

Program Policies and Procedures

RENT ASSISTANCE PROGRAM (ARPA)

As stated in section I(B) of the Subrecipient Agreement between the City of San Marcos, Texas, and Blanco River Regional Recovery Team (BR3T), for a Rent Assistance Program funded by American Rescue Plan Act funding, the following Program Procedures have been incorporated as requirements in said Subrecipient Agreement.

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I. PROGRAM POLICIES

Eligibility Requirements

All residences assisted must be located in the city limits of San Marcos.

- Addresses can be checked at:

[https://data-](https://data-cosm.hub.arcgis.com/datasets/111ec9d775634fb7a2a36e9cd71b8213_33/explore?location=29.865874%2C-97.883632%2C11.42)

[cosm.hub.arcgis.com/datasets/111ec9d775634fb7a2a36e9cd71b8213_33/explore?location=29.865874%2C-97.883632%2C11.42](https://data-cosm.hub.arcgis.com/datasets/111ec9d775634fb7a2a36e9cd71b8213_33/explore?location=29.865874%2C-97.883632%2C11.42)

Households must have an income at or below 65% of area median income (AMI) OR 300% of the Federal Poverty Guidelines (FPG), capped at 80% Area Median Income (AMI); AND one or more members of the household must attest in writing that they have either:

- Qualified for unemployment benefits, OR
- During the pandemic:
 - Experienced a reduction in income,
 - Incurred significant costs, or
 - Experienced other financial hardship,

Applicants will work with BR3T case managers to show their need for rental assistance.

For households with six or fewer members, where persons are receiving assistance from these other programs, no other income documentation is needed:

- Head Start, LIHEAP/CEAP, SNAP, SSI, TANF, or Tribal TANF for head or co-head of household
- Veterans Affairs Disability Pension, Survivor Pension, Enhanced Survivor Benefits, or Section 306 disability pension (not standard VA pension)
- WIC for households with three or fewer members, **OR**
- If you are living in a rent-restricted property or public housing unit or you are receiving tenant-based or Section 8 rental assistance, you or your landlord can provide evidence of your most recent income certification no older than one year from when you apply for assistance.

Eligible Expenses

- Applicants may be eligible for up to six consecutive months of rent if the amount is less than fair market rent AND/OR utility bill payments. If the rent amount is higher than fair market rent, it is limited to 3 months. For rent payments, one (and only one) month must be current or future.

Eligible rental assistance payments can include:

For households facing eviction, in order to keep them stably housed:

- Up to two months of past due rent and one month of current or future rent for households facing eviction in order to keep them housed
- Late fees (outlined on lease and on rental ledger or late/eviction notice)
- Utility bill payments when the payment of prior utility bills is a requirement for establishing or re-establishing utility service
- Utility bill payments necessary for the prevention of utility disconnection
- Utilities paid to landlord will be counted as rent
- Similar unpaid expenses

For households moving to a new rental unit for housing stability purposes:

- One month of current or future rent

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- Past due utilities required to be paid in order to establish service at new rental unit
- Rental Security Deposits for leases that have a minimum of a 6-month term are eligible expenses. Security Deposits cannot exceed two-months rent. Security deposits should be returned to the tenant at the end of the lease term in accordance with the Texas Property code (if the tenant stays in the rental at least 4 months). Otherwise, they should be returned to BR3T or retained by the landlord (in case of a break in the lease terms).
- One-time Pet Deposits and Pet Fees listed on a lease or lease addendum are allowed. Pet fees and deposits of this nature must not exceed \$500 per pet or \$1000 for all pets.
- Utility Deposits and connection fees are an eligible expense provided that they are paid to a utility provider for an eligible renter household.
- Application fees and administrative fees are an eligible program expense if used to help a client obtain stable housing. Application fees must be reasonable for the local rental market.
- Payments are made directly to the provider – landlord, utility company
- Assistance is for applicant's primary residence only.

Income Determination

Applicants can use either their most recent total annual income or their most recent 30 days of income. Income provided for the 30 days is annualized, based upon the frequency of pay (hourly, weekly, bi-weekly, or monthly) for those 30 days.

Some households receiving certain types of federal benefits are automatically (categorically) income eligible.

Income for all household members 18 years of age or older will be considered when calculating annual household income.

A household is defined as all persons occupying the same housing unit, regardless of their relationship to each other. The occupants could consist of a single family, two or more families living together, or any other group of related or unrelated people who share living arrangements.

Household income will be calculated based on the adjusted gross income as defined for purposes of reporting under Internal Revenue Service (IRS) Form 1040 series for individual Federal annual income tax purposes. Forms from the latest applicable tax year should be used. Income reported for 30 days will be annualized based upon the provided 30-day documentation. When determining the number of household members and annual household income:

- Minor children are considered household members. Earned income of minor children is not considered as part of total annual household income.
- Minor children who are subject to shared custody agreements may be counted as household members if the minor child lives in the residence at least 50% of the time.
- Temporarily absent family members are considered household members and their income is considered in calculation of household income, regardless of how much the temporarily absent family member contributes to the household.

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- Paid, non-related, live-in aides, whether paid by the family or through a social service program, are not considered household members. Income of live-in aides is not considered in the calculation of household income. Related persons do not qualify as live-in aides.
- Permanently absent family members, such as a spouse who resides permanently in a nursing home, may be considered a household member, at the discretion of the head of household/program applicant. If the head of household opts to include a permanently absent family member in the household, the income of the permanently absent household member will be counted in the calculation of annual household income. If the head of household chooses not to include the permanently absent family member as part of the household, the income of the permanently absent family member will not be considered in the calculation of annual household income.

To determine whether a household qualifies for the program they must have gross annual income at or below 80% of the Area Median Income (AMI).

Hays County AMI	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7 Person	8 Person
80%	\$ 61,800	\$ 70,600	\$ 79,450	\$ 88,250	\$ 95,350	\$ 102,400	\$ 109,450	\$ 116,500

Self-Attestation of Income

Households, who are not otherwise exempt from providing income documentation, can provide a written attestation to their income and income eligibility if the household has insufficient income documentation or no income documentation available. A caseworker, housing navigator, or other housing stability service professional may then certify, in writing, that they reasonably believe that the household meets the applicable income requirements.

Verbal attestations of eligibility delivered in person, over the phone, or internet voice/video services counts as proof of eligibility IF a caseworker, housing navigator, or other housing stability service professional certifies, in writing, that they reasonably believe that the household meets the applicable income requirements. Verbal attestations may be made through a qualified sign-language or language interpreter. A case manager must witness, approve, and retain documentation on the verbal attestation and record why the household is eligible for verbal attestation.

Rent Ceiling

1. Monthly rent over 150% Fair Market Rent may or may not be paid (at case manager discretion) based on HUD Fair Market Rent Documentation System. FY 2023 Fair Market Rents Effective Date: October 1, 2022. HUD derives FMRs for units with more than four bedrooms by adding 15 percent to the four-bedroom FMR for each extra bedroom.

The FY 2023 Austin-Round Rock, TX MSA FMRs for All Bedroom Sizes

Final FY 2023 & Final FY 2022 FMRs By Unit Bedrooms					
Year	Efficiency	One-Bedroom	Two-Bedroom	Three-Bedroom	Four-Bedroom
FY 2023 FMR	\$1,253	\$1,386	\$1,626	\$2,088	\$2,416
FY 2022 FMR	\$1,092	\$1,236	\$1,451	\$1,867	\$2,194

The Austin-Round Rock, TX MSA consists of the following counties: Bastrop County, TX; Caldwell County, TX; Hays County, TX; Travis County, TX; and Williamson County, TX. All information here applies to the entirety of the Austin-Round Rock, TX MSA.

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150% The FY 2023 Austin-Round Rock, TX

Year	Efficiency	One-Bedroom	Two-Bedroom	Three-Bedroom	Four-Bedroom
150% FY 2023 FMR	\$1,880	\$2,079	\$2,439	\$3,132	\$3,624
150% FY 2022 FMR	\$1,638	\$1,854	\$2,177	\$2,801	\$3,291

Duplication of Benefits

Assistance provided to an eligible household should not be duplicative of any other federally funded rental assistance provided to such household.

- For past due rent, Current Rental Ledger will be required. These will show current unpaid balances.
- Applicants will attest to no duplication of benefits.

II. DIRECT COSTS

FORMS: Cost Allocation Plan (in Appendix C Budget)

REF: Subrecipient Agreement Section I(B) General Administration

Procedure

1. Prepare a Cost Allocation Plan that details all the funding sources and the proportional share of direct costs that will be charged to each source for staff salaries, wages, and fringe benefits. For the purposes of this plan fringe benefits, vacation, holiday, and sick pay are to be allocated in the same manner as salaries and wages. The plan must be submitted and approved by the City prior to the submission of the first request for reimbursement.
2. Maintain financial records in sufficient detail to show clearly the expenses that are being reimbursed with program funds as detailed in the Cost Allocation Plan. Provide receipts for supplies and time sheets for the hours spent on this project, in a format acceptable to the City.
3. Ensure that all personnel working with the ARPA funded program understand they have a responsibility to communicate upward any operating problems and non-compliance with laws and regulations.

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II. APPLICATION PROCESSING

FORMS:

- Application Form for ERA2 HSS program

Procedure

1. Threshold Eligibility

- a. Maintain a checklist of all applications received.
- b. Ensure that a completed ERA2 HSS program application with appropriate income documentation has been received. The applicant does not have to be accepted into the ERA2 HSS program in order to qualify for this Rent and Utilities Relief Program, but the same application will be used for both programs.
- c. Verify that each application to be considered for grant funding meets the following threshold standards of eligibility, and follow up to obtain any missing information:
 - i. Housing is located within the City Limits of the City of San Marcos, Texas.
 - ii. Household meets income qualifications.
 - iii. The Acknowledgment of Being Financially Impacted by the Pandemic section of the application has been completed.
 - iv. Payment will not create a duplication of benefits.
- d. Indicate on a checklist for each application that it has been verified to have met these standards.

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IV. PAYMENT REQUEST PROCESSING

FORMS:

- Payment Request Form

Procedure

Payment will be made from the City of San Marcos to Blanco River Regional Recovery Team (BR3T) (Subrecipient), which will then pay any subcontractors and the landlord, and/or utility company for each Beneficiary.

Timeliness of payment is of utmost importance. City will endeavor to review each payment request on the day it is submitted by BR3T, and pay within 7 calendar days of submission of the request.

Submission of Payment Request Form

1. List the name of each Beneficiary and amount to be paid on the Payment Request Form.
2. Email the Payment Request Form and all required documentation for each Beneficiary to the City at cgriffith@sanmarcostx.gov

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V. NATIONAL OBJECTIVE DOCUMENTATION

REF: 24 CFR Part §570.201 Basic eligible activities

(e) Public services

Emergency Grant Payments

24 CFR Part §570.206 Program administrative costs

Procedure - Income Eligibility

See Income Determination portion of Section I Program Policies above

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VI. ARPA DOCUMENTATION

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Applicant will attest to COVID-19 related impact in the application. Supporting documentation is not required.

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VII. DUPLICATION OF BENEFITS DOCUMENTATION

REF: FR-6218-N-01: Notice of Program Rules, Waivers, and Alternative Requirements Under the CARES Act for CDBG-CV Grants, FY 2019 and 2020 CDBG Grants, and for Other Formula Programs

Procedure

A duplication of benefits is when more than one provider has paid for the same services or usurps the intent of other funds to provide the service. Rental Ledgers from the current month with all charges, payments, and balance will be required. The ledger would reflect payments by other organizations and will prevent duplication of benefits. Current balances will reflect payments from other organizations and will prevent duplication of benefits.

Clients must sign that they will not apply for or accept payments for the same months already paid for by this program.

Rent

Applicants or landlords will provide landlord's ledgers showing months currently unpaid. Payments will go directly to the landlords.

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VIII. QUARTERLY REPORTING

FORMS: Subrecipient Quarterly Progress Report

Procedure

Submit the attached Subrecipient Quarterly Progress Report by the fifteenth (15th) day of the month following the end of each calendar quarter until the program has ended.