



BLANCO RIVER

Regional Recovery Team

Recover • Rebuild • Restore

Strategic Funding & Operational Capacity Note

To: City of San Marcos CDBG Review Committee & Human Services Advisory Board (HSAB)

From: Elizabeth Wills, Executive Director, BR3T

Subject: Essential Case Management Funding for Housing Stability Programs

As an ongoing partner in the City of San Marcos's housing stability efforts, BR3T has submitted these concurrent applications specifically to fund the case managers required to provide housing navigation, financial counseling, and intensive housing case management. While we have been successful in securing significant direct financial assistance for our residents, existing grant structures often leave a critical gap in the funding required to pay the staff who deliver these services.

Proven Stewardship of City Funds

At the direct request of the City, BR3T has successfully administered \$409,000 in CDBG-CV and ARPA funding dedicated to Housing Stability Services including rent and utility assistance. Furthermore, we partnered with Community Action, Inc. of Central Texas to administer an additional \$740,000 CDBG-CV program. Beyond these specific city-led efforts, BR3T proactively solicited funding throughout the COVID-19 pandemic, successfully managing over \$7.5 million in grants for housing stability services.

The Funding Gap: Case Management vs. Direct Aid

While BR3T has been successful at bringing high-value grants into the community, these awards often prioritize direct aid over the staffing support required to execute them effectively:

- **TDHCA CSBG Reentry Grant:** BR3T was recently awarded \$100,000 for reentry housing services. However, this grant provides only \$8,000 for case management—an insufficient amount to meet the intensive housing navigation mandated by program guidelines.
- **TBRA (Tenant-Based Rental Assistance):** Per program standards, TBRA caps administration and case management at **10%**, requiring **90%** of funds to go toward direct services. This allocation does not cover the actual cost of the mandatory case management required for compliance and client success.

The Necessity of Local Support

The requested funding from HSAB and CDBG is vital to our operations and will directly support the case management for the grants BR3T has recently received and those we are currently proactively seeking. Quite simply, without grant funding from sources like HSAB and CDBG, we would be unable to bring the TBRA and CSBG grants to our community. Local investment in our case managers is what allows us to leverage these larger state and federal resources, ensuring that San Marcos residents receive the professional support necessary to achieve long-term housing stability.

Additionally, the HSAB request includes direct relief funding to provide essential flexibility. These funds allow us to assist vulnerable clients who may not qualify for the larger state or federal grants, ensuring no one falls through the cracks. Local investment in our case managers and flexible relief funds is what allows us to leverage larger resources while ensuring all San Marcos residents receive the support necessary to achieve long-term housing stability.

CITY OF SAN MARCOS COMMUNITY DEVELOPMENT BLOCK GRANT FY 2026-2027 PUBLIC SERVICES APPLICATION

I. SUMMARY INFORMATION

Please spell out organization name and program name completely, without acronyms.

Applicant Organization: Blanco River Regional Recovery Team (BR3T)

Contact Name, Title: Elizabeth Wills, Executive Director

Telephone: 512-677-9701

Contact E-Mail Address: Recovery@BR3T.org Website: https://br3t.org/

Mailing Address: 102 Wonder World Dr. Suite 304-162, San Marcos, TX 78666

Do you have a location in San Marcos where people can walk in and ask questions about the program? If so, what is the address? 215 S Reimer Ave #130 Office # 207A, San Marcos, TX 78666

Who is authorized to execute program documents? (Name, Title) Elizabeth Wills, Executive Director

Program Name: Housing Stability Services

Amount of CDBG Funds Requested: \$30,000

What percentage of the cost of this program is requested as funding through this application? 5%

II. SHORT ESSAY QUESTIONS

All questions must be answered. Please type your answers. Application evaluations will be based on, but not necessarily limited to the criteria stated in each section.

OVERVIEW

1. Summarize the program for which funding is being requested, the services it provides, and the clients it serves.

BR3T provides **Housing Stability Services (HSS)**, a specialized program designed to prevent homelessness and stabilize San Marcos residents experiencing a housing crisis. Originally established in 2020, HSS transitioned into a permanent core service in mid-2025. The program focuses on "gap-filling" interventions, combining professional case management with direct financial assistance to resolve immediate emergencies for households that demonstrate the capacity for long-term sustainability.

Services Provided:

- **Intensive Case Management & Housing Navigation:** A significant portion of this program is dedicated to professional case management. Our staff provides high-touch support to help residents navigate the local rental market and identify sustainable housing options. Case managers provide ongoing advocacy to remove barriers to lease approval and ensure residents are connected to the specific resources needed to maintain their housing.
- **Financial Counseling & Sustainability:** Our Case Managers provide mandatory 1-on-1 financial counseling and budgeting workshops as a core component of the stabilization process. Recognizing that every housing crisis is

unique, this counseling is specifically tailored to the individual needs and financial barriers of each household. We verify that clients have an existing income source to maintain their costs moving forward. This direct counseling ensures that the combination of professional guidance and financial assistance results in permanent stability.

- **Direct Financial Relief:** HSS provides essential third-party payments for security deposits, utility deposits, and rent assistance. Rent payments are specifically targeted toward households that have experienced a temporary financial hardship to prevent imminent eviction. Security and utility deposits are utilized to help households obtain and move into stable housing.
- **Emergency Hotel Bridge:** This program provides short-term hotel stays specifically for the City of San Marcos Neighborhood Enhancement Department, the San Marcos Police Department Homeless Outreach Team (HOT), and SMPD Victim Services to utilize for immediate emergency placement. This resource serves as a critical safety bridge in the absence of a local low-barrier shelter.

The program serves San Marcos residents who are literally homeless or at imminent risk of displacement. HSS specifically targets households at or below 50% AMI (Area Median Income) who possess an existing income source but lack the upfront capital or navigation skills to stabilize their housing.

We serve a diverse cross-section of the community, prioritizing those in an immediate housing crisis, including:

- **Eviction and Utility Prevention:** Households facing active eviction proceedings or utility disconnection that threaten their housing stability.
- **Literal Homelessness:** Families experiencing literal homelessness who require immediate stabilization and the deposit assistance necessary to move into stable housing.
- **Sustainable Transitions:** Low-income residents whose current housing is no longer affordable and who require professional navigation and financial assistance to transition to a sustainable home.

By focusing on these priority populations, BR3T provides a localized safety net that prevents long-term homelessness and reduces the strain on municipal emergency services.

In 2025, BR3T demonstrated the effectiveness of this model by helping 202 households obtain stable housing and preventing 59 evictions. This CDBG request will allow us to leverage our larger federal and state grants to provide deeper, localized support specifically for the San Marcos community in 2026-2027.

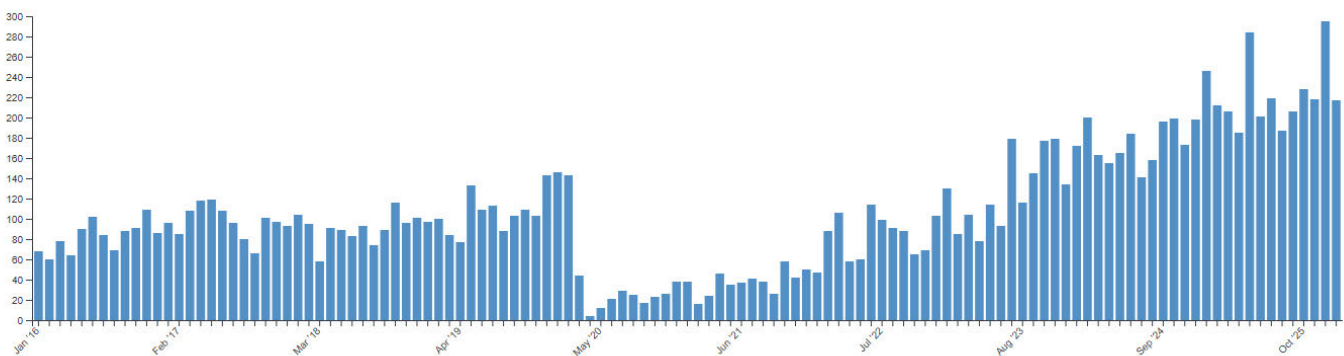
COMMUNITY NEED AND JUSTIFICATION –20 POINTS

Evaluation: documentation and justification of the need for the program in the City of San Marcos.

1. Describe in detail the need for this program in San Marcos.

The need for **Housing Stability Services (HSS)** in San Marcos is driven by a severe shortage of affordable units and rising housing instability for low-income residents. According to the City of San Marcos 2025-2029 Consolidated Plan Final Draft, addressing affordable housing and homelessness remains a top priority for municipal funding.

- **Eviction Filings Exceeding Pre-Pandemic Levels:** While the City of San Marcos 2025-2029 Consolidated Plan notes that historically nearly 1 in 5 (18.2%) San Marcos renters experienced displacement, data from the Civil Court Data Initiative indicates that current eviction filings have surpassed pre-pandemic levels. In 2025 alone, BR3T prevented 59 evictions for San Marcos families, demonstrating a critical and immediate demand for emergency rental intervention. As shown in the Graph below from the Civil Court Data Initiative, eviction filings in Hays County have not only returned to pre-pandemic levels but have consistently exceeded them throughout 2024 and 2025, creating an urgent need for the emergency rental intervention provided by BR3T.



- Severe Rent Burden at 50% AMI:** The City of San Marcos 2025-2029 Consolidated Plan highlights that rising rents and utility costs are primary drivers of displacement. For households at or below 50% AMI, these costs often exceed half of their monthly income, leaving no margin for temporary financial hardships like medical emergencies or job loss. This high cost-of-living makes it nearly impossible for low-income residents to recover from a single missed paycheck without intervention.
- The "Deposit Barrier" for High-Risk Tenants:** Upfront capital remains a prohibitive barrier to stable housing. Even for residents with a steady income, security deposits can equal one month's rent, and for "riskier" tenants with previous instability—like many of the clients we serve—landlords may require as much as two months' rent as a deposit. BR3T's 2025 success in helping 202 households obtain stable housing through security and utility deposit assistance proves that removing this financial hurdle is essential to unlocking permanent placement.
- Gap in Specialized Navigation:** There is a documented need for more than just financial aid; families require the professional guidance provided by our Case Managers. By pairing professional advocacy and financial counseling with direct aid, BR3T addresses the specific gaps identified in the City of San Marcos 2025-2029 Consolidated Plan, ensuring that San Marcos residents achieve lasting stability rather than temporary relief.
- Emergency Bridge for Municipal Partners:** There is a critical gap in immediate emergency housing funds for city departments. Currently, the City Neighborhood Enhancement Department, SMPD Homeless Outreach Team (HOT), and Victim Services do not have dedicated budgets to provide emergency lodging. This creates a crisis when Victim Services is working with an individual fleeing domestic violence or human trafficking who needs a safe place to stay for a night or two while a long-term solution is found. BR3T fulfills this life-saving need by providing short-term hotel stays as a safety bridge that municipal agencies cannot currently fund.

By providing professional case management and financial counseling alongside direct financial aid, BR3T ensures that San Marcos residents can overcome these systemic barriers and achieve lasting stability, preventing the long-term cycle of homelessness and the associated strain on municipal services.

2. Has the need for this program been increasing in recent years?

Yes, the demand for **Housing Stability Services (HSS)** in San Marcos has grown significantly, driven by a persistent affordability gap and the expiration of temporary federal support systems.

- Surge in Recent Applications:** The most direct evidence of increasing need is seen in our current intake volume. Recently, BR3T opened the HSS application portal for just one week and received 75 applications from households in crisis. This surge confirms that the number of residents facing immediate housing emergencies far exceeds available regional resources.
- Internal Data and Program Evolution:** In mid-2025, as federal pandemic relief funds were nearing exhaustion, BR3T was scheduled to sunset the HSS program. However, our intake data revealed that the high need for assistance among low-income San Marcos residents had not diminished. Recognizing that housing

instability remained a persistent crisis rather than a temporary one, BR3T transitioned HSS into a permanent core service of our organization to meet this ongoing demand.

- **Eviction Filings Exceeding Pre-Pandemic Levels:** Regional data from the Civil Court Data Initiative shows that eviction filings have not only returned to pre-pandemic levels but have consistently exceeded them throughout 2024 and 2025. This indicates a heightened legal threat to housing stability for San Marcos families compared to five years ago.
- **Persistent Displacement Risks:** The City of San Marcos 2025-2029 Consolidated Plan reports that approximately 18.2% of San Marcos renters have experienced displacement due to rising housing costs. The combination of high market rents and utility costs continues to outpace income growth for low-income households, leaving them with no margin for financial setbacks.
- **Proven Impact:** In 2025 alone, BR3T prevented 59 evictions and helped 202 households obtain stable housing. The sheer volume of residents seeking support proves that the need for a localized safety net is essential and continues to escalate.

IMPLEMENTATION –15 POINTS

Evaluation:

- *The application demonstrates that resources needed to manage the proposed program are available and ready.*
- *Applicant has clearly defined objectives focusing on results and measurable outcomes vs. only program activities descriptions and numbers served.*
- *Past performance of programs funded by CDBG has met expectations.*

1. Are all resources in place to be able to implement this program? If not, what is missing?

Yes. **BR3T** has the comprehensive organizational infrastructure, fiscal protocols, and strategic partnerships required to implement this program immediately upon award. Our Housing Stability Services (HSS) program transitioned from a temporary pandemic-relief program to a permanent core service in mid-2025, meaning we are sustaining a proven, fully operational model rather than launching a new one.

Resources Currently in Place:

- **Professional Case Management:** Our team provides high-touch support from initial intake through long-term stabilization. Case Managers manage the complete client pathway, capturing critical documentation and conducting 1-on-1 financial counseling. Once a household is determined eligible, our staff continues to track participant progress to ensure long-term housing stability and self-sufficiency.
- **Integrated Data Systems:** We utilize a fully configured Salesforce environment tailored specifically for housing stability and federal reporting standards. This system allows for real-time tracking of eligibility certifications, participant milestones, and long-term progress across the entire service duration. This infrastructure ensures 100% data integrity and allows the Program Manager to perform rigorous quality-control reviews on every file.
- **Fiscal Oversight & Internal Controls:** BR3T employs a rigorous project-based accounting system via QuickBooks. We utilize a two-step approval process—where the Program Manager conducts a secondary review of all eligibility files before the Executive Director processes payments—ensuring total transparency and audit readiness.
- **Established Partnerships:** We have active referral pathways and formal MOUs with key San Marcos entities, including the Southside Community Center and Breaking Bread Ministries. These linkages allow us to provide a holistic stabilization model that meets multiple client needs—such as food security and basic necessities—simultaneously. By coordinating these external supports, we leverage CDBG funds alongside community resources to ensure a comprehensive recovery plan for each household without a duplication of benefits.
- **Operational Readiness:** Because this is an existing program, our administrative and intake workflows are already refined. We are prepared to begin processing San Marcos applications and deploying stabilization funds on Day 1 of the contract period.

What is Missing:

- **Sustained Funding for Direct Assistance and Case Management:** While our systems and leadership are in place, the dedicated funding for our specialized Case Manager and direct client assistance (specifically security deposits to obtain housing, rent to prevent eviction, and the Emergency Hotel Bridge for municipal partners) reached a gap following the conclusion of pandemic-era surge funding in 2025. CDBG funding is the critical resource needed to fuel these established operations and provide the financial bridge for households to secure and maintain stable, affordable housing.

2. What specific, measurable outcomes or results do you hope to achieve with this program?

BR3T has designed the **Housing Stability Services (HSS)** program to achieve high-impact, measurable results for San Marcos residents. Our success is measured by the long-term housing retention and increased stability of each household. For the 2026-2027 program year, we aim to achieve the following:

- **Housing Stabilization:** 80% of households receiving HSS financial assistance and mandatory financial counseling will remain stably housed for at least six months following the final assistance payment.
- **Strategic Relocation:** 90% of households receiving security and utility deposits will be successfully placed in a rental unit that is affordable and sustainable based on their verified household income.
- **Targeted Financial Counseling:** 90% of participants receiving financial assistance will complete a mandatory financial counseling session with our Case Manager. Our goal is for these households to establish a formal budget to prevent future cost-burden crises.
- **Fiscal Integrity:** 100% of case files will pass our internal two step approval process, ensuring that all disbursed CDBG funds are used prudently and meet the City's strict eligibility and documentation standards.

These outcomes are tracked in real-time via Salesforce, allowing BR3T to provide the City of San Marcos with transparent, data-driven reports on the effectiveness of the program.

IMPACT AND COST EFFECTIVENESS –20 POINTS

Evaluation:

- *impact on the identified need*
- *implementation costs compared to impact*
- *use of available resources (financial, staff, volunteer)*
- *impact compared to other applicants*

1. Programs can provide value by deeply impacting the lives of a few, with effects that may ripple through generations, or by providing smaller but meaningful impact to a larger group. Describe in detail the impact this program will have on the identified need and on San Marcos residents.

Our **Housing Stability Services (HSS)** program provides value by combining immediate crisis relief with professional support. This model is designed to address the underlying drivers of housing instability, fostering long-term resilience and enhancing the overall stability of the San Marcos community.

- **Impact through Case Management:** While some programs provide only financial aid, BR3T provides a lasting impact by making professional Case Management the core of our intervention. By requiring financial counseling and budgeting with our staff, we provide residents with the skills to remain stable after the financial assistance ends. This helps prevent a cycle of homelessness and ensures that low-income San Marcos families have a foundation for long-term housing security.
- **Preserving Housing Eligibility:** Evictions create a permanent barrier to future housing. Our program's impact lies in prevention—intervening with strategic rent assistance and financial counseling *before* an eviction. This preserves the resident's "renter profile," ensuring they remain eligible for the city's limited affordable housing stock in the future.

- **Immediate Safety for Residents in Crisis:** Our Emergency Hotel Bridge has a direct impact on individuals in urgent situations. When SMPD Victim Services or the Homeless Outreach Team (HOT) refers someone fleeing domestic violence or human trafficking, our program provides the immediate safety that municipal budgets do not currently cover. This intervention provides the essential window needed to coordinate a permanent, safe solution.
- **High Impact-to-Cost Efficiency:** The HSS program is cost-effective because it leverages our existing federal and state grants (such as TBRA). A localized investment of \$30,000 helps "unlock" these larger pools of direct relief. By using CDBG funds to cover the specialized Case Management time that federal grants often restrict, we maximize the impact of every city dollar.
- **Broad Community Benefit:** By preventing 59 evictions and helping 202 households secure housing (2025 stats), we reduce the financial burden on the City of San Marcos. Stable housing correlates with lower utilization of emergency services and improved school attendance for local children. The impact of the HSS program extends to the stability of the entire municipal infrastructure.
- **Targeted Use of Resources:** We maximize available resources by utilizing a highly trained Case Manager supported by a "two-eyes" fiscal protocol. This ensures that funds are used prudently and directed toward San Marcos residents who have demonstrated the income and motivation to maintain their housing moving forward.

By focusing on households that have the means to stay housed but lack the upfront capital or navigation skills, BR3T delivers a solution that turns a temporary crisis into permanent stability for the San Marcos community.

2. Briefly describe other funding sources, volunteers, or in-kind donations that will be used with this program.

BR3T utilizes a diversified financial strategy to maximize the impact of the CDBG request, leveraging current awards alongside a proactive pipeline of additional resources.

Federal & State Grants:

- **TDHCA Tenant-Based Rental Assistance (TBRA):** We are in the final implementation phase for the TBRA program. While this federal award provides necessary long-term rental subsidies, it offers minimal support for the intensive case management required for success. CDBG funds serve as the critical bridge to provide the high-touch housing navigation and personalized financial counseling necessary for long-term stability.
- **CSBG Reentry Discretionary Funds:** BR3T is currently the top-ranked applicant in the state for the 2026 TDHCA CSBG Reentry Activities grant, with final board approval scheduled for March 6, 2026. As one of only four projected awardees statewide, this grant provides significant direct housing assistance for residents transitioning from incarceration. By pairing these state funds with local CDBG support, we ensure that the "direct aid" from the state is backed by the "professional guidance" funded by the city.

Strategic & Local Funding:

- **City of San Marcos HSAB:** We have submitted a concurrent application for the Human Services Advisory Board grant. By braiding these resources, we leverage multiple streams to maintain high-intensity Case Management and Housing Navigation while maintaining rigorous accounting to prevent any duplication of benefits.
- **Strategic Grant Pipeline:** We currently have 10 grant applications pending across federal, state, local, and private foundation sources. This active pipeline is designed to sustain and expand our HSS infrastructure, ensuring the CDBG investment is part of a multi-layered funding strategy for the city.
- **Private Philanthropy and Donations:** BR3T receives support from local private donors and foundations. These unrestricted funds are used prudently to fill small but critical gaps that restrictive government grants cannot cover, providing the flexibility needed to address unique barriers to housing stability.

Partner Contributions, In-Kind Donations, and Volunteers

Our partners, referral networks, and volunteer board provide essential professional oversight and community reach:

- **Board of Directors:** Our volunteer Board provides professional governance, strategic planning, and fiscal oversight. This leadership is instrumental in maintaining our 100% audit readiness and ensuring that our program goals remain aligned with the evolving needs of the city.
- **Partner Contributions:** Through established MOUs with the Southside Community Center and Breaking Bread Ministries, our clients gain immediate access to essential nutritional support and basic needs. By leveraging these community-provided resources to cover daily living expenses, households can redirect their limited financial resources toward long-term housing costs. This collaborative approach ensures that our program's financial assistance is maximized, creating a sustainable path to stability for the residents we serve.
- **Referral Network:** Our active participation in the Homeless Coalition of Hays County ensures a "no-wrong-door" entry for San Marcos residents. Partners provide the initial outreach and warm hand-offs for low-income residents, ensuring that those in the most critical need are directed to BR3T for stabilization.

COMMUNITY SUPPORT – 15 POINTS

Evaluation:

- *A minimum of three letters of reference that indicate strong local support for the program and the agency's ability to implement it as described in the application. Letters must be in support of the specific program requesting funding, not the agency as a whole. Letters will preferably be from San Marcos residents as well as direct clients of the program.*
- *Evidence that volunteers play a vital role in the program or agency's operation.*
- *Evidence that board members are actively involved in and supportive of the agency*

1. What actions do Board members take to support the programs of the agency?

The BR3T Board of Directors provides the specialized professional governance and strategic leadership necessary to sustain the Housing Stability Services (HSS) program. Their actions ensure BR3T remains a stable, permanent resource for San Marcos residents.

- **Fiscal Governance and Audit Oversight:** The Board maintains direct accountability for the agency's financial health through the rigorous review of annual budgets and independent audits. By enforcing high standards for project-based accounting, the Board ensures BR3T remains **100% audit-ready**, managing all public funds with maximum transparency and fiscal integrity.
- **Strategic Program Development:** Board members provided the critical strategic direction in mid-2025 to transition the HSS program from a temporary pandemic-relief program into a permanent core service. This decision was based on their analysis of persistent housing gaps in San Marcos and the need for a long-term local safety net.
- **Diversified Resource Development:** The Board actively oversees an aggressive funding strategy, including the management of a diversified grant portfolio. Their leadership ensures BR3T secures the flexible funding necessary to provide the high-intensity case management that standard categorical grants often do not fully cover.
- **Policy and Mission Alignment:** Board members regularly review program performance data and regional trends to ensure all service delivery directly advances our mission of strengthening community resilience. By analyzing shifts in the local rental market, the Board ensures our housing stability initiatives effectively transition low-income families from crisis into safe, secure, and stable homes.
- **Community Advocacy:** As leaders within the region, Board members serve as advocates for the agency's mission, facilitating the high-level community connections and referral networks that allow BR3T to coordinate effectively with our partners.

2. Briefly describe the number and role of volunteers in the program or agency's operation.

BR3T maintains a specialized volunteer network of approximately 15 to 25 individuals annually who provide professional oversight, direct recovery labor, and resource development for the San Marcos community.

Roles of Volunteers:

- **Board of Directors (Professional Governance):** Our volunteer Board of Directors provides foundational leadership and fiscal oversight. These professionals are responsible for approving annual budgets, reviewing independent financial audits, and providing the strategic direction that transitioned the HSS program into a permanent core service in mid-2025. Their oversight ensures 100% audit readiness for all public funds.
- **Disaster Recovery Operations (Direct Recovery Labor):** As the regional Long-Term Recovery Group, BR3T coordinates volunteers who are activated following local disasters. These volunteers provide essential hands-on labor for debris clean-up and home rebuilding efforts. This work is critical because it directly reduces the financial burden on affected families, preventing disaster-related displacement.
- **Fundraising and Resource Development:** Volunteers play a vital role in our fundraising initiatives, assisting with event coordination and community appeals. Their efforts help secure the private donations and philanthropic support necessary to cover administrative overhead, ensuring that more of our grant funding—including the CDBG request—can be deployed directly to client stabilization and security deposits.
- **Community Advocacy:** Volunteers serve as ambassadors for BR3T's mission, helping strengthen our referral pathways with partners like Southside Community Center and Community Action. This ensures that low-income San Marcos residents are directed to the specialized housing support they need.

COUNCIL PRIORITIES - 20 POINTS

1. How long has this program served San Marcos residents? (10 points if at least 2 years)

Our Housing Stability Services (HSS) program has been actively serving San Marcos residents for over five years, maintaining a deep and consistent focus on local impact.

Program Timeline and Evolution:

- **Establishment (2020):** The program was launched as a direct disaster response to the COVID-19 housing crisis. During this initial phase, BR3T built the specialized infrastructure necessary to deploy large-scale rent and utility relief to San Marcos residents in immediate distress.
- **Operational Growth (2021–2024):** Over the following four years, the program matured into a high-intensity model, successfully administering over \$7.5 million in city, county, and state relief funds. This phase solidified our expertise in rent assistance, housing navigation, security deposit assistance, and financial counseling, helping hundreds of local households achieve long-term stabilization.
- **Proven Local Impact (2025 Data):** Our internal records confirm that 83% of the unduplicated households we serve reside within the San Marcos city limits. This high concentration of local service ensures that city funds are directly reinvested into the stabilization of our own neighborhoods and residents.
- **Permanent Transition (Mid-2025):** In mid-2025, BR3T made the strategic decision to transition HSS into a permanent core service. This shift was driven by data proving that the need for sustainable housing stabilization in San Marcos remains a persistent, long-term challenge rather than a temporary emergency.
- **Current Operations (2025–Present):** Today, the HSS program remains a fully operational, permanent resource for the City of San Marcos. Our ongoing commitment ensures that the systems developed over the last five years continue to provide a vital, localized safety net for the community's most vulnerable populations.

2. In what ways does your agency actively conduct outreach to engage San Marcos residents in its programs and services? How will San Marcos residents access those services? (up to 10 points)

BR3T utilizes a proactive, multi-channel outreach strategy to ensure that low-income residents in crisis are identified and connected to Housing Stability Services (HSS). The effectiveness of this localized approach is evidenced by our current program data, which confirms that 83% of the unduplicated households we serve reside within the San Marcos city limits.

Outreach Strategies:

- **Coordinated Referral Pathways:** Our primary outreach occurs through an established network of local nonprofit partners and community stakeholders. These agencies serve as frontline access points, providing referrals to BR3T for residents who require intensive housing stabilization and financial counseling.
- **Coalition Visibility:** BR3T is an active member of the Homeless Coalition of Hays County. This involvement ensures that our program remains a recognized resource for community advocates and first responders who encounter residents in need of immediate stabilization.
- **Information and Referral Listings:** We maintain active listings on 2-1-1 Texas and findhelp.org. These platforms ensure that San Marcos residents searching independently for rent or deposit assistance can locate our services.
- **Digital Presence:** Our agency maintains a professional website and active social media presence to share program updates and eligibility requirements directly with the San Marcos community.

Accessing Services:

- **Centralized Online Application:** San Marcos residents can access our Housing Stability Services through a centralized, secure application portal. To ensure fiduciary integrity and avoid the overcommitment of community resources, our application intake remains open in direct accordance with current funding availability. This digital system allows for the secure electronic submission of essential documents—such as income verification and eviction notices—enabling our Case Managers to begin the review and verification process promptly.
- **Eliminating Barriers to Access:** Recognizing the digital divide, we provide full intake support via phone and schedule in-person appointments for residents with technology or transportation challenges. This hybrid approach ensures that our services remain equitable and accessible to all San Marcos households.
- **Case Manager Navigation:** Once a resident makes initial contact through an application or referral, they are assigned to our Case Manager. This staff member guides the household through the entire process—from initial eligibility to mandatory financial counseling and the final deployment of stabilization funds.
- **Expedited Emergency Access:** For urgent situations referred by crisis teams, we have internal protocols to expedite the intake process, ensuring that immediate housing needs are met while long-term stabilization plans are developed.

RISK - 10 POINTS

1. How many years' experience does the agency have in implementing a program of this size and complexity? (5 points if more than 5 years)

BR3T has **over five years** of direct experience implementing housing stabilization programs of this magnitude. Our operational history demonstrates a consistent ability to manage high-volume financial assistance while maintaining the rigorous fiduciary standards required by municipal, state, and federal funders.

- **Proven Operational History:** Since 2020, BR3T has operated as a frontline provider of housing stabilization services. While originally established to meet the surge in demand for pandemic-related housing relief, the program formally transitioned into a permanent core service in mid-2025. This evolution has resulted in a mature, battle-tested system of intake, case management, and fiscal protocols.
- **Scale and Fiscal Management:** Over the last five years, BR3T has successfully managed and deployed more than \$7.5 million in relief funds from various city, county, and state sources. Managing a portfolio of this magnitude demonstrates our capacity to handle the \$30,000 CDBG request with precision and 100% audit readiness.

- **Case Management Expertise:** We have over five years of experience providing high-intensity support to low-income households. Our lead Case Manager is an expert in conducting financial counseling, housing navigation, and mediation, ensuring that our services lead to permanent housing stability rather than temporary relief.
- **Demonstrated Community Impact:** To date, our agency has served 2,126 households across the region. In 2025 alone, we successfully helped 202 households obtain stable housing and prevented 59 evictions, proving our ability to deliver measurable results in the local rental market.
- **Infrastructure for Complexity:** For over five years, we have utilized professional-grade systems like Salesforce and QuickBooks to manage client data and project-based accounting. These tools ensure we can track every dollar and every participant milestone across our entire four-county service area.

2. What percentage of the program's funding is non-City? (5 points if at least 50%)

Percentage of Non-City Funding: 83%

Justification of Leveraged Resources:

- **Substantial Diversification:** In 2025, 83% of the funding for our housing stabilization efforts was derived from non-City sources, including federal and state grants, private foundations, and philanthropic donations. This exceeds the 50% threshold for maximum points and demonstrates that BR3T is not solely reliant on municipal support.
- **High Leverage Ratio:** The requested \$30,000 from the City of San Marcos CDBG acts as a strategic local investment that leverages a much larger, state-and-federal-funded infrastructure. This allows the City's contribution to tap into a fully operational system with established Case Management and fiscal protocols.
- **Strategic Gap-Filling:** While the majority of our funding is non-City, those larger resources are often restricted to specific populations or provide limited support for staff time. The CDBG portion is critical because it fills these specific gaps, allowing our Case Manager to provide the high-intensity financial counseling and emergency hotel stays that other grants may not cover.
- **Long-Term Sustainability:** By maintaining 83% non-City funding, BR3T ensures the long-term sustainability of the HSS program. This diversified portfolio protects the program from shifts in any single funding stream, ensuring a stable safety net for low-income San Marcos residents.

III. PROGRAM BENEFICIARIES

TYPE OF PUBLIC SERVICE (choose all that apply)

- | | |
|--|---|
| ☐ 05A Senior Services | ☐ 05B Handicapped Services |
| ☐ 05C Legal Services | ☐ 05D Youth Services |
| ☐ 05E Transportation Services | ☐ 05F Substance Abuse Services |
| ☐ 05G Battered and Abused Spouses Services | ☐ 05H Employment Training |
| ☐ 05I Crime Awareness | ☒ 05J Fair Housing Activities |
| ☒ 05K Tenant/Landlord Counseling | ☐ 05L Child Care Services |
| ☐ 05M Health Services | ☐ 05N Abused and Neglected Children Services |
| ☐ 05O Mental Health Services | ☐ 05P Screening for Lead Paint/Lead Hazards |
| ☒ 05Q Subsistence Payments | ☐ 05R Homeownership Assistance (Not Direct) |
| ☐ Other: _____ | |

PROGRAM INFORMATION

1. Program eligibility (please select one):

a. ☐ This is a new program.

b. ☒ This is an existing program that: (select one of the following)

☐ Has previously received CDBG funding and the amount requested for this year is the same or less than previous funding; or

☒ will expand to serve more beneficiaries or to provide more services if the CDBG funding as requested is approved. *Please attach an analysis that details how the program or service will be expanded, how many new beneficiaries will be served by the expansion, and how this number was determined.*

2. Is there a fee to clients to participate in the program? ☐ Yes ☒ No

If yes, please provide fee structure.

3. Describe the days and hours of operation of the program: We have office hours Monday through Friday 9am-12pm and 1pm-5pm.

Applicant must be able to document that at least 51% of the beneficiaries have an annual income that is at or below 80% of the Area Median Income and are San Marcos residents.

A. PRESUMED BENEFIT: See definition above of “Presumed Benefit”.

1. Will all of the program’s beneficiaries be in a Presumed Benefit Category? ____ Yes or ☒ No

If “yes”, list the categories: _____

2. How many persons in each presumed category are proposed to be assisted if funding is received?

Abused Children	Elderly Persons	Battered Spouses	Homeless Persons	Severely Disabled Adults	Illiterate Adults	Persons living with AIDS
		18	18			

3. If this program was carried out the previous full program year (10/1 – 9/30), how many persons were served in each presumed category:

Abused Children	Elderly Persons	Battered Spouses	Homeless Persons	Severely Disabled Adults	Illiterate Adults	Persons living with AIDS

B. BENEFICIARIES WHO ARE NOT CONSIDERED “PRESUMED”

1. How many persons are proposed to be assisted if funding is received? _____ 100

If this program was carried out the previous program year (10/1 – 9/30), how many persons were served?

775

2. How do you propose to document the income of the beneficiaries? (Check all that apply)

____ Evidence that the child is approved for free or reduced lunch

☒ Evidence that the family lives in housing sponsored by the Housing Authority

☒ Evidence that the family is WIC approved

☒ Income documentation using one of the 3 HUD approved methods

☒ Self-certification, with income verification required of 20% of certifications

____ Other, describe: _____

III. PROJECTED IMPLEMENTATION SCHEDULE WITH PERFORMANCE GOALS

Projected Start Date:

_October 2026

Projected Completion Date:

___September 2027

Activity Description	Start Month/Year	End Month/Year	Performance Measurement Goal
Intake & Eligibility	October 2026	September 2027	Maintain 100% Audit Readiness by documenting HUD LMI status for every household prior to providing case management.
HSS Case Management	October 2026	September 2027	Provide 1-on-1 financial counseling to 75% of assisted households; provide housing navigation to 75% of households requiring relocation.
Project Closeout	October 2026	September 2027	Reconcile 100% of financial records and submit final reimbursement requests for all eligible project costs by Oct 31, 2027.

IV. ORGANIZATION INFORMATION

BACKGROUND INFORMATION

1. Organization Type:

☒ 501(c) Non-Profit Corporation ☐ Public Corporation ☐ Government Entity

Other: _____

2. Name and title of Board of Directors chair or president: Earl Bolls, Board President

3. How many years has your organization been in business? 11

4. Organization's Taxpayer Identification Number (EIN): 47-4930663

5. Organization's Unique Entity Identifier Number (if available): N8H3E57XWRF4 N8H3E57XWRF4

6. Is organization currently registered in the federal System for Award Management (SAM)? ☒ Yes ☐ No

FINANCIAL INFORMATION

1. What is the date of your fiscal year end? 12/31

2. Does your organization have a purchasing policy? ☒ Yes ☐ No

3. Has your organization currently or within the past five years had any litigation that is pending or has been resolved?
☐ Yes ☒ No

If "Yes", please attach a summary of the litigation and its status, including any outstanding judgments.

4. Has your organization filed a petition for bankruptcy or has a petition for bankruptcy been filed against your organization? ☐ Yes ☒ No

If "Yes", please attach an explanation that includes the status.

5. During the last fiscal year, did your organization spend \$750,000 or more in Federal financial assistance?

☒ Yes ☐ No

6. What level of financial review does your organization obtain from an independent source? Select from the following options:

☒ Single Audit

☐ Audited Financial Statement

☐ Reviewed Financial Statement

☐ Compiled Financial Statement

☐ No independent review

☐ Other (describe):

7. What period was covered by your most recent financial review? 1/1/2024-12/31/2024

8. Has your organization received City of San Marcos funding in the past two years? ☒ Yes ☐ No

If yes, please attach a short summary of the purpose and amount of City funding.

PERSONNEL AND POLICIES

1. Name and Title of your chief administrator Elizabeth Wills, Executive Director

Number of years in this position? 6

2. Total number of current employees at all locations 4

3. Total number of current employees who will be involved in this project 3

4. Total number of new employees expected to be hired for the project 1

5. Does your organization have a personnel policy manual? ☒ Yes ☐ No

Does it include a procedure for filing grievances? ☒ Yes ☐ No

Does it include a non-discrimination clause? ☒ Yes ☐ No

6. Does your organization maintain a written code or standards of conduct that governs the performance of its officers, employees or agents engaged in the award and administration of contracts supported by Federal funds?

☒ Yes ☐ No

7. Separation of duties for financial transactions regarding this project (respond with job title):

a. Who will approve payment of incurred expenses? Executive Director

b. Who will prepare the payment check? Executive Director

c. Who will sign checks paying project expenses? Program Manager

d. Who posts the transaction to your financial records? Executive Director

e. Who reconciles monthly bank statements? Board Treasurer

ACCESSIBILITY OF PROGRAMS AND SERVICES

1. Are all facilities to be served by the program ADA Accessible? ☒ Yes ☐ No

2. Do you have a Section 504 (ADA) Self-Evaluation on file? ☐ Yes ☒ No

3. How will you provide services to persons with Limited English proficiency? BR3T provides access for persons with Limited English Proficiency (LEP) through our bilingual staff member, who provides direct interpretation and document translation for Spanish speakers. For other languages, we utilize BoostLingo for professional oral interpretation.

INSURANCE, BONDING, AND WORKER'S COMPENSATION

1. Does your organization have liability insurance coverage? ☒ Yes ☐ No

2. If yes, in what amount? \$2,000,000

3. Does your organization pay worker's compensation in accordance with Federal and state laws?
☒ Yes ☐ No ☐ N/A

4. Does your organization have fidelity bond coverage for principal staff members who handle the organization's accounts? ☒ Yes ☐ No

5. Will vehicles owned by the organization be used in conjunction with the proposed project?
☐ Yes ☒ No

6. If yes, what level of liability insurance is maintained on the vehicles? _____

V. CONFLICTS OF INTEREST (24 CFR 570.611; 24 CFR 85.36; AND 24 CFR 84.42)

Two sets of conflict-of-interest provisions apply to activities carried out with CDBG funding. The first set, applicable to the procurement of goods and services by subrecipients (*funded applicants*), is the procurement regulation found in the *Uniform Administrative Requirements, Cost Principles and Audit Requirement for Federal Awards as codified in Title 2, Part 200 of the Code of Federal Regulations*. The second set of provisions is located at 24 CFR 570.611(a)(2).

With respect to procurement activities, the subrecipient must maintain written standards of conduct governing the performance of its employees engaged in the award and administration of contracts. At a minimum, these standards must:

1. Require that no employee, officer, or agent may participate in the selection, award, or administration of a contract supported by federal funds if a real or apparent conflict would be involved. Such a conflict would arise when any of the following parties has a financial or other interest in the firm selected for an award:
 - An employee, officer, or agent of the subrecipient;
 - Any member of an employee's, officer's, or agent's immediate family;
 - An employee's, agent's, or officer's partner; or
 - An organization which employs or is about to employ any of the persons listed in the preceding sections.
2. Require that employees, agents, and officers of the subrecipient neither solicit nor accept gratuities, favors, or anything of value from contractors or parties to sub-agreements. However, subrecipients may set standards for situations in which the financial interest is not substantial, or the gift is an unsolicited item of nominal value.
3. Provide for disciplinary actions to be applied for any violation of such standards by employees, agents, or officers of the subrecipient.

With respect to all other CDBG-assisted activities, the general standard is that no employee, agent, or officer of the subrecipient who exercises decision-making responsibility with respect to CDBG funds and activities is allowed to obtain a financial interest in or benefit from CDBG activities, or have a financial interest in any contract, subcontract, or agreement regarding those activities or in the proceeds for the activities. Specific provisions include that:

- The requirement applies to any person who is an employee, agent, consultant, officer, or elected or appointed official of the City, a designated public agency, or a subrecipient, and to their immediate family members and business partners.
- The requirement applies to such persons during their tenure and for a period of one year after leaving the grantee or subrecipient organization.
- Upon written request, exceptions may be granted by HUD on a case-by-case basis.

CONFLICT OF INTEREST QUESTIONNAIRE

NOTE: For the purpose of this form, a "covered person" includes any person who is an employee, agent, consultant, officer or elected or appointed official of the City of San Marcos, your organization, or any designated public agency.

Name of Organization: Blanco River Regional Recovery Team

1. Does your organization maintain a written code or standards of conduct that governs the performance of its officers, employees or agents engaged in the award and administration of contracts supported by Federal funds?

Yes ☒ No ☐ If "No" is checked, please explain how you will comply with this requirement:

2. Are any of your Board Members or employees that are responsible for carrying out this project or members of their immediate families or their business associates also:

a. Employed by the City of San Marcos? Yes ☐ No ☒

b. Members of or closely related to members of the San Marcos City Council? Yes ☐ No ☒

c. Members of or closely related to an employee of the City of San Marcos? Yes ☐ No ☒

d. Current beneficiaries or related to beneficiaries of the project for which funds are requested?

Yes ☐ No ☒

e. Paid providers of goods or services to the program or having other financial interest in the program or related to such individuals? Yes ☐ No ☒

3. For **each** relationship described above, please answer the following questions: (attach additional page if necessary)

a. Name of employee or official: NA

b. Is this person receiving or likely to receive taxable income from your organization?

Yes ☐ No ☐

c. Is your organization receiving or likely to receive taxable income from or at the direction of the employee or official AND the taxable income is not from the City of San Marcos?

Yes ☐ No ☐

d. Is your organization affiliated with a corporation or other business entity in which the employee or official serves as an officer or director, or holds an ownership interest of 10% or more?

Yes ☐ No ☐

4. Describe any other affiliation or business relationship that might cause a conflict of interest with respect to CDBG funds and activities. None

5. Will any of your organization's employees, officers, board members, or members of their immediate family or business partners have a financial interest in any contract, subcontract, or agreement regarding CDBG funded activities?

Yes ☐ No ☒. If yes, please attach an explanation.

VI. APPLICANT ASSURANCES AND CERTIFICATIONS

The applicant hereby assures and certifies with respect to this project or program, by the submission of this application, that the following are true statements:

1. It possesses legal authority to apply for the grant and to finance the proposed request; that a resolution, motion or similar action has been duly adopted or passed as an official act of the applicant's governing body, authorizing the filing of the application, including all understandings and assurances contained therein, and directing and authorizing the person identified as the official representative of the applicant to act in connection with the application and to provide such additional information as may be required.
2. It will comply with the Uniform Administrative Requirements, Cost Principles and Audit Requirement for Federal Awards as codified in Title 2, Part 200 of the Code of Federal Regulations (UAR) and agrees to adhere to the accounting principles and procedures required therein, utilizing adequate internal controls and maintaining necessary source documentation for all costs incurred.
3. If it expends \$750,000 or more of federal funds in a fiscal year, it will comply with the Single Audit Act of 1984.
4. It will comply with the provisions of Executive Order 11988, relating to evaluation of flood hazards, and Executive Order 11990, relating to protection of wetlands. It will comply with the flood insurance purchase requirements of Section 102(a) of the Flood Disaster Protection Act of 1973, Public Law 93-234, 87 Stat. 975, and approved December 31, 1976. Section 102(a).
5. It will have sufficient funds available or the ability to obtain the non-federal share of the cost for construction projects. Sufficient funds will be available when construction is completed to assure effective operation and maintenance of the facility for the purposes constructed.
6. It will give the City and the Comptroller General, through any authorized representative, access to and the right to examine all records, books, papers, or documents related to the grant.
7. It will cause work on the project to be commenced within a reasonable time after receipt of notification from the City that funds have been approved and that the project will be performed to completion with reasonable diligence.
8. It will comply with Title VI of the Civil Rights Act of 1964 (P.L. 88-352) and in accordance with Title VI of that Act, no person in the United States shall, on the ground of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity for which the applicant receives federal financial assistance and will immediately take any measures necessary to effectuate this agreement.
9. It will comply with the requirements of Title II and Title III of the Uniform Relocation Assistance and Real Property Acquisitions Act of 1970 (P.L. 91-646), which provides for fair and equitable treatment of persons displaced because of federal and federally-assisted programs.
10. It will comply with the provisions of the Hatch Act, which limit the political activity of employees.
11. It will comply with the minimum wage and maximum hours provisions of the Federal Fair Labor Standards Act as they apply.
12. It will insure that the facilities under its ownership, lease or supervision which shall be utilized in the accomplishment of the project are not listed on the Environmental Protection Agency's (EPA) list of Violating Facilities and that it will notify the city/federal grantor agency of the receipt of any communication from the Director of the EPA Office of Federal Activities indicating that a facility to be utilized in the project is under consideration for listing by the EPA.
13. It will assist the city/federal grantor agency in its compliance with Section 106 of the National Historic Preservation Act of 1966 as amended (16 U.S.C. 470), Executive Order 11593, and the Archeological and Historic Preservation Act of 1966 (16 U.S.C. 469a-1 et seq.).

14. It will comply with Texas Civil Statutes, Article 5996a, by ensuring that no officer, employee, or member of the applicant's governing body or of the applicant's contractor shall vote or confirm the employment of any person related within the second degree by affinity or third degree by consanguinity to any member of the governing body or to any other officer or employee authorized to employ or supervise such person. This prohibition shall not prohibit the employment of a person who shall have been continuously employed for a period of two years prior to the election or appointment of the officer, employee, or governing body member related to such person in the prohibited degree.
15. It will ensure that all information collected, assembled or maintained by the applicant relative to this project shall be available to the public during normal business hours in compliance with Texas Civil Statutes, Article 6252-17a, unless otherwise expressly provided by law.
16. It will conduct and administer the program in conformity with the Fair Housing Act (42 USC Section 3901 et. Seq.) and that it will affirmatively further fair housing.
17. It will minimize displacement of persons because of activities assisted with CDBG funds. If displacement of residential dwellings will occur in connection with a grant-assisted project, it will follow a residential anti-displacement and relocation assistance plan as specified by the City of San Marcos.
18. It certifies that it is not now, nor has it ever been, on the Federal List of Debarred Contractors.
19. It will not attempt to recover any capital costs of public improvements assisted in whole or in part with such funds by assessing any amount against properties owned and occupied by persons of LMI, including any fee charged or assessment made as a condition of obtaining access to such public improvements unless (a) such funds are used to pay the proportion of such fee or assessment that related to the capital costs of such public improvements that are financed from revenue sources other than such funds; or (b) for purposes of assessing any amount against properties owned and occupied by persons of moderate income, applicant certifies that it lacks sufficient funds under this contract to comply with the requirements of clause (a).
20. It agrees to comply with the requirements of Title 24 of the Code of Federal Regulations, Part 570 (the U.S. Housing and Urban Development regulations concerning Community Development Block Grants (CDBG)) including subpart J and subpart K of these regulations, except that (1) the Agency does not assume the recipient's environmental responsibilities described in 24 CFR 570.604 and (2) Agency does not assume the recipient's responsibility for initiating the review process under the provisions of 24 CFR Part 52. Agency also agrees to comply with all other applicable Federal, State, and local laws, regulations, and policies governing the funds provided. Agency further agrees to utilize funds available to supplement rather than supplant funds otherwise available. Agency shall comply with all applicable Federal laws, regulations, and requirements, which include compliance with the provisions of the HCD Act and all rules, regulations, guidelines, and circulars promulgated by the various Federal departments, agencies, administrations, and commissions relating to the CDBG Program. The applicable laws and regulations include, but are not limited to:
 - 24 CFR Part 570;
 - 24 CFR Parts 84 and 85;
 - The Davis-Bacon Fair Labor Standards Act;
 - The Contract Work Hours and Safety Standards Act of 1962;
 - Copeland "Anti-Kickback" Act of 1934;
 - Sections 104(b) and 109 of the Housing and Community Development Act of 1974;
 - Section 3 of the Housing and Urban Development Act of 1968;
 - Equal employment opportunity and minority business enterprise regulations established in 24 CFR part 570.904;
 - Non-discrimination in employment, established by Executive Order 11246 (as amended by Executive Orders 11375 and 12086);
 - Section 504 of the Rehabilitation Act of 1973 Uniform Federal Accessibility Standards;
 - The Architectural Barriers Act of 1968;
 - The Americans with Disabilities Act (ADA) of 1990;
 - The Age Discrimination Act of 1975, as amended;

- National Environmental Policy of 1969 (42 USC 4321 et seq.) as amended;
- Lead Based paint regulations established in 24 CFR Parts 35, 570.608, and 24 CFR 982.401;
- Asbestos guidelines established in CPD Notice 90-44;
- HUD Environmental Criteria and Standards (24 CFR Part 51);
- The Energy Policy and Conservation Act (Public Law 94-163) and 24 CFR Part 39
- Flood Disaster Protection Act of 1973;
- Colorado House Bill 06-1023 and 06-1043;
- Procurement Standards (2 CFR 200.322);
- Rights to Inventions Made Under a Contract or Agreement (37 CFR 401.2 (a));
- Energy Efficiency (2 CFR Part 200 Appendix II); and
- Recycling (2 CFR Part 200 Appendix II).

21. **NEW SECTION:** It agrees to comply with federal policy provisions contained in Appendix One, which implement the following:

- 1. Executive Order 14168 – Defending Women from Gender Ideology Extremism and Restoring Biological Truth to the Federal Government
- 2. Executive Order 14173 – Ending Illegal Discrimination and Restoring Merit-Based Opportunity
- 3. Executive Order 14182 – Enforcing the Hyde Amendment
- 4. Executive Order 14154 – Unleashing American Energy
- 5. Executive Order 14218 – Ending Taxpayer Subsidization of Open Borders
- 6. Executive Order 14205 – Establishment of the White House Faith Office
- 7. 8 U.S.C. § 1601 et seq. (PRWORA – Immigration Eligibility and Verification)
- 8. 31 U.S.C. § 3729(b)(4) (False Claims Act – Material Compliance Provision)

CERTIFICATIONS REGARDING LOBBYING:

22. No federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement.
23. If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with this federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit standard form – “Disclosure Form to Report Lobbying”, in accordance with its instructions.
24. The undersigned shall require that the language of this certification be included in the award documents for all sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.
25. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

GENERAL CERTIFICATIONS:

26. The information, exhibits, and schedules contained in this application are true and accurate statements and represent fairly the financial condition of our organization;
27. Our organization is eligible to receive federal funding and has not been placed in a debarred or otherwise ineligible status under the provisions of CFR Part 24;
28. Our organization prohibits discrimination in accordance with Title VI of the Civil Rights Act of 1964; and,

29. Our governing body has duly authorized submission of this document. If funded, we agree to comply with the procedures outlined in the "Playing by the Rules" handbook that will be supplied by the City of San Marcos.

CITY OF SAN MARCOS FUNDING RESTRICTIONS:

- 30. All CDBG funding will be spent on San Marcos residents.
- 31. Funding requested is not more than 50% of the total funding for the agency.
- 32. Funding will not be used to fund more than 20% of a full time position.
- 33. Agency has been in existence for at least 2 years. (This can include serving communities other than San Marcos.)

I, the duly authorized representative of the applicant organization, certify that the foregoing statements are true to the best of my knowledge and belief:

CERTIFIED BY:

Signature: Elizabeth Wills Date Signed: 2/28/2026
Printed Name: Elizabeth Wills Title: Executive Director
Organization Name: Blanco River Regional Recovery Team

APPENDIX ONE: FEDERAL POLICY PROVISIONS

This Appendix sets forth the Federal policy requirements that apply to the Subrecipient as a condition of participation in the CDBG Program for Program Year 2025. These provisions are incorporated into and made a material part of the Subrecipient Agreement.

Section 1. Prohibition on Use of Funds to Promote “Gender Ideology”

1.1 Policy Requirement. In accordance with Executive Order (E.O.) 14168, *Defending Women from Gender Ideology Extremism and Restoring Biological Truth to the Federal Government*, the Subrecipient shall not use any CDBG funds to promote “gender ideology.”

1.2 Definitions. For purposes of this section:

- a. “Gender ideology” means any theory or policy asserting that sex is determined by subjective identity rather than biological reality, as defined in Section 2(f) of E.O. 14168 and any subsequent HUD or OMB guidance.
- b. For the purposes of this section, “Promote” means to publicly advocate, endorse, distribute, advertise, or otherwise support, through funded publications, events, or materials, the prohibited ideology.

1.3 Agency Forms and Data Collection. All forms, applications, surveys, or data-collection instruments developed or used by the Subrecipient for CDBG-funded activities that request information on an individual’s sex shall list only the options “Male” or “Female.”

- a. Such forms shall not include questions or fields requesting or recording gender identity, gender expression, or similar classifications.
- b. Existing forms containing such fields shall be modified or replaced for CDBG-funded purposes to ensure compliance with E.O. 14168.

1.4 Grantee Review. At the request of the Grantee, the Subrecipient shall provide advance copies of flyers, brochures, social-media posts, or other public materials related to CDBG-funded activities for Grantee review to ensure compliance with this provision prior to release or posting.

1.5 Consistency with Existing Civil Rights Requirements. Nothing in this section shall be construed to limit or modify the Subrecipient’s obligations under any other law protecting individuals from unlawful discrimination.

Section 2. Compliance with Federal Anti-Discrimination Laws and False Claims Act Provisions

2.1 General Requirement. The Subrecipient shall comply in all respects with all applicable Federal anti-discrimination laws, including Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d et seq.)

2.2 Material Compliance under the False Claims Act. Pursuant to E.O. 14173 and 31 U.S.C. § 3729(b)(4), the Subrecipient acknowledges that compliance with Federal civil-rights and anti-discrimination laws is material to the U.S. Government’s payment decisions under the False Claims Act.

2.3 Certification. By execution of this Agreement, the Subrecipient certifies that it does not and will not operate any program in violation of these laws and shall promptly report to the Grantee any filed or pending civil-rights complaint, investigation, or finding of non-compliance related to any CDBG-funded activity.

Section 3. Prohibition on Use of Funds for Elective Abortions

3.1 Policy Requirement. Pursuant to E.O. 14182, *Enforcing the Hyde Amendment*, the Subrecipient shall not use any CDBG funds to fund or promote elective abortions.

3.2 Definition. For purposes of this section, “Promote” means to publicly advocate, endorse, distribute, advertise, or otherwise support, through funded publications, events, or materials, the performance of elective abortions.

3.3 Grantee Review. At the request of the Grantee, the Subrecipient shall provide advance copies of flyers, brochures, or other outreach materials for Grantee review to ensure compliance with this provision.

Section 4. Environmental Considerations

4.1 Policy Requirement. Notwithstanding any prior Notice of Funding Opportunity (NOFO) or application materials, this Agreement shall not be governed by orders revoked by E.O. 14154, *Restoring the Rule of Law in Federal Administration*, including E.O. 14008, *Tackling the Climate Crisis at Home and Abroad*.

4.2 NEPA Unchanged. Nothing in this section shall alter or exempt the Subrecipient from compliance with existing environmental-review requirements under 24 CFR Part 58 or the National Environmental Policy Act (NEPA), 42 U.S.C. § 4321 et seq. If the NEPA statute or its implementing regulations—including those at 24 CFR Part 58—are amended or superseded during the term of this Agreement, this provision shall be automatically deemed amended to reflect and require compliance with such updated authority, as interpreted by HUD or other applicable Federal agencies.

Section 5. Immigration Status Verification and SAVE System Compliance

5.1 Policy Requirement. To ensure implementation and compliance with Title IV of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA, 8 U.S.C. §§ 1601– 1646) and E.O. 14218, *Ending Taxpayer Subsidization of Open Borders*, the Subrecipient shall assist the Grantee in ensuring that CDBG assistance is not provided to ineligible aliens.

5.2 Subrecipient Role. Subrecipients serving as program administrators shall assist the Grantee in ensuring compliance with PWRORA. Subrecipients may collect intake information and supporting documentation. The Subrecipient shall transmit collected documentation to the Grantee for verification through the Systematic Alien Verification for Entitlements (SAVE) Program or an equivalent verification system approved by the Federal Government.

5.3 Grantee Role and Determinations. The Grantee shall perform all SAVE verifications and maintain the official verification record. Any denial decisions issued by the Grantee based on SAVE results or Federal guidance are final and binding on the Subrecipient.

5.4 Prohibitions. No Subrecipient shall use CDBG funds in a manner that, by design or effect, facilitates the subsidization or promotion of illegal immigration or shields illegal aliens from deportation, including by maintaining policies or practices that materially impede enforcement of Federal immigration laws.

Section 6. Equal Treatment for Faith-Based Organizations

6.1 Policy Requirement. Faith-based organizations are eligible to participate as Subrecipients on the same basis as any other organization, consistent with E.O. 14205.

6.2 Prohibition on Religious Activities. No CDBG funds may be used for inherently religious activities such as worship, instruction, or proselytization. Any such religious activities must be separate in time or location from HUD-funded activities and voluntary for participants.

6.3 Non-Discrimination. The Subrecipient shall not, in the selection of contractors, vendors, or beneficiaries, discriminate on the basis of religious character, affiliation, or exercise.

BR3T Housing Stability Services 2026 Budget

BR3T Housing Stability Service 2026 Budget	HSS Program 2026
Personnel	
Case Managers Salaries	\$ 100,000.00
Fringe	\$ 25,000.00
Direct Assistance	
Rental Application Fees	\$ 3,000.00
Rental Deposits	\$ 42,000.00
Utility Deposits	\$ 10,000.00
Short-term payments for hotel/motel	\$ 15,000.00
Rent	\$ 184,000.00
Utilities	\$ 500.00
Other Expenses	
Office Rent and other overhead (Insurance, ED salary, audit, accounting, outreach)	\$ 20,000.00
Supplies for Program Administration	
Office Supplies	\$ 500.00
BUDGET TOTAL	\$ 400,000.00

BR3T Housing Stability Services Proposed 2027 Budget

BR3T Housing Stability Service Proposed 2027 Budget	HSS Program 2027
Personnel	
Case Managers Salaries	\$ 140,000
Fringe	\$ 30,000
Direct Assistance	
Rental Application Fees	\$ 6,000
Rental Deposits	\$ 100,000
Utility Deposits	\$ 36,000
Short-term payments for hotel/motel	\$ 12,000
Rent	\$ 175,000
Utilities	\$ 3,000
Other Expenses	
Office Rent and other overhead	\$ 96,000
Supplies for Program Administration	
Office Supplies	\$ 2,000
BUDGET TOTAL	\$ 600,000.00

BR3T Housing Stability Services Proposed 2027 Budget - CDBG Portion

BR3T Housing Stability Service Proposed 2026 Budget	CDBG Funding Portion
Personnel	
Case Managers Salaries (Max 20% per FTE)	\$ 24,000
Fringe	\$ 6,000
Direct Assistance	
Rental Application Fees	
Rental Deposits	
Utility Deposits	
Short-term payments for hotel/motel	
Rent	
Utilities	
Other Expenses	
Office Rent and other overhead	
Supplies for Program Administration	
Office Supplies	
BUDGET TOTAL	\$ 30,000

Board of Directors BR3T 2026

1. Board President: Earl Bolls, Austin
 - a. Email: earlbolls@gmail.com
 - b. Cell: 512-680-7583
 - c. Represents Blanco County
2. Vice-President: Rowe Ray, San Marcos
 - a. Represents Hays County
3. Treasurer: Simone Sanborn, San Marcos
 - a. Email: simonevy.sanborn@gmail.com
 - b. Cell: 512-757-4961
 - c. Represents Guadalupe County
4. Jordan Russo, San Marcos
 - a. Represents Caldwell County
5. Contributing (non-voting) Member: Mike Jones, San Marcos
 - a. Email: mike.jones@co.hays.tx.us

Return of Organization Exempt From Income Tax

OMB No. 1545-0047

Form **990**

Department of the Treasury
Internal Revenue Service

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)
Do not enter social security numbers on this form as it may be made public.
Go to www.irs.gov/Form990 for instructions and the latest information.

2024
Open to Public Inspection

A For the 2024 calendar year, or tax year beginning and ending																												
B Check if applicable: ☐ Address change ☐ Name change ☐ Initial return ☐ Final return/terminated ☐ Amended return ☐ Application pending	<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td colspan="2">C Name of organization BLANCO RIVER REGIONAL RECOVERY TEAM</td> <td rowspan="4">D Employer identification number 47-4930663</td> </tr> <tr> <td colspan="2">Doing business as</td> </tr> <tr> <td>Number and street (or P.O. box if mail is not delivered to street address)</td> <td>Room/suite</td> </tr> <tr> <td>102 WONDER WORLD DR</td> <td>304-16</td> </tr> <tr> <td colspan="2">City or town, state or province, country, and ZIP or foreign postal code SAN MARCOS, TX 78666</td> <td>E Telephone number (512) 677-9701</td> </tr> <tr> <td colspan="2">F Name and address of principal officer: ELIZABETH WILLS SAME AS C ABOVE</td> <td>G Gross receipts \$ 1,771,091.</td> </tr> <tr> <td colspan="2">I Tax-exempt status: ☒ 501(c)(3) ☐ 501(c) () (insert no.) ☐ 4947(a)(1) or ☐ 527</td> <td>H(a) Is this a group return for subordinates? ☐ Yes ☒ No</td> </tr> <tr> <td colspan="2">J Website: WWW.BR3T.ORG</td> <td>H(b) Are all subordinates included? ☐ Yes ☐ No</td> </tr> <tr> <td colspan="2">K Form of organization: ☒ Corporation ☐ Trust ☐ Association ☐ Other</td> <td>H(c) Group exemption number</td> </tr> <tr> <td colspan="2">L Year of formation: 2015</td> <td>M State of legal domicile: TX</td> </tr> </table>	C Name of organization BLANCO RIVER REGIONAL RECOVERY TEAM		D Employer identification number 47-4930663	Doing business as		Number and street (or P.O. box if mail is not delivered to street address)	Room/suite	102 WONDER WORLD DR	304-16	City or town, state or province, country, and ZIP or foreign postal code SAN MARCOS, TX 78666		E Telephone number (512) 677-9701	F Name and address of principal officer: ELIZABETH WILLS SAME AS C ABOVE		G Gross receipts \$ 1,771,091.	I Tax-exempt status: ☒ 501(c)(3) ☐ 501(c) () (insert no.) ☐ 4947(a)(1) or ☐ 527		H(a) Is this a group return for subordinates? ☐ Yes ☒ No	J Website: WWW.BR3T.ORG		H(b) Are all subordinates included? ☐ Yes ☐ No	K Form of organization: ☒ Corporation ☐ Trust ☐ Association ☐ Other		H(c) Group exemption number	L Year of formation: 2015		M State of legal domicile: TX
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Part I Summary			
Activities & Governance	1	Briefly describe the organization's mission or most significant activities: TO STRENGTHEN AREA-WIDE DISASTER COORDINATION, MITIGATION, AND RECOVERY IN BLANCO, CALDWELL, HAYS,	
	2	Check this box ☐ if the organization discontinued its operations or disposed of more than 25% of its net assets.	
	3	Number of voting members of the governing body (Part VI, line 1a)	3
	4	Number of independent voting members of the governing body (Part VI, line 1b)	4
	5	Total number of individuals employed in calendar year 2024 (Part V, line 2a)	5
	6	Total number of volunteers (estimate if necessary)	6
	7a	Total unrelated business revenue from Part VIII, column (C), line 12	7a
7b	Net unrelated business taxable income from Form 990-T, Part I, line 11	7b	
Revenue	8	Contributions and grants (Part VIII, line 1h)	2,143,059.
	9	Program service revenue (Part VIII, line 2g)	0.
	10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	0.
	11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	300.
	12	Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	2,143,359.
	Expenses	13	Grants and similar amounts paid (Part IX, column (A), lines 1-3)
14		Benefits paid to or for members (Part IX, column (A), line 4)	0.
15		Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	434,755.
16a		Professional fundraising fees (Part IX, column (A), line 11e)	0.
16b		Total fundraising expenses (Part IX, column (D), line 25)	0.
17		Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	88,590.
18		Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	2,105,870.
19		Revenue less expenses. Subtract line 18 from line 12	37,489.
Net Assets or Fund Balances	20	Total assets (Part X, line 16)	229,403.
	21	Total liabilities (Part X, line 26)	77,604.
	22	Net assets or fund balances. Subtract line 21 from line 20	151,799.

Part II Signature Block					
Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.					
Sign Here	Signature of officer ELIZABETH WILLS, EXECUTIVE DIRECTOR				Date
	Type or print name and title				
Paid Preparer Use Only	Preparer's name KIMIKO BACA	Preparer's signature	Date	Check if self-employed ☐	PTIN P01268795
	Firm's name CALVETTI FERGUSON	Firm's EIN 13-425527	Phone no. 210-536-3200		
	Firm's address 250 W NOTTINGHAM DR., SUITE 100 SAN ANTONIO, TX 78209				

May the IRS discuss this return with the preparer shown above? See instructions ☒ Yes ☐ No

Part III Statement of Program Service AccomplishmentsCheck if Schedule O contains a response or note to any line in this Part III ☒**1** Briefly describe the organization's mission:

TO STRENGTHEN AREA-WIDE DISASTER COORDINATION, MITIGATION, AND
 RECOVERY IN BLANCO, CALDWELL, HAYS, AND GUADALUPE COUNTIES BY SHARING
 INFORMATION, SUPPORTING PREPARATION AND EDUCATION, SIMPLIFYING
 RESIDENT ACCESS TO RESOURCES, AND ASSISTING AFFECTED RESIDENTS WITH

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? ☐ Yes ☒ No

If "Yes," describe these new services on Schedule O.

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? ☐ Yes ☒ No

If "Yes," describe these changes on Schedule O.

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses.

Section 501(c)(3) and 501(c)(4) organizations are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

4a (Code:) (Expenses \$ 1,688,159. including grants of \$ 1,280,527.) (Revenue \$)**PANDEMIC RECOVERY**

BLANCO RIVER REGIONAL RECOVERY TEAM [BR3T] ADMINISTERED 3 DIFFERENT
 HOUSING STABILITY SERVICES GRANTS WITH THE GOAL OF HELPING ITS
 RESIDENTS, WHO HAVE HOUSING INSTABILITY AND FINANCIAL HARDSHIPS, TO
 OBTAIN OR MAINTAIN STABLE HOUSING. THE STATE GRANT WITH TDHCA HELPS
 RESIDENTS GET INTO PERMANENT HOUSING; THIS GRANT CAN PAY FOR RENTAL
 APPLICATION FEES, SECURITY AND UTILITY DEPOSITS, AND SHORT-TERM HOTEL
 STAYS. THE CITY OF SAN MARCOS GRANT AND THE COUNTY OF HAYS GRANT HELP
 RESIDENTS MAINTAIN STABLE HOUSING; THESE GRANTS CAN PAY FOR RENTAL AND
 UTILITY ASSISTANCE FOR QUALIFIED RESIDENTS. ASSISTING OUR RESIDENTS
 WITH STABLE HOUSING HELPS THEM TO BE BETTER PREPARED FOR THE NEXT
 DISASTER.

4b (Code:) (Expenses \$ including grants of \$) (Revenue \$)**STORM RECOVERY**

BR3T PROVIDED ASSISTANCE WITH STORM RECOVERY FOR RESIDENTS IN OUR
 COUNTIES.

4c (Code:) (Expenses \$ including grants of \$) (Revenue \$)**4d** Other program services (Describe on Schedule O.)

(Expenses \$ including grants of \$) (Revenue \$)

4e Total program service expenses 1,688,159.



BR3T Nondiscrimination Policy

BR3T is committed to providing an inclusive and welcoming environment for all members of our staff, volunteers, program participants, and the communities we serve.

BR3T is an Equal Opportunity Provider. In accordance with Federal civil rights law and U.S. Department of Housing and Urban Development (HUD) civil rights regulations, this institution is prohibited from discriminating on the basis of race, color, national origin, sex (including gender identity and sexual orientation), age, or disability. You can file a complaint with Recovery@BR3T.org or call (512) 677-9701.

We do not and shall not discriminate based on race, color, religion (creed), gender, gender identity or expression, age, national origin (ancestry), disability, marital status, sexual orientation, military status, political affiliation, or any other characteristic protected by applicable federal, state, or local law, in any of our activities or operations.

These activities include, but are not limited to, appointment and termination of Board of Directors members, hiring and firing of staff and contractors, selection of volunteers and vendors, and provision of services.

We are committed to providing an inclusive and respectful environment where everyone is treated with dignity and fairness.



HSS Program Policies and Procedures

Housing Stability Services

Housing Stability Services (HSS) Policies and Procedures Manual

This manual establishes the operational framework for BR3T's Housing Stability Services (HSS) program, sustaining a proven, fully operational model designed to prevent homelessness and stabilize residents.

1. Program Overview

- **Mission:** To provide essential housing stability services that ensure residents have a safe, secure place to call home by converting immediate crises into long-term stability.
- **Target Population:** Low-income residents who are literally homeless or at imminent risk of displacement.
- **Service Area:** Primarily residents within the **San Marcos City Limits** for municipal grants, with broader regional support for Blanco, Caldwell, Hays, and Guadalupe counties.

2. Eligibility and Enrollment

To receive assistance, applicants must meet the following income and residency requirements:

1. **Residency:** Must provide proof of residency within the **San Marcos City Limits** (for HSAB/CDBG funds address can be checked at <https://experience.arcgis.com/experience/dc64878cbe4f4764b0255d964bde5ad1> or the relevant regional service area).
2. **Income Limits:**
 - **Standard HSS/HSAB:** Total household income must be verified at or below **50% AMI**.
 - **TBRA (Tenant-Based Rental Assistance):** Households must be verified at or below **80% AMI** per state/federal guidelines.
2. **Housing Status:** Must be experiencing literal homelessness or facing a **temporary financial hardship** resulting in an active eviction or utility disconnection notice at the primary residence of the household.
3. **Duplication of Benefits:** Assistance provided to an eligible household should not be duplicative of any other funding provided by another organization to such household.
4. **Future Sustainability:** Must demonstrate an existing income source and the ability to maintain future rent and utilities once one-time assistance is provided.
5. **Lease Terms:** Assistance is prioritized for households with a formal lease agreement.
 - **Minimum Term:** For security deposit assistance, the lease term must be a **minimum of 12 months**; month-to-month leases are ineligible for deposit support.
 - **Assistance Cap:** Security deposit assistance provided by **BR3T** can be **no more than the equivalent of 2 months' rent**.

3. Rent Ceiling and Sustainability Standards

To ensure the prudent use of grant funds and the long-term success of the household, the following rent standards apply:

1. **Fair Market Rent (FMR):** Rental units with a monthly rent exceeding the **Fair Market Rent** (as defined by the **HUD Fair Market Rent Documentation System** for the current fiscal year) will not be supported.

FY2026 SAFMRs By Unit Bedrooms 78666					
ZIP Code	Efficiency	One-Bedroom	Two-Bedroom	Three-Bedroom	Four-Bedroom
78666	\$1,170	\$1,250	\$1,480	\$1,880	\$2,200

2. **Rent-to-Income Ratio:** To ensure ongoing affordability, rental units where the monthly rent exceeds **50% of the gross household income** will not be supported.

4. Emergency Short-Term Hotel Stays

A dedicated resource exists for immediate emergency placement when a resident's safety or shelter is at risk.



HSS Program Policies and Procedures

Housing Stability Services

- **Referral Sources:** Stays are provided specifically for referrals from the **City Neighborhood Enhancement (Code Compliance) Department, SMPD Homeless Outreach Team (HOT), and SMPD Victim Services.**
- **Eligibility Waiver:** Standard eligibility requirements (including income and residency verification) are **waived for the first 5 days** for clients placed by these departments. This allows for immediate stabilization while the **Case Manager** works with the client to gather documentation for long-term housing navigation.

5. Income Eligibility and Household Composition

A household is defined as all persons occupying the same housing unit, regardless of their relationship to each other.

- **Income Calculation:** Reported income for 30-60 days is annualized based on documentation. Income documentation will not be accepted if more than 120 days old.
- **Minor Children:** Considered members; earned income is **not** counted.
- **Shared Custody:** Children counted if residing in the home at least **50% of the time.**
- **Temporarily Absent Members:** Included in income calculations regardless of contribution level.
- **Live-in Aides:** Paid, non-related aides are **not** considered household members.
- **Permanently Absent Members:** Inclusion is at the discretion of the head of household.

6. Core Services and Operational Procedures

- **Direct Financial Relief:** Includes **Past-Due Rent** to prevent eviction and **Application Fees/Security and Pet Deposits/Utility Deposits** (requires **12-month lease**, SD capped at **2 months' rent**, and must meet **Rent Ceiling**) to obtain stable housing.
- **Professional Support:** Mandatory **Intensive Case Management** and **Financial Counseling** with the **Case Manager.**
- **Eligibility Documentation:** Case Managers/Caseworkers work with clients to collect all necessary eligibility documentation. Clients who have not provided all necessary documentation within 2 weeks may have their cases marked as incomplete.
- **Tracking:** All requirements and approvals are tracked in our case management system (Salesforce). Once all requirements have been completed, Case Managers submit the case for approval.
- **Two Step Approval Process:** The **Program Manager** or designated supervisor reviews and approves all eligibility requirements submitted by case managers before the **Executive Director** authorizes payment.
- **Third-Party Payments:** Checks are issued directly to verified landlords, utility companies, or hotel vendors.

7. Compliance and Oversight

- **Data Integrity:** Real-time tracking via **Salesforce** and **QuickBooks** ensures **100% audit readiness.**
 - **Board Oversight:** The **Volunteer Board of Directors** performs monthly fiscal reviews.
 - **Appeal Process:** Clients can appeal decisions made by BR3T and must submit additional documentation.
-



Community Action, Inc. of Central Texas

— DEVELOPING OPPORTUNITIES —

215 S. Reimer Avenue, Suite 130 – P.O. Box 748 San Marcos, TX 78667-0748
(512) 392-1161 – FAX (512) 396-4255
www.communityaction.com

February 24, 2026

Dear Members of the Human Services Advisory Board,

On behalf of Community Action, Inc. of Central Texas, I am pleased to express our strong support for the Blanco River Regional Recovery Team (BR3T) Housing Stability Services program, which provides both long-term Tenant-Based Rental Assistance (TBRA) and short-term rent relief paired with case management for San Marcos households experiencing housing instability.

For more than a decade, BR3T has been a trusted and reliable partner in addressing homelessness and housing crises in our community. As the need for housing assistance has far exceeded available resources, our organizations have deepened collaboration to expand solutions for vulnerable families. This partnership has led to innovative approaches, including the expansion of long-term TBRA through BR3T's participation as a TDHCA grantee, effectively doubling the regional capacity to deliver two-year rental assistance to households most at risk of homelessness.

The need for these services continues to intensify. The City of San Marcos and Hays County are facing a severe and worsening housing affordability crisis, reflected in rapidly rising rents, escalating home prices, and increasing homelessness. Today, 57% of renter households in Hays County are cost-burdened, and 33.5% are severely cost-burdened, spending at least half of their income on housing. Households at this level of burden face a high risk of eviction and homelessness.

These conditions demonstrate a clear and growing need for a variety of housing solutions including short-term rent relief and TBRA paired with case management. Rental assistance alone addresses immediate affordability gaps, but sustained housing stability requires support to increase income, access benefits, and navigate barriers. BR3T's program directly meets this need by ensuring that San Marcos households receiving rental assistance also receive the case management necessary to achieve and maintain long-term housing stability.

BR3T's work does more than prevent eviction. It preserves family stability, protects children from the trauma of displacement, and sustains the social and economic fabric of our community. When a family remains housed, children stay in school, parents remain employed, and the community retains its workforce and neighborhood stability. The Human Services Advisory Board's investment in BR3T's Housing Stability Services is an investment in the dignity, safety, and future of San Marcos residents.

We respectfully urge you to fund BR3T's Housing Stability Services program so that our community can continue responding effectively to the growing housing crisis and ensure that our most vulnerable neighbors have a pathway to stable, permanent housing.

Sincerely,

Doug Mudd

Executive Director

Community Action, Inc. of Central Texas



February 23, 2026

City of San Marcos Human Services Advisory Board (HSAB)

RE: Letter of Support for Blanco River Regional Recovery Team (BR3T)

To the Grant Committee,

On behalf of Southside Community Center, I am writing to express our deepest support for the Blanco River Regional Recovery Team's (BR3T) application to the City of San Marcos Human Services Grant. They are a crucial part of our community's housing safety net.

Southside's Housing Stability Program includes Transitional Housing, of which BR3T is a key partner. Clients have often been unhoused for months or years prior to entering this program. Southside provides temporary shelter and food for these clients while BR3T provides case management and deposit assistance. This helps set outgoing shelter clients on a path to long-term, stable housing.

BR3T and Southside share a goal of stopping the growth of homelessness in San Marcos. Stable housing is a key aspect of healthy living. Without secure habitation, individuals are unable to even think about the best ways to care for their mind, body, and spirit. BR3T works to address this reality by helping individuals and families enter and remain in stable housing. Southside's Transitional Housing Program would not have long-term success without this partnership.

Through our partnership in Transitional Housing as well as years of experience working together during emergency and long-term challenges, we have confidence that BR3T will use granted money with integrity. We strongly urge your support of their application.

Sincerely,

Deborah Villalpando, EP

Deborah Villalpando
Executive Director
Southside Community Center

 512-392-6694

 office@southsidecenter.org

 [Southsidecommunitycenter.org](https://southsidecommunitycenter.org)

 518 S. Guadalupe St
San Marcos, TX 78666



February 6, 2026

City of San Marcos
630 East Hopkins
San Marcos, TX 78666

RE: Letter of Support for BR3T – CDBG Grant Application

To the CDBG Review Committee,

As a community leader serving vulnerable households in the San Marcos area, I am writing to express my strong support for the Blanco River Regional Recovery Team (BR3T) and to affirm the significant value they bring to our local recovery and housing stability efforts.

Through my work in the community, I have consistently observed BR3T's ability to meet people at critical moments of need and walk alongside them with professionalism, clarity, and care. Their work extends beyond short-term assistance and instead focuses on long-term stability—helping individuals and families navigate complex challenges related to housing insecurity, financial strain, and recovery after a crisis.

One of BR3T's greatest strengths is their case management approach. They do not simply provide resources; they provide guidance. Their team takes the time to understand each household's situation, coordinate appropriate services, and ensure clients are supported through each step of the recovery process. This level of case management is essential in a community where many residents face overlapping barriers and need a clear, trusted advocate to help them move forward.

BR3T also plays a critical role in strengthening the broader nonprofit ecosystem. They collaborate well with partner organizations, communicate clearly, and serve as a reliable point of connection for clients who require multiple forms of assistance. Their presence helps ensure that community resources are used effectively and that individuals do not fall through gaps between services.

From a community-wide perspective, BR3T's work contributes directly to housing stability, reduced displacement, and improved outcomes for residents who might otherwise remain in crisis. Their ability to combine practical assistance with thoughtful case management makes them an essential part of long-term recovery efforts in our region.

For these reasons, I strongly encourage consideration of BR3T for funding. Their work is impactful, their leadership is trusted, and their continued presence is vital to the health and stability of our community.

Please feel free to contact me if additional information would be helpful.

Sincerely,

Monica Followell
Executive Director of Mission Able

FEBUARY 17, 2026

To Whom It May Concern:

Greetings! My name is Jennifer B. and I am 44 years young. I have 2 grown children(23,26) and a teenage kiddo(15) who's still at home and attending San Marcos High School. I have lived in San Marcos off and on since 2005. In late 2023 I moved from New York back to San Marcos and proceeded to try and find work. Due to a toxic family environment in 2024 I became homeless and ended up at a women's shelter with my daughter. I was deeply struggling to find work as well as desperately seeking stable housing. After my time at the shelter was complete I was able to rely on the BR3T program for their housing services. I was under the motel stay program for approximately 3 months where, through the assistance of the lovely workers at BR3T, I was able to find a job and also locate a nice and affordable apartment. Kylie and everyone at BR3T was encouraging, insightful and also helped with my deposit fee for my home. I was able to get a decent start to 2025 because of this crucial assistance.

Unfortunately later in fall of 2025 I became unemployed because of cuts and once again sought help from the BR3T program. This time the program help keep me in my apartment, shielding me and my daughter from winter homelessness. I was able to have some peace of mind through a very rough time in my life. Without the assistance of programs like BR3T I would have had no where to turn in San Marcos as I do not have a reliable circle or support system here. The program is very beneficial for not only monetary assistance but also with financial literacy and various avenues of job hunting assistance.

I feel the need to stress the importance of programs like the BR3T office has to offer as being a literal lifesaver to people in desperate situations. Many times local programs help keep families together and offer real safety to vulnerable people. I really don't know where my life would be without the important intervention of the BR3T program. I appreciate everyone within the program and sincerely hope that critical programs like BR3T can continue to serve the residence of San Marcos and be the heroes we need!

Warm Regards,

Jennifer B
San Marcos TX 78666
[REDACTED]

I come from a domestic violence home and have 3 children from my abuser and 1 child from a relationship after. When I left my abuser I didn't know how to function and work I had been a stay-at-home mother for many years while I was with him. Leaving him had a huge impact on me, I had to get away, move out and find a way to survive. Fast forward to years later he ended up with primary custody of my 3 older kids because I wasn't stable enough to have them. I had moved into a 2 bedroom apartment struggled to pay the bills ended up pregnant with my youngest child and did by my self with her. Her father wasn't any better then my ex husband he as in out of jail so I had to make a decision to have a better life for my kids. After my lease was up I was struggling to make ends meet because I was then paying child support and take care of a yet another baby so I lived with friends for about a year and then got in to the DV program and got an apartment thru the HCWC I lived there for about 2 years but still was struggling to make ends meet because I had to pay bills child support gas food etc. because I didn't qualify for any government help only WIC. Anyway, the time had come that it was time for me to transition out but because of my apartment history I had it on my credit and struggled finding a place that would except me. When I finally did I was told that I needed to pay double the deposit plus first months and deposit for utility to get turned on well when I had applied for BR3T I had gotten approved thru them and man let me tell you that program helped me so much I got my apartment for my family they covered my deposit and utility deposit I moved was able to buy beds for me and my kids and everything fell into place after that the relief I felt to be able to finally get the help to have a better life my kids and to have roof over our heads and the feeling when my kids walked and started saying they loved there new place and saying they need these bed sheets and whatnot was the best filling. BR3T is such an awesome program for families who are trying to better for there kids and that need that extra help to be able to move forward form there traumatic experiences to give them a chance to provide for there children again.



BR3T Office <office@br3t.org>

City of San Marcos HSAB Grant

1 message

George M. Sweeney [REDACTED]
To: BR3T Office <office@br3t.org>

Fri, Feb 27, 2026 at 2:25 PM

To: Human Services Advisory Board and City of San Marcos Review Committee.
From: George M Sweeney
Date: February 27, 2026
Subject: City of San Marcos HSAB Grant

Good afternoon,

Through a series of events beyond my control, I found myself homeless from 2024 through the end of 2025. In fact, I was one of the last BR3T clients to move out of the Best Budget Inn, located at [903 S I-35 South Frontage Rd, San Marcos, TX 78666](#) prior to BR3T's funding coming to an end.

I tried 211, Community Action Group out of Austin, the Austin Area on Aging Council, St. Vincent De Paul, and various other organizations seeking help to climb my way out of homelessness. None of them were able to assist me. Finally, I found Southside Community Center located at [518 S Guadalupe St, San Marcos, TX 78666](#). Someone at Southside suggested I reach out to BR3T who were working out of the Best Budget Inn.

I was apprehensive at first but am so glad I made contact with BR3T.

Kylie was the first person I met. Later, I also had the privilege of working with Avery and Broderick as well. They were non judgemental and incredibly supportive. Not once did they ever make me feel like I was less than human. They always treated me with respect., were patient, and provided me with the resources needed to finally escape homelessness.

There is a stigma surrounding the homeless. We are, and have been, frowned upon by society, ignored, often looked at with disdain, and almost always made to feel like we have no worth. Not once, at any given time, did I experience any of that from the BR3T staff.

They are fine individuals dealing with issues no one else wants to tackle with a level of grace and professionalism I had not been able to find elsewhere.

I stayed in a room provided by BR3T on two separate occasions in 2025 with the second being the most difficult. I had sustained a head wound, was not really in decent enough condition to go back on the streets or live in my car, and felt I was, perhaps, at the lowest point in my life. It was humiliating for me to have to ask them for assistance a second time. They immediately took action and, once again, provided shelter for me. If it had not been for BR3T, I honestly don't know what would have become of me. They saved my life. Its as simple as that.

BR3T provides these services free of charge, often going above and beyond anyone's expectations, never expecting anything in return...not even a "Thanks."

They provide an essential service in ways no other organization can and it would be a disservice to not just the homeless in San Marcos but the entire populous as well.

I literally owe BR3T my life and implore you to provide them with a new City of San Marcos HSAB Grant. Your Return on Investment when weighed in human life will be exponentially greater than the grant itself.

Thank you for your time and consideration.



BR3T Office <office@br3t.org>

BR3T Letter of Support Request

YAHUAHS WILL BE DONE [REDACTED]

Fri, Feb 27, 2026 at 10:22 AM

To: BR3T Office <office@br3t.org>

To Whom It May Concern,

I would like to sincerely thank BR3T for the incredible support they have shown me. I had traveled from the other side of the country and initially missed the opportunity for assistance. However, when I was given a second chance, the team encouraged me, supported me, and went above and beyond to help.

They provided helpful information about the surrounding area and made sure I had everything I needed. During a very difficult season in my life, their care, respect, and encouragement meant more than I can express. They reminded me that I matter and that I am capable of becoming someone.

I am truly grateful for BR3T and the role they have played in my journey.
Thank you again, BR3T, for all the help and kindness you have given me.

Sincerely, Amanda Lemon

2/26/2026

[Quoted text hidden]



BR3T Board Resolution: City of San Marcos CDBG Application

WHEREAS, the Board of Directors of the Blanco River Regional Recovery Team (BR3T) met on February 11, 2026, and a quorum was present; and

WHEREAS, the City of San Marcos has announced the availability of Community Development Block Grant (CDBG) funds for the 2026-2027 Program Year to support eligible projects benefiting low-to-moderate income residents; and

WHEREAS, the Board of Directors has reviewed the community needs and determined that applying for CDBG funds to support the Housing Stability Services (HSS) program is in the best interest of the organization and the residents of San Marcos;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE BLANCO RIVER REGIONAL RECOVERY TEAM:

1. **Approval to Apply:** The Board hereby authorizes and approves the preparation and submittal of an application to the City of San Marcos for available CDBG funding to support the HSS program.
2. **Designation of Authorized Signer:** The Board hereby designates Elizabeth Wills, Executive Director, as the official representative authorized to execute all necessary applications, contracts, payment requests, and legal agreements on behalf of the organization for the purposes of securing and administering these CDBG funds.
3. **Compliance:** The organization agrees to comply with all federal, state, and local regulations associated with the CDBG program, including all reporting and environmental review requirements.

ADOPTED this 11th day of February 2026.

ATTESTED BY:

Earl Bolls, Board President

Analysis of Service Expansion: Housing Stability Services (HSS)

1. Detail of Program Expansion

BR3T is expanding its Housing Stability Services (HSS) to implement a dedicated track for Long-Term Housing Transitions. This expansion is necessitated by the launch of our Tenant-Based Rental Assistance (TBRA) program and other pending grants that provide long-term rental subsidies but lack sufficient funding for the intensive case management required for sustained success.

BR3T is currently the top-ranked applicant for the 2026 TDHCA CSBG Reentry Activities grant, which is scheduled for final board approval on March 6, 2026. As one of only four projected awardees statewide, this grant will provide significant direct housing assistance for San Marcos residents transitioning from incarceration. However, because these state funds are primarily restricted to direct aid (deposits and rent), CDBG support is essential to provide the intensive case management required for this high-need population. This 'braided' funding model ensures that state dollars for housing are matched with the local professional guidance necessary for long-term success.

While BR3T has a proven history of providing emergency rent and deposit assistance, this CDBG-funded expansion allows our Case Management team to:

- **Implement Long-Term Case Management:** We are increasing our capacity to provide the extended, multi-month oversight required for households entering long-term subsidized housing. This moves beyond our traditional "one-time" crisis intervention to a sustained stabilization model.
- **Scale Housing Navigation:** For households requiring relocation, we provide specialized 1-on-1 support including landlord negotiations to secure lease approvals for high-risk tenants—a resource-intensive process essential for long-term stability.
- **Targeted Financial Counseling:** We utilize a formal intake assessment to identify households that will benefit from intensive financial counseling and a structured budget review. For these identified cases, counseling is a mandatory component of the stabilization process, ensuring the client develops the necessary skills for long-term success.

2. Number of New Beneficiaries to be Served

Through this CDBG-funded expansion, BR3T projects providing this deeper level of transitional support and intensive navigation to an additional 25 unduplicated San Marcos households.

3. Determination of Expansion Projections

This number was determined based on the following data points:

- **TBRA & Reentry Implementation Scoping:** BR3T anticipates managing 20 active TBRA cases and a new cohort of CSBG Reentry clients requiring long-term, high-intensity case management to achieve permanent stability.

- **Proven Program Impact:** In 2025, BR3T served 449 households overall, helping 202 households obtain stable housing and preventing 59 imminent evictions. Our internal records confirm that 83% of our unduplicated participants are San Marcos residents, establishing a deep local footprint. This funding allows us to maintain this high-intensity support for our core city population while expanding to include long-term transitions like the TBRA track.
- **Staff Capacity Modeling:** We calculated the average "contact hours" required for successful stabilization—including landlord negotiations and targeted budgeting—against the proposed CDBG-funded staff hours to ensure a high-quality, realistic service target.



Summary of City of San Marcos Funding (Past Two Years)

- **2025 ARPA Funds**

- **Amount:** \$217,418.99
- **Purpose:** To provide emergency rent assistance to San Marcos residents to support community recovery.

- **2023-2024 CDBG-CV (Coronavirus Response) Funding**

- **Amount:** \$192,374.17
- **Purpose:** Administered for a dedicated Rent and Utilities Assistance program for eligible families at risk of homelessness due to pandemic-related financial hardships.

- **Human Services Advisory Board (HSAB) Grant - FY2026**

- **Amount:** \$37,000
- **Purpose:** For "Housing Stability Services" to provide intensive case management and financial assistance (eviction prevention and obtaining Stable Housing) for low-to-moderate income households.

BLANCO RIVER REGIONAL RECOVERY TEAM

Financial Statements,
Independent Auditor's Report,
and Single Audit Reporting

December 31, 2024 and 2023



Calvetti Ferguson

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Independent Auditor's Report

To the Board of Directors
Blanco River Regional Recovery Team
San Marcos, Texas

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Blanco River Regional Recovery Team ("BR3T"), which comprise the statement of financial position as of December 31, 2024, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, BR3T's financial position as of December 31, 2024, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America ("GAAP").

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America ("GAAS") and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of BR3T and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Management's Responsibilities for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with GAAP, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events that, considered in the aggregate, raise substantial doubt about BR3T ability to continue as a going concern for one year after the date the financial statements are issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not absolute assurance; as such, it is not a guarantee that an audit conducted in accordance with GAAS and Government Auditing Standards will always detect a material misstatement when it exists.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, misrepresentations, intentional omissions, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and Government Auditing Standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of BR3T internal control. Accordingly, we express no such opinion.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events that, considered in the aggregate, raise substantial doubt about BR3T's ability to continue as a going concern for a reasonable period of time.

We are also required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards on page 12, as required by Title 2 U.S. Code of Federal Regulations ("CFR") Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements.

The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report, dated August 20, 2025, and presented herein on pages 14-15, on our consideration of BR3T's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of BR3T's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering BR3T's internal control over financial reporting and compliance.

Other Matter

BR3T's financial statements as of and for the year ended December 31, 2023, were audited by Randy Walker & Co., an accounting firm acquired by Calvetti Ferguson on August 1, 2025. The audit report for those financial statements, which was issued by Randy Walker & Co. on September 11, 2024, expressed an unmodified opinion. The summarized comparative information presented herein as of and for the year ended December 31, 2023, is consistent, in all material respects, with the audited financial statements from which it has been derived.



San Antonio, Texas
August 20, 2025

BLANCO RIVER REGIONAL RECOVERY TEAM
STATEMENTS OF FINANCIAL POSITION
As of December 31, 2024 and 2023

	<u>2024</u>	<u>2023</u>
<u>ASSETS</u>		
<u>CURRENT ASSETS</u>		
Cash and Cash Equivalents	\$ 132,642	\$ 78,835
Grants Receivable	132,906	147,852
Prepaid Expenses	2,716	2,716
Total Current Assets	<u>268,264</u>	<u>229,403</u>
TOTAL ASSETS	<u>\$ 268,264</u>	<u>\$ 229,403</u>
<u>LIABILITIES AND NET ASSETS</u>		
<u>CURRENT LIABILITIES</u>		
Accounts Payable	\$ 66,039	\$ 56,357
Accrued Liabilities	3,557	21,247
Total Current Liabilities	<u>69,596</u>	<u>77,604</u>
TOTAL LIABILITIES	<u>69,596</u>	<u>77,604</u>
<u>NET ASSETS</u>		
Without Donor Restrictions	197,869	148,461
With Donor Restrictions	<u>799</u>	<u>3,338</u>
TOTAL NET ASSETS	<u>198,668</u>	<u>151,799</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 268,264</u>	<u>\$ 229,403</u>

The accompanying notes are an integral part of these financial statements.

BLANCO RIVER REGIONAL RECOVERY TEAM
STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2024
(Summarized for 2023)

	2024			2023
	Without Donor Restrictions	With Donor Restrictions	Total	Total
<u>OPERATING SUPPORT AND REVENUE</u>				
Grants	\$ -	\$ 1,734,527	\$ 1,734,527	\$ 2,098,551
Contributions	36,061	303	36,364	44,508
Other Income	200	-	200	300
Net Assets Released from Restrictions	1,737,369	(1,737,369)	-	-
TOTAL OPERATING SUPPORT AND REVENUE	1,773,630	(2,539)	1,771,091	2,143,359
<u>OPERATING EXPENSES</u>				
Program	1,688,159	-	1,688,159	2,064,498
General and Administrative	36,063	-	36,063	41,372
TOTAL OPERATING EXPENSES	1,724,222	-	1,724,222	2,105,870
CHANGE IN NET ASSETS	49,408	(2,539)	46,869	37,489
NET ASSETS - BEGINNING OF YEAR	148,461	3,338	151,799	114,310
NET ASSETS - END OF YEAR	\$ 197,869	\$ 799	\$ 198,668	\$ 151,799

The accompanying notes are an integral part of these financial statements.

BLANCO RIVER REGIONAL RECOVERY TEAM
STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended December 31, 2024
(Summarized for 2023)

	2024			2023
	Program	General and Administrative	Total	Total
<u>OPERATING EXPENSES</u>				
Payroll Expense:				
Salaries	\$ 188,572	\$ 20,953	\$ 209,525	\$ 297,227
Payroll Taxes	14,971	1,663	16,634	25,714
Total Payroll Expenses	203,543	22,616	226,159	322,941
Client Assistance	1,280,527	-	1,280,527	1,582,525
Contracted Services	158,561	4,908	163,469	117,477
Rent	24,300	2,700	27,000	53,744
Accounting Fees	15,581	2,600	18,181	19,249
Office Expenses	3,335	165	3,500	6,489
Insurance	700	2,656	3,356	1,113
Supplies	1,416	-	1,416	1,877
Dues and Subscriptions	-	418	418	418
Advertising	172	-	172	-
Bank Charges	24	-	24	37
TOTAL OPERATING EXPENSES	\$ 1,688,159	\$ 36,063	\$ 1,724,222	\$ 2,105,870

The accompanying notes are an integral part of these financial statements.

BLANCO RIVER REGIONAL RECOVERY TEAM
STATEMENTS OF CASH FLOWS
For the Years Ended December 31, 2024 and 2023

	<u>2024</u>	<u>2023</u>
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>		
Change in Net Assets	\$ 46,869	\$ 37,489
Adjustments to Reconcile Net Change to		
Net Cash Provided by Operating Activities:		
Decrease in Assets:		
Grants Receivable	14,946	19,406
Increase (Decrease) in Liabilities:		
Accounts Payable	9,682	(16,531)
Accrued Liabilities	(17,690)	(2,948)
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>53,807</u>	<u>37,416</u>
NET INCREASE IN CASH FLOWS	53,807	37,416
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	<u>78,835</u>	<u>41,419</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u><u>\$ 132,642</u></u>	<u><u>\$ 78,835</u></u>

The accompanying notes are an integral part of these financial statements.

BLANCO RIVER REGIONAL RECOVERY TEAM
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2024 and 2023

NOTE 1 – ORGANIZATION AND SUMMARY OF ACCOUNTING POLICIES

The accompanying statements of Blanco River Regional Recovery Team (“BR3T”) have been prepared on the accrual basis of accounting. The significant accounting policies followed are described below to enhance the usefulness of the financial statements to the reader.

Nature of Activities

BR3T is a Texas 501(c)(3) non-profit corporation organized in September 2015 to facilitate long-term recovery for victims of the Memorial Day Weekend, All Saints, and other disasters in the counties of Blanco, Caldwell, Guadalupe, and Hays in Texas. BR3T’s primary funding sources are grants and contributions to offer assistance and home repair services to victims of disasters.

Basis of Presentation

BR3T is required to report information regarding its financial position and activities according to two classes of net assets:

- *Net Assets Without Donor Restrictions* – Net assets available for use in the general operations and not subject to donor restrictions. Assets restricted solely through the actions of the Board of Directors are reported as net assets without donor restrictions, board-designated.
- *Net Assets With Donor Restrictions* – Net assets subject to donor restrictions that may or will be met either by actions of BR3T and/or the passage of time. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles (“GAAP”) includes the use of estimates that affect the financial statements. Accordingly, actual results could differ from those estimates.

Cash and Cash Equivalents

For purposes of reporting cash flows, BR3T considers all certificates of deposit and money market fund purchases with an original maturity of three months or less to be cash equivalents.

Advertising Costs

Advertising costs are expensed as incurred. Advertising expense for the years ended December 31, 2024 and 2023 was \$172 and \$0, respectively.

Income Taxes

BR3T is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. As of December 31, 2024, the tax years that remain subject to examination by taxing authorities begin with 2021.

BLANCO RIVER REGIONAL RECOVERY TEAM
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2024 and 2023

NOTE 1 – SUMMARY OF ACCOUNTING POLICIES (continued)

Functional Allocation of Expenses

The costs of providing the services and other activities of BR3T have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited. These expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include payroll expenses which are allocated on the basis of estimates of time and effort, as well as office expenses, rent, supplies, and various other expenses which are allocated on the basis of square footage or some other reasonable basis.

Grants and Contributions

BR3T records contributions and grants in accordance with Accounting Standards Update (“ASU”) 2018-08, Not-for-Profit Entities (Topic 958): *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*. Grants and contributions received are recorded as revenue without donor restrictions or with donor restrictions, depending on the existence and/or nature of any grantor or donor restrictions. When a restriction expires, that is, when a stipulated time restriction ends or purpose restriction is fulfilled, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

NOTE 2 – GRANTS RECEIVABLE

Grants receivable primarily represents amounts due from federal government grants. BR3T receives a portion of its revenues from government grants, all of which are subject to audit by the government. The ultimate determination of amounts to be received under these programs is generally based upon allowable costs reported to and audited by the government. Until such audits have been completed and final settlement reached, there exists a contingency with respect to the amount receivable from the government agency in excess of allowable costs. Management is of the opinion that no material adjustments will result from such an audit. All grants receivable are considered to be fully collectible; therefore, no allowance is recorded. Grants receivable was \$132,906 and \$147,852 at December 31, 2024 and 2023, respectively.

NOTE 3 – REVENUE CONCENTRATIONS AND ECONOMIC DEPENDENCY

BR3T received grant revenue totaling \$1,734,527 and \$2,098,551 from state and local agencies for the years ended December 31, 2024 and 2023, respectively, representing 98% of BR3T’s total support and revenue for both years.

The amounts allocated to BR3T depend upon the availability of funds, possible changes in the allocation of the grantor’s resources, and the grantor’s continued confidence in the programs that they support.

NOTE 4 – LIQUIDITY AND AVAILABILITY OF FINANCIAL RESOURCES

The following reflects BR3T’s financial assets as of the statement of financial position date, reduced by amounts not available for general use because of donor-stipulated restrictions.

BLANCO RIVER REGIONAL RECOVERY TEAM
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2024 and 2023

NOTE 4 – LIQUIDITY AND AVAILABILITY OF FINANCIAL RESOURCES (continued)

	<u>2024</u>	<u>2023</u>
Cash and Cash Equivalents	\$ 132,642	\$ 78,835
Grants Receivable	<u>132,906</u>	<u>147,852</u>
Total Financial Assets	<u>265,548</u>	<u>226,687</u>
 Donor Restrictions	 <u>(799)</u>	 <u>(3,338)</u>
Financial Assets Available to Meet Cash		
Needs for Expenditures Within One Year	<u>\$ 264,749</u>	<u>\$ 223,349</u>

BR3T's primary sources of cash flows during the year are grants and contributions. These revenue sources provide a consistent inflow of cash throughout the year to cover normal operating expenses.

NOTE 5 – LEASES

BR3T leased three office spaces under month-to-month operating leases in 2023. In 2024, one office lease was not renewed. Rent expense amounted to \$27,000 and \$53,744 for the years ended December 31, 2024 and 2023, respectively.

NOTE 6 – NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions of \$799 and \$3,338 were available for emergency shelter at December 31, 2024 and 2023, respectively.

NOTE 7 – FAIR VALUE OF FINANCIAL INSTRUMENTS

BR3T follows the provisions of ASC 820, Fair Value Measurements and Disclosures. ASC 820 defines fair value as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market, and establishes a framework for measuring fair value in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants at the measurement date.

The valuation techniques required by ASC 820 are based upon observable and unobservable inputs, and ASC 820 establishes a three-level fair value hierarchy that prioritizes the inputs used to measure fair value.

The three levels of inputs used to measure fair value are as follows:

- Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets or liabilities and have the highest priority.
- Level 2 valuations are based on quoted prices in markets that are not active.
- Level 3 valuations are based on inputs that are unobservable and supported by little or no market activity.

BR3T's current assets and liabilities as presented in the statements of financial position are Level 1. BR3T does not have Level 2 or Level 3 assets or liabilities. The carrying amounts reported in the statements of financial position approximate fair values because of the short maturities of those instruments.

BLANCO RIVER REGIONAL RECOVERY TEAM
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2024 and 2023

NOTE 8 – SUBSEQUENT EVENTS

BR3T has evaluated subsequent events through August 20, 2025, the date on which the financial statements were available to be issued.

FINANCIAL AWARDS SECTION

BLANCO RIVER REGIONAL RECOVERY TEAM
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended December 31, 2024

Grantor/Pass Through Grantor/Program Title	Assistance Listing Number	Pass-Through Entity Identifying Number	Federal Expenditures
U.S. DEPARTMENT OF THE TREASURY			
Passed Through Texas Department of Housing and Community Affairs: Emergency Rental Assistance Program	21.023	20220000010	\$ 816,094
Passed Through County of Hays: Coronavirus State and Local Fiscal Recovery Funds	21.027	SLFRF5259	861,762
<i>Total U.S. Department of the Treasury</i>			<u>1,677,856</u>
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			
Passed Through City of San Marcos: Community Development Block Grant Program for Entitlement Communities- Rent and Utility Relief Program	14.218	CDBG-CV-B-20-MW-48-0513	56,671
<i>Total U.S. Department of Housing and Urban Development</i>			<u>56,671</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u><u>\$ 1,734,527</u></u>

See accompanying notes to schedule of expenditures of federal awards.

BLANCO RIVER REGIONAL RECOVERY TEAM
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended December 31, 2024

NOTE 1 – GENERAL

The accompanying schedule of expenditures of federal awards presents expenditures for all federal assistance awards that were in effect for the year ended December 31, 2024 for Blanco River Regional Recovery Team (“BR3T”). BR3T’s reporting entity is described in Note 1 of the financial statements.

NOTE 2 – BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of BR3T and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (“CFR”) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (“Uniform Guidance”). Because the schedule presents only a selected portion of BR3T’s operations, it is not intended to present, nor does it present the financial position, changes in net assets, or cash flows of BR3T.

NOTE 3 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reflected on the schedule of expenditures of federal awards are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance – *Cost Principles for Non-Profit Organizations* wherein certain types of expenditures are not allowable or are limited as to reimbursement.

NOTE 4 – OTHER DISCLOSURES

There were no loans or loan guarantees outstanding at year-end.

BR3T has elected to use the 10% de minimis indirect cost rate.

BR3T did not disburse any federal awards to subrecipients for the year ended December 31, 2024.

SUPPLEMENTARY INFORMATION

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL
OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED
ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH GOVERNMENT AUDITING STANDARDS**

Board of Directors
Blanco River Regional Recovery Team
San Marcos, Texas

We have audited, in accordance with the auditing standards generally accepted in the United States of America ("GAAS") and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements of Blanco River Regional Recovery Team ("BR3T"), a non-profit corporation, which comprise the statement of financial position as of December 31, 2024, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated August 20, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered BR3T's internal control over financial reporting ("internal control") as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of BR3T's internal control. Accordingly, we express no opinion on the effectiveness of BR3T's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency or combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency or combination of deficiencies in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether BR3T's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of BR3T's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering BR3T's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Calvetti Ferguson

San Antonio, Texas
August 20, 2025

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED
BY THE UNIFORM GUIDANCE**

Board of Directors
Blanco River Regional Recovery Team
San Marcos, Texas

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Blanco River Regional Recovery Team's ("BR3T") compliance with the types of compliance requirements identified as subject to audit in the OMB Compliance Supplement that could have a direct and material effect on each of the BR3T's major federal programs for the year ended December 31, 2024. The BR3T's major federal programs are identified in the *Summary of Auditor's Results* section of the accompanying schedule of findings and questioned costs.

In our opinion, BR3T complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal programs for the year ended December 31, 2024.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America ("GAAS"); the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"). Our responsibilities under those standards and the Uniform Guidance are further described in the *Auditor's Responsibilities for the Audit of Compliance* section of our report.

We are required to be independent of BR3T and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of BR3T's compliance with the compliance requirements referred to above.

Management's Responsibilities for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to BR3T's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on BR3T's compliance based on our audit. Reasonable assurance is a high level of assurance, but it is not absolute assurance, and therefore is not a guarantee that an audit conducted in accordance with GAAS, Government Auditing Standards, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about BR3T's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, Government Auditing Standards, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding BR3T's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of BR3T's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of BR3T's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency or combination of deficiencies in internal control over compliance such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected and corrected on a timely basis.

A significant deficiency in internal control over compliance is a deficiency or combination of deficiencies in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the *Auditor's Responsibilities for the Audit of Compliance* section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

A handwritten signature in blue ink that reads "Calvetti Ferguson". The signature is written in a cursive, flowing style.

San Antonio, Texas
August 20, 2025

Blanco River Regional Recovery Team
Schedule of Current and Prior Year Findings
For the Year Ended December 31, 2024

Summary of Auditor's Results

Financial Statements

Type of auditor's report issued	Unmodified
Internal control over financial reporting:	
Material weakness(es) identified	None
Significant deficiencies identified that are not considered to be material weakness(es)	None
Noncompliance material to the financial statements	None

Federal Awards

Internal control over major programs:	
Material weakness(es) identified	None
Significant deficiencies identified that are not considered to be material weakness(es)	None
Type of auditor's report issued on compliance for major programs	Unmodified
Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance	None

Major Programs

Federal

21.023 Emergency Rental Assistance Program	None
21.0270 Coronavirus State and Local Fiscal Recovery Funds	None
Dollar threshold used to distinguish between type A and type B programs	\$750,000
Audit qualified as low-risk auditee	No

Findings – Financial Statements Audit	None
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Findings and Questioned Costs – Major Federal Award Programs Audit	None
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Blanco River Regional Recovery Team

Schedule of Current and Prior Year Findings

For the Year Ended December 31, 2024

Summary of Auditor's Results

Prior Year Findings – Financial Statements Audit

None

Prior Year Findings and Questioned Costs – Major Federal Award Programs Audit

See item 2023-001

2023-001 – Fraud Affecting Federal Program

Federal Awarding Agency – U.S. Department of the Treasury

Pass-Through Entity – Texas Department of Housing and Community Affairs

Assistance Listing and Title – 21.023 Emergency Rental Assistance Program

Condition: Through an internal review prompted by information provided by Sutton Apartment tenants, BR3T identified fourteen cases where rental assistance payments made by BR3T for security deposits, utility deposits, and application fees were misappropriated by the contracted housing provider (unrelated to the one documented in finding 2022-001). For these cases, assistance payments amounted to \$6,183 during the year ended December 31, 2023.

Criteria: Per 2 CRF section 200.516(a)(6), an auditor must report known or likely fraud affecting a federal program award.

Effect: BR3T issued rental assistance payments to a housing provider based on misleading or inaccurate documentation.

Cause of Condition: The housing provider supplied misleading or inaccurate documentation to BR3T in order to receive rental assistance payments.

Recommendation: We recommend management terminate its relationship with the housing provider and return the federal funds to the grantor for the cases identified by BR3T.

Current Year Observation: The condition was corrected during fiscal year 2024.