HOME American Rescue Plan (HOME-ARP) Waitlists, Coordinated Entry and Referrals

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Questions

- Enter questions into Question panel of GoToWebinar
- Questions may be addressed at the end of each webinar.
- For further information, email Tiara.Hardaway@tdhca.state.tx.us.

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Morning Objectives
Part 1

✓ HOME-ARP Referral Methods
✓ HOME-ARP Preferences
✓ HOME-ARP with Coordinated Entry

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Morning Objectives
Part 2

✓ HOME-ARP QUALIFIED POPULATION ELIGIBILITY GUIDANCE

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HOME-ARP Basics

- Based on U.S. Department of Housing and Urban Development (HUD) HOME Investment Partnerships Program
- HUD CPD Notice 21-10 and Appendix
- 10 Texas Administrative Code as applicable in Notices of Funding Availability
- Main focus for HOME-ARP is to serve QP
  - Experiencing homelessness
  - At-risk of homelessness, and at-risk of homelessness criteria, with waiver to allow for income up to 50% AMI
  - Fleeing or attempting to flee domestic violence
  - 30% AMI with severe housing cost burden
  - Previously homeless and who need additional assistance avoid a return to homelessness
- For rental, HOME-ARP also allows up to 30% of the units to be for low-income households that do not have to be qualified populations.

  IMPORTANT: Not all QP Households have an income qualification.

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TDHCA HOME-ARP Program Webpage

https://www.tdhca.state.tx.us/home-arp/index.htm

TDHCA Allocation Plan and Guidance

- HOME-ARP Approved Allocation Plan (May 2022) (PDF)
- HOME-ARP Handbook (December, 2022) (PDF)
- HOME-ARP Webinar Recording – Overview – updated 12.2022 (Youtube.com)
    - HOME-ARP Webinar Handout – Overview – updated 12.2022 (PDF)
- HOME-ARP Rental Development Guidance available at https://www.tdhca.state.tx.us/multifamily/special-initiatives.htm

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HOME-ARP Multifamily Special Initiative

https://www.tdhca.state.tx.us/multifamily/special-initiatives.htm

HOME-ARP Rental Development Guidance

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- HOME-ARP Webinar Recording – Rental Guidance (Youtube.com)
    - HOME-ARP Webinar Handout – Rental Guidance (PDF)
- HOME-ARP New Applicant Guidance Webina (Youtube.com)
    - HOME-ARP New Applicant Handout (PDF)
- HOME-ARP Gap Financing Guidance Webinar (Youtube.com)
    - HOME-ARP Gap Financing Handout (PDF)

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HOME-ARP Referral Methods for Projects

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Referral Methods

There are three referral Methods for HOME-ARP Projects:

Option 1: Expanded Coordinated Entry (CE) Only

Option 2: Use of CE with other Referral Methods or Project-Specific Waitlist

Option 3: Project-Specific Waitlist

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Coordinated Entry (CE)

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- A method for assessing and prioritizing the needs persons experiencing homelessness in a community.
- HUD requires CE for Continuums of Care (CoCs) ([24 CFR §578.3](#)).
  - CoC is a group of organizations that work together to apply for CoC funding from HUD.
  - CoC's have a designated "lead agency" that creates the CE.

## Referral Method Option 1: Expanded Coordinated Entry (CE)

This referral option uses an expanded Coordinated Entry (CE) as the only referral source.

The Owner must have referral agreements with all applicable CoCs documenting the expanded CE.

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Referral Method Option 1: Requirements

- If used as the only option, the CE must:
  - Have sufficient referrals for the project
  - Include all of the HOME-ARP QPs
  - Include the entire geographic area
  - Use only the preferences adopted by TDHCA
- More than one CE may be needed if the primary market area is on a boundary of a CE.
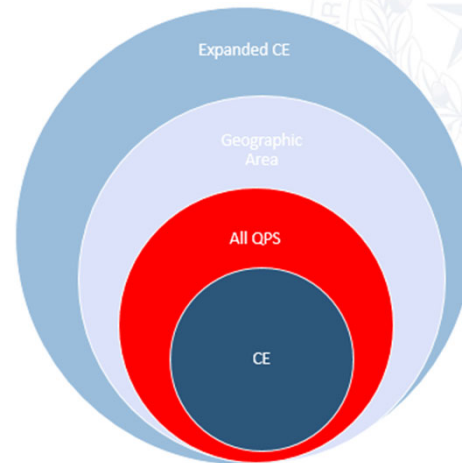
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Possible drawbacks of using Option 1: Expanded CE

- There may not be enough referrals made to the property
- Many of the referred households may struggle to meet property leasing criteria (e.g., poor credit, poor or no rent history, criminal background).

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Referral Method Option 2: <u>Use of (CE) with Other Referral Methods or Project-Specific Waitlist</u>

- Uses CE with referrals from outside organizations or project-specific waitlists.
- The project establishes prioritization between the CE and other referrals and maintain any waitlists **in chronological order**
- Examples of "outside organizations":
  - Domestic Violence service providers that do not participate in CE
  - Homeless service providers that do not participate in CE

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Use of CE with Other Referral Methods or Project-Specific Waitlist (con't)

May result in more referrals than only Expanded CE

Allows referrals from organizations that may be able to share eligibility documentation

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CE with Other Referral Methods or Project-Specific Waitlist Requirements

- To use CE along with other referral options, the project must:
  - Place referrals from CE or the other referral methods **in chronological order on a waitlist.**
  - Have Written Policies and Procedures that prioritize between CE and other referrals.
  - Have policies and procedures to apply preferences or limitations (if any) uniformly when accepting referrals.
- Chronological means:
  - the date the household was referred to the <u>project</u>
  - not necessarily how long ago the household was added to the CE system.

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Referral Method Option 3: Project Specific Wait List

Referrals may be accepted from other service providers and placed on the waitlist in chronological order.

Applications from walk-ins will be accepted at the project.

Important -- **If HOME-ARP rental developments serve low-income households that are not QPs, a <u>separate</u> project specific wait list must be used for these units.**

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Use of Project-Specific Waitlist

Allows referrals from organizations that may be able to share eligibility documentation

Still flexible enough to allow households that simply seek the property out for housing.
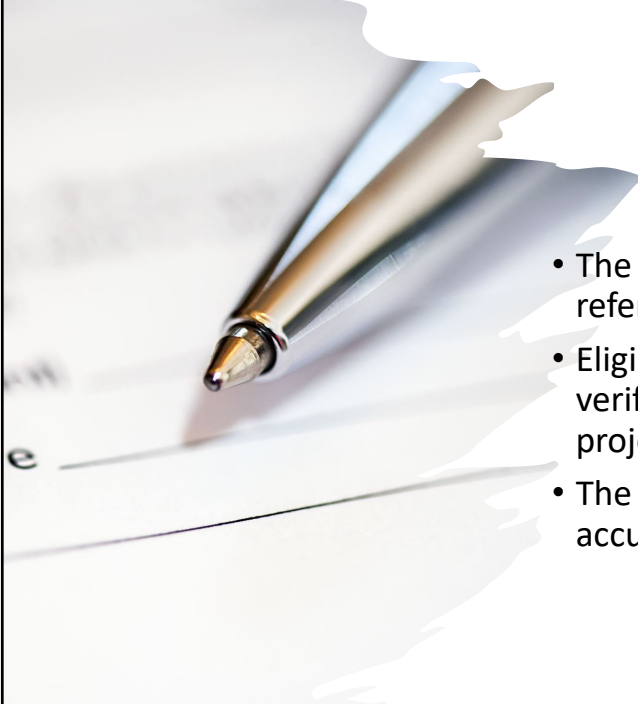
This option may provide the greatest number of opportunities for achieving lease-up of the HOME-ARP units.

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Project-Specific Waitlist Requirements

- The project-specific waitlist must:
  - Allow access to all qualifying individuals/families to apply
  - Accept households in accordance with the property's preferences and in chronological order
  - Establish a method of screening and documenting a household's eligibility as a QP
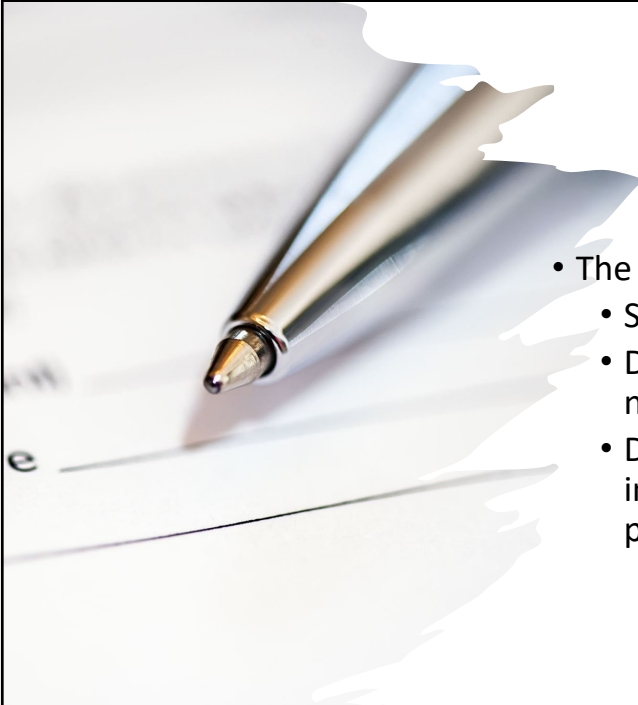
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Referrals and Documentation

- The documentation and verification from the referral agency may be transferred.
- Eligibility documentation of QP status and verification of status must be kept at the project.
- The project is ultimately responsible for the accuracy of the QP eligibility criteria.

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Referrals and Documentation (con't)

- The property must also:
  - Student status;
  - Document other preferences or limitations not in the referral;
  - Determine other items (e.g. household income and the calculation of the tenant paid portion of the rent).

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HOME-ARP Preferences

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How Preferences Work

- Preferences affect the order in which applicants will be selected from a waitlist.
- Reasonable preferences may be established if:
  - the Applicant requested and received permission from TDHCA to use the preference during the application process for project;
  - preferences are clearly shared with all potential tenants/occupants; and
  - the preference is applied from the first opening of the waitlist.
- If a project's written agreement does not reflect a preference, the preference may not be used.
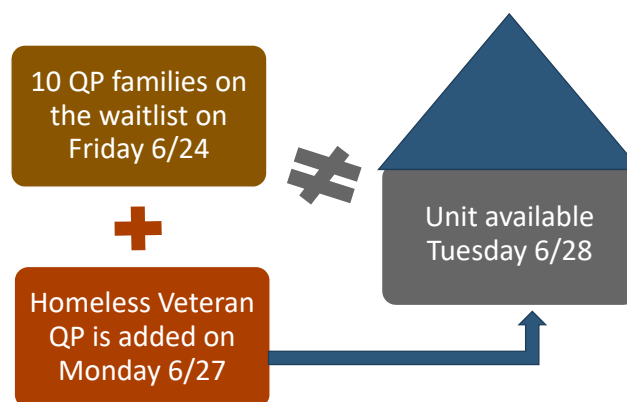
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List of TDHCA Allowable Preferences

- TDHCA may allow any one or more of the following preferences:
  - Persons experiencing homelessness
  - Persons who were formerly homeless but housed with temporary assistance
  - Persons with Disabilities
  - Persons with Violence Against Woman Act (VAWA) & Human Trafficking protections
  - Persons who are chronically homeless
  - Veterans who are Homeless or At-Risk of Homelessness
  - Families with Children who are Homeless or At-Risk of Homelessness
  - Persons At-Risk of Homelessness
  - Persons Exiting Institutions or Systems of Care/Reentry
  - Persons referred through Coordinated Entry

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Example: Preference Veterans Who Are Homeless

10 QP families on the waitlist on Friday 6/24

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Homeless Veteran QP is added on Monday 6/27

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Unit available Tuesday 6/28

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Preference Considerations

Eligible individuals/families with disabilities may not be excluded because they do not have a particular disability.

Rental Applicants may request a preference required by another federal fund source in the Development.

HOME-ARP may allow development of housing that meets the requirements under the Housing for Older Persons Act.

HOME-ARP units layered with NHTF or HOME annual you will not be able to have a preference for persons referred through CE.

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Preference vs Limitation

- Even with a preference, all QPs will still be eligible for the Units/Projects.
- The selection of preferences is not a limitation that excludes QPs.
- Limitations exclude certain QPs or subpopulations of QPs from eligibility for a project or activity
- TDHCA has not adopted any limitations.

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Additional Information on Preferences

- Keep in mind that preferences cannot violate any applicable fair housing, civil rights, and nondiscrimination requirements
- Preferences do <u>not</u> make anyone eligible for HOME-ARP projects who are not otherwise eligible.
- More preference details are in the HOME-ARP Allocation Plan at

  https://www.tdhca.state.tx.us/home-arp/index.htm
- HUD policy brief on preferences and limitations

  https://www.hudexchange.info/resource/6640/homearp-policy-brief-preferences-methods-of-prioritization-and-limitations/

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HOME-ARP and CE Expectations

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Project Waitlist with Preference for CE

- Most flexible option while still prioritizing persons referred through CE
- Least amount of administrative coordination
  - No written agreement between the project and CE
  - No written agreement between TDHCA and the CoC
  - No TDHCA approval of the CoC preferences, if applicable

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Referral Methods and CE

Option 1: Expanded Coordinated Entry (CE) Only

Option 2: Use of CE with other Referral Methods or Project-Specific Waitlist

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Screening: "Expanded CE" or "CE with Other Referrals"

- Tenants will be screened through a CE process that only screens for QPs.
- CoC must only use the priorities established by TDHCA in this screening.
  - TDHCA has not adopted limitations
  - Projects may select preferences applied at project level

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Screening: "Expanded CE" or "CE with Other Referrals" (con't)

- CE screening process:
  1. Accept applicants for the project
  2. Determine if the applicant meets the QP eligibility criteria
  3. Forward the referral to the project
- Project:
  - May keep the applicants in a waitlist in chronological order
  - Apply any preferences to the waitlist once a unit becomes available.
- The CoC could not adjust the order of the waitlist once the referral is sent.

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Using Different Factors than QP Eligibility

- The CoC's method of prioritization must be established and described in the HOME-ARP allocation plan
  - Plan would need to be amended by TDHCA and approved by HUD
- Prioritization must be specified in a Contract between TDHCA and the CoC.
- The CoC could not revise or change those priorities without further revisions and approval of the HOME-ARP Allocation Plan.

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CE Referrals and Project-Based Waitlist with Preference

- A project-based waitlist with a one preference of persons referred through CE:
  - Persons referred by the CE will always be first selected if they meet all the criteria for the project.
- The CE's method of prioritization would not need to be published and approved in the HOME-ARP Allocation Plan.
- The CE would not have to expand.
- TDHCA/CoC would not need to enter into a written agreement regarding the use of preferences.

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CE Referrals and Layered Funding with Preference

- Use of CE preference or Referral Method 1 or 2 cannot be used with HOME-ARP units are layered with National Housing Trust Fund (NHTF), Neighborhood Stabilization Program (NSP), HOME annual funds
- For these layered units, a preference for CE or the use of CE referrals may only be possible with a "lease up only" clause (e.g., the preference exists at lease up when all units are vacant and then no longer applies).

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Recap

- HOME-ARP Referral Methods
  - Expanded CE only
  - CE, other referrals with waitlist
  - Project-based waitlist only
- HOME-ARP Preferences
  - Selected by Developer during application process with TDHCA
  - Applied to project waitlists
  - Different than limitations
- HOME-ARP with Coordinated Entry
  - Project-based waitlist with preference for persons referred through CE is easiest option to work with CE

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Questions

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THANK YOU

For more information, please see the

TDHCA HOME-ARP WEBSITE:

HTTPS://WWW.TDHCA.STATE.TX.US/HOME-ARP/INDEX.HTM