



DR24
Homeless Services Program Guidelines

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Language and Disability Accommodations

Every effort will be made to assist all members of the public. Upon request, program information, including application and supporting forms, will be available in the top five languages spoken in Houston (Spanish, Vietnamese, Chinese, Arabic, and French) and other native languages. Applications will be offered in a manner consistent with Title VI of the Civil Rights Act of 1964 and its implementing regulations, such as U.S. Department of Housing and Urban Development (HUD) regulations per [24 CFR § 5.502](#) and [§ 8.6](#); Title II of the Americans with Disabilities Act of 1990 (Pub. L. No. 101-336, 42 U.S.C. §§ 12101-12213)(ADA); Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. § 794)(Rehabilitation Act); and other related regulations and directives. To ensure effective communication, these statutes and regulations also require consideration of special populations, including but not limited to persons with disabilities and persons with limited English proficiency (LEP), as outlined in the latest [City of Houston \(City\) Administrative Procedure 2-11: Language Access](#) and other related regulations and directives.

Individuals who require an accommodation for language access (individuals who are non-English speaking or have limited English proficiency) or due to an impairment or disability, may contact Public Services Division at (832) 394-6200 or via email at HCDPublicServices@houstontx.gov.

Examples of potential accommodation may include:

- Arranging for qualified American Sign Language interpreters;
- Providing on-site captioning and/or remote conference captioning services;
- Producing alternate formats of print materials in braille, large print, or in an electronic format; and/or
- Accessible electronic and information technology.

Upon receiving an accommodation request, the City may contact the individual to obtain additional information to better assess the need. The City will make a good-faith effort to accommodate all reasonable requests that allow the individual to effectively participate in the Community Development Block Grant – Disaster Recovery 2024 (DR24) Homeless Services Program (HSP).

Contact Us

It is our mission to make participating in the HSP as straightforward and expedient as possible while remaining fully compliant with the conditions of this federal award. We welcome feedback from beneficiaries and the public on how we can improve our service to Houstonians. We further encourage

interested parties to reach out to their federal elected officials and provide feedback.

We welcome any questions or feedback regarding this document. If you would like to file a complaint or appeal, please refer to section 10 for instructions. If you would like to report potential fraud, waste, or abuse, please refer to section 12 for instructions.

For all other inquiries, we can be reached at the following:

Housing and Community Development Department

2100 Travis St., 9th Floor

Houston, TX 77002

(832) 394-6200

HCD@houstontx.gov

Disclaimer

These guidelines provide an overview of the DR24 HSP eligible activities and requirements, but do not and are not intended to replace any existing guidance produced by HUD or an attorney. The information provided in these guidelines is not intended to and does not constitute legal advice. Readers of this manual should contact their attorney to obtain advice with respect to any particular legal matter or question and compliance with applicable law. Information in these guidelines may not represent the most up-to-date legal or other information. These HSP Guidelines are subordinate to federal statutes, the Code of Federal Regulations (CFR), and notices from HUD's Office of Community Planning and Development (CPD).

Note: *These guidelines contain links and references to third-party websites or other sources. Such links and references are for convenience only. The City does not necessarily endorse the contents of said third-party websites or sources.*

Program Summary

On January 16, 2025, as announced in [Federal Register Notice 6512-N-01](#), HUD directly allocated \$314,645,000 in CDBG-DR24 funds to the City in response to the 2024 windstorm derecho (Derecho) and 2024 Hurricane Beryl to support long-term recovery efforts following these major disasters through the Office of the Assistant Secretary for Community Planning and Development, HUD.

The City has allocated \$41,040,600 in CDBG-DR24 funds to the Homeless Service Program to meet the unmet needs related to homelessness, address indirect impacts from the disaster, and increase resilience from future disasters. The funding will be awarded to selected Subrecipients to provide supportive services that meet the needs of individuals experiencing homelessness.

Pursuant to 90 FR 1754 (III.B.5., “Public service cap”), the City is limited to spending a maximum of 15% of the total grant amount on public services, unless the City seeks a waiver from HUD and is granted approval.¹

Program Administration

The City will administer its HSP in accordance with these guidelines, the Stafford Act, as amended, and its implementing regulations, the CDBG-DR Grant Agreement between the City and HUD (“Grant Agreement”) for the CDBG-DR24 funding (“Grant Funds”), HSP Standard Operating Procedures, HUD CDBG-DR24 Regulatory Requirements and Guidance, HUD Universal Notice, and all applicable federal, state, and local statutes, regulations, ordinances, rules, and policies. Daily administration of the HSP will be under the direct supervision of the City’s Housing and Community Development Department (HCD) Director, or their designee.

In compliance with 90 FR 1754 (III.A.1., “Development of program-specific policies and procedures”), these guidelines have been finalized within eighteen months from the applicability date of the Allocation Announcement Notice, January 21, 2025.

National Objective

All activities funded through the HSP, unless the requirement is waived by HUD, are required to meet one of the three National Objectives. Pursuant to 42 USC § 5301(c) and 24 CFR § 570.208(a2 (Limited clientele activities), the HSP activities will be carried out to meet the National Objective benefitting low- and moderate-income persons, whose annual income does not exceed

¹ The City has submitted a waiver request, based on HUD guidance.

80% of the median income for the area, as determined by HUD with adjustments for family size.

Key Funding Objective

At least 70%² of the City's CDBG-DR24 funds must be spent benefitting low- and moderate-income (LMI) impacted residents.

Type and Maximum Assistance

The maximum award per Project is \$30,000,000.00, but could increase to \$40,000,000.00 upon approval of a substantial amendment to the Action Plan. The award amounts for each Project will be determined and stated in the respective executed Subrecipient agreement between the City and the Subrecipient.

Activity Eligibility

19 Eligible Activities

The eligible public services activities as described in 42 U.S. Code § 5305(a)(8) and 24 CFR § 570.201(e) include, but are not limited to:

- (a) Transportation services;
- (b) Healthcare services;
- (c) Housing services, including rehousing services
- (d) Mental Health services;
- (e) Case Management services;
- (f) Legal services;
- (g) Housing Counseling services³;
- (h) Employment services;
- (i) Substance Abuse Counseling and Treatment;
- (j) Job Training and Education services;
- (k) Workforce Development; and
- (l) Childcare services.

² Per 42 USC § 5301(c)

³ As defined in 24 CFR § 5.100

20 Ineligible Activities

- (a) Buildings or portions thereof, used for the general conduct of government
- (b) General government expenses
- (c) Political activities
- (d) The following activities may not be assisted unless authorized under the provisions of 24 CFR 570.203 or carried out by an entity under the provisions of 24 CFR 570.204:
 - (i) Purchase of Equipment
 - (1) Construction Equipment
 - (2) Fire protection Equipment
 - (3) Furnishing and Personal Property
 - (ii) Operating and Maintenance Expenses
 - (1) New Housing Construction
 - (2) Income Payments

21 Eligible Costs

- (a) Direct Activity Cost
- (b) Pre-Award Costs⁴

22 Eligible Geographic Areas

The City's jurisdiction within the city limits, including Limited Purpose Annexation Areas

23 Disaster Tie-back

All activities must address a direct or indirect impact from the disaster.⁵

Subrecipient Eligibility

1 Eligible Subrecipient Applicants

- (a) Entity Types
 - (i) Public Non-Profit Organization; or

⁴ In addition to complying with applicable cost principles under 2 CFR Part 200, 24 CFR Part 58, and 24 CFR Part 570, Pre-Award Costs shall comply specifically with 2 CFR §200.458 (Pre-award costs), 24 CFR § 570.489(b), and 24 CFR § 570.200(h) (except for provisions 24 CFR 570.200(h)(1)(i), (v), and (vi), which have been waived pursuant to 90 FR 1754 (III.B.14.a., "Reimbursement of pre-award costs by a grantee or subrecipient").

⁵ Per 90 FR 1754, III.D.1. ("Connection to the disaster.")

- (ii) Private Non-Profit Organization

2 Eligibility Requirements

- (a) Organizational Capacity
- (b) Demonstration of Unmet Funding Need
- (c) Alignment with Program Goals and Objectives

Solicitation of Funding

Funding may be solicited in accordance with HCD Subaward and Procurement Policy #01-27, which may include a Notice of Funding Availability (NOFA) or a third party's Subrecipient selection process.

1 Notice of Funding Availability (NOFA)

- (a) A NOFA will be announced on the [Disaster Recovery 2024 – Derecho and Hurricane Beryl](#) webpage, informing the public of funds available for the HSP.
- (b) The NOFA is a solicitation method used to subaward funding to vetted and qualified Subrecipient applicants within the City's jurisdiction.
- (c) The NOFA will outline the following criteria, including, but not limited to, the scope of services, priorities, scoring criteria, threshold criteria, list of application documents, acceptance period, and award process.
- (d) Proposals submitted via the NOFA will be processed as outlined in HCD's latest NOFA standard operating procedures (SOP).

2 Subrecipient Selection

- (a) HCD may partner with an external, third-party entity that selects Subrecipients through its established selection process, such as Request for Expression of Interest (REI) or Request for Information (RFI).
- (b) In such cases, the Public Services Division does not administer the selection process itself, but will obtain and retain a copy of all of the entity's key documents related to the selection process in the project files AND submit a copy to the HCD's Procurement Section. The key documents include, but are not limited to, the following:
 - (1) Subrecipient Selection Policy and SOP, including any ancillary documents;
 - (2) Pre-selection documentation, including, but not limited to:

- a) The solicitation issued to potential Subrecipients;
 - b) Copies of all proposals or applications received, including incomplete ones;
 - c) Scorecards or other evaluation tools;
 - d) The selection committee's documentation, where applicable; and
 - e) Meeting minutes and/or review panel notes, where applicable.
- (3) Post-selection documentation, including, but not limited to:
- a) Award and denial letters or other forms of correspondence regarding a determination from the entity;
 - b) Subrecipient agreements⁶;
 - c) Conflict-of-interest disclosure forms;
 - d) Public Notice or Announcements of awards; and
 - e) Appeals or Complaints related to selection.
- (4) If this selection process is implemented, then HCD will post the partner's contact information on our disaster recovery website for interested Subrecipient applicants.

Warning: *Any person who knowingly makes a false claim or statement to HUD may be subject to civil or criminal penalties under 18 U.S.C. § 287, 1001, and 31 U.S.C. § 3729.*

Responsiveness Review

Applications/proposals received before the deadline will be reviewed to determine if the minimum threshold criteria and selection criteria are met before moving forward to the selection phase. Applications/proposals that are submitted after the deadline will not be evaluated. Applications/proposals that are missing Non-material Documents that are missing from the application/proposal.

Selection Criteria

An evaluation committee of 3-5 City employees will evaluate completed applications/proposals to score them against the Eligibility Requirements

⁶ Subrecipient agreements shall include, at a minimum, provisions concerning the items enumerated in 24 CFR § 570.503(b).

listed above and the following selection criteria, including, but not limited to:

- (a) Service Type
- (b) Number of Clients to be Served
- (c) Cost(s) Per Beneficiary
- (d) Activity Need and Justification
- (e) Cost Reasonableness and Effectiveness
- (f) Data-Driven Evaluations
- (g) Experience and Past Performance
- (h) Leveraging Contributions
- (i) Budget Effectiveness
- (j) Accessible Location
- (k) Agency Collaboration

Underwriting Process

Selected Subrecipient applicants and their proposed projects will undergo an underwriting process, which includes, but is not limited to:

- (a) Budget Review
 - (i) A budget review will be conducted to determine if direct costs and indirect costs conform to the cost principles outlined in [2 CFR Part 200, Subpart E](#)⁷, i.e., allowable, allocable, and Cost Reasonableness.
 - (1) Allowable Costs
 - (2) Allocable Costs
 - (3) Cost Reasonableness
- (b) Third-Party Review
 - (i) The City will consult with a third party to confirm that costs are allowable, allocable, reasonable, and budget sufficient.

⁷ The Cost Principles of [2 CFR Part 200, Subpart E](#) are made applicable to the City through 24 CFR § 570.502 and 90 FR 1754, Appendix C.

- (c) Debarment Verification
 - (i) The City will verify if a Subrecipient applicant has been debarred or excluded from receiving awards from federal, state, and local government programs.
- (d) Conflict of Interest
 - (i) The City will review the Subrecipient applicant's completed and signed conflict-of-interest disclosure form to determine if an apparent, potential, or actual conflict of interest exists.
- (e) Affirmative Marketing Plan
 - (i) The City will review the Subrecipient applicant's Affirmative Marketing Plan to ensure it complies with 90 FR 1754 (III.A.2.a., "Fair housing and civil rights policies and procedures") and 24 CFR § 570.601.

Duplication of Benefits

- (a) Section 312 of the Stafford Act (42 USC §5155) prohibits Duplication of Benefits (DOB) to Beneficiaries and Subrecipient applicants who may be able to receive (or have received) assistance from another party (e.g., insurance or another federal or state program) for the same recovery purpose. HCD will follow all applicable federal, state, and local laws, including CDBG-DR Policy Bulletin 2025-01 (January 2025), as it may be amended, to determine any DOB.
- (b) Each Subrecipient applicant and Beneficiary must attest to any assistance already received towards proposed eligible activities and all reasonably identifiable financial assistance available to the Subrecipient applicant before the City commits funds or awards assistance. The amount of this assistance will be deducted from the total assistance given by HCD. The remainder (the "unmet need") is the maximum allowable assistance under federal law.
- (c) The City will verify the Beneficiary's and Subrecipient applicant(s)' information against data obtained from private insurance, the Small Business Administration (SBA), the Federal Emergency Management Agency (FEMA), the U.S. Army Corps of Engineers (USACE), volunteer organizations (including in-kind assistance) used for the same purpose that the HCD award is intended to assist, and any other sources of local, state, and federal sources of funding. DR24 funds may not be used for activities reimbursable by, or for which funds are made available by, FEMA or the USACE.

- (d) Subrecipient applicants and Beneficiaries must certify that they understand this requirement as part of the Subrecipient Agreement and Program intake documents, respectively, with the City.
- (e) If the Subrecipient applicant obtained a subsidized short-term loan to pay for eligible costs before CDBG-DR funds became available (for example, a low-interest loan from a local tax increment financing fund), the reimbursement of the costs paid by the loan does not create a duplication. Additionally, the amount of a subsidized loan that is declined or cancelled is not a DOB. To exclude a declined subsidized loan, the Subrecipient applicant must provide documentation to HCD that all or a portion of the subsidized loan was cancelled or declined.
- (f) Subsidized loans are financial assistance and therefore can duplicate financial assistance provided from another source unless the following exception applies:
 - (i) Short-term subsidized loans for Pre-Award Costs incurred by Subrecipient applicant that are later reimbursed with DR24 funds.
 - (ii) The amount of declined or cancelled subsidized loans.
- (f) The City must notify the SBA that the Subrecipient applicant has agreed not to take any actions to reinstate the cancelled loan or draw any additional undisbursed loan amounts.
- (g) Subrecipient applicants must also notify the SBA and/or relevant financial institutions that they have agreed not to take any actions to reinstate a cancelled loan or draw any additional undisbursed loan amounts. HSP will require documentation as proof.
- (h) SBA disaster loans will be counted as a Duplication of Benefits, provided the assistance was used toward a loss suffered as a result of the 2024 Derecho and Hurricane Beryl.

Compliance and Monitoring

1 Subrogation and Assignment Agreement

In compliance with the Stafford Act and 90 FR 1754, all Subrecipients and Beneficiaries agree to repay all duplicative assistance (whether received before or after receipt of DR24 funds or benefits from the City). Before the City disburses any DR24 assistance, all Subrecipient applicants will be required to sign a Subrogation and Assignment Agreement permitting the City (directly or via a third-party) to recover any duplicative assistance that may be issued to the Subrecipient after the time of original award if the payout is in connection to the 2024 Derecho and Hurricane Beryl and would

have counted as a DOB. The Subrogation and Assignment Agreement shall include the following language: “Warning: Any person who knowingly makes a false claim or statement to HUD or causes another to do so may be subject to civil or criminal penalties under [18 U.S.C. 2, 287, 1001](#), and [31 U.S.C. 3729](#).”

2 Procurement

Subrecipients and Contractors must procure goods and services using the federal procurement and contract requirements at 2 CFR §§ 200.318-200.327. These procurement requirements must be followed for reimbursement from grant allocations of CDBG-DR funds provided by HUD. Subrecipients and Contractors are also required to follow state and local procurement law and policies, as well as the additional requirements stated in 2 CFR § Part 200 as applicable.

Subrecipients must submit their procurement process to HCD’s Procurement Section for review before selecting a Contractor procurement.

Additionally, the City’s Strategic Procurement Division (SPD) may review draft solicitations or responses before award for compliance with applicable city, state, and federal rules and regulations. Subrecipients and the City should clearly identify during the procurement process any items included in the bid/purchase that are not included in the CDBG-DR contract.

Regardless of the type of procurement used, Subrecipients, Contractors, and the City must execute a written agreement or contract to document the period of performance, the work to be completed, the agreed price, and the Subrecipients’ or Contractor’s required compliance with all applicable federal, state, and local requirements that Subrecipients, Contractors, and the City must follow. If there is a conflict between federal, state, and local laws and regulations regarding procurement, the more stringent law or regulation will apply.

Furthermore, HUD requires that the City maintain a comprehensive public website that provides information for individuals and entities awaiting assistance for DR24 Derecho and Hurricane Beryl-related damage, and the general public to see how all Grant Funds are used and managed/administered, as well as Federal Register notices and updates related to disasters covered under the Disaster Relief Supplemental Appropriations Act, 2025. To meet this requirement, the City and its Subrecipients must make the following applicable items available to post on the City’s website:

- (a) The Action Plan (including any amendments);
- (b) Each performance report (as created using the DRGR system);
- (c) Citizen participation plan;

- (d) Procurement policies and procedures;
- (e) Program-specific policies and procedures, including a projection of expenditures and outcomes;
- (f) A summary including the description and status of services or goods currently being procured by Subrecipients or the City (e.g., phase of procurement, requirements for proposals, etc.);
- (g) All contracts (as defined in 2 C.F.R. § 200.22) that will be paid with CDBG-DR24 funds, including, but not limited to, Subrecipients' contracts;

The required posts on the City's disaster recovery website will be updated on a weekly basis, at a minimum, monthly, per the HCD's Website Development and Maintenance Standard Operating Procedures.

3 Monitoring

The Public Services Division performs monthly and biannual (or as frequently as needed) monitoring of Subrecipients and sub-vendors (as needed). Monitoring activities are performed to determine if Subrecipients and their sub-vendors (as needed) comply with the Subrecipient agreement, program requirements, financial management, and regulatory considerations.

- (a) Monthly Desk Reviews of Program Reports

Monthly desk reviews of the Subrecipients' monthly program report will be conducted to examine goals and performance measures as outlined in the Subrecipient agreement.

- (b) Biannual Site Visit/Desk Review

A site visit or a desk review biannually or as frequently as needed to examine the documentation that supports the monthly program data. The RM may also conduct a site visit on Contractors' or Subrecipients' sub-vendors, subrecipients, or subcontractors, as needed.

- (c) Annual Site Visit/Desk Review

An annual risk assessment and review of the Subrecipient's supporting documentation will be performed to determine and monitor Subrecipients with potentially limited capacity and resources to fulfill the Subrecipient agreement, financial requirements, and federal requirements, per the latest Subrecipient Monitoring Section SOP and Subrecipient Monitoring Plans.

4 Project Closeout

Disaster Recovery Project close-out occurs upon verification of all required Project Documents, invoicing, and payments have been uploaded to HCD's system of record, i.e., OnBase, and the release of the retainage fee.

Statutory and Regulatory Compliance

The City and Subrecipients must comply with the statutes and regulations below.

1 The Federal Privacy Act of 1974⁸

The Federal Privacy Act of 1974, as amended, provides for confidentiality and the restriction of disclosing confidential and personal information. Unauthorized disclosure of such personal information may result in personal liability with civil and criminal penalties. The data collected from Subrecipient applicants and Beneficiaries for HCD programs and services may contain personal information on individuals that is covered by the Federal Privacy Act of 1974, as well as applicable state laws. The information collected may only be used for limited official purposes:

- (a) The Public Services Division may use personal information throughout the award process to ensure compliance with Program requirements, reduce errors, and mitigate fraud and abuse.
- (b) Independent auditors, when hired by the City to perform a financial or programmatic audit of the Program, may use personal information in determining Program compliance with all applicable HUD and federal regulations, including the Stafford Act, HUD program requirements, and State and local law.
- (c) HCD may disclose personal information on a Subrecipient applicant or Beneficiary to those with a valid power of attorney for the Subrecipient applicant or Beneficiary, for whom the Subrecipient applicant or Beneficiary has provided written consent to do so, or as permitted pursuant to 5 USC § 552a(b)(1974).
- (d) Organizations assisting HCD in executing the Programs must comply with all federal and state law enforcement and auditing requests, including, but not limited to, requests from HUD, FEMA, FBI, Office of the State and City Comptroller, and the Office of Inspector Generals.

Per HCD Personally Identifiable Information Policy #01-41, HCD is committed to protecting the privacy of all individual stakeholders, including the public and those individuals working on the Program. The HCD policies

⁸ The Federal Privacy Act of 1974, as amended ([5 USC § 552a](#), [2 CFR § 200.303\(e\)](#))

describe how information is to be handled and protected. The purpose of this privacy policy is to establish when and under what conditions certain information relating to individuals may be disclosed.

2 Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA)

The Personal Responsibility and Work Opportunity Reconciliation Act of 1996(Welfare Reform Act) (Pub. L. No. 104-193, 110 Stat 2105)(codified as amended in scattered sections of Titles 7, 8, 21, and 42 U.S.C.) (PRWORA) prohibits the use of CDBG-DR funds in a manner that by design or effect facilitates the subsidization or promotion of illegal immigration or abets policies that seek to shield illegal aliens from deportation. Subject to the exceptions provided by the PRWORA, the recipient must use the Systematic Alien Verification for Entitlements (SAVE) program, or an equivalent verification system approved by the Federal government, to prevent any Federal public benefit from being provided to an ineligible alien who entered the United States illegally or is otherwise unlawfully present in the United States.

3 ADA and Section 504 of the Rehabilitation Act

The ADA prohibits discrimination and protects equal opportunity for persons with disabilities in employment, state and local government services, public accommodations, commercial facilities, and transportation. It also mandates the use of telecommunications devices for the deaf (TDD) relay services. HCD takes affirmative steps to ensure that people with disabilities have equal access to the programs offered by HCD. All services offered by HCD are delivered in the most integrated manner possible with services for persons without disabilities.

HCD takes the requirements of ADA seriously and requires that Subrecipients and Contractors adhere to the requirements of ADA to the fullest legal extent.

Beneficiaries who believe they may have been discriminated against can file a complaint with HUD at the following link:

https://www.hud.gov/program_offices/fair_housing_equal_opp/online-complaint

Complainants can also file a complaint with HCD. Please see the [section 9](#) for information on how to file a complaint or [section 10](#) appeal with HCD.

Section 504 of the Rehabilitation Act, as implemented by 45 CFR Part 84, prohibits discrimination on the basis of disability in any program or activity receiving federal financial assistance.

4 Audit Requirements

This Program is subject to audit at the federal and local levels. HUD, HUD's Office of Inspector General, the U.S. Government Accountability Office (GAO), and the City's Finance Department (typically via a contracted third party) all have the authority to audit this Program. All auditors are independent of HCD and report either to their respective authorities at the federal level or to the Mayor of Houston.

In accordance with [Subpart F of 2 CFR Part 200](#), non-federal entities that expend \$1,000,000 or more during their fiscal year in federal awards must have a single or program-specific audit conducted for that year. HCD is responsible for conducting reviews of these single or program-specific audit reports and for coordinating the issuance of management decisions for audit findings relating to HCD-provided federal CDBG-DR funds.

5 Affirmative Marketing and Outreach

The City, through HCD, is committed to affirmatively furthering fair housing through established affirmative marketing policies. Affirmative marketing efforts will include the development of an Affirmative Marketing & Outreach Plan based on HUD regulations. The City and all recipients of CDBG-DR funds shall comply with 90 FR 1754 (III.A.2.a., "Fair housing and civil rights policies and procedures") and 24 CFR § 570.601 (Public Laws 88-352 and 90-284; affirmatively furthering fair housing; Executive Order 11063).

HCD will perform outreach activities in targeted areas to advertise the Program and encourage potential Beneficiaries to apply for assistance. Methods of outreach may include, but are not limited to, advertising on social media or other media outlets, newsletters, brochures, HCD website, and/or community events, email or other electronic blasts, press releases/statements, public meetings/hearings, and partner events. HCD will ensure that outreach and communication activities reach eligible homeowners from all racial, ethnic, national origin, religious, familial status, disabled, and gender groups. Documentation of all marketing measures used, including copies of all advertisements and announcements, will be retained and made available to the public upon request.

6 Limited English Proficiency and Title VI of the Civil Rights Act of 1964

Title VI of the Civil Rights Act of 1964 requires the City, including HCD and all satellite offices, programs, Subrecipients, Contractors, and/or subcontractors funded in whole or in part with federal CDBG-DR funds, to ensure fair and meaningful access to programs and services for families and

individuals with Limited English Proficiency (LEP) and/or hearing impairment.

HCD ensures fair access through the implementation of a Language Assistance Plan (LAP), which includes non-English-based outreach, translation services of vital documents, free language assistance services, and staff training. Refer to the “Language Assistance Plan” Provision of Language Assistance Services for additional guidance and protocols.

Federal law prohibits exclusion from participation, denial of the benefits of, or subjection to discrimination under programs and activities receiving federal financial assistance, of any person in the United States on the ground of race, color, or national origin (42 U.S.C. § 2000d—2000d-7), as implemented by the Department of the Treasury Title VI regulations at 31 CFR Part 22 and other pertinent directives, circulars, policies, memoranda, and/or guidance documents. The Supreme Court has held “national origin” to include individuals who, because of national origin, have Limited English Proficiency (LEP) (*Lau v. Nichols*, 414 U.S. 563 (1974)). Denying a person access to its programs, services, and activities because of LEP is a form of national origin discrimination prohibited under Title VI of the Civil Rights Act of 1964 and the Department of the Treasury’s implementing regulations. Accordingly, the City shall initiate reasonable steps or comply with the Department of the Treasury’s directives to ensure that LEP persons have meaningful access to its programs, services, and activities. Meaningful access may entail providing language assistance services, including oral interpretation and written translation where necessary, to ensure effective communication in the City’s programs, services, and activities.

7 Suspension and Debarment

HCD shall comply with Suspension and Debarment Executive Order [12549](#) and [12689](#), that prohibits an entity that has been debarred, suspended, or otherwise excluded or deemed ineligible from participating in federal programs or activities. Any entity seeking federal CDBG-DR funds received by HCD will undergo a debarment verification. Entities that are determined to be debarred, suspended, or otherwise excluded will not be eligible to receive federal CDBG-DR funds from HCD in accordance with the Executive Orders, [2 CFR Part 180](#) (OMB Guidelines to Agencies on Government-Wide Debarment and Suspension (Non-procurement)), [2 CFR Part 2424](#) (Non-procurement Debarment and Suspension), and the HCD Debarment Verification Policy and Procedure #01-14.

8 Environmental Review

Environmental Review provisions require all federally funded projects or activities, funded in whole or in part, to undergo an environmental review to determine their potential environmental impact and health impact to the end user, and if it meets the applicable federal, state, and local environmental standards as required by HUD. In compliance with [24 CFR Part 58](#), HCD will conduct an environmental review prior to awarding any federal CDBG-DR funds for all projects or activities as outlined in the latest HCD procedure #21-16 Environmental Review SOP. If the City is the responsible entity, it assumes full responsibility for environmental review, decision-making, and actions under 24 CFR § 58.4 and § 570.604.

9 Complaints

HCD welcomes feedback and complaints from any member of the public. Complaints are accepted in writing or over the telephone to an elected official or HCD employee. Complaints will be responded to in writing within 15 business days, when possible, upon receipt of the complaint.

- (a) Any member of the public may file a complaint in writing via letter or email, or verbally by phone or in person, as outlined below.
 - (i) **Letters** containing a complaint may be submitted via United States Postal Service or third-party mail courier or hand-delivered Monday – Friday from 8 A.M. to 5 P.M. to:

Housing and Community Development Department
Attn: Complaints and Appeals
2100 Travis Street, 9th floor, Houston, Texas 77002
 - (ii) **Email** containing complaints may be submitted to the Complaints and Appeals team at HCDComplaintsAppeal@houstontx.gov.
 - (1) A written response will be issued within 15 business days, when possible, of receiving the complaint.
 - (iii) **Phone** complaints may be made by contacting the following number, 832-394-6200, option 1.
 - (iv) **In-person** complaints may be made at the HCD office, City Council Public Session, or any event or meeting where an HCD employee or elected official is present.
 - (v) **HCD Office** – 2100 Travis Street, 9th floor, Houston, Texas 77002

- (vi) **City Council Public Sessions** are typically held every Wednesday. HCD City Council Liaison will refer to the Complaints and Appeals team member who responds to any public speakers who express complaints regarding HCD operations.

10 Appeals

- (a) All Applicants (Subrecipients and Individuals) have the right to appeal a determination made by HCD. Applicants have the right to appeal decisions made on their Program file based on one of the following reasons:
- Non-receipt of the award through the NOFA or other proposal processes;
 - Denied services through any of HCD's programs;
 - Denial of a request for resolution for tax credits (refer to exceptions);
 - Eligibility determination;
 - Award calculation (or determination amount);
 - Program determination;
 - Procedural error(s) caused by staff following the department operation, policy, program guidelines, procedures, practices, or other governing documents; and
 - Procedural error where the Subrecipient applicant(s) or Beneficiary submitted incorrect or incomplete information.
- (b) To be considered complete, an appeal request must contain the following information:
- First and Last Name
 - Address
 - Application Number (if applicable)
 - Mailing Address (if different from Property Address)
 - Phone Number
 - Application number (if applicable)
 - Email Address (optional)
 - Reason(s) for the appeal

- A specific explanation of the reason(s) disagreeing with the decision
 - Supporting documentation (if any)
- (c) Appeals must be submitted to HCD according to the filing methods outlined below.
- (i) **Letters** containing an appeal may be submitted via United States Postal Service or third-party mail courier, or hand-delivered Monday – Friday from 8 A.M. – 5 P.M. to:
- Housing and Community Development Department
Attn: Complaints and Appeals
2100 Travis Street, 9th floor
Houston, Texas 77002
- (ii) **Email** containing an appeal may be submitted to the Complaints and Appeals team – HCDComplaintsAppeal@houstontx.gov.
- (iii) **Online Appeal Request Form** may file an appeal using the following link <https://houstontx.gov/housing/appeals.html>.
- (d) Upon receipt of an appeal request, the Complaints and Appeals team will work with the Public Services Division to provide a timely response.

Tier 1 Appeals are the initial determination appeals, in which the Public Services Division will review all documentation submitted and either reiterate the initial determination or approve the appeal and overturn the determination. Appeals will be responded to in writing within 30 calendar days. When a Subrecipient applicant or Beneficiary does not agree with the decision made in the initial appeal, Subrecipient applicants or Beneficiaries have the right to request a Tier 2 Appeal. If the request is approved, the Appeals Review Committee (ARC) will review all documentation and the supporting documents sent to support the appeal and make a final decision.

The appellant may only escalate the appeal after the completion of the initial Public Services Division process. The ARC will process the Tier 2 Appeal within 30 calendar days, as practicable. The ARC will transmit its decision to the appellant in writing.

Note: *The appellant may only escalate an appeal after completing the preceding Appeal. Additionally, the reason for the Tier 2 appeal must be the same reason for the Tier 1 Appeal.*

HCD will keep a record of each appeal that it receives and include all communications and their resolutions. For more information regarding

HCD's Appeal Process, please visit www.houstontx.gov/housing/appeals.html.

Appeals Process for NOFAs

- (a) An appeal for a NOFA must be submitted in writing within 5 business days from the date of the determination letter.
- (b) When an appeal is filed concerning NOFA, the NOFA staff at the Tier 1 level and the Appeals Review Committee at the Tier 2 level will submit the drafted response letters and backup documentation to the Legal Department for review, as applicable.
- (c) The Legal Department will review the drafted appeal response letters and backup documentation and provide legal advice to HCD regarding the response.

Note: *Generally, a decision for a NOFA appeal will be provided in writing within 7 business days of the accepted appeal, as practicable. However, NOFA appeals may take up to 20 business days to render a decision when the Legal Department has been engaged.*

11 Subrecipient Complaints and Appeals Requirements

- (a) HCD Subrecipients must maintain their own complaints and appeals policies and standard operating procedures for Beneficiaries, where applicable.
- (b) HCD Subrecipients' complaint and appeals policies and standard operating procedures for Beneficiaries must comply with federal, state, and local requirements.
- (c) HCD Subrecipients must maintain written complaint logs and files. Further requirements may be determined in the agreement between HCD and Subrecipients.
- (d) HCD reserves the right to request a copy of Subrecipients' records, including but not limited to policies, standard operating procedures, and any documents applicable to a complaint or appeal.
- (e) A complainant or appellant has the right to escalate their complaint or appeal to HCD after exhausting the Subrecipients' complaints and appeals process. The complaint and appeal must be the same complaint or appeal filed with the Subrecipient.
- (f) Complaints can be filed as outlined in the section Complaints.
- (g) Appeals must be submitted to HCD within 30 calendar days from the decision letter received from the Subrecipient.

- (h) Appeals must be submitted to HCD according to the filing methods outlined in section 10(c) and the minimum requirements outlined in section 10(b).

Note: *Appeals for termination of assistance due to threats, commission, or attempted commission of violent acts or any obscenities are not appealable.*

- (i) Upon receipt of an appeal request, the Complaints and Appeals team will work with the Subrecipient to provide a timely response.
- (j) The Appeals Review Committee will issue a final written decision approving or denying an appeal within 30 business days.

Note: *Approved or denied Tier 2 Appeals cannot be appealed.*

- (k) HCD reserves the right to issue a written response to the complainant or appellant.

12 Conflicts of Interest

Pursuant to 24 CFR § 570.611 and 2 CFR § 200.318, respectively, (i) Beneficiaries and Subrecipient applicants and (ii) Contractors must complete and sign a conflict-of-interest disclosure form before CDBG-DR funds are expended. This disclosure requires Beneficiaries, Subrecipient applicants, and Contractors to disclose, under penalty of perjury, whether they, their immediate family members, or those with whom they have business ties are currently or within the past year an employee, agent, consultant, officer, elected official or appointed official of the City, any designated public agencies (for example, a redevelopment authority or housing authority), or Subrecipients or Contractors receiving funds under 24 CFR Part 570 (i.e., CDBG or CDBG-DR funds).

Note: *“Immediate family members” or “immediate family ties” means and includes (whether by blood, marriage, or adoption) a covered person’s spouse, parent (including a stepparent), child (including a stepchild), sibling (including a stepsibling), aunt/uncle, niece/nephew grandparent, grandchild, great grandparent, great grandchild in-laws with the same titles, romantic partners, and anyone who resides in the same Household of the covered person.*

The Conflict-of-Interest provisions at 2 CFR § 200.112 require HCD staff to disclose to HUD any potential conflict of interest involving a Subrecipient applicant or Contractor.

If a conflict of interest is determined to exist and the threshold requirements of 24 CFR § 570.611(d)(1) are met, the City is permitted to submit a written request for an exception from HUD pursuant to 24 CFR § 570.611(d), which HUD may, in its sole discretion, grant on a case-by-case basis, taking into

account the cumulative effects of the factors listed at 24 CFR § 570.611(d)(2).

HCD will handle any conflicts of interest in accordance with 24 CFR § 570.611, 2 CFR § 200.318, the City's [Administrative Policy 2-22: Conflict of Interest](#), the HCD #01-40 Non-Procurement Conflict-of-Interest Policy that outlines the process for waivers, and any other applicable federal, state, and local law, rules, and regulations.

Subrecipient are required to maintain their own Non-Procurement Conflict of Interest Policy (or similar) and provide a copy of the document to HCD upon request.

If a Subrecipient detects a potential conflict of interest and decides it wants to pursue a waiver, the Subrecipient must refer the file to the Public Services Division.

If a Subrecipient detects a potential conflict of interest and decides it does not want to pursue a waiver, the Subrecipient must disclose the occurrence to the Public Services Division.

If a Subrecipient fails to make good faith efforts to disclose and or avoid a conflict of interest, the City may suspend payments, terminate the agreement, require reimbursement, or seek debarment.

The HSP requires compliance with all applicable conflict of interest provisions, including but not limited to federal, state, and local statutes, laws, regulations, ordinances, and other requirements including but not limited to the Texas Local Government Code Chapters 171, 176 and 553; Chapter 36, Sections 36.02 and 36.08 and Chapter 39, Section 39.02 of the Penal Code; Article VII, Section 4 of the City Charter; Chapter 14, Article II, Section 14-183, Chapter 15, Article III, Sections 15-1 (as amended by City Ordinance No. 2021-44), 15-55, & 15-56 and Chapter 18, Article I, Section 18-3 of the City's Code of Ordinances, and Executive Order 1-28.

13 Fraud, Waste, and Abuse

In accordance with 2 CFR 200.113, the City, Subrecipients, Contractors, and their subcontractors receiving or being paid by Grant Funds must promptly inform in writing the OIG and HUD when it has credible evidence of violations of federal criminal law involving fraud, bribery, or gratuities or a violation of the civil False Claims Act that could potentially affect the Federal award at <https://www.hudoig.gov/hotline/report-fraud> (a Subrecipient or Contractor must also inform the City OIG that awarded it funding, and a subcontractor must also inform the Subrecipient or Contractor). All other instances of fraud, waste, and abuse should be referred to the [HUD OIG Fraud Hotline](#) (phone: 1-800-347- 3735 or email: hotline@hudoig.gov).

Reports to the City must be submitted to the Allegations Coordinator at housingfraud@houstontx.gov or the City OIG at 832-394-5100 or online at the [Office of Inspector General \(houstontx.gov\)](https://www.houstontx.gov/office-of-inspector-general).

City, Subrecipients, Contractors, and their subcontractors shall comply with 41 U.S.C. § 4712, which includes informing employees in writing of their rights and remedies, in the predominant native language of the workforce. Under 41 U.S.C. § 4712, employees of a government contractor, subcontractor, grantee, and subgrantee—as well as a personal services contractor—who make a protected disclosure about a federal grant or contract, cannot be discharged, demoted, or otherwise discriminated against as long as they reasonably believe the information they disclose is evidence of: (1) Gross mismanagement of a federal contract or grant; (2) Waste of federal funds; (3) Abuse of authority relating to a federal contract or grant; (4) Substantial and specific danger to public health and safety; or (5) Violations of law, rule, or regulation related to a federal contract or grant.

The Program is subject to, and will follow, HCD's Policy# 21-10, Fraud, Waste, and Abuse. Anyone with information regarding known or suspected misappropriation of CDBG-DR funds or resources is encouraged to report the information to the City by sending an electronic report via email to the following email address: housingfraud@houstontx.gov.

Note: Title 18, section 1001 of the U.S. Code states: “[W]hoever, in any matter within the jurisdiction of the executive, legislative, or judicial branch of the Government of the United States knowingly and willfully—(1) falsifies, conceals, or covers up by any trick, scheme, or device a material fact; (2) makes any materially false, fictitious, or fraudulent statement or representation, or (3) makes or uses any false writing or document knowing the same to contain any materially false, fictitious, or fraudulent statement or entry, shall be fined under this title, imprisoned not more than five years, or if the offense involves international or domestic terrorism (as defined in section 2331), imprisoned not more than 8 years, or both.

- (a) Per HCD Fraud, Waste, and Abuse Policy (01-26), Subrecipients are required to attend Fraud, Waste, and Abuse training. Subrecipients, including their staff, must complete the training within 30 days of executing the Subrecipient agreement, upon hiring, and annually thereafter in accordance with the latest Public Services Division Fraud, Waste, and Abuse Standard Operating Procedures (08-01).
- (b) Subrecipients can locate Fraud, Waste, and Abuse training by visiting the [HUD Exchange Training website](#) for the latest training.
- (c) Subrecipients must maintain and submit supporting documentation demonstrating completion of Fraud, Waste, and Abuse training, e.g., but not limited to:

- (i) Certificate of Completion
- (ii) Timesheets
- (iii) Sign-in Sheets
- (iv) Training Agendas
- (v) Safeguard protected Personally Identifiable Information (PII)

14 Davis-Bacon Labor Standards

The Davis–Bacon Labor Standards do not apply to this Program, unless funds are combined in whole or in part with other Federal funds or an agreement funded hereunder includes work in excess of \$2,000.00 for the construction, alteration, or repair (including painting and decorating) of public buildings or public works. Under [Section 110\(a\) of the Housing and Community Development Act of 1974 \(HCDA\)](#), laborers and mechanics employed on construction work “financed in whole or in part” with CDBG-DR assistance must be paid not less than wages determined to be prevailing on similar construction work in the locality by the Secretary of Labor in accordance with the Davis Bacon Act⁹.

15 Equal Employment Opportunity

Title VII of the Civil Rights Act of 1964 (i) prohibits the City and private employers with 15 or more employees, including Subrecipients and Contractors and their subcontractors, from discriminating in employment decisions based on race, color, religion, sex, sexual orientation, gender identity, or national origin; and (ii) requires Contractor employers to take proactive steps to ensure that equal opportunity is provided in all aspects of employment. This statute is adhered to within HCD programs.

Anyone who feels that their Equal Employment Opportunity rights have been violated can contact any or all of the following enforcement authorities:

City of Houston Office of Inspector General

900 Bagby St., 4th Floor

Houston, TX 77002

OIG Hotline: (832) 394-5100

[OIG Complaint Form](#)

⁹ 40 U.S.C. § 3141 et seq.

U.S. Equal Employment Opportunity Commission

Mickey Leland Building
1919 Smith St., 6th Floor, Houston, TX 77002
Phone: 1 (800) 669-4000
TTY: 1 (800) 669-6820
ASL Video Phone: (844) 234-5122

[EEOC Public Portal](#)

16 Housing Discrimination

In accordance with Title VIII of the Civil Rights Act of 1968 (The Fair Housing Act), 42 USC §§ 3601-19, and Section 109 of the Housing and Community Development Act (HCDA), 42 USC § 5309, no person shall be excluded from participation in, denied the benefit of, or subjected to discrimination in any housing program or activity receiving federal financial assistance because of age, race, color, creed, religion, familial status, national origin, sexual orientation, military status, sex, disability, or marital status.

The following individuals are not considered having disabilities:

- (a) Individuals with a temporary disability;
- (b) Individuals with substance use disorder (unless the individual is determined to be disabled independent of the substance use); and
- (c) Individuals who pose a direct threat.

Housing discrimination is prohibited from initial inquiry, through application, residency, to termination, and move-out.

Beneficiaries who feel they have been discriminated against can contact:

U.S. Department of Housing & Urban Development

Housing

Discrimination inquiries and/or complaints

800-669-9777 (Voice)

1-800-927-9275 (TTY)

Texas Workforce Commission

Civil Rights Division

1-888-452-4778 (Voice)

1-800-735-2989 (TTY)

17 Fair Labor Standards Act

The amended Fair Labor Standards Act of 1938 (FLSA) establishes the basic minimum wage and requires the payment of overtime, for certain employees. Overtime payments must be at the rate of at least one and one-half times the basic hourly rate of pay for hours worked in excess of forty per work week. These standards apply to all activities funded by this Program.

18 Financial Management

The City, as a CDBG-DR recipient, is required to follow the financial administration requirements outlined in 2 CFR Part 200 and 24 CFR Part 570. These standards help ensure that the financial systems put in place by the City:

- (a) Provide adequate, current, and complete disclosure of the financial results (regular financial reporting) of all financially assisted activities, in accordance with the financial reporting requirements of the grant;
- (b) Document that CDBG-DR funds have been used only for authorized purposes. For CDBG-DR, this includes not only eligible activities but also that the funded Projects meet a National Objective;
- (c) Maintain accounting records that show the sources and uses of CDBG-DR funds, displaying CDBG-DR funds authorized, obligated, and unobligated balances, assets, liabilities, outlays or expenditures, and income;
- (d) Establish effective internal controls over all cash, real and personal property, and other assets acquired with program CDBG-DR funds;
- (e) Track actual program cost against program budget in a manner that relates to program productivity and accomplishments;
- (f) Use Uniform Administrative Requirements outlined in 2 CFR § 200 principles to determine whether program costs are reasonable, allowable, and can be allocated, either directly or indirectly;
- (g) Maintain source documentation for accounting records;
- (h) Implement procedures for cash management that permit timely disbursement to Subrecipients and complete and accurate monitoring and reporting; and
- (i) Comply with [2 CFR § 200 subpart F](#).

(a) Finance Department

SPD is housed within the City's Finance Department and is responsible for procuring goods and services for CDBG-DR-funded activities.

(b) The City Controller

The Office of the City Controller certifies the availability of CDBG-DR funds prior to City Council approval of City commitments, processes and monitors disbursements, invests the City's CDBG-DR funds, conducts internal audits of the City's departments and federal grant programs, operates and maintains its financial management system, conducts the sale of public improvement and revenue bonds and produces a comprehensive annual report of City finances – Comprehensive Annual Financial Report (CAFR). The Controller will be responsible for providing a variety of approvals for the release of CDBG-DR funds as payment to Subrecipients, Contractors, and Individuals, as applicable. HCD is the grant manager for Houston's CDBG DR24 allocation and is responsible for administering all programs outlined in the City's CDBG-DR24 Action Plan.

(c) Public Services Division

The HCD Public Services Division is responsible for designing and implementing the CDBG-DR24 HSP for the City.

(d) Finance Division

The HCD Finance Division is responsible for processing CDBG-DR grant funding through the Systems Applications and Products (SAP), performing draws in HUD's Integrated Disbursement Information System (IDIS) and Disaster Recovery Grant Reporting (DRGR) System, and reconciling budgets and expenditures. This division is also responsible for processing payment requests in SAP and federal reimbursement requests to HUD to be realized in the City's budget.

(e) Planning and Grant Reporting Division

The HCD Planning and Grant Reporting Division is responsible for the City's CDBG-DR24 Action Plan, Local Needs Assessment, program applications, other related planning documents, substantial amendments, project/activity budget set-up and completion in IDIS and DRGR, and related reporting to HUD.

(f) Program Income

This Program is not designed to generate program income. HCD does not intend to implement any programs or activities that generate income as described in [90 FR 1754](#). However, if any CDBG-DR activities generate income before or after close-out of the grant, HCD will retain program income to fund additional CDBG-DR activities or to fund the repair, operation, or maintenance of existing CDBG-DR activities. HCD will comply with all HUD requirements and the program income waiver and alternative requirement in [90 FR 1754](#) and subsequent notices, including tracking program income in the Disaster Recovery Grants Reporting (DRGR) system and using program income before drawing additional grant CDBG-DR

funds. Specifically, the City will adhere to the program income policies and procedures as stated in the City's financial certifications.

19 Minority- and/or Woman-Owned Business Enterprises

Minority and Women Business Enterprise goal requirements do not apply to Public Services agreements because it does not lend itself for divisible subcontracting opportunities and is exempted from the goal being applied. For questions, please call the HCD office at (832) 394-6200 or email HCD at hcd-mwsbe@houstontx.gov.

20 Pay or Play

Subrecipients and Contractors must comply with the City Contractors' Pay or Play Program (POP), as set out in [Executive Order No. 1-7](#). The Subrecipients and Contractors shall demonstrate that they are willing and able to comply with the Contractor POP, which applies to:

- (a) Contracts for services in which the total expenditure by the City, including contingencies, amendments, supplemental terms, and/or change orders, equals or exceeds \$100,000.
- (b) Subcontracts for services in which the total value of the subcontract, including contingencies, amendments, supplemental terms, and/or change orders, equals or exceeds \$200,000. The Contractor is responsible to the City for the compliance of covered employees of covered subcontractors.

21 Residential Anti-Displacement

The City does not plan to administer activities under the HSP that will cause a direct or indirect displacement of persons or entities, so minimizing displacement is not applicable. However, if there is any direct or indirect displacement of persons or entities as a result of the HSP.

22 Record Keeping and Retention Requirements

In accordance with HUD regulations, the City and Subrecipients of CDBG-DR funds follow the records retention requirements cited in [2 CFR § 200](#) and [24 CFR § 570.502](#), which include financial records, supporting documents, statistical records, and all other pertinent records.

HCD establishes recordkeeping and retention requirements in its Subrecipient agreements and Contractor contracts in accordance with 24 CFR § 570.506 and [24 CFR § 570.503\(b\)\(2\)](#).

Record retention per [2 CFR § 200.334](#) is a requirement of the Program. Records are maintained to document compliance with program requirements and federal, state, and local regulations and to facilitate a review or audit by HUD. The HCD Records Management section seeks to ensure that:

- (a) HCD complies with all requirements concerning records and records management practices under federal and state regulations;
- (b) HCD has the records it needs to support and enhance ongoing business and citizen service, meet accountability requirements, and community expectations; and
- (c) These records are managed efficiently and can be easily accessed and used for as long as they are required.
- (d) Records shall be retained for the greater of:
 - (i) four years from the date of execution of the closeout of the grant, or
 - (ii) the period required by:
 - (1)
 - (2) A litigation hold or audit hold; or
 - (3) An unresolved finding.
- (e) These records are stored as cost-effectively as possible, and when no longer required, they are disposed of in a timely and efficient manner based on HUD Handbook 2225.6, Records Disposition Schedules, and HUD Handbook 2228.2.

(a) Access to Records

[2 CFR § 200, Subpart D](#), Record retention and access to records.

- (a) HUD, the City, the Inspector General, and the Comptroller General of the United States or any of their authorized representatives shall have the right of access to any records of the Subrecipient or the City pertinent to the CDBG-DR funds to perform audits, execute site visits, or for any other official use. This right also includes timely and reasonable access to the City's or Subrecipient's personnel for the purpose of the interview and discussion related to such documents or the CDBG-DR funds in general.
- (b) The rights of access are not limited to the required retention period of this part but last as long as the records are retained. The City

shall not impose any other access requirements upon Subrecipients.

23 Reporting

The reporting provisions at [2 CFR § 200.329\(b\)](#) require non-federal entities to report the Program performance of the federal CDBG-DR funds used in HUD programs. As a recipient of federal CDBG-DR funds, HCD has established its own reporting requirements per these provisions, as applicable:

- (a) At execution of agreements;
- (b) Monthly¹⁰;
- (c) Quarterly;
- (d) Annually; and
- (e) As required.

24 Additional Grant Agreement Requirements:

To the extent applicable, the City and its Subrecipients and Contractors shall comply with the following requirements established in the Grant Agreement, subject to modification, amendment, guidance, interpretation, or instruction by HUD and/or judicial decision:

- (a) **Gender Ideology Restriction:** Grant Funds shall not be used to promote “gender ideology,” as defined in Executive Order 14168;
- (b) **Anti-Discrimination Compliance:** Compliance with all applicable federal anti-discrimination laws (including Title VI of the Civil Rights Act of 1964) is material to payment decisions under 31 U.S.C. § 3729(b)(4);
- (c) **Hyde Amendment Compliance:** Grant Funds shall not be used to fund or promote elective abortions, per Executive Order 14182;
- (d) **Revoked Executive Orders:** These Grant Funds are not governed by Executive Orders revoked by E.O. 14154, including E.O. 14008 (“Tackling the Climate Crisis at Home and Abroad”);
- (e) **Immigration Restrictions:** The City shall administer the Grant Funds in accordance with all immigration eligibility and verification requirements under the **Personal Responsibility and Work**

¹⁰ The City has implemented the specific condition under 2 CFR § 200.208(c)(1) (requiring payments as reimbursements rather than as advance payments). Accordingly, pursuant to the exception under 2 CFR § 200.329(b) the City collects performance reports more frequently than quarterly.

Opportunity Reconciliation Act (PRWORA), 8 U.S.C. §1601–1646, and any applicable requirements that HUD, the Attorney General, or the U.S. Center for Immigration Services may establish from time to time to comply with PRWORA, Executive Order 14218, and any other Executive Orders or immigration laws;

- (f) **No Facilitation of Illegal Immigration:** Grant Funds may not be used in any manner that facilitates the subsidization or promotion of illegal immigration or shields illegal aliens from deportation;
- (g) **SAVE Verification:** The City shall use the **Systematic Alien Verification for Entitlements (SAVE)** system or an equivalent federally approved system to prevent provision of benefits to ineligible aliens; and
- (h) **Faith-based organizations:** The City shall not, in the selection of Subrecipients, discriminate against an organization based on the organization's religious character, affiliation, or exercise.

File Management

The HCD Records Management section assists with ensuring that:

- (a) HCD complies with all requirements concerning records and records management practices under federal and state regulations;
- (b) HCD has the records it needs to support and enhance ongoing business and citizen service, meet accountability requirements, and community expectations; and
- (c) Stored for as long as they are required.

Document Control

While this document is the primary document governing how this program is administered, these guidelines are controlled by the Grant Agreement, applicable laws, statutes, and requirements at the federal, state, and local levels. Every attempt is made by the HCD to update this document to reflect changes “upstream.” However, in cases of conflict between this document and a controlling, upstream document, the upstream document controls. Examples of upstream documents include, but are not limited to:

- (a) The Grant Agreement between HUD and the City;
- (b) The Stafford Act and its implementing regulations as interpreted by HUD, FEMA, or other controlling federal agencies, unless a waiver or alternative requirement is issued by the applicable federal agency;

- (c) 90 FR 1754, as amended and updated;
- (d) 90 FR 4759, as amended and updated;
- (e) Applicable laws, statutes, and requirements set by the federal government or the State of Texas;
- (f) Relevant notices from the U.S. Department of Housing and Urban Development published in the Federal Register;
- (g) City of Houston Code of Ordinances;
- (h) Mayoral Policies and Procedures, such as:
 - (i) Mayor's Policies;
 - (ii) Executive Orders;
 - (iii) Administrative Policies; and
- (i) City's CDBG-DR24 Action Plan.

In cases where conflict concerns a requirement, the more stringent requirement controls unless otherwise determined by the Director of HCD to the extent of applicable laws and requirements.

Amendments

As the HSP Guidelines mature, HCD may request waivers and alternative requirements to the guidelines. Per Ordinance No. 2005-1395, as amended by Ordinance No. 2018-121, and the latest HCD #01-01: Governing Documents Policy, the guidelines may be amended administratively or by a vote from the Houston City Council, as applicable.

Change Log

1.0 – Adopted XX/XX/XXXX

- Original Version
- Public Notice XX/XX/XXXX and [link]
- Passed City Council via Ordinance XXXX-XXX with an effective date of XX/XX/XXXX

Term Definitions

Activity – An action as part of a CDBG-DR24-assisted Project.

Allocable Costs – The eligible costs as outlined in 90 FR 1754, the CDBG-DR24 Action Plan, 2 CFR § 200.405, 24 CFR § 570.201(c), and the HSP’s eligibility criteria.

Beneficiary – A person who applies for or receives benefits or services from Subrecipient.

Case Management – A collaborative process that assesses, plans, implements, coordinates, monitors, and evaluates options and services required to meet an individual’s and family’s comprehensive needs.

Change Order - a Subrecipient’s submission of a change to the scope of services and/or contract price pertaining to a particular Disaster Recovery Project.

City – The City of Houston, unless otherwise specified.

Community Development Block Grant Disaster Recovery (CDBG-DR)-funding made available under the Disaster Relief Supplemental Appropriations Act, 2025 (Pub. L 118-158).

Contractor – An entity that provides goods, supplies, equipment, or construction, consulting, or other services and is subject to the procurement requirements of Subpart D of 2 CFR Part 200. Contractor is a term that may be used interchangeably with the term vendor.

Cost Reasonableness – A cost is considered reasonable if it does not exceed the amount that a prudent person would incur under the circumstances prevailing when the decision is made to incur costs, according to the additional factors provided per 2 CFR § 200.404.

Director - the Director of HCD or their successor(s) or designee(s).

Disabled Family – A family whose head (including co-head), spouse, or sole member is a person with a disability. It may include two or more persons with disabilities living together, or one or more persons with disabilities living with one or more live-in aides. (See 24 CFR § 5.403.)

Displaced Family – A family in which each member, or whose sole member, is a person displaced by governmental action, or a person whose dwelling has been extensively damaged or destroyed as a result of a disaster declared or otherwise formally recognized pursuant to Federal disaster relief. (See 24 CFR § 5.403.)

Disaster Recovery Project – Any project that uses Community Development Block Grant Disaster Recovery (CDBG-DR) funding.

Duplication of Benefits– Any assistance received for the same disaster recovery purpose as the CDBG-DR24 funds were or would be provided.

Elderly Family – A family whose head (including co-head), spouse, or sole member is a person who is at least 62 years of age. It may include two or more persons who are at least 62 years of age living together, or one or more persons who are at least 62 years of age living with one or more live-in aides. (See 24 CFR § 5.403.)

Family – Includes, but is not limited to, the following, regardless of actual or perceived sexual orientation, gender identity, or marital status:

- (a) A single person, who may be:
 - (i) An elderly person, displaced person, disabled person, near-elderly person, or any other single person;
 - (ii) An otherwise eligible youth who has attained at least 18 years of age and not more than 24 years of age and who has left foster care, or will leave foster care within 90 days, in accordance with a transition plan described in section 475(5)(H) of the Social Security Act (42 U.S.C. 675(5)(H)), and is homeless or is at risk of becoming homeless at age 16 or older; or
- (b) A group of persons residing together, and such group includes, but is not limited to:
 - (i) A family with or without children (a child who is temporarily away from the home because placement in foster care is considered a member of the family);
 - (ii) An Elderly Family;
 - (iii) A near-elderly family;
 - (iv) A Disabled Family;
 - (v) A Displaced Family; and
 - (vi) The remaining member of a tenant family.

(See 24 CFR § 5.403.)

HCD – The City’s Housing and Community Development Department.

Home – A house, apartment, group of rooms, or a single room occupancy unit, or intended for occupancy as a separate living quarter. Maybe used interchangeably with housing unit.

Household – All persons occupying a housing unit. The occupants may be a family, as defined in 24 CFR 5.403; two or more families living together, or any other group of related or unrelated persons who share living

arrangements, regardless of actual or perceived sexual orientation, gender identity, or marital status.

Housing Counseling – Independent, expert advice customized to the needs of the consumer to address the consumer’s housing barriers and to help achieve their housing goals, and must include the following processes: Intake; financial and housing affordability analysis; an action plan, except for reverse mortgage counseling; and a reasonable effort to have follow-up communication with the client when possible. The content and process of housing counseling must meet the standards outlined in 24 CFR Part 214, consistent with 12 U.S.C. 1701x.

HUD – The United States Department of Housing and Urban Development.

Low and Moderate Income (LMI) – Income that is equal to or less than 80% of the AMI as determined by HUD, adjusted for family size.

Low Income – Annual income between 31% and 50% percent of AMI, as determined by HUD, adjusted for family size.

Moderate Income – Annual income between 51% and 80% of AMI, as determined by HUD, adjusted for family size.

Non-material Documents – Supplemental documents that do not impact scoring.

Personally Identifiable Information (PII) – Information protected by the Privacy Act of 1974 that can be used to distinguish an individual’s identity.

Pre-Award Costs – Cost incurred before the execution of a written Subrecipient agreement between the City and the Subrecipient, which shall comply with 2 CFR Part 200, 24 CFR Part 58, and 24 CFR Part 570, specifically including, but not limited to, 2 CFR §200.458 (Pre-award costs), 24 CFR § 570.489(b), and 24 CFR § 570.200(h) (except for provisions 24 CFR 570.200(h)(1)(i), (v), and (vi), which have been waived pursuant to 90 FR 1754 (III.B.14.a., “Reimbursement of pre-award costs by a grantee or subrecipient”))

Program or **HSP** – The City’s Disaster Recovery - 2024 Homeless Services Program, unless otherwise specified in the document.

Project – An activity or a group of integrally related activities designed by the City or Subrecipient to accomplish in whole or in part a specific objective.

Scope of Services - the task(s) that constitute an eligible activity and meet a National Objective carried out by the Subrecipient.

Subrecipient - A public or private nonprofit agency, authority, or organization, or a for-profit entity authorized under [§ 570.201\(o\)](#), receiving CDBG funds from the City or another subrecipient to undertake activities

eligible for such assistance under subpart C of 24 CFR Part 570. The term excludes an entity receiving CDBG funds from the City under the authority of [§ 570.204](#), unless the City explicitly designates it as a subrecipient. The term includes a public agency designated by a unit of general local government to receive a loan guarantee under [subpart M of 24 CFR Part 570](#), but does not include Contractors providing supplies, equipment, construction, or services subject to the procurement requirements in Subpart D of [2 CFR Part 200](#).

Subrogation and Assignment Agreement – An agreement between the Subrecipient applicant and the City that relates to the reimbursement of the City for any duplicative assistance paid to the Subrecipient applicant, if the Subrecipient applicant receives an award of CDBG-DR funds from the City, insurance company, or other source that relates to the same recovery purpose. The Subrogation and Assignment Agreement will be made a part of all Subrecipient agreements where applicable.