

Summary of changes or the HOME - ARP Allocation Plan

The amended HOME-ARP plan for El Paso introduces noteworthy changes in its approach to affordable housing development, with a clear focus on adjusting to rising costs and prioritizing long-term solutions for the current need of affordable housing.

Here's a breakdown of the key changes in the amended plan:

1. Increased Budget for Affordable Housing Development

- The budget for the acquisition and development of affordable rental housing was significantly increased from \$2,935,888 to \$4,282,300. This change reflects the increased cost of construction due to inflation, rising material costs, and higher labor costs.

2. Reduction in Non-Congregate Shelters

- Originally, \$1,200,000 was allocated for the acquisition and development of non-congregate shelters, but the amendment eliminates this allocation entirely. This shift in focus is in response to the growing need for permanent affordable housing, rather than temporary shelter solutions, as part of the city's broader strategy to combat homelessness and housing instability.

3. Focus on Tenant-Based Rental Assistance (TBRA)

- The allocation for Tenant-Based Rental Assistance (TBRA) reduced to \$3,000,000. However, the city is emphasizing TBRA as a key component of its strategy to prevent homelessness and provide rapid rehousing for individuals and families.

4. Shift Toward Long-Term Affordable Housing Solutions

- The amendment aligns the plan's funding priorities with the most pressing needs identified in the 2023 Community Needs Assessment (CNA), which highlighted the critical shortage of affordable housing in El Paso. The city now prioritizes the development of affordable rental units, aiming to produce at least 42 new units with HOME-ARP funds, leveraging additional resources to expand this number.

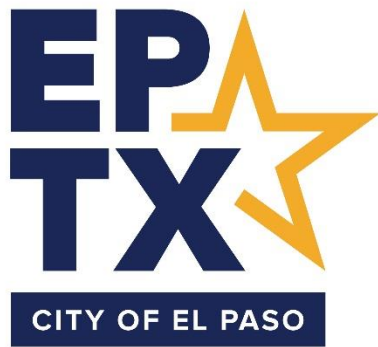
5. Adjustment to the Housing Cost Assumptions

- The rising construction costs led to an upward revision of the cost per unit from previous estimates. The new cost of \$200,000 to \$250,000 per unit more accurately reflects the current market conditions, which had not been anticipated in the original plan. This adjustment ensures that the city can effectively allocate resources to meet the growing demand for affordable housing.

6. No Prioritization

- The amended plan moves away from the previous Coordinated Entry preference for TBRA and introduces a policy where no preferences will be given to specific subpopulations (e.g., veterans, individuals with disabilities, families fleeing domestic violence) within the qualifying population (QPs). Instead, applicants for HOME-ARP

TBRA assistance will be selected in chronological order from a written waiting list. This approach ensures an equitable allocation of resources across all eligible applicants.



HOME-ARP Allocation Plan

The City Council of El Paso, Texas

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Executive Summary

The COVID-19 pandemic did not necessarily create many of the most pressing issues affecting vulnerable populations in El Paso, rather, it exacerbated and brought to the forefront issues that have long persisted. The homeless service system is stretched to capacity and underinvested in, both in terms of physical investment and investment in case management and wrap-around services for individuals experiencing homeless and those at-risk of experiencing homelessness. Further complicating this issue is an affordable rental housing supply that is shrinking at a time when expansion is required. While overall household income is increasing, it is significantly outpaced by rising rental rates.

As we transition from a response to recovery lens on the pandemic, it is critical to invest much needed yet limited resources in a focused, thoughtful manner to ensure a sustainable and equitable recovery across the community. As such, the City has spent over a year of consultation, outreach, and research to establish the priority needs and investments identified in this HOME-ARP Allocation Plan.

This plan allocates HOME-ARP funds to increase the supply of affordable rental units, , provide tenant-based rental assistance with intensive case management services to qualifying populations experiencing homelessness or at risk of experiencing homelessness All of these investment will reduce the pressure on low- to no-barrier emergency shelters that are often at capacity, and as a result, make available additional shelter for those in our community that are currently or may become unsheltered.

Consultation

Describe the consultation process including methods used and dates of consultation:

The City of El Paso, Department of Community + Human Development (DCHD) undertook two significant outreach and consultation initiatives to receive input and determine priority needs and gaps in services for persons experiencing homelessness. The first was a State of Homelessness work session and the second was a Community Needs Assessment.

DCHD conducted a half-day work session on Thursday, January 6th, 2022 to discuss the state of homelessness in El Paso. The intention of the work session was to convene key stakeholder partners in homeless service provision so that the City of El Paso can have a better understanding of the need for resources to fill gaps in the homeless service provider system and identify resources available to fill those gaps and create opportunities. This work session served as a key component of the upfront HOME-ARP allocation plan consultation process.

An agency pre-work session survey was sent out to the participant list. Responses from the survey were used to frame the discussions during the work session. Respondents were comprised of agencies and organizations that assist families and individuals experiencing homelessness, or at risk of homelessness. 20 organizations responded to the survey.

In September of 2022, DCHD launched a Community Needs Assessment process. The purpose of the CNA was to obtain viewpoints from community members regarding housing and community development needs and proposed activities that support identified community vulnerabilities.

This process was led by the DCHD Civic Empowerment team. The DCHD Civic Empowerment team's primary objective is to advance equity, build sustainability and improve community outcomes through equitable programming volunteerism, and education designed to empower residents and strengthen their relationship with local government. In order to provide objective findings and conclusions, members of the CNA team do not administer or oversee DCHD grants, nor do they influence annual DCHD policies or procedures. A CNA survey was deployed across community stakeholders and 120 individual survey responses were received. The key takeaways from these responses indicated the greatest need for: 1) Programs that support those experiencing homelessness, 2) Assistance with Mental Illness, and 3) affordable housing assistance.

Also in September 2022, DCHD began hosting a series of roundtable events to acquire valuable responses from the community regarding housing and community development needs. Roundtable discussions, which resulted in a total of 96 participants, were offered in a variety of platforms ranging from a hybrid model, allowing individuals in an in-person setting to collaborate with those who selected to contribute virtually. Of those 96 participants, 31 community members were graduates of the City of El Paso's Neighborhood Leadership Academy, resulting in two Advanced Neighborhood Leadership Academy sessions. Participants within these exclusive sessions are actively involved community members that share a unique perspective to include solutions, on issues facing the community.

In addition to community residents, stakeholders from various community organizations, were present to discuss key issues within the sectors of Housing and Homelessness, Health and Wellbeing, Food Security and Family Stability; subject matter experts from El Paso Coalition for the Homeless, The Opportunity Center, YWCA, Project Amistad, United Way, The El Paso Community Foundation were among the organizations represented.

List of organizations consulted:

Agency/Org Consulted	Type of Agency/Org	Method of Consultation	Feedback
Center Against Sexual and Family Violence	Domestic Violence Service Provider	State of Homelessness Work Session	Feedback was received in a group forum and recorded in aggregate in a State of Homeless White Paper.
Child Crisis Center of El Paso	Homeless Service Provider	State of Homelessness Work Session	Feedback was received in a group forum and recorded in aggregate in a State of Homeless White Paper.
CoC	CoC	State of Homelessness Work Session; CoC Board Meeting	Feedback was received in a group forum and recorded in aggregate in a State of Homeless White Paper.
County of El Paso	Public agencies that address QP needs	State of Homelessness Work Session	Feedback was received in a group forum and recorded in aggregate in a State of Homeless White Paper.
Diocesan Migrant & Refugee Services, Inc.	Public agencies that address QP needs	State of Homelessness Work Session	Feedback was received in a group forum and recorded in aggregate in a State of Homeless White Paper.
El Paso Apartment Association	Public or private organizations that address fair housing, civil rights, and needs of persons w/ disabilities	State of Homelessness Work Session	Feedback was received in a group forum and recorded in aggregate in a State of Homeless White Paper.
El Paso Center for Children	Homeless Service Provider	State of Homelessness Work Session, Community Needs Assessment	Feedback was received in a group forum and recorded in aggregate in a State of Homeless White Paper. Feedback was received via agency survey and roundtable discussions and is reported in aggregate in the Community Needs Assessment.
El Paso Coalition for the Homeless	CoC Lead Entity	State of Homelessness Work Session, Community Needs Assessment	Feedback was received in a group forum and recorded in aggregate in a State of Homeless White Paper. Feedback was received via agency survey and roundtable discussions and is reported in aggregate in the Community Needs Assessment.

El Paso Community Foundation	Community Foundation	Community Needs Assessment	Feedback was received via agency survey and roundtable discussions and is reported in aggregate in the Community Needs Assessment.
El Paso County Housing Authority	Housing Authority	State of Homelessness Work Session	Feedback was received in a group forum and recorded in aggregate in a State of Homeless White Paper.
El Paso HOME	Housing Authority	State of Homelessness Work Session, Community Needs Assessment	Feedback was received in a group forum and recorded in aggregate in a State of Homeless White Paper. Feedback was received via agency survey and roundtable discussions and is reported in aggregate in the Community Needs Assessment.
El Paso Veterans Affairs	Veterans Service Provider	State of Homelessness Work Session	Feedback was received in a group forum and recorded in aggregate in a State of Homeless White Paper.
El Paso Villa Maria	Homeless Service Provider	State of Homelessness Work Session	Feedback was received in a group forum and recorded in aggregate in a State of Homeless White Paper.
Emergence Health Network	Public agencies that address QP needs	State of Homelessness Work Session, Community Needs Assessment	Feedback was received in a group forum and recorded in aggregate in a State of Homeless White Paper. Feedback was received via agency survey and roundtable discussions and is reported in aggregate in the Community Needs Assessment.
EP Human Services	Homeless Service Provider	State of Homelessness Work Session	Feedback was received in a group forum and recorded in aggregate in a State of Homeless White Paper.
Family Endeavors, Inc.	Homeless Service Provider/Veterans Service Provider	State of Homelessness Work Session	Feedback was received in a group forum and recorded in aggregate in a State of Homeless White Paper.
Justice Leadership Council	Public agencies that address QP needs	Community Needs Assessment	Feedback was received via agency survey and roundtable discussions and is reported in aggregate in the Community Needs Assessment.
La Posada Home, Inc.	Homeless Service Provider/Domestic Violence Service Provider	State of Homelessness Work Session	Feedback was received in a group forum and recorded in aggregate in a State of Homeless White Paper.

OEM	Public agencies that address QP needs	State of Homelessness Work Session	Feedback was received in a group forum and recorded in aggregate in a State of Homeless White Paper.
Opportunity Center for the Homeless	Homeless Service Provider	State of Homelessness Work Session, Community Needs Assessment	Feedback was received in a group forum and recorded in aggregate in a State of Homeless White Paper. Feedback was received via agency survey and roundtable discussions and is reported in aggregate in the Community Needs Assessment.
Paso del Norte Children's Development Center	Public agencies that address QP needs	State of Homelessness Work Session	Feedback was received in a group forum and recorded in aggregate in a State of Homeless White Paper.
Paso del Norte Community Foundation	Public agencies that address QP needs	State of Homelessness Work Session, Community Needs Assessment	Feedback was received in a group forum and recorded in aggregate in a State of Homeless White Paper.
Project Amistad	Homeless Service Provider	State of Homelessness Work Session, Community Needs Assessment	Feedback was received in a group forum and recorded in aggregate in a State of Homeless White Paper.
Project Vida	Homeless Service Provider	State of Homelessness Work Session, Community Needs Assessment	Feedback was received in a group forum and recorded in aggregate in a State of Homeless White Paper. Feedback was received via agency survey and roundtable discussions and is reported in aggregate in the Community Needs Assessment.
Department of Public Health	Public agencies that address QP needs	State of Homelessness Work Session	Feedback was received in a group forum and recorded in aggregate in a State of Homeless White Paper.
Recovery Alliance	Homeless Service Provider	State of Homelessness Work Session	Feedback was received in a group forum and recorded in aggregate in a State of Homeless White Paper.
Rescue Mission of El Paso	Homeless Service Provider	State of Homelessness Work Session	Feedback was received in a group forum and recorded in aggregate in a State of Homeless White Paper.

The Salvation Army	Homeless Service Provider	State of Homelessness Work Session, Community Needs Assessment	Feedback was received in a group forum and recorded in aggregate in a State of Homeless White Paper. Feedback was received via agency survey and roundtable discussions and is reported in aggregate in the Community Needs Assessment.
Underserved Communities Foundation	Public agencies that address QP needs	State of Homelessness Work Session	Feedback was received in a group forum and recorded in aggregate in a State of Homeless White Paper.
United Way of El Paso	Public or private organizations that address fair housing, civil rights, and needs of persons w/ disabilities	State of Homelessness Work Session, Community Needs Assessment	Feedback was received in a group forum and recorded in aggregate in a State of Homeless White Paper. Feedback was received via agency survey and roundtable discussions and is reported in aggregate in the Community Needs Assessment.
University Medical Center	Public agencies that address QP needs	State of Homelessness Work Session	Feedback was received in a group forum and recorded in aggregate in a State of Homeless White Paper.
Volar Center for Independent Living	Public or private organizations that address fair housing, civil rights, and needs of persons w/ disabilities	State of Homelessness Work Session, Community Needs Assessment	Feedback was received in a group forum and recorded in aggregate in a State of Homeless White Paper. Feedback was received via agency survey and roundtable discussions and is reported in aggregate in the Community Needs Assessment.
Workforce Solutions Borderplex	Public agencies that address QP needs	Community Needs Assessment	Feedback was received via agency survey and roundtable discussions and is reported in aggregate in the Community Needs Assessment.
YWCA Paso del Norte Region	Homeless Service Provider/Domestic Violence Service Provider	State of Homelessness Work Session, Community Needs Assessment	Feedback was received in a group forum and recorded in aggregate in a State of Homeless White Paper. Feedback was received via agency survey and roundtable discussions and is reported in aggregate in the Community Needs Assessment.

Summarize feedback received and results of upfront consultation with these entities:

State of Homelessness Work Session Key Takeaways:

Key takeaways from the State of Homelessness Work Session suggest that a more coordinated street outreach system is required in order to bring more unsheltered individuals into the homeless service system. Every individual and their circumstances are not identical; therefore, tailored approaches should be undertaken. Identifying best practices for specific populations and catering to the unique needs of vulnerable individuals can increase the likelihood of successful outcomes. In addition to the implementation of a tailored approach, support for shelters and transitional living centers needs to also be prioritized considering outreach success largely depends on the availability of housing options. This indicates a need for additional non-congregate shelter units as is identified as a priority in this allocation plan.

Those, sheltered or unsheltered, who can be rapidly rehoused require intensive case management to sustain a stable living environment. This prevents returns to homelessness and eases the pressure on emergency shelter capacity. As such, significant investment in rapid rehousing programs with intensive case management is a key investment under this allocation plan.

Permanent supportive housing was mentioned numerous times as well, especially since it impacts other priority areas including case management and outreach. It is evident that there is a notable need for the increased availability and accessibility of housing options. Some suggested the new construction and development of more supportive communities (including landlord support) with better access to wraparound services, especially for disadvantaged youth and people with disabilities that are often underserved (i.e., tiny homes that include the option of renting to own).

The group collectively agreed upon the notion that diversion and prevention efforts need to be more focused. The utilization of a tiered system was sought as a possible solution. Additionally, many valid points were made including the continuously increasing cost of living in the community while wages are not keeping pace. By bringing attention to the various factors that exacerbate conditions that perpetuate homelessness, appropriate action can be taken.

Community Needs Assessment Key Takeaways:

1. Meeting Basic Needs

One of the key takeaways from our analysis is that the ability to meet basic needs such as food and housing is directly connected to fostering economic prosperity. Many of the participants stressed that the community needs support in meeting basic needs such as food, housing, utilities, transportation. We also heard that even access to broadband should be considered a basic need. Many of the conversations stressed the need for supporting people experiencing homelessness with wrap around services like mental health and food support. The hardships caused by the pandemic has been widespread, and in many cases, it exacerbated challenges that households were already facing such as food insecurity or housing affordability. Thus, continuing to support a family's ability to meet basic needs is still necessary in order to achieve economic prosperity at the household level.

2. Empowering Communities

For business owners, government officials, and our neighborhood associations, there were a number of conversations about being grateful for being invited to participate, and the desire to want to continue to be a part of future discussions. What we heard overwhelmingly is that community and business owners alike, want to contribute to the decision-making and planning processes. The analysis also showed that there are also perception interdependencies by empowering a broad range of stakeholders, you promote cohesive and engaged communities. Meaning, stakeholder empowerment increases the ability and confidence of the issues relating to each individual. While engagement significantly increases participation, empowerment aims to enable people to take control of the actions that affects their livelihoods. Interview and survey responses revealed a need for enhanced collaboration to advance local and regional planning. We saw a desire for long-term integrated planning within each of our perception assessments. Government officials, academia, and civil society all shared the same sentiments in the Fosters long term integrated Planning category. Integrated planning was particularly important when speaking to neighborhood leaders in the Advanced Neighborhood Leadership sessions. Participants often highlighted the need to have open dialogues during all phases of future planning process to ensure information is equitable shared and shaped by all stakeholders. However, there was a strong expression by some neighborhood leaders that they are being asked for input and collaboration, but their input often hasn't translated into actionable change. Communities of Excellence can be the springboard for this type of planning with members of the community, organizations can collectively deploy resources based off the community needs identified in this assessment and in turn continue to collaborate.

3. Homelessness: Mental Health and Housing Affordability

The causes of homelessness are extremely diverse and complex. The individual complexities that contribute to homelessness increases the difficulty of creating universal solutions to address homelessness. Our key takeaways from the Resident Survey results, showed us that community members see a high need in addressing mental health, housing affordability and homelessness. These three issues are linked to one another. Mental illness and substance abuse was often connected to the topic of homelessness. Similarly, the discussions around rising costs and

housing affordability were also discussed when the topic of homelessness was also raised. While some participants applauded the City's effort to prioritizing homelessness, the survey responses indicated a need to do more.

Poverty and homelessness exacerbate mental illness, and COVID-19 and the measures put in place to control the spread of the virus exacerbated mental health concerns for much of the community. Addressing this issue by identifying those in need of services and making those services accessible beyond the hours of 8:00 am to 5:00 pm will be important to meet the needs of this especially vulnerable population.

4. Prioritizing Multi-beneficial Projects

Funding limitations and agency capacity is always a challenge that all sectors face. Because of this, there is a need to identify projects that include multiple benefits across sectors that achieve multiple planning goals at one time. An example of this would be to situate programming or facilities with multiple benefits that can help address multiple vulnerabilities, such as mental health, housing and homelessness. Addressing multi-benefits like mental health and homelessness under one roof can provide supportive individualized services to community members and enables better outcomes as a result. This model can be used with all vulnerable populations because of the complex nature of their situations. Another vulnerable population is opportunity youth, which often struggle with both education and employment. So tailoring solutions that address multiple vulnerabilities ensures that steps are being taken to find solutions to root causes and not symptoms.

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:

- ***Date(s) of public notice: 2/23/2023***
- ***Public comment period: start date - 2/13/2023 end date - 2/28/2023***
- ***Date(s) of public hearing: 2/28/2023***
- ***Date(s) of public notice of Amendment: 2/23/2023***
- ***Public comment period of Amendment: start date - 2/13/2023 end date - 2/28/2023***
- ***Date(s) of public hearing of Amendment: 2/28/2023***
- ***Describe the public participation process:***

The public participation process consisted of two robust, weeks-long efforts to receive input from the public and key stakeholders, emphasizing the voices of often underrepresented populations. The State of Homelessness Work Session engaged with key stakeholders, other funders, and service agencies that provide assistance and service to HOME-ARP qualifying populations. The Community Needs Assessment engaged the public at-large, along with targeted stakeholders with unique perspectives on the challenges facing El Paso's most vulnerable populations.

No Additional comment was received during the final public comment period.

Describe efforts to broaden public participation:

To ensure broad public participation, a newspaper ad was published in the major English and Spanish newspapers in El Paso identifying the HOME-ARP funds available for allocation, the eligible activities for HOME-ARP funds, and the proposed distribution of HOME-ARP funds to address critical needs and gaps in the community. Notice was also distributed to all 90+ neighborhood associations in El Paso; all agencies that participated in consultations, surveys, and needs assessment activities were notified of proposed allocation distributions; the City issued a press release and posted to social media sites the same information contained in the newspaper ads to ensure access to participation of vulnerable populations of all ages across the community.

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

No Additional comment was received during the final public comment period.

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

No Additional comment was received during the final public comment period.

Needs Assessment and Gaps Analysis

Homeless Needs Inventory and Gap Analysis Table

Homeless													
	Current Inventory					Homeless Population				Gap Analysis			
	Family		Adults Only		Vets	Family HH (at least 1 child)	Adult HH (w/o child)	Vets	Victims of DV	Family		Adults Only	
	# of Beds	# of Units	# of Beds	# of Units	# of Beds					# of Beds	# of Units	# of Beds	# of Units
Emergency Shelter	309	#	552	#	#								
Transitional Housing	147	#	95	#	#								
Permanent Supportive Housing	61	#	143	#	#								
Other Permanent Housing	#	#	55	60	#								
Sheltered Homeless						68	385	60	79				
Unsheltered Homeless						#	159	24	#				
Current Gap										0	0	#	#

Suggested Data Sources: 1. Point in Time Count (PIT); 2. Continuum of Care Housing Inventory Count (HIC); 3. Consultation

OPTIONAL Housing Needs Inventory and Gap Analysis Table

Non-Homeless			
	Current Inventory	Level of Need	Gap Analysis
	# of Units	# of Households	# of Households
Total Rental Units	93,320		
Rental Units Affordable to HH at 30% AMI (At-Risk of Homelessness)	5,842		
Rental Units Affordable to HH at 50% AMI (Other Populations)	18,396		
0%-30% AMI Renter HH w/ 1 or more severe housing problems (At-Risk of Homelessness)		16,795	
30%-50% AMI Renter HH w/ 1 or more severe housing problems (Other Populations)		3,405	
Current Gaps			20,429

Suggested Data Sources: 1. American Community Survey (ACS); 2. Comprehensive Housing Affordability Strategy (CHAS)

Describe the size and demographic composition of qualifying populations within the PJ's boundaries:

Homeless as defined in 24 CFR 91.5

The January 2022 Point in Time count indicated that there were 839 individuals experiencing homelessness in El Paso, Texas on any given day. Of those 839, 544 are single adults, 295 are in families, 183 are unsheltered, 537 are in emergency shelters and 119 are in transitional housing. An additional 19 families and 107 single adults are in permanent supportive housing, 55 single adults are in other permanent housing, and 256 households with 437 individuals are in rapid rehousing programs.

Of the approximately 55 families in emergency shelters 56.9% are experiencing homelessness for the first time. Of the 84 veterans experiencing homelessness, 60 are in shelters and the other 24 are unsheltered. Of the 79 victims of domestic violence, 20 are in families and the other 59 are single adults.

Since there are 309 available beds for families in the emergency shelter system and based on PIT data for families (and several assumptions) there are 238 individuals in families in the emergency shelter system at any given time, there appears to be no significant gap in available emergency shelter beds for families. There are 552 available beds in the emergency shelter system for single adults and 544 single adults experiencing homelessness on any given day. This indicates that our emergency shelter system is stretched to its potential capacity. Neither the analysis for families nor for single adults takes into account homelessness surge events that El Paso has seen numerous times over the past several years. These surge events include significant increases to homeless populations during the first year or two of the COVID-19 pandemic as well as several large-scale increases in migrant populations coming into El Paso. These events have stretched the emergency shelter system well beyond its capacity and have unfortunately resulted in perceived increases in unsheltered homelessness in El Paso. Due to the PIT not accounting for these surge events, it is difficult to estimate an exact number of beds and units needed to accommodate these surge events, but an increase in emergency shelter capacity is anecdotally obvious.

A key strategy to relieve the pressure on emergency shelter capacity, and reduce the need for increased beds in the system, is to prevent households from becoming homeless and move individuals and families out of shelters and into suitable permanent housing arrangements via rapid rehousing programs with intensive case management components. The City's allocation plan addresses these needs by increasing emergency shelter capacity while also placing significant focus on investments in rapid rehousing and homeless prevention through tenant-based rental assistance (TBRA) and supportive services.

At Risk of Homelessness as defined in 24 CFR 91.5

2015-2019 CHAS data indicate that there are 93,320 rental units within El Paso. Of the 33,770 households in El Paso at or below 30% AMI, 22,680 are renters. Using 30% or less of household income going towards rent payments as the metric for a unit to be affordable, it is then determined that there are 5,842 rental units in the city that are affordable to households at or below 30% AMI (2020 ACS 5-yr Table B25063). This is based on affordable rents for

this population being below \$350 per month. Since there are 22,680 renter households at or below 30% AMI and only 5,842 rental units that are affordable to those households, there is an estimated gap in affordable rental units at this income level of 16,838 units.

HOME, the housing authority for the City of El Paso has an inventory of 6,103 public housing units and strives to exceed the federal income targeting requirements by targeting more than 40% of all new admissions to public housing to families at or below 30% AMI. HOME also has 5,365 Section 8 Housing Choice Vouchers that effectively increase the stock of affordable rental units. However, HOME has an existing waiting list for HCVs of 7,032 families and 5,984 of those families have household incomes below 30% AMI. Accounting for the public housing units and HCV availability, the overall gap in affordable rental units is decreased, but a gap of approximately 11,500 units remains. This is the estimated number of households in El Paso that are at-risk of homelessness due to a lack of affordable rental housing units.

2015-2019 CHAS data also shows that there are 18,400 renter households with a housing cost burden in excess of 50% of the household's income. These households are considered to have severe housing cost burden and are at-risk of losing their homes. That same data set shows that there are 25,175 renter households that are experiencing at least 1 of 4 severe housing problems which are: incomplete kitchen facilities; incomplete plumbing facilities; more than 1 person per room; and cost burden greater than 50%. Assuming that all renter households with a housing cost burden in excess of 50% of the household's income are households at or below 30% AMI, this would mean that there are approximately 6,775 renter households at or below 30% AMI not experiencing severe housing cost burden but still experiencing one of the other three severe housing problems. This number aligns closely with the availability of 5,842 rental units that are affordable to households at or below 30% AMI as that offsets a significant amount of the 6,775 that are not severely housing cost burdened. However, it indicates a likelihood that many of those households in affordable units have more than one person per room.

Additional affordable units are needed in El Paso. As such, a portion of this allocation plan provides funding for acquisition and development of affordable rental units.

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

According to 2022 PIT data, 6.9% of families and 10.8% of single adults experiencing homelessness are fleeing domestic violence. The PIT also shows that there were 295 individuals in families and 544 single adults experiencing homelessness at any given time. Using those counts and the percentages of families and individuals fleeing domestic violence, it can be estimated that a total of 79 individuals (20 in families and 59 single adults) who are experiencing homelessness are fleeing domestic violence.

Other populations requiring services or housing assistance to prevent homelessness and other populations at greatest risk of housing instability, as defined by HUD in the Notice 2015-2019 CHAS data indicate that there are 93,320 rental units within El Paso. Of the 29,525 households in El Paso between 30% and 50% AMI, 16,145 are renters. Using 30% or less of household income going towards rent payments as the metric for a unit to be affordable, it is then determined that there are 12,554 rental units in the city that are affordable to households between 30% and 50% AMI (2020 ACS 5-yr Table B25063). This is based on affordable rents for this population being between \$350 and \$600 per month. Since there are 16,145 renter households between 30% and 50% AMI and 12,554 rental units that are affordable to those households, there is an estimated gap in affordable rental units at this income level of 3,591 units. This is the estimated number of households in El Paso that are within the "Other Populations" HOME-ARP category that are at-risk of homelessness due to a lack of affordable rental housing units. This analysis assumes that no households between 30% and 50% AMI are occupying units that are affordable to households at or below 30% AMI (units with rents below \$350/month). For each of these households that does occupy a unit that is affordable to households at or below 30% AMI, that increases the number of sub-30% AMI households at-risk of homelessness. This indicates that there is a significant gap in affordable rental units for households between 30% and 50% AMI, but that gap is not nearly as large as for those households at or below 30% AMI. Additional affordable units are needed in El Paso. As such, a portion of this allocation plan provides funding for acquisition and development of affordable rental units.

Describe the unmet housing and service needs of qualifying populations:

Homeless as defined in 24 CFR 91.5

A service-provider survey that preceded the State of Homelessness Work Session found 92% of respondents indicating that individuals and families at risk of experiencing homelessness, and/or individuals and families experiencing homelessness are the population most in need of additional services and/or resources in our community. 28% of respondents considered Case Management as a top gap in our community's homeless service system. That is why this HOME-ARP Allocation Plan is targeted towards increasing the capacity of the emergency shelter system by investing a majority of HOME-ARP funds to rapidly rehousing those experiencing homelessness and providing intensive case management to those individuals and families to ensure sustainable housing solutions.

A key component of the State of Homelessness Work Session featured group discussions around the following topics to identify strengths and weaknesses in the homeless service system: case management, street outreach, permanent supportive housing, mental health, and prevention and diversion. Results of those discussions follows.

Case management

Following the breakout session, several community agencies raised the need for improved case management. Not only does a need exist for increasing the number of case managers in the community but there is also a need to enhance the quality of case management that already exist in current systems. By increasing the number and quality of case managers within the community, clients would significantly benefit as they can be provided with more options and better resources and services to address individual needs. Additional context on case management was brought forth by the El Paso Apartment Association that proposed having case management services for re-housed individuals will make more landlords comfortable in opening units for rapid rehousing.

Street Outreach

Street outreach was also identified as a top priority by a number of organizations. Every individual and their circumstances are not identical; therefore, tailored approaches should be undertaken. Identifying best practices for specific populations and catering to the unique needs of vulnerable individuals can increase the likelihood of successful outcomes. In addition to the implementation of a tailored approach, support for shelters and transitional living centers needs to also be prioritized considering outreach success largely depends on the availability of housing options.

Permanent Supportive Housing

Permanent supportive housing was mentioned numerous times as well, especially since it impacts other priority areas including case management and outreach. It is evident that there is a notable need for the increased availability and accessibility of housing options. Some suggested the new construction and development of more supportive communities (including landlord support) with better access to wraparound services, especially for disadvantaged youth and people with disabilities that are often underserved (i.e., tiny homes that include the option of renting to own).

Mental Health

The lack of available services for those that are impacted by mental health issues is a growing concern throughout the community. Community stakeholders have expressed the dire need for increased access and availability of mental health services. By improving the accessibility and availability of mental health services, the stigma associated can also be addressed; fostering an environment where individuals are more receptive to intervention and general assistance.

Utilizing psychiatric services has proven to be effective in various facilities that serve the homeless and vulnerably housed. Due to the Covid-19 pandemic and other factors, the implementation of tele-psychiatry services for clients should also be considered; mental health issues can be addressed while assuring the safety of clients and staff.

Diversion and Prevention

The group collectively agreed upon the notion that diversion and prevention efforts need to be more focused. The utilization of a tiered system was sought as a possible solution. Additionally, many valid points were made including the continuously increasing cost of living in the community while wages are not. By bringing attention to the various factors that exacerbate conditions that perpetuate homelessness, appropriate action can be taken.

This allocation plan seeks to address the issues of case management, diversion and prevention, and making funds available for rapid rehousing programs with intensive case management components.

At Risk of Homelessness as defined in 24 CFR 91.5

Unfortunately, the high level of rental assistance that was available during the first two years of the COVID-19 pandemic have been expended and local resources are insufficient to sustain that level of assistance. As such, an increase in demand for rapid rehousing and homeless prevention services through HOME-ARP TBRA has become evident and is therefore included in this allocation plan.

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

There are three agencies in El Paso with programs that focus on sheltering and housing individuals and families fleeing violence, the Center Against Sexual and Family Violence (CASFV), La Posada Home, and the YWCA Transitional Living Center. These programs have historically had the capacity to provide services to all families in need. While these populations will have equal access to HOME-ARP funded programming under this allocation plan, a need for targeting resources specifically for these populations has not arisen.

Other populations requiring services or housing assistance to prevent homelessness and other populations at greatest risk of housing instability as defined by HUD in the Notice

The needs assessment section of this plan lays out the gap in affordable housing options for households between 30% and 50% AMI and establishes that there are significant housing cost burden issues for households below 30% AMI. The City of El Paso is issuing a Notice of Funding Availability (NOFA) for \$15 million to leverage additional funding sources and construct and/or rehabilitate hundreds of affordable rental units in El Paso. A separate NOFA will be released to contract homeless prevention and rapid rehousing programs in the form of HOME-ARP TBRA in order to provide stable housing for individuals and families experiencing homelessness or at-risk of experiencing homelessness.

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

There is a gap in affordable housing units for households below 30% AMI of approximately 11,500 units. There is an additional gap of approximately 3,500 affordable units for households between 30% and 50% AMI. These populations are at great risk of homelessness and represent a capacity burden for the homeless service system, as this is in addition to the 839 individuals already experiencing homelessness on any given day in El Paso, according to the most recent PIT data. Rapid Rehousing programs across the community are under-funded and often struggle to place households in affordable units. An injection of rapid rehousing funding will allow for more households to be served and will ease the pressure on emergency shelters. At the same time additional non-congregate units are needed to further ease that capacity burden. Since the inception and adoption of the original plan, the city has been able to supplement funding for non-congregate shelters with ARPA funding and has since invested one million dollars in non-congregate shelter.

Under Section IV.4.2.ii.G of the HOME-ARP Notice, a PJ may provide additional characteristics associated with instability and increased risk of homelessness in their HOME-ARP allocation plan. These characteristics will further refine the definition of “other populations” that are “At Greatest Risk of Housing Instability,” as established in the HOME-ARP Notice. If including these characteristics, identify them here:

The City plans to utilize the characteristics for instability and increased risk of homelessness as established in the HOME-ARP notice. There is significant need established for households making less than 30% AMI and with severe housing cost burden, as well as families between 30% and 50% AMI with other qualifying conditions, that additional characteristics, or limiting of eligibility, is not required.

Identify priority needs for qualifying populations:

As described throughout this allocation plan, the priority needs for qualifying populations are availability the access to affordable, stable housing options for those at-risk of homelessness and other lower-income El Pasoans. Since the inception and adoption of the original plan, the city has been able to supplement funding for non-congregate shelters with ARPA funding and has since invested one million dollars in non-congregate shelter.

Explain how the PJ determined the level of need and gaps in the PJ’s shelter and housing inventory and service delivery systems based on the data presented in the plan:

Data from the most recent Point-in-Time Count, CHAS, and American Community Survey data were used to establish the level of need and gaps in shelter and housing inventory as presented in the Needs Assessment and Gaps Analysis section of this plan. Service delivery system needs and gaps were identified through the State of Homelessness Work Session activities and the Community Needs Assessment detailed in the Consultation section of this plan.

HOME-ARP Activities

Describe the method(s) that will be used for soliciting applications for funding and/or selecting developers, service providers, subrecipients and/or contractors:

Notices of Funding Availability for acquisition and/or development of affordable rental housing, TBRA programs, will be released by the City' Department of Community + Human Development. Local government entities, non-profit organizations, and for-profit developers are eligible to apply for HOME-ARP funds. Preference will be given to proposals that leverage other funding sources and expand the impact and long-term sustainability of HOME-ARP investments. For construction projects, once subrecipients are identified, written agreements with subrecipients will dictate procurement requirements for selection of contractors and subcontractors.

Describe whether the PJ will administer eligible activities directly:

The City of El Paso will not be administering eligible activities directly. All eligible activities will be sub-awarded to subrecipients and their contractors, as applicable

If any portion of the PJ's HOME-ARP administrative funds are 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:

This is not applicable to the City of El Paso HOME-ARP Allocation Plan.

Use of HOME-ARP Funding

Original Approved Plan Allocation	Funding Amount	Percent of the Grant	Statutory Limit
Supportive Services	\$ 1,300,000		
Acquisition and Development of Non-Congregate Shelters	\$ 1,200,000		
Tenant Based Rental Assistance (TBRA)	\$ 4,000,000		
Development of Affordable Rental Housing	\$ 2,935,888		
Non-Profit Operating	\$ 100,000	1.05 %	5%
Non-Profit Capacity Building	\$ 0	0 %	5%
Administration and Planning	\$ 0	0 %	15%
Total HOME ARP Allocation	\$ 9,535,888		

Amended Approved Plan Allocation	Funding Amount	Percent of the Grant	Statutory Limit
Supportive Services	\$ 1,300,000		
Acquisition and Development of Non-Congregate Shelters	\$0		
Tenant Based Rental Assistance (TBRA)	\$ 3,000,000		
Development of Affordable Rental Housing	\$4,282,300		
Non-Profit Operating	\$0		
Non-Profit Capacity Building	\$ 0		
Administration and Planning	\$ 953,888	10 %	15%
Total HOME ARP Allocation	\$ 9,535,888		

Describe how the PJ will distribute HOME-ARP funds in accordance with its priority needs identified in its needs assessment and gap analysis:

The needs assessment and gap analysis shows a need for investment in numerous areas. There is a gap in affordable rental units that puts low-income El Pasoans at risk of homelessness, and TBRA to prevent homelessness and rapidly rehouse those experiencing homelessness increases affordability and reduces capacity strains in the shelter system. The above Funding Plan supports each of these needs and will provide stability for El Paso households.

\$3,000,000 is being allocated for TBRA with an additional \$1,300,000 towards Street Outreach, case management and wraparound services for TBRA clients, \$4,282,300 is being allocated towards development of affordable rental housing.

Since 2022, the Community Needs Assessments (CNAs) have consistently identified the greatest need in our community as the development of affordable housing stock. The findings from the 2023 CNA have further supported this need, providing detailed insights and allowing us to prioritize affordable housing development more effectively.

The proposed changes in the amendment are directly informed by the latest CNA. These updates reflect the community's most pressing needs and aim to ensure that resources are allocated efficiently to address the ongoing housing challenges.

The cost of building affordable housing in El Paso County has increased significantly. Recent estimates show that it now costs **\$200,000 to \$250,000 per unit**, which is much higher than the numbers used in the original plan. This increase is due to rising costs for materials, labor, and inflation, which weren't fully accounted for in the initial estimates.

Given these higher costs, the original plan didn't reflect the true financial needs for affordable housing development. The initial numbers were based on outdated figures, and now we need to adjust the plan to match the current cost reality. Prioritizing affordable housing is even more important now to avoid relying on temporary solutions like shelters.

Amending the plan will allow us to allocate resources more accurately and ensure that we can meet the growing demand for affordable housing in El Paso County.

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:

The needs assessment and gap analysis indicates a shelter system that is regularly operating near capacity. Cold weather events, increases in migrant activity, public health emergencies, and other non-regular, but somewhat frequent, events create a surge in demand on the shelter system that cannot currently be absorbed. Though there is still a need in non congregated shelter, While the need for congregate shelters remains, reallocating funds toward the development of affordable housing can alleviate the burden on these shelters. By increasing the availability of affordable housing, individuals and families are less likely to experience homelessness, thereby reducing the demand for emergency shelter services.

Research indicates that homelessness rates are directly correlated with increases in rent, particularly when housing costs exceed 30% of an area's median income. In regions where

affordable housing is scarce, more individuals are pushed into homelessness, increasing reliance on shelters.

Implementing a "Housing First" approach, which prioritizes providing permanent housing to those experiencing homelessness, has proven effective in reducing homelessness and decreasing the use of emergency services. By investing in affordable housing, communities can address the root causes of homelessness, leading to a decreased need for congregate shelters and more sustainable, long-term solutions for housing insecurity.

The needs assessment and gap analysis demonstrate a significant gap in affordable rental units that places thousands of El Pasoans at risk of experiencing homelessness. Adding new affordable rental units is part of that solution, while providing TBRA to keep families in their homes or to rapidly rehouse them, while also provide street outreach, intensive case management services to ensure housing stability, makes the occurrence of homelessness less likely and briefer for vulnerable households in El Paso.

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:

Affordable Rental Units

Budget	4,282,300
Cost/unit	\$ 20200,000
HOME-ARP share of unit cost	50%
HOME-ARP cost/unit	\$ 100,000

Total HOME-ARP units 42

The City will seek to leverage HOME-ARP funds at a 1-to-1 match in order to produce at least 42 new affordable rental units. This is in addition other resources being deployed by the City for affordable rental housing developers to expand the stock of affordable rental units in El Paso.

TBRA

Budget	\$ 3,000,000.00
Avg. monthly TBRA assistance	\$ 1000.00
Avg # month of assistance	6
Avg. total assistance per household	\$ 6,000

Number of households (affordable units) 500

An additional 500 affordable units will be made available through the provision of TBRA as calculated above. .

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

As described above, the City seeks to add 542 new affordable units to the stock of affordable housing. The additional availability of these units will provide housing stability for at least 542 El Paso families that would otherwise be experiencing, or be at risk of experiencing, homelessness. This in turn will reduce the strain on capacity in the emergency shelter system and make shelter available to more of the unsheltered population in El Paso, which according to the most recent Point-in-Time (2024) count is 189 persons on any given day.

Preferences

A preference provides a priority for the selection of applicants who fall into a specific QP or category (e.g., elderly or persons with disabilities) within a QP (i.e., subpopulation) to receive assistance. A *preference* permits an eligible applicant that qualifies for a PJ-adopted preference to be selected for HOME-ARP assistance before another eligible applicant that does not qualify for a preference. A *method of prioritization* is the process by which a PJ determines how two or more eligible applicants qualifying for the same or different preferences are selected for HOME-ARP assistance. For example, in a project with a preference for chronically homeless, all eligible QP applicants are selected in chronological order for a HOME-ARP rental project except that eligible QP applicants that qualify for the preference of chronically homeless are selected for occupancy based on length of time they have been homeless before eligible QP applicants who do not qualify for the preference of chronically homeless.

Please note that HUD has also described a method of prioritization in other HUD guidance. Section I.C.4 of Notice CPD-17-01 describes Prioritization in CoC CE as follows:

“Prioritization. In the context of the coordinated entry process, HUD uses the term “Prioritization” to refer to the coordinated entry-specific process by which all persons in need of assistance who use coordinated entry are ranked in order of priority. The coordinated entry prioritization policies are established by the CoC with input from all community stakeholders and must ensure that ESG projects are able to serve clients in accordance with written standards that are established under 24 CFR 576.400(e). In addition, the coordinated entry process must, to the maximum extent feasible, ensure that people with more severe service needs and levels of vulnerability are prioritized for housing and homeless assistance before those with less severe service needs and lower levels of vulnerability. Regardless of how prioritization decisions are implemented, the prioritization process must follow the requirements in Section II.B.3. and Section I.D. of this Notice.”

If a PJ is using a CE that has a method of prioritization described in CPD-17-01, then a PJ has preferences and a method of prioritizing those preferences. These must be described in the HOME-ARP allocation plan in order to comply with the requirements of Section IV.C.2 (page 10) of the HOME-ARP Notice.

In accordance with Section V.C.4 of the Notice (page 15), the HOME-ARP allocation plan must identify whether the PJ intends to give a 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).
- The PJ must comply with all applicable nondiscrimination and equal opportunity laws and requirements listed in 24 CFR 5.105(a) and any other applicable fair housing and civil rights laws and requirements when establishing preferences or methods of prioritization.

While PJs are not required to describe specific projects in its HOME-ARP allocation plan to which the preferences will apply, the PJ must describe the planned use of any preferences in its HOME-ARP allocation plan. This requirement also applies if the PJ intends to commit HOME-ARP funds to projects that will utilize preferences or limitations to comply with restrictive eligibility requirements of another project funding source. **If a PJ fails to describe preferences or limitations in its plan, it cannot commit HOME-ARP funds to a project that will implement a preference or limitation until the PJ amends its HOME-ARP allocation plan. For HOME-ARP rental housing projects, Section VI.B.20.a.iii of the HOME-ARP Notice (page 36) states that owners may only limit eligibility or give a preference to a particular qualifying population or segment of the qualifying population if the limitation or preference is described in the PJ's HOME-ARP allocation plan.** Adding a preference or limitation not previously described in the plan requires a substantial amendment and a public comment period in accordance with Section V.C.6 of the Notice (page 16).

Template:

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:

No preference is anticipated for any qualifying population or subpopulation for placement into acquired and/or developed affordable rental units under this Plan, TBRA, or Supportive Services. PJ will provide services chronological order based on a written waiting list.

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 subpopulation of qualifying population, consistent with the PJ's needs assessment and gap analysis:

Limitations in a HOME-ARP rental housing or NCS project

Describe whether the PJ intends to limit eligibility for a HOME-ARP rental housing or NCS project to a particular qualifying population or specific subpopulation of a qualifying population identified in section IV.A of the Notice:

The City does not anticipate limiting eligibility for any HOME-ARP rental housing or NCS to any one or more qualifying population nor subpopulation. Since funds will be allocated to specific projects based on responses to Notices of Funding Availability, should any project require limited eligibility, a substantial amendment to the Plan will be approved through established requirements for substantial Annual Plan amendments in compliance with Federal regulations.

If a PJ intends to implement a limitation, explain why the use of a limitation is necessary to address the unmet need or gap in benefits and services received by individuals and families in the qualifying population or subpopulation of qualifying population, consistent with the PJ's needs assessment and gap analysis:

Should an Annual Plan substantial amendment be required for any HOME-ARP project, this information will be detailed in that Annual Plan amendment.

If a limitation was identified, describe how the PJ will address the unmet needs or gaps in benefits and services of the other qualifying populations that are not included in the limitation through the use of HOME-ARP funds (i.e., through another of the PJ's HOME-ARP projects or activities):

No limitations identified at this time, however, should an Annual Plan substantial amendment be required, this information will be detailed in that amendment.

Appendices

Appendix 1. State of Homelessness Work Session White Paper

Appendix 2. Community Needs Assessment

