

City Of McAllen

Grant Administration Department

Community Development Division



**HOME Investment Partnerships Program
American Rescue Plan**

The City of McAllen was allocated HOME-ARP funds in the amount of \$2,126,569 from the U.S. Department of Housing and Urban Development under Section 3205. The Allocation Plan will be submitted to HUD on/or about Friday, June 23, 2023 for approval. Draft comments will be accepted until Tuesday, June 20, 2023 at 5:00 P.M.

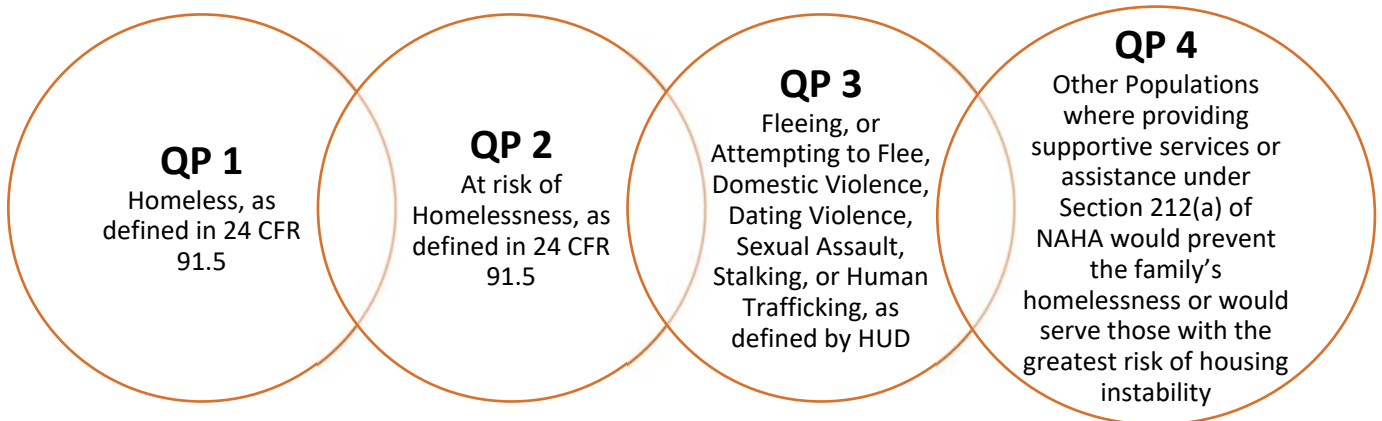
EXECUTIVE SUMMARY

The American Rescue Plan (ARP) Act of 2021 provided fiscal relief to address the continued impacts of COVID-19. The U.S. Department of Housing and Urban Development (HUD) appropriated \$5 billion of its ARP allocation to address homeless assistance and supportive services related to the ongoing epidemic. HUD developed the HOME Investment Partnership Program-American Rescue Plan (HOME-ARP) Program, defined in CPD-21-10 notice, to assist individuals or households who are homeless, at risk of homelessness, and other vulnerable populations, by providing housing, rental assistance, supportive services, and non-congregate shelter. The program's goal is to reduce homelessness and increase housing stability across the country.

The City of McAllen, as a HOME Program Participating Jurisdiction (PJ), was awarded a one-time allocation of \$2,126,569 in HOME-ARP funds via correspondence dated April 28, 2021 from HUD's Office of Community Planning and Development. The allotment is 3.6 times the FY 2021 allocation of HOME Funds.

CPD-21-10 Notice requires HOME-ARP funds be used to primarily benefit individuals and families in the following specified "qualifying populations." Any individual or family who meets the criteria for these populations is eligible to receive assistance or services funded through HOME-ARP without meeting additional criteria (e.g., additional income criteria). Assistance will be provided based on the placement of the individual or family on a chronological waitlist, until such time as all funds are expended or encumbered.

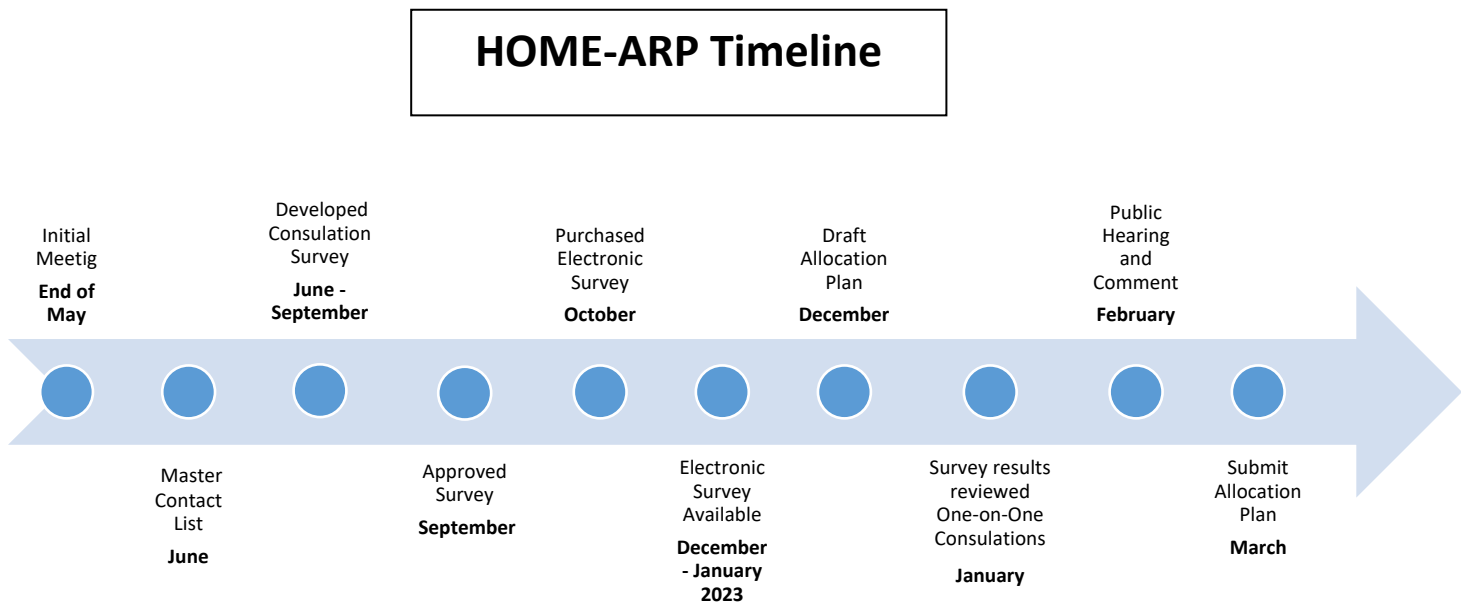
QUALIFYING POPULATIONS



In an effort to reduce homelessness and appropriately address eligible activities, populations and other requirements, the City collaborated with Hidalgo County-Urban County Program, another local PJ in the composition of the Allocation Plan. Collaborations were undertaken to determine similar and dissimilar needs within the two jurisdictions while attempting to consult with appropriate stakeholders in a single event. The City will compose an independent Allocation Plan to serve the following functions:

- A summary of the consultation process and results of upfront consultation;
- A summary of comments received through the public participation process and a summary of any comments or recommendations not accepted and the reasons why;
- A description of HOME-ARP qualifying populations within the jurisdiction;
- An assessment of unmet needs of each qualifying population;
- An assessment of gaps in housing and shelter inventory, homeless assistance and services, and homelessness prevention service delivery system;
- A summary of the planned use of HOME-ARP funds for eligible activities based on the unmet needs of the qualifying populations;
- An estimate of the number of housing units for qualifying populations the PJ will produce or preserve with its HOME-ARP allocation; and
- A description of any preferences for individuals and families in a particular qualifying population or a segment of a qualifying population.

The development of the Allocation Plan consisted of the following engagements.



The joint consultation results indicated a gap and an unmet need in the provision of affordable rental housing as well as supportive services such as financial and wellness (trauma) counseling, transportation, job training and increased case management to access mainstream resources. In order to address the gaps identified during the consultation process, the City is proposing to fund Tenant Based Rental Assistance and Supportive Services with its HOME-ARP allocation. However, should a viable proposal for the development of rental housing be remitted while funding remains otherwise uncommitted, the City may determine a substantial amendment for the reallocation of available funds is necessary.

The table listed below summarizes HOME-ARP eligible activities. The City proposes to distribute its funding to the eligible activities in the following manner.

Eligible Activity	Funding Amount
Supportive Services	\$ 750,000
Acquisition and Development of Non-Congregate Shelters	
Tenant Based Rental Assistance (TBRA)	\$ 1,057,584
Development of Affordable Rental Housing	
Non-Profit Operating	
Non-Profit Capacity Building	
Administration and Planning (15%)	\$ 318,985
Total HOME ARP Allocation	\$ 2,126,569

In addition, the City estimates assisting 125 households (qualifying populations) which will be supported through its HOME-ARP allocation.

Should an amendment to this document be necessary, the City will follow its Citizen Participation Plan as detailed in the Consolidated Plan Amendment §91.105(c) section.

CONSULTATION

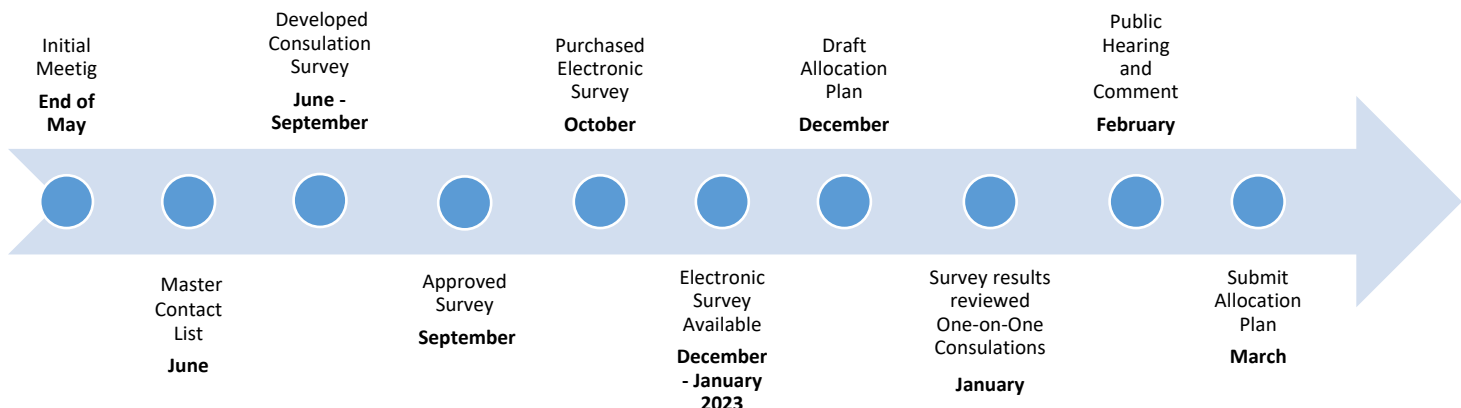
Before developing its plan, a PJ must consult, at a minimum, with the CoC(s) serving the jurisdiction’s geographic area, homeless and domestic violence service providers, veterans’ groups, public housing agencies (PHAs), public agencies that address the needs of the qualifying populations, and public or private organizations that address fair housing, civil rights, and the needs of persons with disabilities. State PJs are not required to consult with every PHA or CoC within the state’s boundaries; however, local PJs must consult with all PHAs (including statewide or regional PHAs) and CoCs serving the jurisdiction.

Consultation Process Summary

The City and UCP staff started in May. The first plan of action was compiling a master list of community agencies, stakeholders, and community officials in June. During June through September, a region-wide survey was created to further community outreach. Procurement process were in place when purchasing the electronic survey final purchase was complete in October. December through January, the region wide-survey was available for community access. After months of collecting and reviewing the master contact list agencies were selected to schedule one-on-one discussions. Various efforts were made to schedule all selected agencies. Consultations were tailored to include required elements of outlined in the CPD-21-10. To ensure clarity in the community wide survey it was beta tested by City and UCP staff

The consultation planning began early summer 2022 with staff from the City of McAllen’s Grant Administration Office and Hidalgo County – Urban County Program (UCP) discussing broad actions regarding the development of the document. During this period, the team worked closely to strategize and create consultation tools which would ultimately develop a framework for the Allocation Plan. Staff also participated in online HUD trainings and reviewed resources dedicated to the development and submission of the Allocation Plan. The City and UCP staff developed and modified, as necessary, its consultation planning by creating a HOME-ARP Allocation Plan Timeline.

HOME-ARP Timeline



Then, the team created a master contact listing of more than 150 local and regional stakeholders, public agencies, and elected officials who could assist in determining needs and unmet gaps while also identifying services currently available for the qualifying populations. The team also created a consultation plan to effectively coordinate discussions with stakeholders. In order to broaden input, a region wide survey was made available to the community at large as well as those identified in the master contact listing. In McAllen, the survey was specifically made available to the Community Development Advisory Committee, appointed by the Mayor and City Commissioners, who oversee the implementation the Community Development Process. This fourteen-member panel assists the Department with meeting its Citizen Participation requirement. Of note, the survey was available from mid-December 2022 through January 27, 2023. Despite efforts of extending community participation, including notifying neighboring cities of the community wide-survey turnout was low which is not uncommon in the South Texas region. Due to the high number of Spanish speakers in the community, a Spanish version of the survey was made available and, for those without access to online resources, hard copies were available by request.

The local consultation plan allowed the City and UCP staff to divide the list of agencies with whom consultation was mandated by HUD. As had been done in the development of previous Consolidated Plan and Strategies, a practice to reduce duplicative efforts was employed. McAllen and/or UCP staff held a comprehensive consultation meeting with individual agencies. This meeting would entail discussion of the needs and gaps for each PJ. The reduction in duplicative meetings had the added benefit of limiting contact, a best practice for mitigation efforts.

City and/or UCP staff held one-to-one consultation meetings with approximately 20 agencies, including The Salvation Army, Women Together Foundation, Inc., Catholic Charities of the RGV, and 2-1-1 Texas. The consultations specifically included the collection of regional or local data, demographics, priority needs, gaps in services, and suggestions of services to better assist qualifying populations. The consultation meeting formats included in-person, telephone conference, and video conference. Despite multiple attempts, the percentage of agencies participating in the City/UCP consultation meetings hovered at 50%.

To assure the consultation meetings were fruitful, HUD's consultation guide was tailored to discuss the services and facilities provided by the agencies, as well as facilitating a discussion of barriers and priority needs for the qualifying populations. In each consultation meeting, the following topics were discussed:

- Hidalgo County Urban County and City of McAllen Allocations
- Qualifying Populations
- Eligible Activities
- Allocation Plan submission deadline
- Unmet shelter, housing, and services
- Supportive services
- Gaps in services
- Priority needs
- Characteristics of housing markets
- Demographics
- Recommendations and suggestions


The City and/or UCP staff were successful in consulting with at least one entity in each of the groups noted in CPD 21-10, including the CoC serving the jurisdiction’s, homeless and domestic violence service providers, veterans’ groups, public housing agencies (PHAs), public agencies that address the needs of the qualifying populations, and public or private organizations that address fair housing, civil rights, and the needs of persons with disabilities.

In addition to the consultation meetings and survey, the City utilized the annual Point-In-Time (PIT) study to support the development of its Allocation Plan. PIT is a one-night census of the homeless population, including unsheltered and sheltered individuals which can be dwindled to the City of McAllen’s respondents. Census/American Community Survey, Housing Inventory Count (HIC) and Comprehensive Housing Affordability Strategy (CHAS) data enhanced the City’s demographic homeless profile.

While the City and Hidalgo Urban County Program approached the consultation collectively, each assessed their jurisdiction qualifying population’s needs, gaps in services, recommendations and suggestions.

Organizations consulted, method and feedback

The following section provides information on the qualifying populations that are eligible for the use of HOME-ARP funds as well as a summary of the consultation with stakeholder agencies.



QP 1	QP 2	QP 3	QP 4
Homeless, as defined in 24 CFR 91.5	At Risk of Homelessness, as defined in 24 CFR 91.5	Attempting to Flee, Domestic Violence, Dating Violence, Sexual Assault, Stalking, or Human Trafficking, as defined by HUD	Other Populations where providing supportive services or assistance under Section 212(a) of NAHA would prevent the family’s homelessness or would serve those with the greatest risk of housing instability

For ease of readership, the qualifying populations are indicated using the QP enumeration; this designation is for information purposes only. It does not signify preference for project funding or prioritization of QPs.

Agency/Org Consulted	<i>The Salvation Army of McAllen</i>
Type of Agency/Org	<i>Regional Non-Profit Homeless Service Provider</i>
HUD – Agency	<i>Homeless Service Providers</i>
Regional/State	<i>Regional</i>
Method/Date of Consultation	<i>Telephone Conference, December 20, 2022</i>

Affected QP	<i>QP 1, QP 2</i>
Comments	<i>Office Manager and Social Services Coordinator provided information on shelter resident's and other clientele's needs. Families and single men represent the agency's highest underserved groups, due in part to space/capacity. Need for the shelter increased during and after COVID-19. The shelter is almost always at capacity and resources cannot keep up with demand. The organization refers to other community agencies when their funds are depleted. Rental assistance is a high priority but the low Fair Market Rent limitation reduces the units available under HUD programs; landlords have become hesitant to work with third party programs/assistance and have developed "zero" tolerance for late rent. The agency does not maintain a wait list; it is first come-first served.</i>
High Priority Need	<i>Development and Support of Affordable Housing including Rental Assistance</i>

Agency/Org Consulted	<i>Affordable Homes of South Texas, Inc.</i>
Type of Agency/Org	<i>Regional Non-Profit Low-Income Housing Provider</i>
HUD – Agency	<i>Organizations that address civil rights/fair housing/needs of people with disabilities</i>
Regional/State	<i>Regional</i>
Method/Date of Consultation	<i>Telephone Conference, December 27, 2022</i>
Affected QP	<i>QP 2, QP3, QP 4</i>
Comments	<i>Assistant Director indicated the biggest gap in services includes access to affordable housing, increased construction cost, and increase in overall costs of living. Agency's clients' occupations do not usually provide increases in pay rates to account for inflation. Agency's clientele demographics are incomes between 50% - 80% AMI, Hispanic, and consist of 3-4 members. Since COVID-19, potential homeowners and rehab clients have been burdened with rising construction costs. Funding is limited for rehab projects. Persons are referred to other community agencies. Agency does not currently have anyone on wait list. Agency serves veterans, women fleeing domestic violence (usually post transitional housing stays), public housing clients ready for permanent housing and rehab programs may focus on elderly households and persons with disabilities</i>
High Priority Need	<i>Development and Support of Affordable Housing including Rental Assistance</i>

Agency/Org Consulted	<i>Silver Ribbon Community Partners</i>
Type of Agency/Org	<i>Countywide Non-Profit, partners with Adult Protective Services (State Agency)</i>
HUD – Agency	<i>-Homeless Service Providers -Public agencies that address the needs of the qualifying population -Organizations that address civil rights/fair housing/needs of people with disabilities</i>
Regional/State	<i>Regional</i>
Method/Date of Consultation	<i>Telephone Conference, December 28, 2022</i>
Affected QP	<i>QP 1, QP 2, QP 4</i>

Comments	<i>Executive Director stated clientele is primarily elderly and disabled residing in Hidalgo and Starr Counties. Most requested supportive service is utility assistance followed by rental assistance. COVID-19 increased the need for supportive services. Agency assistance is limited to one time per year and no more than two consecutive years. Some programs have an age requirement of 62+ with a few funding sources requiring ages 65+. Assistance is most frequently provided to those with no income or fixed income (SSI) (0-30% AMI), female-headed households who are Hispanic. Their clientele notes home repairs (ramps) as a large gap in services. Affordable housing needs continue, particularly as rents exceed \$800 and are unaffordable. If agency is unable to provide assistance, clients are referred to community agencies and local churches. Agency does not maintain a wait list but has an internal tracking system (Excel spreadsheet). Homeless seniors a more reluctant to go to shelters than other groups; they usually do not have transportation and face more limitations including physical disabilities and mental health concerns.</i>
High Priority Need	<i>Development and Support of Affordable Housing including Rental Assistance</i>

Agency/Org Consulted	<i>Texas Workforce Commission - Workforce Solutions (WFS)</i>
Type of Agency/Org	<i>State Government Agency</i>
HUD – Agency	<i>-Public Agencies that address the needs of the qualifying populations -Organizations that address the civil rights/fair housing/needs of people with disabilities</i>
Regional/State	<i>State</i>
Method/Date of Consultation	<i>Telephone Conference, December 29, 2022</i>
Affected QP	<i>QP 1, QP 2, QP 3</i>
Comments	<i>Community Liaison provided information on services, gaps, and priority need for job training or continuing education. They provide services to Hidalgo, Starr, and Willacy Counties. Services needs vary throughout the year with the youngest applicants (16+) requesting assistance during summertime; Clientele is mostly Hispanics with many applicants receiving SSI/SNAP/TANF. Rental and utility assistance is needed for people who are unable to sustain a job while completing their education or job training. Agency noted COVID-19 strengthen their dependence on these services.</i>
High Priority Need	<i>Supportive Service and Rental/Utility Subsidies</i>

Agency/Org Consulted	<i>United Way of South Texas</i>
Type of Agency/Org	<i>Regional Non-Profit</i>
HUD – Agency	<i>Public Agencies that address the needs of the qualifying populations</i>
Regional/State	<i>Regional</i>
Method/Date of Consultation	<i>Telephone Conference, January 4, 2023</i>
Affected QP	<i>QP 1, QP 2, QP 4</i>
Comments	<i>President/CEO provided information on agency and services that receive funding from the organization; emphasized supportive services as their priority need. Top three groups which show largest gaps in services include elderly, disabled, and single-parent households. While TBRA is temporary</i>

	<i>solution, the priority is making housing affordable for all. COVID-19 decreased numbers for agencies participating in UWST programs. While there was an increase in domestic violence needs, some refused shelter citing COVID-19 concerns. Reiterated changing needs of the qualifying population when providing permanent affordable housing.</i>
High Priority Need	<i>Support of Affordable Housing and high need of Social Services (increased case management to ensure success)</i>

Agency/Org Consulted	<i>Endeavors - McAllen</i>
Type of Agency/Org	<i>Statewide Non-Profit focused on veterans' benefits</i>
HUD – Agency	<i>-Homeless Services Providers -Veterans' groups -Public agencies that address the needs of the qualifying populations -Organizations that address civil rights/fair housing/needs of people with disabilities</i>
Regional/State	<i>State</i>
Method/Date of Consultation	<i>Telephone Conference, January 4, 2023</i>
Affected QP	<i>QP 1, QP 2, QP 3</i>
Comments	<i>Director discussed the needs of homeless veterans and how barriers limited those discharged dishonorably or those who have criminal backgrounds. Their experience shows it easier to work with private property owners' than with corporate owners. Providing supportive services in the areas of education, employment, health care, and mental health is necessary to decrease the number of homeless veterans. Clientele are mostly single males, ages 45-70, with an income less than 35% AMI. Priorities should address limited shelters, access to transportation for those residing outside of city limits, and utility assistance. Increases in cost of living is hindering the already vulnerable population. COVID-19 waived rules to allow more assistance but internally the fund 60% rapid rehousing and 40% homeless prevention. Agency uses HMIS, database to monitor clients</i>
High Priority Need	<i>Development and Support of Affordable Housing including Rental Assistance and Supportive Services</i>

Agency/Org Consulted	<i>Tropical Texas Behavioral Health</i>
Type of Agency/Org	<i>State Agency for Mental Health/Behavioral Services</i>
HUD – Agency	<i>Public Agencies that address the needs of the qualifying populations</i>
Regional/State	<i>State</i>
Method/Date of Consultation	<i>Telephone Conference, January 4, 2023</i>
Affected QP	<i>QP 1, QP 2, QP 4</i>
Comments	<i>The participating Directors provided feedback on homeless individuals who suffer from mental illness. In order to receive the agency's supportive and housing services, they need to be patients. Agency services Hidalgo, Cameron, and Willacy County with Hidalgo having the highest number served. Staff does</i>

	<i>a lot of community outreach in the park and local shelters. Staff saw growing problem of depression, particularly as COVID-19 furthered isolation. Another concern is people who suffer from mental illness are challenging to place in a shelter or housing unit. Gaps in services include limited shelters that force (overflow) clients to be referred to Cameron County, especially for their day program. Agency offers PATH, an internal program offered to clients who need short-term rental assistance, furniture, and supportive services. Program attempts to reduce homeless, including homeless veterans. Additional challenges include FMR increases, housing with low-barriers have a long wait list, and issues for homeless persons arise in trying to get in-person appointments, transportation and government issued IDs.</i>
High Priority Need	<i>Development and Support of Affordable Housing including Rental Assistance and Supportive Services</i>

Agency/Org Consulted	<i>McAllen Housing Authority</i>
Type of Agency/Org	<i>Public Housing Authority</i>
HUD – Agency	<i>Public Housing Authority</i>
Regional/State	<i>Regional</i>
Method/Date of Consultation	<i>Telephone Conference, January 4, 2023</i>
Affected QP	<i>QP 1, QP 2, QP 4</i>
Comments	<i>Director and Assistant Director described the priority needs, gaps, and COVID-19 impact. They service income groups between 30%-60% AMI. Eighty-nine public housing units are occupied by “QP 4” households, 54 units are occupied by emergency at risk homeless households (QP2); 21 vouchers have been distributed to veterans (QP 4). Agency vouchers have a 99% utilization rate. Gaps in services include need for additional housing units, more resources, and engaging additional landlord partnerships. They continue to advocate for more vouchers. Have seen a rise in housing requests for households with incomes between 0- 30% AMI. The waitlist is open every month with a maximum of 100 households and it is purged every other month. The numbers on the waitlist have remained steady; average time of assistance is up to one year. There has been a steady increase in the difference between current FMRs and rents in the City (further limiting the number of eligible units available for their clientele)</i>
High Priority Need	<i>Development and Support of Affordable Housing</i>

Agency/Org Consulted	<i>Hidalgo County Community Service Agency</i>
Type of Agency/Org	<i>Countywide Non-Profit Low-income and Homeless Housing and Support Service Provider</i>
HUD – Agency	<i>-Homeless Service Providers -Public Agency that addresses the needs of the qualifying population</i>
Regional/State	<i>Regional</i>

Method/Date of Consultation	<i>Zoom Meeting, January 4, 2023</i>
Affected QP	<i>QP 1, QP 2, QP 4</i>
Comments	<i>Director discussed the different services provided to each qualifying population. Gaps in housing include transitional housing and affordable housing. Largest gap affects single-parent (mostly female-headed) households. Reports indicate that teen pregnancy is at its highest and is double the national average in Hidalgo County. They represent a group of underserved at-risk subpopulations. Veterans are also in a high need for housing services. Director reiterated the need to incorporate supportive services that include education, job training, health care, and counseling to help those at risk of homelessness. Agency has seen an increase in number of victims of domestic violence during and post COVID -19. Barriers to providing services include lack of access to technology, immigration status, lack of trust in the system, and informing individuals of available assistance. Agency is limited in capacity and cannot serve the high number of people in need. Director supports a “one-stop shop” where all-around services are available, with a goal of increasing their socioeconomic status.</i>
High Priority Need	<i>Development and Support of Affordable Housing including Rental Assistance and Support Services</i>

Agency/Org Consulted	<i>Emily’s Meals</i>
Type of Agency/Org	<i>Local Non-Profit; Food Distribution</i>
HUD – Agency	<i>Homeless Service Providers</i>
Regional/State	<i>Regional</i>
Method/Date of Consultation	<i>In-person meeting, January 4, 2023</i>
Affected QP	<i>QP 1, QP 2</i>
Comments	<i>The seven-year old agency delivers 40 meals to 40 homeless people every day (weekends and holidays included). Barriers to housing stability include lack of transportation services to take clients to the closest shelter as well as supportive services. Demographics of homelessness are changing to include persons of all different backgrounds and ethnicities. The homeless population is mainly composed of Hispanics, but there is also a number of white males migrating from the North. Agency also sees individuals and single parent households. Agency struggles with capacity and is in need of volunteers to continue their mission. Stated there is a high need of a “one-stop shop” where all supportive services are available. Most service providers are scattered and their location may be a barrier to obtain services. Transportation and access to technology/cell phone to request assistance is limited.</i>
High Priority Need	<i>Supportive Services</i>

Agency/Org Consulted	<i>Texas Rio Grande Legal Aid</i>
Type of Agency/Org	<i>Legal Services</i>

HUD – Agency	<i>-Publics Agencies that address the needs of the qualifying populations -Organizations that address civil rights/fair housing/needs of people with disabilities</i>
Regional/State	
Method/Date of Consultation	<i>Zoom Meeting, January 5, 2023</i>
Affected QP	<i>QP 1, QP 2, QP 4</i>
Comments	<i>Agency representative specified the population they most service is persons at-risk of homelessness. Agency has focus on eviction, family law, court registry, resident rights, rental assistance, housing services, and outreach. The pandemic increased need for rental assistance requests from at-risk population, among the most affected groups are the elderly, people with disabilities, and single parent households. The gaps also include supportive services such as counseling, education, job training, and health care,</i>
High Priority Need	<i>Support of Affordable Housing including Rental Assistance and Supportive Services</i>

Agency/Org Consulted	<i>Catholic Charities of the Rio Grande Valley</i>
Type of Agency/Org	<i>Non-Profit Low-Income and Homeless Housing and Service Provider</i>
HUD – Agency	<i>-Homeless Service Providers -Public Agencies that address the needs of the qualifying populations</i>
Regional/State	<i>Regional</i>
Method/Date of Consultation	<i>Zoom Meeting, January 12, 2023</i>
Affected QP	<i>QP 1, QP 2, QP 3, QP 4</i>
Comments	<i>Executive Director described varied needs for each qualifying population. She explained how human trafficking is highly invisible, and therefore, limits resources. There is an inherent need to quickly address those at-risk of homelessness; due to increases in cost of living and low wages, these households cannot sustain self-sufficiency, i.e., providing basic needs such as groceries; large gaps in services are seen for families and single parents. Agency also relies on community referrals to ensure services are provided. Highlighted focusing on unmet housing and supportive services need as critical to area stability</i>
High Priority Need	<i>Development and Support of Affordable Housing including Rental Assistance and Supportive Services</i>

Agency/Org Consulted	<i>C.A.M.P. University</i>
Type of Agency/Org	<i>Local Non-Profit with a focus on adult disabilities and life skills education</i>
HUD – Agency	<i>Organizations that address civil rights/fair housing/ needs of people of disabilities</i>
Regional/State	<i>Regional</i>
Method/Date of Consultation	<i>Telephone Conference, January 12, 2023</i>
Affected QP	<i>QP 4</i>

Comments	<i>Director explained how the organization provides post high-school services to disabled adults to continue enhancing their cognitive skills. Services are provided year-round to approximately 25 campers. Although they charge to attend, cost has not increased since 2017 and family are charged less than 1/3 of the actual costs. Campers are considered “presumed” low-income due to their disability status. COVID-19 caused severe stress due to clienteles’ health conditions and loss of one camper. Priority need is development and support of affordable housing.</i>
High Priority Need	<i>Development and Support of Affordable Housing including Rental Assistance</i>

Agency/Org Consulted	<i>McAllen Independent School District</i>
Type of Agency/Org	<i>Government - School District</i>
HUD – Agency	<i>Public Agencies that address the needs of the qualifying populations</i>
Regional/State	<i>Regional</i>
Method/Date of Consultation	<i>Telephone Conference, January 12, 2023</i>
Affected QP	<i>QP 1</i>
Comments	<i>MISD McKinney-Vento Liaison explained how they provide supportive services to the students and parents identified under the Act. They rely on community agencies for emergency shelters and hotel vouchers. Students are provided to different supportive services depending on the need in an effort to reduce the time student is out of school/away from their campus. Example included bus vouchers issued to students to facilitate a return to school. Internal efforts among staff is essential to provide supplemental support. However, she reiterated the need for emergency assistance (hotel vouchers); these students need services available to them the same day, being on a waitlist or following the application process that can take a few weeks does not help the student but further distract them from attending school. Shelters are always at capacity increasing family units would definitely help. Overall, the goal and mission is to ensure students graduate by providing the necessary resources.</i>
High Priority Need	<i>Development and Support of Affordable Housing</i>

Agency/Org Consulted	<i>Easter Seals - RGV</i>
Type of Agency/Org	<i>Non-Profit agency that provides services to persons with special needs</i>
HUD – Agency	<i>Organization that address civil rights/fair housing/needs of people with disabilities</i>
Regional/State	<i>Regional</i>
Method/Date of Consultation	<i>Telephone Conference, January 16, 2023</i>
Affected QP	<i>QP 1, QP 2, QP 4</i>
Comments	<i>Executive Director described how they provide services to young individuals with disabilities. Agency recently opened a Family Resource Center to assist families that do not have access to technology or WIFI, a food and diaper pantry, free counseling, nursing room and staff assists with informational</i>

	<i>searches. Monthly, an average of 25 families receive assistance. Gaps in services include reliable transportation to complete in-person applications such as housing services. They see a need for temporary, safe and clean housing as well as ensuring integration is available in neighborhoods.</i>
High Priority Need	<i>Development and Support of Affordable Housing including Rental Assistance and Supportive Services</i>

Agency/Org Consulted	<i>2-1-1 Texas</i>
Type of Agency/Org	<i>Regional Information and Referral Services/State-supported Agency</i>
HUD – Agency	<i>Public Agencies that address the needs of the qualifying populations</i>
Regional/State	<i>Regional</i>
Method/Date of Consultation	<i>Zoom Meeting, January 12, 2023</i>
Affected QP	<i>QP 1, QP 2, QP 3, QP 4</i>
Comments	<i>2-1-1 Emergency Management Coordinator described the unmet housing needs in Hidalgo County and stated affordable housing and rental assistance are their top priorities/requests for assistance. Also near the top are requests for food and utilities assistance. Staff maintains daily, weekly, biweekly, monthly, and annual reports of calls requesting services. Agency concerns are lack of awareness of their service and the number of public service agencies not listed on their directory/have not updated their contact information. The biggest barrier is the lack of transportation, especially for persons residing outside of MSA. The number of calls for rental assistance and of people looking for jobs increased after COVID-19. Networking and massive outreach were recommended strategies to increase access to support services</i>
High Priority Need	<i>Development and Support of Affordable Housing including Rental Assistance and Supportive Services</i>

Agency/Org Consulted	<i>Continuum of Care – Texas Homeless Network</i>
Type of Agency/Org	<i>Statewide Homeless Advocacy Non-Profit</i>
HUD – Agency	<i>Continuum of Care (COC)</i>
Regional/State	<i>State</i>
Method/Date of Consultation	<i>Telephone Conference, January 20, 2023</i>
Affected QP	<i>QP 1, QP 2, QP 4</i>
Comments	<i>THN Director of Engagement, the lead agency in the Texas Balance of State Continuum of Care, explained how their annual reports Point-In-Time (PIT) Count, Housing Inventory County (HIC), Homeless Management Information System (HMIS) data captures the number of people experiencing homelessness. PIT reports includes people living in unsheltered situations, people living in sheltered situations as well as a cumulative count. HIC shows what shelter and housing is available to people experiencing homelessness (emergency shelter and transitional housing) and people exiting homelessness (rapid re-housing and permanent supportive housing). The need to (re-)</i>

	<i>establish a homeless coalition was expressed, a method to strengthen the community network and provide additional resources</i>
High Priority Need	<i>Development and Support of Affordable Housing</i>

Agency/Org Consulted	<i>Women Together Foundation, Inc.</i>
Type of Agency/Org	<i>Countywide Non-Profit focused on Domestic Violence and Sexual Assault Prevention, Services and Housing</i>
HUD – Agency	<i>Victims Service Providers</i>
Regional/State	<i>Regional</i>
Method/Date of Consultation	<i>Zoom Meeting, January 23, 2023</i>
Affected QP	<i>QP 3</i>
Comments	<i>Director explained agency relies on state, federal, and local funding to sustain their budget. They operate a 16-unit apartment complex (only transitional housing in Hidalgo County) and an emergency shelter. Services include counseling, legal, educational, a men’s program (those charged with domestic abuse), and other services to keep clientele safe and stabilize their life. Agency staffs 2 outreach offices in McAllen. Stated transportation is a barrier, especially for families living outside of city limits and need exists for long-term trauma counseling</i>
High Priority Need	<i>Development and Support of Affordable Housing and Supportive Services</i>

Agency/Org Consulted	<i>Fair Housing Council of Greater San Antonio</i>
Type of Agency/Org	<i>Regional Non-Profit with focus on Fair Housing and Equal Opportunity</i>
HUD – Agency	<i>Organizations that address civil rights/fair housing/needs of people with disabilities</i>
Regional/State	<i>Regional</i>
Method/Date of Consultation	<i>Telephone Conference, February 22, 2023</i>
Affected QP	<i>QP 1, QP 2, QP 3, QP 4</i>
Comments	<i>Executive Director discussed their mission to eliminate housing discrimination, provide equitable housing opportunities, and reduce housing disparities. Their highest form of discrimination is disability; not only regional but nationwide. Housing problems are in issue, accessibility continues to be a rising problem. . The stakeholder has a Testing Program, comparable to a mystery shopper, testers are sent to different sites, the results are evaluated to determine if discrimination is occurring.</i>

Agency/Org Consulted	<i>The Housing Authority of the County of Hidalgo</i>
Type of Agency/Org	<i>Countywide Public Housing Authority</i>
HUD – Agency	<i>Public Housing Agencies (PHA)</i>
Regional/State	<i>Regional</i>
Method/Date of Consultation	<i>Telephone Conference, March 15, 2023</i>

Affected QP	<i>QP 1, QP 2 and QP 4</i>
Comments	<i>The organization identified a need for permanent support services and rental assistance. The organization has 55 units located in Weslaco and 20 units in San Juan; both have a 100% utilization rate. They manage 29 emergency housing vouchers. Their waitlist is 1.5 to 2 years with 85 families currently on the combined waitlist for the two sites. The agency has a low turnover rate for their units. The size of units most needed by QPs are 3 bedrooms. They indicated job training and budgeting education is needed for all QPs; a significant barrier that prohibits their residents from moving into permanent housing (becoming self-sufficient) is their lack of financial literacy. They highlighted the gaps in service to include: financial education, housing counseling, and budgeting</i>
High Priority Need	<i>Rental Assistance and Supportive Services</i>

Agency/Org Consulted	<i>Park and Recreation – City of McAllen</i>
Type of Agency/Org	<i>Local Government</i>
HUD – Agency	<i>Public Agencies that address the needs of the qualifying populations</i>
Regional/State	<i>Regional</i>
Method/Date of Consultation	<i>Telephone Conference, May 26, 2023</i>
Affected QP	<i>QP 1, QP 2, QP 4</i>
Comments	<i>Deputy Director Operations & Maintenance discussed the need to assist the homeless population. Staff have run-ins with QP1 at the parks and community centers, specifically the one located near the Salvation Army. They occasionally go for free lunch offered to senior citizens. Unfortunately calls are made to the McAllen Police Department to detain homeless individuals that become combative. The deputy director role is to ensure clean and safe parks but one the biggest issues is defecation since restroom parks are closed at night. She currently found in the recent week's belongings of an individual in a used irrigation pump, this situation is yet to be resolved. Her time working in the community centers provided her the opportunity to inform those struggling with homelessness of different community services.</i>
High Priority Need	<i>Supportive Services</i>

PENDING CONSULTATION

Agency/Org Consulted	<i>Council for South Texas Economic Progress</i>
Type of Agency/Org	<i>Economic and Workforce Development</i>
HUD – Agency	<i>Public Agencies that address the needs of the qualifying populations</i>
Regional/State	
Method/Date of Consultation	
Affected QP	
Comments	
High Priority Need	

Agency/Org Consulted	<i>Health and Human Services</i>
Type of Agency/Org	<i>Health and Essential Human Services</i>
HUD – Agency	<i>Public Agencies that address the needs of the qualifying populations</i>
Regional/State	
Method/Date of Consultation	
Affected QP	
Comments	
High Priority Need	

Summarize feedback received and results of upfront consultation:

During the consultation, participating agencies ranked the four eligible activities based on the priority needs in the community. The highest ranked priority need for the qualifying populations is development and support of affordable housing, including rental and utility assistance. The agencies often highlighted the affordability in the area was unreasonable for the qualifying population to sustain much less with the rising cost of living. They also indicated HUD’s Fair Markets Rents (FMR) were too low in comparison to the rents found within the region; this differential limited the number/availability of units eligible to receive HUD’s program assistance.

Supportive services to assist the qualifying populations was the second highest ranked need. The agencies expressed how supportive services can be utilized to prevent incidences of homeless and/or break the cycle of homelessness. Many indicated financial literacy/counseling and budgeting were needed in order to sustain or stabilize housing.

Of note, no agency prioritized acquisition and development of non-congregate shelters. However, the consultation process solidified the notion that community agencies are proactively working on delivering quality services to individuals or households who are homeless, at risk of homelessness, and other vulnerable populations while acknowledging that additional fiscal resources are necessary to fill gaps.

It should be noted that the City and/or UCP staff made unsuccessful attempts to consult with other governmental and non-profit organizations. The listing of entities who declined and/or did not respond to staff requests are provided in the Appendix.

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:

- Dates of Public Notice: Wednesday, February 8, 2023
- Public comment period: Wednesday, February 15, 2023, through Tuesday, March 7, 2023
- Public hearing: Monday, March 6, 2023

Additional solicitation includes/will include:

- Date of Public Notice: Wednesday, May 31, 2023 (El Periodico) and Thursday, June 1, 2023 (The Monitor)
- Public Comment Period: Wednesday, May 31, 2023 through Tuesday, June 20, 2023
- Public Hearing: Monday, June 19, 2023 at 10:00 McAllen Housing Authority – Family Development Center (2501 Jasmine) and 3:00 P.M. at City Hall – Conference Room #2A

Describe the public participation process:

As an entitlement community, a Citizen Participation Plan (CPP) has been adopted. The CPP mandates a minimum 15-day notification prior to holding a public hearing. The City placed an advertisement in El Periodico, a Spanish language newspaper, on Wednesday, February 8, 2023 advising of the availability of the draft document on February 15, 2023 through Thursday, March 2, 2023 and a public hearing scheduled for Thursday, February 23, 2023 at 5:30 in the City Commission Chambers. The notice indicating the February 23, 2023 public hearing was also posted in the City's outside bulletin board, which is readily accessible 24-hours a day.

Due to a publishing error, The Monitor, the newspaper of largest general circulation, advertisement was placed on Friday, February 17, 2023. It also announced the availability of the draft document but extended the comment period until Tuesday, March 7, 2023 and added an additional public hearing for Monday, March 6, 2023. Both notices encouraged interested parties to make their views known as well as indicated persons with disabilities, non-English speaking or limited English proficient could receive interpreter services with notice to the City. Further, it allowed for persons who are deaf or hard of hearing to utilize 7-1-1 in order to participate in the HOME-ARP process.

Due to an emergency evacuation at City Hall, the public hearing of February 23rd was cancelled. Still, the second hearing was held; no one appeared to make their views known. The comment period sunset the following day, Tuesday, March 7, 2023, at the close of business without any comments made or received. The comment period of the draft document ran from Wednesday, February 15, 2023 until Tuesday, March 7, 2023, allowing for the minimum 15-day period as prescribed by CPD Notice 21-10.

El Periodico published the advertisement of the draft availability on Wednesday, May 31, 2023. The Monitor advertisement was placed on Thursday, June 1, 2023. Similar to the previous publication, the notice also announced the availability of the draft document for a comment period that would expire on Tuesday, June 20, 2023 as well as two additional public hearings on Monday, June 19, 2023 at 10:00 McAllen Housing Authority – Family Development Center (2501 Jasmine) and 3:00 P.M. at City Hall – Conference Room #2A. Both notices encouraged interested parties to make their views known as well as indicated persons with disabilities, non-English speaking or limited English proficient could receive interpreter services with notice to the City. Further, it allowed for persons who are deaf or hard of hearing to utilize 7-1-1 in order to participate in the HOME-ARP process.

Describe efforts to broaden public participation

To begin the public participation process, a Countywide survey was made available from mid-December through late January. It was available in English through an online link and, in paper format in Spanish, available upon request. While the survey was a joint effort between the City of McAllen and the Hidalgo County-Urban County

Program to engage a large number of interested parties, survey participants were able to select whether their services were available to City and/or County residents. This collaboration helped extend public participation.

In order to further broaden participation, an email blast introducing the HOME-ARP process as well as the link to the survey was sent to City/County leadership, school district personnel, non-profit organizations, and police departments. The City also included its Community Development Advisory Committee (CDAC) in the distribution of the survey. The CDAC is a fourteen-member board which is appointed by the City Commission in order to facilitate the Community Development process inclusive of citizen participation, recommendation of project funding and oversight of project milestones.

In addition, the City announced the survey availability during the four technical assistance seminars it held in conjunction with its annual application process. Approximately sixty individuals attended the session, representing twenty local non-profit organizations who provide varied services to low- and moderate-income individuals.

Also, efforts to engage citizen participation were also made through traditional means such as publications in the newspaper and postings outside City Hall which announced the availability of the draft document. Less traditional means included online/internet postings and notices of the public hearings and draft document availability. Notices included the ability to remit comments in-person at the public hearing, orally through telephone calls to the Grant Administration office and via email.

Lastly, the City attempted to engage new participants in the redevelopment of this document. Contact was initiated with the following public agencies.

- McAllen Police Department
- McAllen Fire Department
- City of McAllen Health & Code Enforcement
- McAllen 311
- McAllen Public Library
- Metro McAllen
- McAllen Parks and Recreation
- McAllen Public Works
- Office of the Attorney General
- Texas Adult Protective Services
- Texas WIC
- Health and Human Services
- Texas State Independent Living
- Council for South Texas Economics Progress

Further, the City held two public hearings in different locations. In an attempt to engage additional consultations, one of the hearings was schedule at the McAllen Housing Authority – Family Development Center.

Summarize the comments and recommendations received through the public participation process either in writing or orally at a public hearing:

While comments were actively received during the consultation process, the reverse was true during the solicitation of comments regarding the draft document. Although solicited online, through English and Spanish-written newspapers as well as noted on draft documents placed at the public library and branch libraries, no comments were received in writing, at the public hearing or via regular mail or email.

Any comments received during the 15-day comment period beginning May 31, 2023 and ending June 20, 2023 will be incorporated into the final version of this document.

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

Even though no comments were received during the comment period, the City acknowledges the items brought forth during the consultation process have merit. Rental assistance and supportive services are required for housing stability.

NEEDS ASSESSMENT AND GAPS ANALYSIS

Describe the size and demographic composition of qualifying populations

The City of McAllen utilized the information gathered during its consultation process as well as resources provided by the Texas Homeless Network, the McAllen Independent School District, U.S. Census Bureau, and local and state reports in development of this section.

As noted above, the City and Hidalgo Urban County Program approached the consultation collectively, each assessed their jurisdiction qualifying population's needs, gaps in services, recommendations and suggestions.

For ease of readership, this section begins with an overall description of the City's demographics. It is then followed by third-party data (chart or tabular) that is subsequently followed by a brief narrative of the data results and its use/applicability to the descriptive characteristics of qualifying populations.

The Census Bureau 2020 Decennial Census estimates the City's population is more than 142,000. This represents a significant increase over the 2010 Census. The jurisdiction is predominately white (single race, 34%) with a Hispanic ethnicity of approximately 87%. As reported in the 2021 American Community Survey 1-Year Estimates, the number of veterans residing in McAllen represents nearly 4%.

ACS 1-Year Estimates also state:

- Median household income of McAllen residents is 86% of the State of Texas' median household income, \$57,359 and \$66,963, respectively.
- City data shows a poverty rate of 16.6% compared to the State's 14.2%.
- Median gross rent in McAllen is \$906

Table 1: Housing Inventory Count (HIC) Report

Source: <https://www.thn.org/texas-balance-state-continuum-care/data/pit-count-and-hic/>

Project Type	Organization Name	Project Name	Community	Housing Type	Beds (HH w/ Children)	Units (HH w/ Children)	Beds (HH w/o Children)	Beds (HH w/ only Children)	Veteran Beds (HH w/ Children)	Youth Beds (HH w/ Children)	Chronic Homeless Beds: (HH w/ Children)	Veteran Beds (HH w/o Children)	Youth Beds (HH w/o Children)	Chronic Homeless Beds (HH w/o Children)	Chronic Homeless Beds (HH w/ only Children)	Total Beds (Year-Round+ Temp)	Utilization Rate (%)
Rapid Re-Housing	Catholic Charities of the Rio Grande Valley	ESG-CV RRH Hidalgo County	Hidalgo County	Tenant-based – scattered site	0	0	4	0	0	0		0	0			4	100
Other Permanent Housing	Edinburg Housing Authority	PH EHV Edinburg Housing Authority	Edinburg	Tenant-based – scattered site	10	10	25	0	0	0		0	0			35	14
Rapid Re-Housing	Endeavors, Inc.	McAllen RRH SSVF	Mc Allen	Tenant-based – scattered site	0	0	2	0	0	0		2	0			2	100
Other Permanent Housing	Hidalgo Housing Authority	PH EHV Hidalgo Housing Authority	Hidalgo County	Tenant-based – scattered site	24	24	5	0	0	0		0	0			29	59
Other Permanent Housing	Housing Authority of McAllen	PH EHV McAllen Housing Authority	Mc Allen	Tenant-based – scattered site	29	29	25	0	0	0		0	0			54	26
Permanent Supportive Housing	Housing Authority of McAllen	VASH-McAllen	Mc Allen	Tenant-based – scattered site	0	0	21	0	0	0	0	21	0	0	0	21	67
Other Permanent Housing	Mission Housing Authority	PH EHV Mission Housing Authority	Hidalgo County	Tenant-based – scattered site	15	15	15	0	0	0		0	0			30	47
Emergency Shelter	Mujeres Unidas/Women Together	Mujeres Unidas/Women Together ES	Mc Allen	Site-based – single site	45	3	0	0	0	0		0	0			45	33
Transitional Housing	Mujeres Unidas/Women Together	Mujeres Unidas/Women Together TH	Mc Allen	Site-based – single site	14	4	0	0	0	0		0	0			14	64
Other Permanent Housing	Pharr Housing Authority	PH EHV Pharr Housing Authority	Hidalgo County	Tenant-based – scattered site	27	27	9	0	0	0		0	0			36	42
Rapid Re-Housing	The Salvation Army of McAllen	ESG/CC/RRH	Mc Allen	Tenant-based – scattered site	0	0	4	0	0	0		0	0			4	100
Emergency Shelter	The Salvation Army of McAllen	Red Shield Shelter ES	Mc Allen	Site-based – single site	0	0	32	0	0	0		0	0			32	100

The above table was derived from the Texas Homeless Network’s 2022 Housing Inventory Count Report, McAllen data is highlighted. filtered for Hidalgo County. It serves to enumerate the number of beds available for homeless individuals and families as well as indicate their capacity (Utilization Rate). The highlighted agencies are located in within the City limits. The agency that is bolded is the area’s Domestic Violence Service provider.

The information indicates that, in McAllen, beds are available for household with children, households without children, veteran households without children (through the Veterans Affairs Supportive Housing (VASH) Program). Of the service providers listed above, Endeavors and The Salvation Army are at their capacity. The McAllen Housing Authority and Women Together have some ability to provide housing services.

Table 2: Comprehensive Housing Affordability Strategy (CHAS)

Source: <https://www.huduser.gov/portal/datasets/cp.html>

Income by Housing Problems (Renters only)	Household has at least 1 of 4 Housing Problems
Household Income <= 30% HAMFI	3,750
Household Income >30% to <=50% HAMFI	3,255
Household Income >50% to <=80% HAMFI	1,365
Household Income >80% to <=100% HAMFI	530
Household Income >100% HAMFI	455
Total	9,350

Income by Cost Burden (Renters only)	Cost burden > 30%	Cost burden > 50%
Household Income <= 30% HAMFI	3,565	3,020
Household Income >30% to <=50% HAMFI	3,120	1,200
Household Income >50% to <=80% HAMFI	960	60
Household Income >80% to <=100% HAMFI	260	10
Household Income >100% HAMFI	115	0
Total	8,020	4,290

CHAS data indicates that households whose income is less than 30% of HAMFI have the greatest incidence of at least one of the four major housing problems. Similarly, they also show the most frequent incidences of being cost overburdened or severely cost overburdened, paying more than 30% or 50% of their income on housing costs, respectively. This information is critical because this subpopulation tends to have the greatest housing needs as well as the most fragile housing stability scenarios. It can be inferred that these individuals most likely will seek some type of housing assistance.

Table 3: HUD Point in Time Report – Combined, Texas Balance of State 2022 PIT Count

Source: <https://www.thn.org/wp-content/uploads/2022/04/Final-Hidalgo-Report.pdf>

	McAllen	Hidalgo County
Total Persons	255	448
Adults (age 18 or older)	179	317
Young Adults (age 18 to 24)	16	25
Children (under age 18)	76	131
Unknown Age	0	0
Unknown Age- Believe to be Adult	0	0

Unknown Age - Believe to be Young Adult (18-24)	0	0
Unknown Age - Believe to be Adult (25+)	0	0
Unknown Age - Believe to be Child	0	0
Chronically Homeless	0	2
Veterans	6	8

The above table enumerated the individuals identified during the 2022 Point-In-Time Count conducted on January 27, 2022. The City opted to compare the numbers of individuals identified in McAllen to the total number of individuals noted in the Hidalgo County report. This comparison demonstrates that more than half of the reported persons are found in McAllen, a single jurisdiction, versus the nearly twenty other municipalities located in the County. This analysis remains true for all categories save the number of chronically homeless individuals.

Table 4: HUD Point in Time Report, Texas Balance of State 2022 PIT Count Geography: McAllen		
	<u>Sheltered</u>	<u>Unsheltered</u>
Total Persons	53	202
Adults (age 18 or older)	34	145
Young Adults (age 18 to 24)	1	15
Children (under age 18)	19	57
Unknown Age	0	0
Unknown Age- Believe to be Adult	0	0
Unknown Age - Believe to be Young Adult (18-24)	0	0
Unknown Age - Believe to be Adult (25+)	0	0
Unknown Age - Believe to be Child	0	0
Chronically Homeless	0	0
Veterans	2	4

The Point-in-Time Count shows the unsheltered population is four times greater than the sheltered count. Within the sheltered enumeration, one third of the individuals were noted as children, under the age of 18. However, in the unsheltered count, one-quarter of the individuals noted were children. While only one young adult was sheltered during the Count, fifteen were noted as unsheltered. This information correlates with the antidotal information provided by non-profit organizations; they have indicated that they are providing services to an increasing number of children and young adults facing homelessness due to drug and alcohol abuse, mental health care concerns and disconnects with family members. The complete report is attached in the Appendix.

The size and demographics within City limits are further described and categorized by each qualifying population.

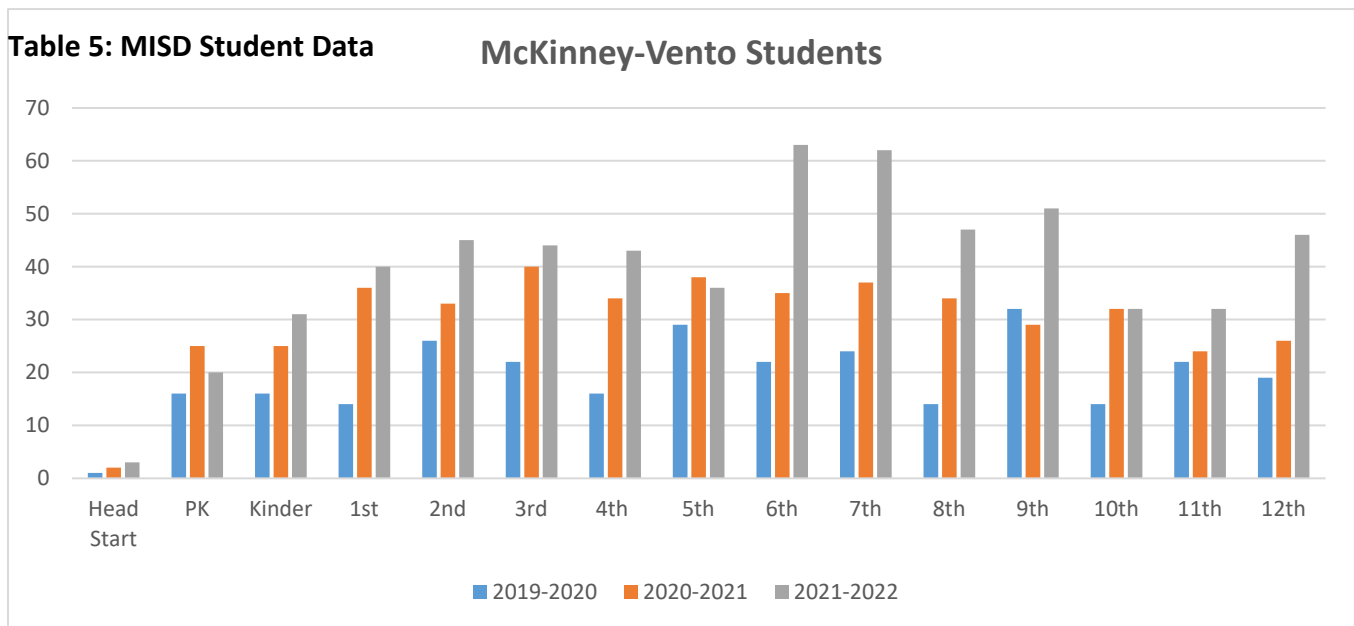
Homeless, as defined in 24 CFR 91.5

As noted above, the Texas Balance of State 2022 PIT Count reported a total of 255 persons experiencing homelessness in McAllen. The combined data showed 179 adults, 16 young adults, and 76 children experiencing homelessness. During the Count, the number of households with at least one adult and one child was 48 while households without children was doubled (108). The number of non-Hispanics was 38 while the preponderance was 174 individuals self-identifying as Hispanics. Among the 179 adults reported in the PIT Count, 30 adults

disclosed diagnosis statuses, 11 indicated a serious mental illness, 10 confirmed having substance use disorder, and 9 are survivors of domestic violence. The PIT identified six unaccompanied youth households, ages 18 to 24, providing limited information - gender one male and one female with both reporting as non-Hispanic. No chronically homeless persons reported in the 2022 PIT Count within the City of McAllen.

The Social Service Case Manager for McAllen Independent School District (MISD) serves as the McKinney-Vento Liaison for students from all grade levels. Each student, meeting the McKinney-Vento definition of homelessness, receives supportive services to continue attending classes with minimal disruption. The Case Manager discussed how unaccompanied youth ages 16 and 17 struggle the most since they are not old enough to sign legally binding contracts. Youth experiencing homelessness were identified in each grade level.

MISD identified a total of 287 students experiencing homelessness in school year 2019-2020. The grade level with the most frequently occurring students experiencing homeless instances was in the 9th grade, 32 students. In the 2020-2021 school year, the total of students experiencing homelessness was 450 students; 3rd grade was identified as the largest number of students experiencing homelessness at 40 students. The 2021-2022 school year showed an increase of students experiencing homelessness to a total of 595; 6th grade was the catalyst with 63 students. The most current school year, 2022-2023, reflects numbers similar to the previous school year.



At risk of Homelessness, as defined in 24 CFR 91.5

In the FY 2018-2022 Consolidated Plan and Strategy, the City of McAllen stated individuals and families who are "at-risk" of homelessness have fluctuating demographics due to evolving living/housing conditions. The persons identified as "at-risk" of homelessness stated their reasons as due to mental illness, alcohol or drug abuse, domestic violence, and overcrowded living conditions, because the household is earning less than 30% of the median income. Other more recent factors include the amount of household income spent on housing expenses (cost overburdened or severely cost overburdened), external economic factors such as rising housing costs or

tighter job markets. The needs of extremely low-income families and formerly homeless families and individuals mirror each other. They may require supportive housing, often transitional housing, financial assistance with utilities and other housing costs as well as ample number of bedrooms in their residences. These individuals and families not only face financial constraints, but they may also require supportive services not found near the available affordable housing stock.

During the consultations, staff of the McAllen Housing Authority expressed they have seen an increase in need for public housing units and/or housing choice vouchers from applicants whose income is under 30% AMI. Further, CHAS data documented 4,690 renters in McAllen with a household income of 0-30%. Of which, 3,785 (81%) have one of the four housing problems (incomplete kitchen facilities, incomplete plumbing facilities, more than one person per room and/or are cost overburdened/severely cost overburdened).

For the 0-30% AMI households, 3,570 households (76%) are cost burdened, and 3,145 households (67%) are severely cost burdened. For FY 2022, the uppermost limit that a 30% AMI household with a family size of 4 could earn is \$27,750. The maximum amount the household could pay without becoming cost burdened would be \$694 per month. The MSA's Fair Market Rent of a two-bedroom apartment is \$877 per month (FY 2023, huduser.gov). This differential shows the precariousness of housing stability for extremely low-income households.

Fleeing, or Attempting to Flee, Domestic Violence, Dating Violence, Sexual Assault, Stalking, or Human Trafficking, as defined by HUD.

The only shelter in the Hidalgo County for victims of domestic violence, dating violence, sexual assault and/or stalking is operated by Women Together Foundation, Inc. and located in McAllen. In the 2022 Housing Inventory Count (HIC), they agency recorded 45 beds and 3 units for households with children. In addition to the emergency shelter, the agency also operates a transitional housing complex of 16-apartment style units of two or three bedrooms; year-round, they are at full capacity. The HIC reported 14 beds and 4 units for households with children within their transitional housing complex. The traditional demographic characteristic of persons seeking assistance is a woman or women with children. Still, a few male adult victims seek their services. During the 2021 Program Year, staff reported 279 individual and 230 crisis intervention counseling; in addition, the same counselors conducted an additional 273 sessions for sexual assault survivors.

The Texas Crime Report for 2021, filed by Texas Department of Public Safety, reported 41 offenses of sexual assault in the City. The report also captures human trafficking reports; although McAllen was not listed as having high reports of human trafficking, the City is a border community that owns and operates two international bridges. The National Incident – Based Reporting System (NIBRS) Crime Report generated by the McAllen Police Department is an overview of local crime statistics. NIBRS includes the categories of: crimes against persons, crimes against property, and crimes against society. In 2022, the report did not list any human trafficking (commercial sex acts or involuntary servitude) cases for the City, but it did indicate more than 50 cases of sexual assaults reported, an increase compared to the 2021 report. Overall, 108 sex offenses were reported in the 2022 NIBRS submission. It should also be noted that the McAllen Police Department is the lead agency for an Anti-Gang Task Force made up of local, state, and federal law enforcement agencies who combine intelligence to combat gang activities including trafficking.

It is anticipated that due to the exploitation endured by QP 3, this population's need will likely require intensive case management when providing housing and supportive services to stabilize their lives and the lives of their family members.

Other Populations requiring services or housing assistance to prevent homelessness and other populations at greatest risk of housing instability.

30 - 50% AMI (At Greatest Risk of Housing Instability)

For the 30-50% AMI households, CHAS recorded 3,335 renters. Of these, 1,775 households (53%) have at least one of the four housing problems. In addition, 1,600 (48%) are cost burdened, and 535 households (16%) are severely cost burdened. For FY 2022, the uppermost limit that a 50% AMI household with a family size of 4 could earn is \$34,050. The maximum amount the household could pay without becoming cost burdened would be \$851 per month. The MSA's Fair Market Rent of a two-bedroom apartment is \$877 per month (FY 2023, huduser.gov). Although small, this differential shows some households will fall into being precariously housed and/or may have very little housing stability. Of note, the defining difference from including this subpopulation in QP 2 is that QP 2 has a lower income limit.

Veterans

Veterans and families experiencing homelessness, a specific group identified in the CPD-21-10, were counted during the PIT. The City's data identified one veteran household of at least one adult member and one child, totaling four persons. The veteran's ethnicity was Hispanic and race was White. Veteran's households without children totaled five households with a total six-person count. This subpopulation had less Hispanics (1) compared with Non-Hispanics (4). The most frequently reported race was White (3) with Black, African and American or African noted as 1. As previously stated, Census data indicates 4% of McAllen residents are veterans.

Endeavors, a local non-profit agency, operates a satellite office located in McAllen; they provide homelessness prevention, rapid rehousing, employment services, mental health care and military life transition assistance for Veterans and their families. Their Supportive Services for Veteran Families (SSVF) program offers 2 years of rent subsidy for veterans. To be enrolled in the SSVF Program, the household must be under 50% AMI, have continuous steady income, ability to pay 65% of monthly rent, and live in area served by Endeavors SSVF; Endeavors supports programs located in Hidalgo County. Internal data shows 437 veterans served from January 1, 2018 – March 31, 2020 in South Texas. Between April 1, 2020 – December 31, 2022 (COVID timeframe), their data reflects an increase to 446 veterans. Endeavors reported that the veterans they have assisted tend to be single, older male adults.

It is anticipated that due to the transition from military life, this population may need additional support services to stabilize their households and reduce any risks of homelessness.

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:

For more than a decade, the City had not received Emergency Solutions Grant (ESG) until FY 2021. ESG specifically funds services geared towards homeless individuals and families as well as for the prevention of homelessness. In addition to ESG, Community Development Block Grant (CDBG) funds are used to assuage the needs of homeless individuals and families and prevent precariously housed households from becoming homeless.

Using CDBG funds, four agencies historically undertake the majority of services provided to homeless individuals

- Catholic Charities of the Rio Grande Valley provides homeless prevention and rapid rehousing services.
- The Salvation Army provides homeless prevention or homeless assistance services and transportation vouchers to relocate persons with their families while also assisting shelter clients with clothing.
- Women Together Foundation, Inc. addresses the needs of victims of domestic violence (and their families) residing in their emergency shelter and the transitional housing complex.
- Silver Ribbon Community Partners offers rental assistance to Adult Protective Services clients.

From Table 1: Housing Inventory Count, the following is a summary of congregate and non-congregate shelter beds/units available for homeless individuals and families.

Table 1: Housing Inventory Count (McAllen Providers)				
Project Type	Organization	Project Name	Housing Type	Beds
Rapid Re-Housing	Endeavors, Inc.	McAllen RRH SSVF	Tenant-based – scattered site	2
Other Permanent Housing	Housing Authority of McAllen	PH EHV McAllen Housing Authority	Tenant-based – scattered site	54
Permanent Supportive Housing	Housing Authority of McAllen	VASH-McAllen	Tenant-based – scattered site	21
Emergency Shelter	Mujeres Unidas/Women Together	Mujeres Unidas/Women Together ES	Site-based – single site	45
Transitional Housing	Mujeres Unidas/Women Together	Mujeres Unidas/Women Together TH	Site-based – single site	14
Rapid Re-Housing	The Salvation Army of McAllen	ESG/CC/RRH	Tenant-based – scattered site	4
Emergency Shelter	The Salvation Army of McAllen	Red Shield Shelter ES	Site-based – single site	32

While not funded by CDBG, the McAllen Housing Authority (MHA) provides 89 public housing units, 1,329 housing choice vouchers to extremely low-income families, according to their 2022 Annual PHA Plan.

Used in the City’s Annual Action Plan, the Anti-Poverty Strategy contains a summary of supportive services whose mission assists homeless individuals and families as well as those whose income is less than 30% AMI. The following social service organizations are noted in the Anti-Poverty Strategy as the most prominent agencies in assisting extremely low- and low-income individuals and families find housing and/or supportive services within McAllen. Where noted, HUD funds are used to provide support services.

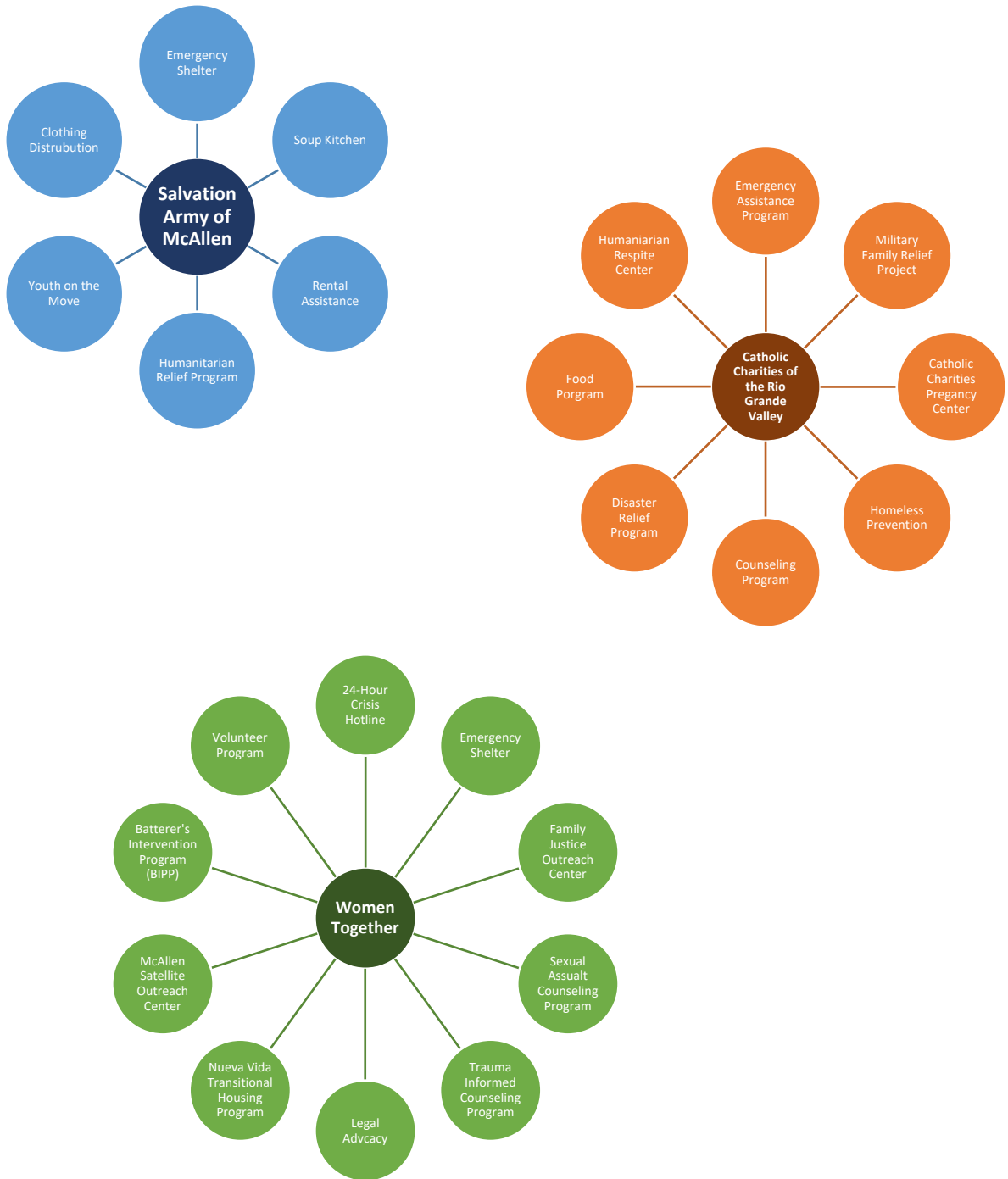
- Affordable Homes of South Texas, Inc. (TBRA) - HOME

- American Red Cross
- Amigos Del Valle, Inc.
- Catholic Charities of the RGV - CDBG
- Comfort House Services, Inc. - CDBG
- Community HOPE Projects, Inc. - CDBG
- Consumer Credit Counseling of South Texas
- Food Bank of the RGV
- Hidalgo County – Community Service Agency
- McAllen Metro – Municipal Transportation System
- McAllen Food Pantry - CDBG
- McAllen Housing Finance Corp.
- McAllen I.S.D. – Free Lunch
- McAllen Public Housing Authority
- Palmer Drug Abuse Program
- Silver Ribbon Community Partners - CDBG
- Texas Department of Health and Human Services
- Texas Rural Legal Aid
- The Salvation Army – CDBG/ESG
- Tropical Texas Mental Health and Mental Retardation Center
- Valley AIDS Council (VAC)
- Women Together Foundation, Inc. – CDBG/ESG

Most recently, the City successfully undertook a tenant-based rental assistance program assisting over 85 households with funding made available from the State of Texas under the Texas Emergency Rental Assistance Program (TERAP) and assisted 62 households with the Texas Emergency Mortgage Assistance Program (TEMAP). This pass-through funding was part of the CARES Act and ARPA allocations. In collaboration with other community agencies, United Way of South Texas helps fund supportive services needed in the community.

Despite the housing and supportive services available, including permanent supportive housing, rapid-re-housing, and transitional housing, funds are limited. The primary agencies do not have the staff or capacity to fulfill the increase in demand for assistance. These agencies also provide services outside of City of McAllen. The diagrams list the services made available to the qualifying population by Catholic Charities of Rio Grande Valley, Women Together, and Salvation Army of McAllen, the three most prominent organizations in addressing or prevention homelessness.

Figure 1: Agency Wrap Around Services



Describe the unmet housing and service needs of qualifying populations

Affordable Housing is a "High" priority need for the City of McAllen, as noted in the FY 2018-2023 Consolidated Plan and Strategy. CDBG, HOME and ESG funds are the primary mechanism used to address the housing needs faced by the general low-income population, persons with special needs, the elderly, and homeless individuals and families. During the consultations, there was discussion that helped describe the unmet need for permanent supportive housing, rapid re-housing, transitional housing, and supportive services for each qualifying population. Their descriptive characteristics help formulated the information noted below and determine the necessary services to reduce the unmet housing and further assist all the qualifying population.

Homeless, as defined in 24 CFR 91.5

Unsheltered homeless individuals represent one of the hardest cases to address. These individuals often have substance abuse, mental illness, or other significant concerns which contribute to their homeless status. Unsheltered homeless will likely seek assistance from The Salvation Army. It is anticipated they will have the highest number of persons assisted with rapid rehousing which is primarily funded by the Emergency Solutions Grant from the Hidalgo County - Urban County Program. During the consultation with the Salvation Army, staff stressed the need for expansion of the shelter. Specifically, it was noted that the family corridors are always at capacity while beds for single adults may be available but are used year-round. Currently, there is no wait list but services are provided on a first-come first-serve basis.

In discussions with the McAllen ISD Case Manager, one challenge for young adults or adult households with children is the need for rapid assessment and intensive case management/intervention. Complications can occur if the student and/or their family is placed on a waitlist for any social service program or available housing assistance. To minimize disruptions in the child's or youth's school attendance, the case worker or case manager seeks to combine efforts with community agencies in order to accommodate the displaced student and family as quickly as possible.

The greatest unmet housing needs for QP 1 include permanent (supportive) housing, rapid-rehousing and transitional housing assistance. Still, it is important to note that many of the agencies referenced the limited number of affordable housing units. In particular, they noted the area's high rents that exceed HUD's Fair Market Rent. This differential disqualifies units from their eligibility to receive subsidy payments. As expected, chronically homeless individuals and unaccompanied youth have less success in obtaining and maintaining permanent housing; they likely require additional support services to facilitate stable housing.

For the reasons noted above, the City will pursue providing tenant based rental assistance to the QP 1 and supportive service as defined in CPD Notice 21-10.

At risk of homelessness, as defined in 24 CFR 91.5

Noted in CHAS and likely falling into QP 2, 4,960 renters whose income is between 0-30% AMI, reported having one or more of the major housing problems. The units available fail to meet adequate living standards with incomplete kitchen facilities, and plumbing facilities. More than 1 person per room (overcrowding) is another

inadequacy which may be faced by those who are precariously housed. Multi-generational households can attribute to higher number of persons living in a rental unit not suitable for their household size.

Due to the high demand of housing vouchers and limited availability in their public housing units, McAllen Housing Authority (MHA) purges their wait list monthly. The 2022 Annual PHA Plan reported 89 public housing units, 1,329 housing choice vouchers, providing a combined total of 1,407 affordable housing units to low-income families. Their staff indicated they requests an increase in housing vouchers from HUD every year. With the rising of costs of living and less than 1,500 vouchers available to McAllen renters, one of the biggest unmet need for this qualifying population is transitional housing. This form of congregate assistance would help alleviate some of the obstacles in maintaining a stable household. In particular, Catholic Charities of the Rio Grande Valley staff reiterated how the unmet housing and supportive services need negatively affects households at risk of homelessness. Counseling, financial well-being discussions, short- and long-term budgeting and access to educational resources are methods noted in developing and maintaining stable housing.

As stated above due to the high demand, the City will provide services to QP 2 which include tenant based rental assistance and supportive serviced as defined in CPD Notice 21-10; McKinney-Vento Supportive Services, Homelessness Prevention Services, and Housing Counseling Services.

Fleeing, or attempting to flee, domestic violence, dating violence, sexual assault, stalking, or human trafficking, as defined by HUD.

Women Together is the only emergency shelter facility that provides services for those who are fleeing or attempting to flee domestic violence, dating violence, sexual assault, stalking, and/or human trafficking (QP 3) in the region. They work efficiently to ensure the safety of victims and survivors of sexual assault, including their non-offending family members. The Director mentioned that collaborative efforts with agencies providing similar services in the neighboring counties may be tasked to shelter victims when their facility is at capacity. Emergency and immediate services are needed by the clientele in the days, weeks or months following their incidences. This population's needs include basic necessities (clothing, food, shelter) as well as trauma counseling and identification of available support systems.

In comparison to those who recently fled domestic violence situations, the clients at the Women Together Transitional Housing complex have needs more aligned with the precariously housed subpopulation. Annually, the organization assists approximately 13 families for up to 18-months. During this course of time, clients attend counseling and weekly life skills sessions. The Director emphasized the need to hire additional counselors for long-term trauma counseling for victims and/or survivors of domestic violence and sexual assault.

Victims of domestic violence who utilize the transitional housing complex are the most likely group of formerly homeless individuals who are able to obtain and maintain permanent housing. Many of these transitional housing residents use the services provided by Affordable Homes of South Texas, Inc. in order to purchase their own homes.

In order to assist QP 3, the City will provide services to include tenant based rental assistance, McKinney-Vento Supportive Services, Homelessness Prevention Services, and Housing Counseling Services.

Other Populations requiring services or housing assistance to prevent homelessness and other populations at greatest risk of housing instability.

Those at greatest risk of housing instability may have a household income of 0-30% and be severely cost burdened or have an income between 30-50% AMI and meet one of the seven scenarios described in the Notice. Many of these individuals are on a fixed income and their salary is incompatible with increasing expenses. Community agencies, stakeholders, and direct service providers discussed the struggle that continuing rising costs of living and the limited availability of affordable housing units are obstacles in obtaining or maintaining suitable and stable housing.

Further, most agencies expressed a gap in the availability of rental assistance and the need for additional supportive services. Within the last two years, Endeavors, a service provider for veterans, stated they had witnessed an increase for tenant based rental housing assistance which is rooted in the effects of COVID—19 pandemic.

After discussing with community stakeholder, the City will provide services to QP 4 to increase housing stability by providing tenant based rental assistance, McKinney-Vento Supportive Services, Homelessness Prevention Services, and Housing Counseling Services.

Gaps within the current shelter and housing inventory as well as the service delivery system

The 2022 Housing Inventory Count report shows four agencies providing housing assistance in McAllen. Endeavors, Inc., The Salvation Army of McAllen, McAllen Housing Authority, Women Together Foundation Inc. Of these listed agencies, Women Together targeted population is domestic violence survivors. Endeavors, Inc., and McAllen Housing Authority-VASH McAllen Project assist homeless veterans. The Salvation Army of McAllen and McAllen Housing Authority under PH/EHC/McAllen Housing Authority Project provide services to any person or any type of household experiencing homelessness or those at risk of homelessness. While not limited to McAllen residents, Catholic Charities of the RGV also serves to assist in stabilizing housing within the community.

Table 1: Housing Inventory Count – McAllen Providers

Rapid Re-Housing	Permanent Supportive Housing	Emergency Shelter	Transitional Housing	Other Permanent Housing
<ul style="list-style-type: none"> • Endeavors, Inc. • The Salvation Army of McAllen 	<ul style="list-style-type: none"> • Housing Authority of McAllen 	<ul style="list-style-type: none"> • Women Together • The Salvation Army of McAllen 	<ul style="list-style-type: none"> • Women Together 	<ul style="list-style-type: none"> • Housing Authority of McAllen

The data captured in the Housing Inventory Count (HIC) and Point-in-Time (PIT) was compared to calculate the gaps of beds/units in shelters when compared with vulnerable populations. This computation serves as the basis of need gap and unmet need.

Housing Inventory Count comparison to Unsheltered Texas Balance of State 2022 Point in Time Count

HIC and PIT reporting outlines the need for additional beds/shelter units for the 202 unsheltered persons. Of the 202 unsheltered persons, 145 were adults, 15 were young adults, and 57 were children. From the adult population, two persons reported having serious mental illness, three have a substance use disorder, and four are survivors of domestic violence.

Service Delivery System

Direct service providers and community agencies work year-round towards improving methods to facilitate the application process, provide their services in the community, and ensure their wait lists move quickly to reduce delays. While consulting with the President of United Way of South Texas, it was stated that supportive services solidifies the foundation that break barriers and helps end the cycle of homelessness. Similar to the views of the other agencies, these wrap around services are necessary to achieve housing stability. Without receiving mental health, substance abuse, financial counseling, job skills training or trauma-focused services, households may need to divert their scarce resources (time and/or money) to their well-being.

Nonetheless, the City and its stakeholders face a unique situation in the delivery of goods and services. The fluctuation of federal resources, the violence in Mexico and political rhetoric which has limited trade as well as the rising cost of living have all exacerbated the need for housing and related services, particularly for the most vulnerable of population. Specifically, the gaps in the delivery system include the following:

- Local agencies and community organizations are faced with dwindling public resources to fund housing and community development activities. These cutbacks have a severe impact on the performance of the delivery system.
- Hidalgo County covers a large geographic area with resources generally located in more urbanized areas, including McAllen. Service providers often find themselves trying to coordinate services over multiple municipal and/or county boundaries. In addition, the region lacks the resources to implement cohesive regional plans.
- Hidalgo County lacks a coordinated Continuum of Care. Instead, the area is served by the statewide Balance of State Continuum of Care under the auspices of the Texas Homeless Network.
- English as a second language, limited or no English proficiency can also hinder access to quality affordable housing.

Additional characteristics 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 City of McAllen will not include any other conditions in its definition of “other populations”. The City will term “other populations” as defined in CPD-Notice – 4 (1), 4 (2) (i-ii A-G)) and veterans who meet one of the QP standards.

Housing Inventory Count comparison to Veterans Programs

For veterans, Endeavors provided rapid re-housing for two veterans through their McAllen RRH SSVF Project; Additionally, the McAllen Housing Authority, through their VASH-McAllen Project, provided 21 beds. PIT reported

a gap of four unsheltered veterans. The two agencies mentioned that their veteran clientele was mostly composed of single adult males seeking shelter services. In addition, staff from the Texas Homeless Network, lead agency for the Continuum of Care, indicated that they have found the veteran status has been a characteristic least likely to be reported. As such, there is a high probability that this is an underrepresented expression of need.

Priority needs for qualifying populations

The priority need identified by community organizations, stakeholders, and the public was development and support of affordable housing; i.e., affordable rental units via Tenant-based Rental Assistance. This was true for agencies servicing all QPs. Equally as important, the agencies highlighted the need of supportive services in order to complement housing assistance.

CHAS data solidified the need for quality housing as it indicated renters have limited ability to obtain/maintain housing without problems and that still meet their affordability threshold. Another justification for the need for quality housing is the high number of units that fail to accommodate the number of persons within the households.

Of note, none of the organizations or comments received supported a need for development of non-congregate shelter.

Assessment of level of need and gaps in the shelter and housing inventory and service delivery systems based on the data presented

In order to assess the level of need and gaps, the City of McAllen considered the difference between the number of unsheltered homeless individuals and the number of beds available. The City used current and historical data from the Point-In-Time Count. The City also considered the targets established in the FY 2018-2023 Consolidated Plan and Strategy to see whether those goals continued to be aligned with the current needs/Pre- and Post-Pandemic. CHAS data also served to support the needs, gaps and concerns facing renter households.

Due to the familiarity with the National Incident – Based Reporting System (NIBRS) Crime Report (2022) and The Texas Crime Report (2021) filed by Texas Department of Public Safety, Community Development staff was able to discern data and its effects on the homeless community.

In order to engage in a new post COVID-19 perspective, the City and the Hidalgo County – Urban County Program took on a collaborative approach. The development of an online Countywide HOME-ARP Consultation Survey was an innovative method to broaden community input and validate local data.

HOME-ARP ACTIVITIES

Describe the method for soliciting applications for funding and/or selecting developers, service providers, subrecipients and/or contractors:

The City will utilize the HOME Investments Partnerships Program (HOME) method of soliciting applications in order to keep a uniformed selection process. To follow is a brief summary of the actions traditionally taken by the Community Development Office in the solicitation of applicants and recommendation of projects:

Eligible Applicants

The City’s Standard Operating Policies state non-profit organizations, municipal departments or units of local government may be considered for funding. It is not anticipated that changes to this policy will occur during the solicitation for HOME-ARP funded agencies. Nonetheless, the City does not intend that any of its departments will participate in the implementation of the HOME-ARP Plan.

Process for Soliciting Funding Applications or Proposals

The City of McAllen will solicit applications via a Notice of Funding Availability advertisement appearing in The Monitor.

The City’s Notice of Funding Availability will make applicants aware that:

- They will be required to attend a technical assistance seminars regarding the application
- SAMS registration is necessary prior to submitting an application
- Maintaining an active SAM registration is required
- The agency’s unique identifier (EIN/TIN and UEI) should be provided in the application
- The Program Year is October 1 - September 30
- Additional information could be obtained by contacting the Grant Administration Department – Community Development Office via email or telephone

Similar to the CDBG and HOME award process, the Community Development Advisory Council (CDAC) will be utilized in reviewing HOME-ARP applications and their related supporting documentation. The CDAC considers the application as well as the applicant’s history of providing services, leveraging amounts and project costs. After a recommendation is made by the CDAC, it will be presented to City Commission for their consideration and approval.

Describe whether the PJ will administer eligible activities directly:

It is not the intent of the City to administer any of the eligible activities; however, it must be noted that City staff have experience in providing rental (and homeowner) assistance. As such, the redeployment of a project could be done in a short amount of time since the policies and procedures would require only small changes or updates.

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:

No subrecipients have received administrative funds from the City of McAllen to administer HOME-ARP funds nor has the City solicited any applications.

Indicate the amount of HOME-ARP funding that is planned for each eligible HOME-ARP activity type and demonstrate that any planned funding for nonprofit organization operating assistance, nonprofit capacity building, and administrative costs is within HOME-ARP limits. The following table may be used to meet this requirement.

Use of HOME-ARP Funding

Eligible Activities	Funding Amount	Percent of the Grant	Statutory Limit
Supportive Services	\$ 750,000		
Acquisition and Development of Non-Congregate Shelters	\$ 0		
Tenant Based Rental Assistance (TBRA)	\$ 1,057,583.65		
Development of Affordable Rental Housing	\$ 0		
Non-Profit Operating	\$ 0	0 %	0%
Non-Profit Capacity Building	\$ 0	0 %	0%
Administration and Planning	\$ 318,985.35	15 %	15%
Total HOME ARP Allocation	\$ 2,126,569		

Describe the distribution of HOME-ARP funds in accordance with the priority needs identified in the needs assessment and gap analysis

Although the City utilized the consultation process, resources, and data in the development of this allocation plan, the needs and priorities are aligned with the needs and priorities identified in the City’s FY 2018-2023 Consolidated Plan and Strategy. The City has prioritized “Public Services - Social/support Services for qualified individuals and families including services for seniors, children, youth, general population, handicapped persons, abused and neglected children and battered and abused spouses as well as transportation, health services and subsistence payments”.

As such, the City intends to fund supportive services and Tenant-Based Rental Assistance. Administrative expenses and planning are also included so that City staff has funding for program oversight.

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:

Consideration of the characteristics and their rationale to fund eligible activities included:

- Number of beds needed if all unsheltered subpopulation sought such services
- Household size and composition for the types of housing and services being sought
- Frequency of chronic homeless individuals compared to non-chronically homeless
- Varied types of services needed to maintain housing stability including
 - Job Training/Re-education
 - Transportation
 - Financial Counseling
 - Mental Health Care
 - Health Care/Trauma Counseling
 - Child Care/Student Services

HOME-ARP PRODUCTION HOUSING GOALS

Estimate the number of affordable rental housing units for qualifying populations that the PJ will produce or support with its HOME-ARP allocation

The City estimates HOME-ARP funds will be used to assist approximately 125 households; funds will primarily support tenant based rental assistance.

Describe the specific affordable rental housing production goal that the PJ hopes to achieve and describe how it will address the PJ's priority needs

While the City does not intend to produce new units, HOME-ARP fund are intended to be used for Tenant-Based Rental Assistance and Support Services. A preponderance of agencies consulted indicated these activities, rental assistance and support services, are needed to help ensure housing stability for all qualifying populations. Fiscal assistance, particularly for households with incomes less than 30% of AMI, is the primary strategy to address the priority needs identified during the development of the HOME-ARP Allocation Plan. This income group is the most likely to be housed in a unit with at least of the noted housing problems as well as have a higher tendency to be overburdened or severely overburdened.

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:

- **Preferences cannot violate any applicable fair housing, civil rights, and nondiscrimination requirements, including but not limited to those requirements listed in 24 CFR 5.105(a).**
- **PJs are not required to describe specific projects to which the preferences will apply.**

Not applicable; the City of McAllen will not enact a preference for one or more qualifying populations or subpopulation within one or more qualifying populations.

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

Not applicable; the City of McAllen will not enact a preference for one or more qualifying populations or subpopulation within one or more qualifying populations.

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

Not applicable; the City of McAllen will not enact a preference for one or more qualifying populations or subpopulation within one or more qualifying populations.

HOME-ARP REFINANCING GUIDELINES

If the PJ intends to use HOME-ARP funds to refinance existing debt secured by multifamily rental housing that is being rehabilitated with HOME-ARP funds, the PJ must state its HOME-ARP refinancing guidelines in accordance with [24 CFR 92.206\(b\)](#). The guidelines must describe the conditions under which the PJ will refinance existing debt for a HOME-ARP rental project, including:

- **Establish a minimum level of rehabilitation per unit or a required ratio between rehabilitation and refinancing to demonstrate that rehabilitation of HOME-ARP rental housing is the primary eligible activity**
- **Require a review of management practices to demonstrate that disinvestment in the property has not occurred; that the long-term needs of the project can be met; and that the feasibility of serving qualified populations for the minimum compliance period can be demonstrated.**
- **State whether the new investment is being made to maintain current affordable units, create additional affordable units, or both.**
- **Specify the required compliance period, whether it is the minimum 15 years or longer.**
- **State that HOME-ARP funds cannot be used to refinance multifamily loans made or insured by any federal program, including CDBG.**

- ***Other requirements in the PJ's guidelines, if applicable:***

Not applicable; the City of McAllen will not utilize HOME-ARP to refinance existing debt secured by a multifamily rental housing project.

APPENDIX A

Sources

<https://www.thn.org/texas-balance-state-continuum-care/data/pit-count-and-hic/>

<https://www.thn.org/2022/07/06/2022-pit/>

<https://www.huduser.gov/PORTAL/datasets/cp.html#:~:text=These%20data%2C%20known%20as%20the,HUD%20to%20distribute%20grant%20funds.>

<https://www.census.gov/quickfacts/mcallencitytexas>

[https://www.mcallen.net/docs/default-source/pd/crime-reports/2022-mcallen-national-incident---based-reporting-system-\(nibrs\)-crime-report.pdf?sfvrsn=2](https://www.mcallen.net/docs/default-source/pd/crime-reports/2022-mcallen-national-incident---based-reporting-system-(nibrs)-crime-report.pdf?sfvrsn=2)

<https://www.dps.texas.gov/sites/default/files/documents/crimereports/21/2021cit.pdf>

APPENDIX B

Listing of Non-response Entities

The City and/or Hidalgo County – Urban County staff attempted to consult with the following organizations; however, attempts were unsuccessful.

Agency/Org	HUD Agency/Org	Contact Method	Qualifying Population	Unsuccessful Attempts
Valley AIDS Council (VAC)	Homeless Service Provider	Email	QP 1 QP 2 QP 3 QP 4	December 16, 2022 January 6, 2023
Hidalgo County Emergency Management	Public Agency that address the needs of the qualifying populations	Email	QP 1 QP 2 QP 4	December 16, 2022 January 6, 2023 January 9, 2023 (declined)
Children Advocacy Center Hidalgo and Starr Counties (CACHSC)	Victims Service Provider	Email	QP 3	December 19, 2022 December 20, 2022 January 6, 2022
El Milagro Clinic	Public Agency that address the needs of the qualifying populations	Email	QP 1 QP 2 QP 3 QP 4	December 19, 2022 January 6, 2023
CASA of Hidalgo County, Inc.	Victims Service Provider	Email	QP 3	December 19, 2022 January 9, 2023
Texas Department of State Health Services	Public Agency that address the needs of the qualifying populations	Telephone	QP 1 QP 2 QP 3 QP 4	February 2, 2023
Community Hope Projects, Inc. / Hope Family Health Center	Public Agency that address the needs of the qualifying populations	Email	QP 1 QP 2 QP 3 QP 4	January 6, 2023
Nuestra Clinica del Valle - Pharr	Public Agency that address the needs of the qualifying populations	Email	QP 1 QP 2 QP 3 QP 4	December 16, 2022 January 6, 2023
Access Esperanza Clinics, Inc.	Public Agency that address the needs of the qualifying populations	Email	QP 1 QP 2 QP 3 QP 4	December 19, 2022
South Texas Civil Rights Project	Organizations that address civil rights, fair housing, needs of people with disabilities	Telephone Email	QP 1 QP 2 QP 3 QP 4	December 18, 2022 December 19, 2022 January 3, 2023

ARISE Support Center	Community Agency that addresses the needs of the qualifying populations	Telephone Email	QP 1 QP 2 QP 4	December 18, 2022 December 19, 2022 January 3, 2023
American Red Cross McAllen	Public Agency that address the needs of the qualifying populations	Telephone Email	QP 1 QP 2 QP 3 QP 4	December 21, 2022 December 22, 2022 January 3, 2023
South Texas Civil Rights Project	Organizations that address civil rights/fair housing/needs of people with disabilities	Telephone Email	QP 1 QP 2 QP 3 QP 4	December 18, 2022 December 19, 2022 January 3, 2023
ARISE Support Center	Public Agencies that address the needs of the qualifying populations	Telephone Email	QP 1 QP 2 QP 3 QP 4	December 18, 2022 December 19, 2022 January 3, 2023
City of Alamo	Public Agencies that address the needs of the qualifying populations	Email	QP 1 QP 2 QP 3 QP 4	December 22, 2022
City of Donna	Public Agencies that address the needs of the qualifying populations	Email	QP 1 QP 2 QP 3 QP 4	December 22, 2022
City of Edcouch	Public Agencies that address the needs of the qualifying populations	Email	QP 1 QP 2 QP 3 QP 4	December 22, 2022
City of Elsa	Public Agencies that address the needs of the qualifying populations	Email	QP 1 QP 2 QP 3 QP 4	December 22, 2022
City of Granjero	Public Agencies that address the needs of the qualifying populations	Email	QP 1 QP 2 QP 3 QP 4	December 22, 2022
City of Hidalgo	Public Agencies that address the needs of the qualifying populations	Email	QP 1 QP 2 QP 3 QP 4	December 22, 2022

City of La Joya	Public Agencies that address the needs of the qualifying populations	Email	QP 1 QP 2 QP 3 QP 4	December 22, 2022
City of La Villa	Public Agencies that address the needs of the qualifying populations	Email	QP 1 QP 2 QP 3 QP 4	December 22, 2022
City of Mercedes	Public Agencies that address the needs of the qualifying populations	Email	QP 1 QP 2 QP 3 QP 4	December 22, 2022
City of Palmhurst	Public Agencies that address the needs of the qualifying populations	Email	QP 1 QP 2 QP 3 QP 4	December 22, 2022
City of Palmview	Public Agencies that address the needs of the qualifying populations	Email	QP 1 QP 2 QP 3 QP 4	December 22, 2022
City of Penitas	Public Agencies that address the needs of the qualifying populations	Email	QP 1 QP 2 QP 3 QP 4	December 22, 2022
City of Progreso Lakes	Public Agencies that address the needs of the qualifying populations	Email	QP 1 QP 2 QP 3 QP 4	December 22, 2022
City of Sullivan City	Public Agencies that address the needs of the qualifying populations	Email	QP 1 QP 2 QP 3 QP 4	December 22, 2022
City of Weslaco	Public Agencies that address the needs of the qualifying populations	Email	QP 1 QP 2 QP 3 QP 4	December 22, 2022
Hidalgo County Precinct No 2 Office	Public Agencies that address the needs of the qualifying populations	Telephone Email	QP 1 QP 2 QP 3 QP 4	December 14, 2022 December 21, 2022

Alamo Housing Authority	Public Housing Authority (PHA)	Telephone Email	QP 1 QP 2 QP 4	December 19, 2022 December 20, 2022
Donna Housing Authority	Public Housing Authority (PHA)	Telephone Email	QP 1 QP 2 QP 4	December 19, 2022 December 20, 2022
Edcouch Housing Authority	Public Housing Authority (PHA)	Telephone Email	QP 1 QP 2 QP 4	December 19, 2022 December 20, 2022
Edinburg Housing Authority	Public Housing Authority (PHA)	Telephone Email	QP 1 QP 2 QP 4	December 19, 2022 December 20, 2022
Elsa Housing Authority	Public Housing Authority (PHA)	Telephone Email	QP 1 QP 2 QP 4	December 19, 2022 December 20, 2022
La Joya Housing Authority	Public Housing Authority (PHA)	Telephone Email	QP 1 QP 2 QP 4	December 19, 2022 December 20, 2022
Mercedes Housing Authority	Public Housing Authority (PHA)	Telephone Email	QP 1 QP 2 QP 4	December 19, 2022 December 20, 2022
Mission Housing Authority	Public Housing Authority (PHA)	Telephone Email	QP 1 QP 2 QP 4	December 19, 2022 December 20, 2022
Pharr Housing Authority	Public Housing Authority (PHA)	Telephone Email	QP 1 QP 2 QP 4	December 19, 2022 December 20, 2022
San Juan Housing Authority	Public Housing Authority (PHA)	Telephone Email	QP 1 QP 2 QP 4	December 19, 2022 December 20, 2022
Weslaco Housing Authority	Public Housing Authority (PHA)	Telephone Email	QP 1 QP 2 QP 4	December 19, 2022 December 20, 2022