</tr>
</thead>
<tbody>
<tr>
<td>Emergency Shelter</td>
<td>1,050</td>
<td>1,570</td>
<td>520</td>
</tr>
<tr>
<td>Diversion/Prevention</td>
<td>0</td>
<td>875</td>
<td>875</td>
</tr>
<tr>
<td>Transitional Housing</td>
<td>658</td>
<td>625</td>
<td>-</td>
</tr>
<tr>
<td>Rapid Rehousing</td>
<td>650</td>
<td>1,500</td>
<td>850</td>
</tr>
<tr>
<td>Bridge to Permanent Supportive</td>
<td>25</td>
<td>750</td>
<td>725</td>
</tr>
<tr>
<td>Housing</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Permanent Supportive Housing</td>
<td>3,125</td>
<td>5,025</td>
<td>1,900</td>
</tr>
</tbody>
</table>

Data Sources: 2020 The Way Home Community Plan; 2021 Point in Time Count (PIT); 2020 Continuum of Care Housing Inventory Count

Table 5 Current Gaps for Families

<table>
<thead>
<tr>
<th>Program Component</th>
<th>Current System for Individuals (Units)</th>
<th>Estimated Optimal System for Individuals (Units)</th>
<th>Estimated Current Gap</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prevention</td>
<td>0</td>
<td>50</td>
<td>50</td>
</tr>
<tr>
<td>Emergency Shelter</td>
<td>400</td>
<td>160</td>
<td>-</td>
</tr>
<tr>
<td>Diversion/Prevention</td>
<td>0</td>
<td>80</td>
<td>80</td>
</tr>
<tr>
<td>Transitional Housing</td>
<td>120</td>
<td>100</td>
<td>-</td>
</tr>
<tr>
<td>Rapid Rehousing</td>
<td>170</td>
<td>485</td>
<td>315</td>
</tr>
<tr>
<td>Bridge to Permanent Supportive</td>
<td>0</td>
<td>50</td>
<td>50</td>
</tr>
<tr>
<td>Housing</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Permanent Supportive Housing</td>
<td>415</td>
<td>290</td>
<td>-</td>
</tr>
</tbody>
</table>

Data Sources: 2020 The Way Home Community Plan; 2021 Point in Time Count (PIT); 2020 Continuum of Care Housing Inventory Count

Describe the size and demographic composition of qualifying populations within the PJ’s boundaries:
HUD requires HOME-ARP funds be used to primarily benefit individuals and families in specified HOME-ARP “qualifying populations.” Qualifying populations include, but are not limited to, the following:
• Sheltered and unsheltered homeless populations
• Those currently housed populations at risk of homelessness
• Those fleeing or attempting to flee domestic violence or human trafficking
• Other families requiring services or housing assistance or to prevent homelessness
• Those at greatest risk of housing instability or in unstable housing situations

**Homeless Populations**

In accordance with HUD’s definition of homeless under the HOME-ARP grant, HCDD will consider a homeless family or individual to generally include:

• An individual or family who lacks a permanent and adequate permanent home
• A person or family who will imminently lose their permanent home due to a lack of resources or support
• A youth under the age of 25, even if accompanied by an adult, that does not have a permanent home

The Way Home Continuum of Care (CoC) is a collaborative effort to prevent and end homelessness in the Houston region (3,711 sq. miles), including in Houston, Pasadena, Conroe, Harris County, Fort Bend County, and Montgomery County. The Coalition for the Homeless Houston/Harris County (Coalition) serves as the lead agency and HMIS lead agency to The Way Home. The Coalition’s 2021 Point-in-Time Homeless Count & Survey (PIT Count) found a total of 3,055 individuals experiencing homelessness on the night of January 19, 2021, 1,532 people staying in shelter (51%) and 1,510 people living unsheltered (49%) in Harris, Fort Bend and Montgomery counties, Texas.

In the homeless population, over four out of five persons experiencing homelessness were over the age of 24. Approximately one out of eight were under the age of 18, and all of those under age 18 were residing in sheltered situations. The population living unsheltered was older with forty-nine out of fifty (97%) 25 years of age or older. The sheltered population experiencing homelessness was younger, due to the inclusion of children in that population. Overall, three out of five persons, in the population experiencing homelessness were male, and men made up an even higher percentage of the unsheltered population (81%).

The analysis of subpopulation showed that nearly one out of five people met the HUD definition of chronic homelessness. One out of eleven people self-identified as a veteran, and high rates of serious mental illness (two out of five) and substance use disorder (three out of five) were also reported. A total of 187 young adults (18-24) were among those experiencing homelessness, with 9% reported as chronically homeless. Thirty children were found in parenting youth households, and all of them were in emergency shelter or transitional housing.

The vast majority of those experiencing homelessness were either Black/African American (56%) or White (40%). One in seven individuals experiencing homelessness who were interviewed considered themselves Hispanic. The findings show a higher percentage of white homeless people were found in the unsheltered population than in the sheltered population.
People of color are disproportionately overrepresented in the homeless system. The homeless response system and governmental funders play a role in these disturbing levels of inequity, and they have an important role to play in addressing them and must ensure that the homeless response system does not perpetuate injustice. Houston, while working to end homelessness for everyone, must ensure system policies, programmatic practices, and unconscious bias are not preventing or delaying people of color from accessing services, or directing them to services not of their choosing. As the homeless response system transforms, all people, especially people of color, must have equitable access and opportunity.

Figure 6 shows that African Americans experience a severely disproportionately higher rate of homelessness compared to other races and ethnicities. The percentage of African Americans that experience homelessness (56.2%) is more than twice that of the area’s population (20%). Other races and ethnicities have lower percentages of homeless population compared to percentages of the total population. For example, white residents make up about 69.6% of total residents living in the Houston/Harris County area; yet they are only 39.6% of the homeless population.

Not only do African Americans have the greatest homeless proportion, but it likewise has the greatest proportion of homeless youths. Of the total amount of homeless youths, African Americans are disproportionately overrepresented.
American youths make up about 65.1% of this population. This is more than three times greater than the total population. As shown in both figures 6 and 7, no other racial/ethnic group experiences such disproportionate disparities in homelessness.

**Figure 7 Homeless Population by Ethnicity**

<table>
<thead>
<tr>
<th>Houston/Harris County Population</th>
<th>56.7%</th>
<th>43.3%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Homeless Population</td>
<td>85.9%</td>
<td>14.1%</td>
</tr>
<tr>
<td>Sheltered Homeless</td>
<td>85.5%</td>
<td>14.5%</td>
</tr>
<tr>
<td>Unsheltered Homeless</td>
<td>86.5%</td>
<td>13.5%</td>
</tr>
<tr>
<td>Homeless Young Adults</td>
<td>85.5%</td>
<td>14.5%</td>
</tr>
</tbody>
</table>

**Individuals and Families at Risk of Homelessness**

HUD defines those at risk of homelessness as individuals and families who have an income below 30% of the area median income (AMI), do not have sufficient resources or support networks to prevent them from becoming homeless, or live with instability, like moving two or more times during the last 60 days due to economic reasons.

Using HUD’s 2014-2018 CHAS data, Houston has 136,630 households with incomes at or below 30% AMI, which is 16.1% of all Houston’s households. Almost all households, 80.0%, with incomes at or below 30% AMI are renter households. As shown in Table 3 above, there are approximately 80,050 renter households that earn 30% AMI or under and have one or more severe housing problems, which could include housing cost burden, overcrowding, lack of kitchen facilities, or lack of plumbing facilities. These housing problems can lead to housing instability, especially for low-income households earning below 30% of AMI; therefore, these households are considered to be at risk of becoming homeless.

**Figure 8 Renter Households Earning Below 30% AMI with Housing Problems by Race and Ethnicity**

- White alone, non-Hispanic: 13.8%
- Black or African-American alone, non-Hispanic: 35.4%
- Other: 5.0%
- Hispanic, any race: 44.4%

Non-Hispanic African Americans account for 35.4% of households earning below 30% AMI, which is the largest racial/ethnic group of households that are at-risk of homelessness. Since
this racial group only accounts for 20% of the total Houston/Harris County population (see figure 8), African Americans households at 30% AMI or below are disproportionately at-risk of homelessness. While the disparity is not as significant as African Americans, the proportion of Hispanic households at-risk of homelessness (44.4%) is larger compared to the percentage of Hispanics in the total Houston/Harris County population (43.3%).

**Fleeing or attempting to flee domestic violence or human trafficking**

For HOME-ARP, this population includes any individual or family who is fleeing, or is attempting to flee, domestic violence, dating violence, sexual assault, stalking, or human trafficking. It includes cases where an individual or family reasonably believes that there is a threat of imminent harm from further violence due to dangerous or life-threatening conditions that relate to violence against the individual or a family member, including a child, that has either taken place within the individual’s or family’s primary nighttime residence or has made the individual or family afraid to return or remain within the same dwelling unit.

Since 2017, Houston has experienced an alarming rise in domestic violence reports. According to the Texas Council on Family Violence Annual Honor Victims report, the Houston-Harris County area has seen a 45% increase in reported domestic violence cases. Of the domestic violence cases in Texas during 2019, about 21% of those incidents occurred in the Houston/Harris County Area, but since COVID-19 in 2020, the number of domestic violence cases increased by 8.2%.

According to the Texas Council on Family Violence (TCFV), the conditions of the coronavirus pandemic in 2020 increased isolation and economic stressors that compounded the impact of are fair housing barrier abuse, including frequency and severity of violence. They documented the highest number of intimate partner homicides in the last decade and a 23% increase in homicides between 2019 and 2020. This increase is also shown through the crisis response hotline calls from the Houston Area Women’s Center which received a marked increase in calls in 2020 at 45,904 calls, compared to 2019 at 39,615 calls and 2018 at 36,471 calls.

The majority of family violence fatalities are women. In 2020, TCFV found that 183 women were killed by male partners, 40 men were killed by female partners, and 5 men and women were killed by a same sex partner. The victims ranged in age from 14 to 90 years old. In addition, according to the Domestic Violence Defense using data from the Texas Department of Public Safety, Harris County had more family violence incidents, at 41,300, than any other county in Texas in 2018. The next highest number of incidents occurred in Dallas County with 22,136 incidents and Bexar County with 15,242 incidents.

In the Houston Area Women’s Center (HAWC) 2020 Annual Report, HAWC reported that the organization housed or assisted 4,178 families or individuals fleeing domestic or dating violence, sexual assault, or sex trafficking. Of those families or individuals assisted 4,000 received supportive services such as counseling, court and/or legal services, and case management. HAWC also assisted families and their households which included accompanying 399 survivors to the hospitals, housing 632 survivors, placing 557 survivors in safe harbor hotels, and providing

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1. 2020 Crime in Texas Report (2020) Texas Department of Public Safety) [link]
$1.6 million in direct assistance, yet HAWC was only able to support 30% of families or individuals in need of their services.²

Residents living in housing instability or in unstable housing situations

HOME-ARP qualifying populations also include other populations who have previously qualified as homeless, are currently housed with temporary or emergency assistance, and who need additional housing assistance or supportive services to avoid a return to homelessness. In addition, HUD defines those at greatest risk of housing instability as households that have an annual income less than 30% AMI and are experiencing severe cost burden or have an income less than 50% AMI and meet a certain condition, like living in someone else’s home or living in a hotel due to an economic hardship.

Many renters in Houston experience varied housing challenges. Over half (59.6%) of all Houston renters have housing problems or severe housing problems. In CHAS data, HUD defines housing problems as a household that has one or more of the following: lacking a kitchen or plumbing, having more than one person per room, or being housing cost burdened at 30% of more. Of these problems, housing costs negatively impact most renters whose household income is at or below 50% AMI. About three in four (70.1%) renters earning at or below 50% AMI are either cost burdened or severely cost burdened.

The Houston-Harris County Emergency Rental Assistance Program launched in March 2021. As of October 28, 2021, 131,843 applications for assistance had been submitted to receive rent assistance because they were financial impacted by the COVID-19 pandemic, experienced housing instability, and whose household income was at or below 80% AMI. In addition, the Coalition, through the Community COVID Housing Program (CCHP), has housed 873 people experiencing chronic homelessness in permanent supportive housing, provided short term rapid re-housing for 2,674 people who have fallen into homelessness due to COVID-19, and provided diversion services to assist 2,224 people maintain or regain housing over the past year, from October 1, 2020 to October 20, 2021.

Housing instability is greater for populations of color, especially for Hispanics, irrespective of

race, and non-Hispanic African Americans. When comparing the proportion of residents in the two lowest income categories by race/ethnicity, Hispanics (49.7%) and African Americans (33.0%) have the highest proportion of residents with housing problems, as shown in Figure 9, demonstrating that these two racial/ethnic groups have the greatest propensity to experience housing instability. Both groups also experience housing instability at a disproportionately higher rate than other racial/ethnic groups.

This is the same for one of the severe housing problems, severe cost burden. Figure 10 also shows that Hispanic and African American households make up the greatest proportion of renter households earning below 50% AMI with severe housing cost burden. Of all the Houston renters earning below 50% AMI that are severely cost burdened, Hispanics are 44.3% of that population and African Americans make up 33.1%; together these groups equate to 77.4% of all severely cost burdened renters earning below 50% AMI. This shows that more resources are needed in communities of color to assist with lessening housing cost burdens.

Many families may need more critical resources to help them achieve and maintain long-term housing stability, especially those who are Hispanic or African American. Rental assistance and wrap around or supportive services are indispensable services that can assist households who are living in housing instability or that have recently received housing assistance due to COVID-19 impacts.

Describe the unmet housing and service needs of qualifying populations, including but not limited to:

- Sheltered and unsheltered homeless populations;
- Those currently housed populations at risk of homelessness;
- Other families requiring services or housing assistance or to prevent homelessness; and;
- Those at greatest risk of housing instability or in unstable housing situations;

Many of the needs of the qualifying populations are similar and include the need for a flexible response system, available housing that is affordable, wrap around services, and supportive services or assistance that could prevent homelessness or greater housing instability. The

<table>
<thead>
<tr>
<th>Race/Ethnicity</th>
<th>0-30% AMI</th>
<th>30-50% AMI</th>
</tr>
</thead>
<tbody>
<tr>
<td>White alone, non-Hispanic</td>
<td>6.5%</td>
<td>9.6%</td>
</tr>
<tr>
<td>Black/African American alone, non-Hispanic</td>
<td>9.9%</td>
<td>23.2%</td>
</tr>
<tr>
<td>Other Races, non-Hispanic</td>
<td>2.7%</td>
<td>5.1%</td>
</tr>
<tr>
<td>Hispanic, any race</td>
<td>14.4%</td>
<td>29.9%</td>
</tr>
</tbody>
</table>
following reviews the needs of each qualifying population.

**Homeless Populations**

People experiencing unsheltered homelessness are at great risk of continued harm due to higher rates of morbidity and mortality resulting from pre-existing health conditions, exposure to the elements, lack of access to healthcare, and elevated rates of hospitalizations with longer, more complex hospital stays. Long periods of living without shelter also put individuals at a greater risk of social isolation and the chance of victimization. The process of resolving unsheltered homelessness is much more complicated and takes longer compared to that for people receiving crisis shelter.

Houston has seen success in reducing the number of people experiencing literal homelessness by prioritizing the most vulnerable households first. This means that the CoC makes every effort to pair the Houston area’s limited resources to those who are most vulnerable. Affordable housing paired with supportive services is the solution to homelessness, and the City continues to work to expand access to permanent supportive housing.

It is important to connect people to permanent housing with the right level of services to ensure their success. Housing options must be flexible, client-centered, easily accessible and paired with support services necessary to help clients remain in housing for the long-term. Returning to homelessness after a housing placement is re-traumatizing for the families and an inefficient use of assistance resources. The CoC’s most recent 5-year plan outlines the strategies to address immediate unmet needs:

- Expand the supply of permanent supportive housing (PSH) to meet the current total system gap of 1,900 units for single adults and youth; this includes a place to live that is affordable paired with supportive services.
- Expand the annual supply of rapid re-housing to meet the current system gap of 1,165 annual slots for single adults, families, and youth; this includes a place to live that is affordable paired with supportive services.
- Secure resources to provide rehousing navigation support by recruiting and retaining a reliable supply of landlords and rental units.
- Implement a “moving on” strategy, targeting up to 20% of current PSH residents for transition to general population affordable housing, thus freeing up PSH for new tenants, which often requires access to affordable and/or subsidized units.
- Establish, support, and use all available homeless preferences for affordable housing resources and assets available through public housing authority (PHA) properties, multi-family developments, and Low-Income Housing Tax Credit developments.

In addition to the strategies to meet immediate needs listed above, both the housing response system and crisis response system must also be strengthened. To address these needs, the CoC has also identified the following ways to refine engagement strategies for people living unsheltered:

- Expand the number of outreach teams and staff to ensure appropriate coverage to all geographies throughout the CoC. Coordinate outreach teams to ensure standardization of outreach practices, schedules, and engagement strategies across all outreach efforts.
- Undertake proactive, non-punitive responses to outreach, which are critical when there are high numbers of people who are unsheltered to reduce significant dangers found at
encampments.
- Expand crisis housing response to include a navigation/engagement center for the most vulnerable unsheltered people who require specialized services to address comorbidities of mental illness, substance use disorders, chronic health conditions and prolonged social dislocation.
- Reduce barriers to existing crisis services by easing sobriety requirements and by easing restrictions that inhibit access for people with untreated behavioral health issues, couples, people with support animals, people of non-binary gender identity, and people needing extra space for storage of their belongings.
- Ensure expanded crisis housing capacity is accessible and targeted to special populations for whom there are not enough beds in current shelters. Target groups, including single people experiencing mental illness, developmental disabilities, and chronic health conditions. Crisis housing should be low barrier, enabling immediate access without preconditions such as requiring engagement in treatment, employment, or services.
- Leverage person-centered, housing-focused case management with enhanced training in evidence-based best practices (e.g., trauma-informed care, critical time intervention, motivational interviewing, and housing first strategies) for service delivery.

**Individuals and Families at Risk of Homelessness**

Individuals and families at risk of homelessness may need housing assistance that could vary from eviction assistance, diversion assistance, or rent and utility assistance in addition to other types of supportive services. Households who need assistance with maintaining or regaining housing to prevent homelessness will benefit from targeted services, like diversion services. However, diversion services, for instance require specialized outreach and engagement services targeted to high-risk populations and geographies to ensure people and communities at highest risk for homelessness are engaged with housing supports before experiencing literal homelessness. Services that may be needed to assist individual and families at risk of homelessness include:

- Short-term subsidies to defray rent and utility arrearages for families that have received eviction or utility termination notices or are experiencing a hardship that may lead to homelessness
- Security deposits and first month’s rent to permit homeless families to move into their own apartment
- Light case management services geared towards problem solving and rapid resolution for people receiving diversion services
- Mortgage payments
- Rapid resolution case management and/or mediation services

**Fleeing or attempting to flee domestic violence or human trafficking**

The City of Houston Mayor’s Office of Human Trafficking and Domestic Violence recently formulated a comprehensive municipal response to human trafficking through engaging a 6-month analysis and stakeholder engagement period. The analysis found that survivors lacked easy access to short-term shelter and quick access to medical and psychological services. In addition, there were only informal networks to connect survivors to job opportunities. Without economic independence, many survivors are caught in abusive relationships and the gains they make with traditional social services are not fully realized. Creating better access to short-term
shelter and housing as well as increasing the supportive services available could help stabilize this qualifying population.

Residents living in housing instability or in unstable housing situations

Residents who have been previously homeless or are currently using some type of rental assistance may need the assistance to continue for a short or long period of time. Funding existing services and housing assistance programs is important to the housing stability of these individuals and families. In addition, the City of Houston and surrounding region has a lack of quality affordable housing available for residents in need causing cost burdens leading to housing instability. There is also a need to assist residents living in unstable housing situations increase their income, build savings, and acquire assets through additional supportive services in the community. The HOME-ARP Consultation Survey found that fair housing barriers, barriers for persons with disabilities, and language barriers often impact the housing options available to these qualifying populations.

Identify and consider the current resources available to assist qualifying populations, including congregate and non-congregate shelter units, supportive services, TBRA, and affordable and permanent supportive rental housing:

The City of Houston receives an annual allocation of almost $45 million in federal formula grant funding, including the Community Development Block Grant (CDBG), the HOME Investment Partnerships (HOME) Grant, the Emergency Solutions Grant (ESG), and the Housing Opportunities for Persons Living with HIV/AIDS (HOPWA). HCDD utilizes this grant funding to assist families with obtaining affordable homes, supportive services, rental assistance, emergency shelter and other services. These services can and often benefit qualifying populations. For instance, although the City uses CDBG to fund public services to the greatest extent possible, which can help stabilize individuals and families by providing services like healthcare, childcare, job training, and homeless services, there is a cap of 16.77% of the total grant amount of CDBG that can be used for public services. The City works with community partners to leverage resources and build up systems to serve Houstonians.

Since March of 2021, HCDD has partnered with Harris County to serve the community with the Houston-Harris County Emergency Rental Assistance Program. This program provides comprehensive rental and utilities assistance to households who are at risk of losing their homes due to COVID-19. As of October 2021, the program was funded with over $283 million. Although the current funds are expected to be exhausted by the end of 2021, there may be additional funding available over the next year to continue this program.

The Houston region also receives approximately $42 million in Continuum of Care (CoC) funding annually. This funding helps to keep approximately 5,000 formerly homeless people housed. The CoC Program is designed to:

- Promote communitywide commitment to the goal of ending homelessness
- Provide funding for efforts by nonprofit providers, and State and local governments to quickly rehouse homeless individuals and families while minimizing the trauma and dislocation caused to homeless individuals, families, and communities by homelessness
- Promote access to and effect utilization of mainstream programs by homeless individuals and families
- Optimize self-sufficiency among individuals and families experiencing homelessness
In addition to the annual CoC funding, the City provides additional resources to assist Houstonians that are part of the qualifying populations. The City is partnering with Harris County and the Coalition for the Homeless to effectively utilize CARES Act relief funding through the Community COVID Housing Program (CHP). The CHP announced a joint, $65 million plan to serve 5,000 people experiencing homelessness by October 2022 to limit the spread of COVID-19 by permanently housing people who are currently experiencing literal homelessness (e.g., living in shelters, encampments or on the streets), as well as those who may fall into homelessness as a result of the economic effects of the coronavirus.

The CHP began on October 1, 2020, and as of October 20, 2021, approximately 3,553 people had been housed through the CCHP. The CCHP focuses on using three primary interventions: (1) "Bridge" to PSH for those experiencing chronic homelessness, (2) Rapid re-housing for those who may fall into homelessness as a result of COVID, and (3) Homelessness diversion to help people immediately maintain or regain housing, so that they do not have to experience the trauma literal homelessness may cause.

The community is working towards solving homelessness with the current resources through the CCHP. The CCHP is expected to make a deep, and hopefully lasting, impact on homelessness in the CoC, and it is likely that there are fewer unsheltered persons counted in the 2021 PIT Count because of this program.

In addition to CCHP, The Way Home CoC was recently awarded $10 million to end youth homelessness - the fourth-highest award in the nation. The Youth Homelessness Demonstration Program (YHDP) will provide our community with the funding, technical assistance, and flexibility to develop and implement a coordinated community approach to youth homelessness that matches the needs, assets, constraints, and preferences of our community stakeholders. Over the next several months, the CoC will work to form a YHDP workgroup in partnership with child welfare agencies, other community partners and most importantly, youth, to create a comprehensive community plan to address and end youth homelessness in our community. This work will help address one of the implement goals in the Coalition’s Community Plan to build an equitable homeless response system that can effectively end youth homelessness.

Identify any gaps within the current shelter and housing inventory as well as the service delivery system:

The Coalition, with the help of a consultant, identified permanent supportive housing and rapid rehousing as ways to address the gaps in the current shelter and housing inventory to best assist people experiencing homelessness. The following details immediate gaps in the homeless system:

- There is a current total system gap of 1,900 units for single adults and youth, which includes a place to live that is affordable paired with supportive services.
- There is a current system gap of 1,165 annual housing or shelter units for single adults, families, and youth, which includes a place to live that is affordable paired with supportive services.
- To allow for social distancing during COVID, the system’s homeless response estimates a gap of 520 emergency shelter beds for youth and single adults, as well as a need for Diversion services to reduce inflow into homelessness.
- The increased service-levels and access to Diversion services are crucial to targeting
and preventing households from experiencing or returning to homeless.

The Houston housing inventory has a severe gap in the number of affordable homes available compared to those that are needed. The 2021 State of Housing in Harris County and Houston finds that the affordability gap for renters is growing. Income continues to grow at a slower pace than housing process leading to Houston and Harris County’s renter’s being more cost burdened than renters in Dallas, Chicago and Atlanta. In 2019 the eviction filing rate was 8.8%, and the eviction rate was 4.5%, which is higher than many similar metro areas. The supply of affordable homes is not keeping up with demand, and higher land and construction costs may lead to an additional gap in the affordable homes that are needed.

The estimated gap of affordable rental homes that are needed in Houston, as shown in Table 3, is approximately 119,735 rental homes. Housing affordability in Houston and the surrounding region impacts the HOME-ARP qualifying populations, but also other low- and moderate-income households and other vulnerable populations, such as persons with disabilities and persons fleeing domestic violence, sexual assault, and sex trafficking. Through the stakeholder engagement during the development of the HOME-ARP Allocation Plan, stakeholders indicated the need for more available affordable housing, supportive housing, rental assistance, and the need for additional social services.

Identify the characteristics of housing associated with instability and an increased risk of homelessness if the PJ will include such conditions in its definition of “other populations” as established in the HOME-ARP Notice:

The number one indicator of households falling into homelessness from a place of housing instability is a previous history of homelessness. Homeless assistance is generally the last resort for households in extreme poverty with few resources of their own and limited connections to others who could offer temporary, emergency support. Additionally, when other systems of care, like hospitals, behavioral health settings, child welfare, and criminal justice systems, are unable to address the reasons why people cannot stay housed, people have no alternative than turning to the homeless response system.

To prevent people from falling into homelessness, public systems for justice, anti-poverty, prevention, health (including behavioral health), child welfare and affordable housing must use data to identify how people are falling into homelessness and target prevention strategies and policies to address these areas.

Additionally, families with children, or unaccompanied youth who are unstably housed and likely to continue in that state, including those people who are doubled up in other people’s homes because they lack a home of their own, are not considered to be experiencing homelessness by the U.S. Department of Housing and Urban Development (HUD) and are not eligible for its homeless assistance. These same families are, however, considered to be experiencing homelessness by the U.S. Department of Education and are eligible for additional educational services and supports. People are considered to be “at risk of homelessness” if they are losing their primary nighttime residence, which may include a motel or hotel or a doubled-up situation, within the next 14 days and lack resources or support networks to remain in housing.

Identify priority needs for qualifying populations:

HOME-ARP qualifying populations often have many competing needs. In the HOME-ARP
Consultation Survey, stakeholders indicated a variety of needs for qualifying populations, including 1) housing, such as shelter, short-term housing, permanent supportive housing, and rental and utility assistance, and 2) supportive services, such as medical care, counseling, substance abuse service, case management, child care, transportation, legal services, and job training. The needs overlap but also vary amongst these populations, and the following information covers the priority needs for each of the qualified populations.

**Homeless or At-Risk of Homelessness Populations**

HCDD has partnered with the CoC to identify and prioritize the needs of the homeless population in Houston. The CoC’s Community Plan outlines goals that address the needs of homeless veterans, people experiencing chronic or near chronic homelessness, homeless families and youth. As identified in the Community Plan, families and individuals struggling with homelessness need an improved crisis response system.

Although the needs of each group generally overlap, each of these subpopulations may have greater needs than others. Those who are experiencing or are at-risk of homelessness need more affordable housing and shelter options that provide short-term, mid-term, and long-term interventions. Those who are at-risk of homelessness have a strong need for homelessness prevention and stabilizing services, while those who are currently homeless or experiencing chronic homelessness need more street outreach and case management services.

**Domestic Violence Populations**

Families or individuals fleeing domestic or dating violence need increased safety measures to minimize risk of returning to unsafe residential environments. This qualified population has a critical need for temporary shelter for safe harboring and supportive services to help them transition into permanent supportive housing. Even while these families or individuals are need services to assist them with the legal advocacy, childcare, employment services, and case management.

**Residents living in housing instability or in unstable housing situations**

Many residents who are living in unaffordable and/or unsafe homes have many needs and compounding challenges. These households need support with staying housed. While many families may gain stability through rental assistance, other families need more housing options that are safe and affordable. However, most of these households will also need a livable wage and supportive services to create long-term self-sufficiency.

**Explain how the level of need and gaps in its shelter and housing inventory and service delivery systems based on the data presented in the plan were determined:**

The gaps in services and programs need to provide shelter, housing, and services were determined using data from multiple sources, including stakeholder and public engagement. The level of need for unsheltered and shelter households experiencing homelessness was determined by evaluating the number of unsheltered households and the level of resources available to adequately house the families or individuals with permanent supportive housing and critical long-term supportive services to achieve housing stability.
For households that are currently housed but have challenges maintaining their home, the level of need was measured by the amount of inventory that had affordable, safe, and adequate living conditions and the number of renter households that are experiencing severe housing cost burdens. These households need housing outcomes that help them stay housed without incumbering them with the cost of their home.
HOME-ARP Activities

Describe the method for soliciting applications for funding and/or selecting developers, service providers, subrecipients and/or contractors and whether the PJ will administer eligible activities directly:

As with HOME funds, HCDD will use HOME-ARP funds to promote public/private partnerships as a vehicle for preserving and expanding the stock of affordable homes. HOME-ARP funds may be leveraged with private and public funding sources to support activities for supportive services, tenant-based rental assistance, and the development of non-congregate shelters. HCDD will continue to support eligible activities through partners, like the Houston Housing Authority and/or other agencies, to assist very low-income households.

HOME-ARP funds will be awarded to City departments or nonprofit or for-profit organizations, based on the merit of proposals received prior to or during the grant implementation period. For development activities and supportive services, greater preference is given to proposals that have other sources of equity and financing and are in line with HCDD’s priorities. The locations of activities will be determined after subrecipients are selected and prioritized.

If any portion of the PJ’s HOME-ARP administrative funds were provided to a subrecipient or contractor prior to HUD’s acceptance of the HOME-ARP allocation plan because the subrecipient or contractor is responsible for the administration of the PJ’s entire HOME-ARP grant, identify the subrecipient or contractor and describe its role and responsibilities in administering all of the PJ’s HOME-ARP program:

HCDD will not allocate any funds to a subrecipient or contractor to administer the entire HOME-ARP program.

Use of HOME-ARP Funding

Table 6 HOME-ARP Budget

<table>
<thead>
<tr>
<th>Activity</th>
<th>Funding Amount</th>
<th>Percent of the Grant</th>
<th>Statutory Limit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Supportive Services</td>
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<tr>
<td>Acquisition and Development of Non-Congregate Shelters</td>
<td>$ 22,550,000.00</td>
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<tr>
<td>Tenant Based Rental Assistance (TBRA)</td>
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<td>Development of Affordable Rental Housing</td>
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<td>Total HOME ARP Allocation</td>
<td>$ 37,352,805.00</td>
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</tbody>
</table>

Additional narrative, if applicable:

Table 6 shows the proposed HOME-ARP budget, which indicates the amount of HOME-ARP funding that is planned for each eligible HOME-ARP activity type including administrative costs within HOME-ARP statutory limits.
Describe how the characteristics of the shelter and housing inventory, service delivery system, and the needs identified in the gap analysis provided a rationale for the plan to fund eligible activities:

HCDD has identified activities that will assist families and individuals of the most vulnerable qualified populations.

The gap analysis of rental units shows that there is a great need for affordable rental units because many households have housing problems, which includes affordability. Almost 30% of all renters in Houston cannot afford their home because they are either cost burdened or severely cost burdened. Cost burdened households spend between 30% and 50% of their income on housing cost while severely cost burdened households spend over 50% of their income on housing costs. Almost all (84.6%) renters who are at or below the 50% Area Media Income (AMI) are cost burdened or severely cost burdened.

Among the most vulnerable qualified populations in jeopardy of housing instability are families and individuals who have challenges with housing affordability. To help keep families housed, HCDD will fund activities that provide rental assistance to low- and moderate-income families. Tenant-based rental assistance will be administered by local non-profits or public agencies that support families or individual who are at-risk of homelessness.

Following the housing instability that was exacerbated by COVID-19, there is also critical need for permanent and temporary supportive housing. Unlike CDBG and HOME grants that do not provide an avenue for acquiring, developing, or rehabilitating non-congregate shelters, which leaves insufficient alternatives for temporary shelter, the HOME-ARP grant provides an opportunity to assist households with temporary supportive housing through the development of non-congregate shelters. These shelters will not only help those experiencing homelessness, but they will also assist families or individuals who are fleeing, or attempting to flee, domestic violence and sexual assault.

Many of the families or individuals who receive assistance to mitigate homelessness or flee violent circumstances require wrap-around services because of the compounding challenges they face. HCDD will support organizations that provide supportive services to help program participants achieve self-sufficiency.
Preferences

Identify whether the PJ intends to give preference to one or more qualifying populations or a subpopulation within one or more qualifying populations for any eligible activity or project:

After the housing crisis following COVID-19, the most vulnerable qualifying populations in Houston need support to improve their resiliency. These most vulnerable families and individuals experience compounded obstacles. Because of this, HCDD will give preference to these populations to help house or keep these families or individual housed through eligible activities such as non-congregate shelter, rental assistance, and supportive services.

Based on the need and gap analysis, HCDD will give the greatest preference to families and individuals that are experiencing or at-risk of homelessness when providing rental assistance or supportive services. Many homeless families and individuals have compounded challenges because homeless individuals are more susceptible to acute health concerns, physical or sexual assault, and drug and alcohol abuse, making them some of the most vulnerable populations. Assistance to provide housing or shelter will support these families or individuals leaving homelessness.

The second priority for rental assistance and supportive service activities will include individuals fleeing, or attempting to flee, domestic violence and sexual assault. With the increase in domestic violence following the COVID-19 pandemic, more families will require housing and supportive services because of the compounding challenges that come with fleeing violent circumstances.

If a preference was identified, explain how the use of a preference or method of prioritization will address the unmet need or gap in benefits and services received by individuals and families in the qualifying population or category of qualifying population, consistent with the PJ’s needs assessment and gap analysis:

In order to improve the quality of life for program participants, HCDD will support organizations that prioritize families and individuals who are the most vulnerable within the qualified populations. These populations are likely to have great compounded challenges that require more intensive supportive services to achieve and maintain housing stability. These mid-term to long-term services require assistance transitioning to housing and providing permanent supportive housing, along with case management, healthcare, legal services, and other supportive services. With better housing options and wrap-around services, these families will have a higher likelihood of becoming self-sustaining over time.

In doing so, HCDD will utilize the Way Home's coordinated entry process (CE), which is known as the Coordinated Access System to determine the household eligibility and rank the priority need for homeless individuals and families receiving assistance with HOME-ARP funds. The Harris, Montgomery, and Fort Bend County Continuum of Care and The Way Home, with the input from area homeless providers, have established guidelines that outline the order of priority for housing homeless individuals and families.

To connect people with the appropriate housing intervention, HCDD’s HOME-ARP subrecipients that will assist homeless populations will be required to utilize the Coordinated Access System.
to implement triage, assessment, and referrals through Homeless Management Information System (HMIS). This will ensure that homeless individuals and families with the most severe needs are connected to the best diversion and homeless prevention program. The objective is to serve people who are not likely to end homelessness without support because they have been homeless for long periods of time and/or have a high utilization of crisis services like emergency rooms, jails, and psychiatric facilities and significant health or behavioral challenges such as substance use disorders or functional impairments.

The Coordinated Access System is an electronic assessment by which qualified populations will be evaluated based on the following criterion:

- length and frequency of homelessness
- physical and mental health status
- criminal history
- veteran status
- domestic violence experience
- substance abuse conditions
- and employment history

This assessment will help to determine the appropriate assistance, which might include housing assistance, supportive services, and/or referrals to other coordinated systems, and provide households with guided process to secure housing, and after applicants have been assessed, the agency will triage applicants using a Housing Prioritization Tool.

Table 7 Coordinated Access Housing Prioritization Tool

<table>
<thead>
<tr>
<th>Housing Prioritization Tool</th>
<th>Answer</th>
<th>Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>1a  Chronic?</td>
<td>Yes/No/Log</td>
<td>25</td>
</tr>
<tr>
<td>1b  Where did you sleep last night? (only show if chronic = no)</td>
<td>Streets/Log</td>
<td>4</td>
</tr>
<tr>
<td>1c  Have you been homeless before? (only show if chronic = no)</td>
<td>Shelter/Log</td>
<td>2</td>
</tr>
<tr>
<td>1d  How many times have you been homeless in the past 3 years? (only show if chronic = no)</td>
<td>&gt;4</td>
<td>2</td>
</tr>
<tr>
<td>2   Frequent yes/no from dashboard (don’t ask)</td>
<td>Yes</td>
<td>2</td>
</tr>
<tr>
<td>3   Do you or anyone in your household have a disabling condition? (only show if chronic = no)</td>
<td>Yes/Logic</td>
<td>4</td>
</tr>
<tr>
<td>4   How many times in the past 6 months have you accessed medical services in the ER?</td>
<td>Yes/Logic</td>
<td>4</td>
</tr>
<tr>
<td>5a  Do you have a serious physical health condition that requires frequent medical care? (Examples: symptomatic AIDS, cancer, tracheotomy, colostomy, open wounds with instructions to keep clean, end-stage renal disease, end-stage liver disease, amyotrophic lateral sclerosis (ALS or Lou Gehrig’s disease) terminal illness, or in hospice care)</td>
<td>Yes/No/Log</td>
<td>3</td>
</tr>
<tr>
<td>5b  Observation: Assessor, do you observe signs or symptoms of a serious physical health condition?</td>
<td>Yes</td>
<td>5</td>
</tr>
<tr>
<td>6a  Has a doctor or professional ever recommended mental health services?</td>
<td>Yes/No/Log</td>
<td>2</td>
</tr>
<tr>
<td>6b  Observation: Assessor, do you observe signs or symptoms of a mental health condition</td>
<td>Yes</td>
<td>2</td>
</tr>
<tr>
<td>7a  In the past year, have your drugs or alcohol usage had a negative impact on your life?</td>
<td>Yes/No/Log</td>
<td>2</td>
</tr>
<tr>
<td>7b  Observation: Assessor, do you observe signs or symptoms of drugs or alcohol</td>
<td>Yes</td>
<td>2</td>
</tr>
<tr>
<td>8   How many times in the past year have you been arrested or been in jail/prison/juvenile detention?</td>
<td>Yes/Logic</td>
<td>1</td>
</tr>
<tr>
<td>9   Have you experienced domestic violence in the past 60 days?</td>
<td>Yes</td>
<td>2</td>
</tr>
<tr>
<td>10a Has someone asked (or forced) you to have sex or sell anything in exchange for money or drugs?</td>
<td>Yes</td>
<td>1</td>
</tr>
<tr>
<td>10b Is someone threatening to harm you or your family if you don’t do what they ask?</td>
<td>Yes</td>
<td>1</td>
</tr>
<tr>
<td>11  Do you have income?</td>
<td>No/Logic</td>
<td>1</td>
</tr>
</tbody>
</table>
This tool will help prioritize families and individuals with higher vulnerability scores, with the maximum score allotted at 51. For instance, a chronically homeless individual or family with a disability, with the longest history of homeless, and with severe service needs – like physical health issues or substance abuse – would receive a higher vulnerability score between 28 and 51, deeming them chronically homeless. This family or individuals would be prioritized over an individual who is considered “literally homeless” under this system but does not have a disability and a shorter history of homeless. Figure 7 is a depiction of the how the qualified populations will be scored and prioritized.

Although this system primarily assists with homeless qualified populations, the Coordinated Access System also provides procedures on how to address the needs of homeless or at-risk individuals who are also Veterans or households seeking asylum for domestic/dating violence or sexual assault. These households will follow the same assessment and prioritization process but will also receive additional referred to specific services in accordance with their needs. The objective is to provide these households with the housing services and wrap-around services that they need to secure and maintain housing. More information about these referral procedures can be found in The Way Home's Coordinated Access System Operations Manual.

If a preference was identified, describe how the PJ will use HOME-ARP funds to address the unmet needs or gaps in benefits and services of the other qualifying populations that are not included in the preference:

Other qualified populations like veteran households or households who are at or below 50% AMI and experiencing housing problems will be eligible to receive rental assistance or supportive services. As stated in prior sections, these families and individuals have difficulty affording a rental home and have a great risk of having housing instability, and these challenges may be exacerbated by the COVID-19 Pandemic. HCDD will fund eligible activities that also support the stabilization of these households, which will alleviate affordability challenges, overcrowding, and unsafe living conditions.