



Texas Department of Housing and Community Affairs

Summary of HOME First Minor Amendment to the 2023 State of Texas Consolidated Plan One Year Action Plan

September 2023

This minor amendment to the 2023 One Year Action Plan implements updates to allow for a specific type of direct administration of HOME Tenant-Based Rental Assistance. The amendment updates, AP-20 and AP-25, the type of assistance that may be provided under TBRA, and establishes public housing residents as a target population for a HOME TBRA security and utility deposit program. The amendment also updates, AP-60, the implementation method for the Section 8 Project Access Program to allow for TDHCA to administer its own vouchers for the first year of a household's term of assistance.

AP-20 Annual Goals and Objectives – 91.320(c)(3)&(e)

Goals Summary Information

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
4	Tenant Based Rental Assistance with HOME Funding	2020	2024	Affordable Housing Non-Homeless Special Needs	State of Texas	Rental Assistance	HOME: \$10,383,246	Tenant-based rental assistance / Rapid Rehousing: 456 Households Assisted

Table 6 – Goals Summary

Goal Descriptions

4	Goal Name	Tenant Based Rental Assistance with HOME Funding
	Goal Description	The 2023 goal for HOME Program TBRA activity is to provide on-going rental assistance or stand-alone rental security deposit assistance (which may include utility deposit assistance) to an estimated 456-households through units of general local governments, public housing agencies, Local Mental Health Authorities (LMHAs), and other non-profit organizations. These entities qualify applicants to receive assistance and may extend assistance if the household continues to meet eligibility requirements.

AP-25 Allocation Priorities – 91.320(d)

Introduction:

The CPD Programs serve special needs populations and meet the 13 Priority Needs found in Strategic Plan 25 of the 2020-2024 Consolidated Plan. These Needs in Strategic Plan 25 are correlated with Goals in Action Plan 20 to show which activities will serve which priority needs. The goals from Action Plan 20 are listed below with allocation percentages. Percentages in the chart below are estimated and may change depending on funding received from HUD, legislative priorities, and funding requests from administrators or subrecipients. Due to software restrictions, allocations are rounded to the nearest whole number and do not reflect precise percentages.

Also, for the other programs listed in the anticipated resources (Action Plan 15) that could be used to leverage funds (including 4% HTC, 9% HTC, HHSP, State Housing Trust Fund, TX MCC, My First Texas Home Program, NSP PI, Section 8 HCV programs, and Section 811 PRA), goals are tailored to each program in the planning documents governing those programs. These documents can be found at <http://www.tdhca.state.tx.us>. In addition to meeting the priority needs, the CPD Programs work to serve special needs populations as described in this section. HOME and ESG's special needs populations are discussed in the introduction, and HOPWA and CDBG's are included in the discussion below.

HOME Serves Special Needs

TDHCA has determined that TDHCA may have and TDHCA administrators may request to establish a preference to serve the following special needs populations: persons with disabilities, persons with substance use disorders, persons living with HIV/AIDS (PLWH), persons with Violence Against Woman Act (VAWA) protections, colonia residents, farmworkers, homeless populations, veterans, (including wounded warriors as defined by the Caring for Wounded Warriors Act of 2008), public housing residents, persons transitioning out of incarceration, persons impacted by a state or federally declared disaster, and persons transitioning out of foster care and nursing facilities.

For administrators with programs that are designed to limit assistance to certain populations, TDHCA will only approve program designs that limit assistance to households that include a member within the following populations if necessary to provide as effective housing, aid, benefit, or services as those provided to others in accordance with 24 CFR §8.4(b)(1)(iv): PLWH, mental illness, substance use disorders, or households that would qualify under the TDHCA's Project Access program as defined in 10 TAC §5.801. Otherwise, administrators may only request a preference for populations described in the special needs section. [TDHCA may limit assistance of directly administered HOME funds for TBRA for security and utility deposits to persons that have been issued vouchers through its PHA, so long as the assistance is not duplicative.](#)

For HOME or NHTF rental housing, TDHCA will allow development of housing that meets requirements under the Housing for Older Persons Act. TDHCA may also consider permitting rental housing owners to give a preference or limitation as indicated in this section and may allow a preference or limitation that is not described in this section to encourage leveraging of federal or state funding, provided that

another federal or state funding source for the rental housing requires a limitation or preference. TDHCA may put further guidelines on development of specific types of rental housing by rule or NOFA. In order to have consistent requirements for Developments with 100% Single Room Occupancy Units, the Department will utilize the HOME definition in 24 CFR §92.2 for HOME and NHTF, in addition to the Department's definition of Single Room Occupancy at 10 TAC §11.1(d)(119) and the definition of Unit at 10 TAC §11.1(d)(137).

Funding Allocation Priorities

	Homeless Goals (%)	Acquisition & Construction of Single Family Housing (%)	Reconstruction of Single Family Housing (%)	Tenant Based Rental Assistance with HOME Funding (%)	Households in New/Rehabilitated Multifamily Units (%)	NHTF Households in New/Rehabed Multifamily Units	HOPWA Tenant-Based Rental Assistance (%)	HOPWA Short-Term Rent, Mortgage & Utilities Asst. (%)	HOPWA Facility-Based Housing Subsidy Assistance (%)	HOPWA Permanent Housing Placement Assistance (%)	HOPWA Funded Supportive Services (%)	HOPWA Housing Information Services (%)	HOPWA Resource Identification (%)	CDBG Public Improvements and Facilities (%)	CDBG Economic Development (%)	CDBG Urgent Need (%)	CDBG Colonia Set-Aside (%)	CDBG Colonia Self-Help Centers (%)	CDBG Administration (%)	HOME Administration (%)	NHTF Administration (%)	HOPWA Project Sponsor Administration (%)	HOPWA Grantee Administration (%)	Colonias Set-Aside (%)	Total (%)
CDBG	0	0	0	0	0	0	0	0	0	0	0	0	0	69	15	0	10	4	2	0	0	0	0	0	100
CDBG Colonias Set-aside	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	100	100
HOME	0	0	25	18	47	0	0	0	0	0	0	0	0	0	0	0	0	0	10	0	0	0	0	0	100
HOPWA	0	0	0	0	0	0	51	13	7	2	19	0	0	0	0	0	0	0	0	0	0	5	3	0	100
ESG	100	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	100
Housing Trust Fund	0	0	0	0	0	90	0	0	0	0	0	0	0	0	0	0	0	0	0	10	0	0	0	0	100

Table 7 – Funding Allocation Priorities

Reason for Allocation Priorities

Disaster Recovery

With the block grants and the layering resources listed above, there are also CDBG Disaster Recovery (DR) funds for disasters that have affected that State of Texas. More details and action plans for the various disasters CDBG-DR have been awarded for can be found at <http://recovery.texas.gov/action-plans/index.html>.

How will the proposed distribution of funds will address the priority needs and specific objectives described in the Consolidated Plan?

ESG Serves Special Needs

ESG does not have funding allocation priorities for special needs populations, but the Department's subrecipient selection criteria include prioritization for homeless subpopulations as defined in the most recent Point in Time data collection guidance.

TDHCA requires ESG subrecipients to comply with the HUD Final Rule Implementing Violence Against Women Reauthorization Act of 2013 (VAWA). Forms and information are required to be distributed to applicants and program participants for short- and medium-term rental assistance in accordance with 24 CFR §5.2005(e). Also pursuant to 24 CFR §5.2005(e), ESG Subrecipients are required to develop and follow an Emergency Transfer Plan.

HOPWA Serves Special Needs

The DSHS HOPWA Program serves households that are at or below 80% of AMI, but most of the households that are enrolled in the program are at or below 30% of AMI. As previously noted, HOPWA allocations generally mirror the Texas Ryan White HIV/AIDS Program funding allocation formula, which is based on the number of PLWH, number of PLWH accessing Ryan White services, the percent of PLWH eligible for Medicaid, HIV incidence, and other considerations. The allocations are then adjusted to account for local factors, including unmet need, prior performance and expenditures, and any other relevant metrics. After allocations to each HIV Service Delivery Area (HSDA) are determined, it is then up to the Project Sponsor to allocate between activities of TBRA, STRMU, FBHA, PHP, Supportive Services, Housing Information Services, Resource Identification, and administrative expenses (not to exceed 7% of their allocation) and submit those to their respective Administrative Agency (AAs) and DSHS for approval. Project Sponsors base allocations on many factors, including but not limited to, number of households projected to continue into the next year, local unmet need, housing costs, prior number of households served, average expenditures per household, and changes in HIV population living in poverty, etc. During the program year, funds are reallocated within and between HSDAs throughout each planning region as needed.

CDBG Serves Special Needs

CDBG provides more than 98% of available funds for projects that primarily benefit low-to moderate-

income persons through basic infrastructure, housing, job creation and other activities as identified at the local level. Among those projects, CDBG sets aside 12.5% of funds to benefit colonia residents through planning activities, infrastructure and housing construction, self-help center services, construction activities, and public services. Funding for community development projects in colonias and other LMI communities is a critical element in the well-being of these communities.

The Office of Colonia Initiative (OCI) at TDHCA is charged with the responsibility administering the Colonia Self-Help Center (CSHC) Program, with the goal of improving the living conditions and lives of border and colonia residents. As part of its plan to improve the living conditions in colonias, OCI assigns specific employees to focus on supporting and providing technical assistance to border counties which maintain Colonia Self-Help Centers funded under the CSHC Program.

AP-60 Public Housing - 24 CFR 91.320(j)

Introduction:

TDHCA believes that the future success of PHAs will center on ingenuity in program design, emphasis on resident participation towards economic self-sufficiency, and partnerships with other organizations to address the needs of this population. While TDHCA does not have any direct or indirect jurisdiction over the management or operations of PHAs, it is important to maintain a relationship with these service providers.

Actions planned during the next year to address the needs to public housing

TDHCA, acting as a small PHA itself, works with other PHAs around the State to port vouchers when necessary. This is especially true for Project Access (PA), a TDHCA program that uses Section 8 HCV vouchers to serve people with disabilities living in certain institutions by transitioning them into residences in the community, described fully in Action Plan Section 65. For the PA Program, an applicant is issued a voucher from TDHCA. [After administering the voucher for at least one year](#) ~~in most cases,~~ TDHCA works with the Receiving Public Housing Authority (RPHA) to transfer the documents and the voucher. The voucher holder is briefed and given an introduction on the RPHAs program rules. The RPHA can decide to absorb the voucher or bill the Initial PHA (IPHA). If the RPHA absorbs the voucher, the RPHA will send notice to the IPHA for documentation. This allows TDHCA to use another HCV for another applicant on the PA waiting list. If the RPHA bills the IPHA, the RPHA is required to submit a billing notice within an allotted time to the IPHA so payment can be received. In this way, TDHCA and local PHAs work closely together. TDHCA is also an administrator of Emergency Housing Vouchers and is coordinating, as needed, with local PHAs and CoCs for service delivery and referrals.

HOME/NHTF Addresses PHA Needs

TDHCA provides NOFAs under the HOME Program to interested parties around the State, including PHAs. [TDHCA may utilize HOME funds through Tenant-Based Rental Assistance to pay security and utility deposits for Section 8 voucher holders, when other sources are not available.](#) Furthermore, staff of PHAs, especially those receiving HOME funds and those with Section 8 Homeownership programs, are targeted by TDHCA's Texas Statewide Homebuyer Education Program for training to provide homebuyer education opportunities and self-sufficiency tools for PHA residents. PHAs may also administer HOME TBRA funds, for either on-going rental assistance or as a stand-alone program which provides security deposits with TBRA funds, enabling them to provide households with rental assistance and services to increase self-sufficiency.

Regarding HOME/NHTF Multifamily Developments that are financed with the HTC Program, PHAs are incentivized in the QAP to use HTCs for Rental Housing Assistance conversion of PHA properties.

ESG Addresses PHA Needs

PHA residents are eligible to receive assistance and services from ESG Subrecipients, as long as the assistance does not violate 24 CFR §576.105(d) of HUD's ESG rules regarding use of funds with other

subsidies. Fostering public housing resident initiatives is not an initiative for which TDHCA provides funding or that TDHCA tracks for the ESG Program.

HOPWA Addresses PHA Needs

The DSHS HOPWA Program does not provide public housing assistance. However, Project Sponsors interface with local public housing agencies to coordinate housing assistance and supportive services efforts. Project Sponsors share HOPWA program information and eligibility criteria with local housing authorities and other affordable housing programs in their HSDA(s). While households that participate in HCV or public housing programs do not qualify for HOPWA-funded housing assistance services, Project Sponsors may provide PHP services to secure a subsidized unit. Additionally, Project Sponsors may provide Housing Case Management services to public housing residents and public housing residents may receive core medical and support services through the Ryan White HIV/AIDS Program.

Actions to encourage public housing residents to become more involved in management and participate in homeownership

HOME, ESG, HOPWA, NHTF, and CDBG are subject to 24 CFR Part 75 which requires that HUD funds invested in housing and community development construction contribute to employment opportunities for low-income persons living in or near the HUD-funded project. These requirements, called Section 3 requirements, are covered at trainings for Subrecipients; persons who may benefit from employment opportunities include PHA residents.

HOME Addresses Public Housing Resident Initiatives

PHAs are eligible to apply to administer HOME funds to provide homebuyer assistance with new construction in their areas. PHAs also provide services to increase self-sufficiency, which may include homebuyer education services. In addition, TDHCA targets its Texas Statewide Homebuyer Education Program to PHAs, among other groups, which provide homebuyer education training opportunities and self-sufficiency tools for PHA residents.

ESG Addresses Public Housing Resident Initiatives

PHA residents are eligible to receive assistance and services from ESG Subrecipients, as long as the assistance does not violate Section 576.105(d) of the ESG rules regarding use of funds with other subsidies.

HOPWA Addresses Public Housing Resident Initiatives

The DSHS HOPWA Program does not provide public housing assistance. However, Project Sponsors interface with local public housing agencies to coordinate housing assistance and supportive services efforts.

CDBG Addresses Public Housing Resident Initiatives

The CDBG Program serves public housing areas through various funding categories as residents of PHAs

qualify as low- to moderate-income beneficiaries for CDBG projects.

If the PHA is designated as troubled, describe the manner in which financial assistance will be provided or other assistance

TDHCA has worked to promote programs that will rehabilitate and bring substandard housing into compliant condition and will develop additional affordable housing units. For example, most of the PHA applications for HTCs are for rehabilitation and the applications for new construction usually include a demolition of the existing units. TDHCA also offers a variety of funding sources for assistance. Most PHAs that apply are usually from larger Metropolitan Statistical Areas, which are usually PJs and, as such, are limited by state law in the HOME funding they may receive through TDHCA. Consistent with fair housing objectives, TDHCA seeks ways to accomplish these activities in a manner that disperses the placement of PHA units including dispersion into areas of greater opportunity and not into areas that involve unacceptable site and area features.

TDHCA has a history of assisting troubled housing authorities and has absorbed vouchers from several PHAs that have had difficulties. HUD identified, in two separate instances, public housing authorities that it thought might be well advised to have its voucher programs absorbed by TDHCA. The Navasota Housing Authority and the Alamo Area Council of Governments (which was operating as a PHA) each contacted TDHCA to discuss the possibility of absorbing their housing choice voucher programs. During a series of meetings with HUD staff and the PHAs, discussion resulted in multiple on-site visits. Ultimately, the Navasota Housing Authority and the Alamo Area Council of Governments transferred their voucher programs to TDHCA and HUD reassigned the files' PHA codes.

To expand its work with PHAs, TDHCA has developed a relationship with the Texas Housing Association and the Texas chapter of the National Association of Housing and Redevelopment Officials (NAHRO), which serve the PHAs of Texas. Whenever possible, the State will communicate to PHAs the importance of serving special needs populations.

Discussion:

CDBG Addresses PHA Needs

The Texas CDBG Program serves public housing areas through various funding categories as residents of PHAs qualify as low- to moderate-income beneficiaries for CDBG projects.

CDBG grant recipients must also comply with local Section 3 policies, including outreach to public housing residents and other qualified Section 3 persons in any new employment, training, or contracting opportunities created during the expenditure of CDBG funding.

To address PHA needs, TDHCA has designated PHAs as eligible participants in some of its programs, such as the HTC Program, and HOME Program. PHAs have successfully administered HTC funds to rehabilitate or develop affordable rental housing. The PHA needs to submit an application and be awarded in order

to access funding.

There are also federal sources available for PHAs that can be paired with HOME/NHTF. Also, through HUDs Rental Assistance Demonstration (RAD) Program, PHAs can use public housing operating subsidies along with the HTC Program once the older PHA units are demolished and replaced with new housing.