

**A CONTRACT
BETWEEN
CITY OF LAREDO AND BETHANY HOUSE**

The contract is made between the City of Laredo, a municipal corporation, (hereinafter called "CITY") and Bethany House of Laredo, Inc., a non-profit organization (hereinafter called "Bethany House") to provide supportive services and tenant rental base assistance (TBRA) through the use of HOME Investment Partnerships American Rescue Plan Program (HOME-ARP) funds.

CONTRACT PERIOD

This contract is effective from date of signatures and shall terminate on July 31, 2027, unless otherwise specifically provided by the terms of this contract.

TERMS AND CONDITIONS

1. CITY agrees to do the following:

- A. Pay a total of Sixty One thousand Eight Hundred Forty and No/100 Dollars, (\$61,840.00) from the HOME ARP Program funds for TBRA and supportive services to benefit qualifying individuals and families who are (1) homeless; (2) at risk of homelessness; (3) fleeing or attempting to flee domestic violence, dating violence, sexual assault, stalking, or human trafficking; (4) part of other populations where providing supportive services or assistance would prevent a family's homelessness or would serve those with the greatest risk of housing instability; or (5) veterans and families that include a veteran family member that meet the criteria in one of (1)-(4) above.
- B. Monitor the expenditure of funds to insure compliance with 2 *CFR* Part 200, as amended and other regulations, as applicable.

2. Bethany House agrees to do the following:

- A. Utilize HOME-ARP funds exclusively to provide tenant-based rental assistance ("HOME-ARP TBRA") to individuals and families that meet one of the Qualifying Populations defined in the CPD 21-10 Notice: Requirements for the Use of Funds in the HOME-American Rescue Plan Program ("the Notice") CPD 21-10 and the City's HOME Investment Partnerships American Rescue Plan Policy and Procedures Manual (included in *Exhibit B*), as amended and other regulations, as applicable. Assist a qualifying household with HOME-ARP TBRA to cover the entire or insufficient amounts that the qualifying household cannot pay for housing and housing-related costs, such as rental assistance and security deposit. HOME-ARP TBRA assisted households may choose to rent a unit in a HOME-ARP rental project or any other eligible rental unit. HOME-ARP TBRA is a form of rental assistance that is attached to the household and not a particular rental unit. Therefore, the HOME-ARP TBRA assisted household may choose to move to another unit with continued HOME-ARP TBRA as long as the new unit meets the applicable property standards of this Notice. If a HOME-ARP TBRA assisted household chooses to move, the rental assistance contract terminates and a new rental assistance contract for the new unit will be executed according to HOME-ARP TBRA requirements. The HOME-ARP TBRA assisted household must notify Bethany House before moving in order to receive continued HOME-ARP TBRA.

- 1. *Tenant Selection*: Only individuals and families in the qualifying populations are eligible to receive this assistance and the following criteria must be adhere to:

- a) Limit eligibility to households that meet one of the HOME-ARP qualifying populations' definitions in accordance with HOME-ARP requirements.
 - b) Select HOME-ARP TBRA applicants off a waiting list, it must provide for the selection of qualifying households from a written waiting list in accordance with policy and procedures manual preferences or method of prioritization in the chronological order of their application, insofar as is practicable.
 - c) Give prompt written notification to any rejected applicant of the grounds for any rejection, and
 - d) Comply with the VAWA requirements as described in 24 CFR 92.359.
2. *Tenant Protections:* An executed lease between the qualifying household that receives TBRA and the owner of the rental unit or between the owner of the rental unit and a HOME-ARP sponsor with a sublease between the qualifying households and the HOME-ARP sponsor, in accordance with 24 CFR 92.253(a). A HOME-ARP sponsor is a nonprofit organization that provides housing or supportive services to qualifying households and facilitates the leasing of a rental unit to a qualifying household or the use and maintenance of TBRA by a qualifying household. The lease between the qualifying household and the rental unit owner or the sublease between the HOME-ARP sponsor and the qualifying household cannot contain any of the prohibited lease terms specified in 24 CFR 92.253(b).
 3. *Eligible Costs:* Eligible costs under TBRA include rental and security deposit assistance to qualifying households. HOME-ARP funds may be used to pay for up to 100% of these eligible costs. The security deposit may not exceed the equivalent of two months' rent for the unit. Housing unit inspections are also eligible costs of TBRA.
 4. *Portability of Assistance:* Assistance will only be provided within the City of Laredo boundaries.
 5. *Term of Rental Assistance:* Contract: Rental assistance may be provided to a program participant for up to 12 months. The rental assistance contract continues until the end of the rental assistance contract term, as determined by CD, or until the lease or sublease is terminated, whichever occurs first. The term of the rental assistance contract may be renewed, subject to the availability of HOME-ARP funds. The term of the rental assistance contract must begin on the first day of the term of the lease or sublease.
 6. *Maximum Subsidy:* May provide up to 100 percent subsidy for rent, security deposit payments, and utility bills. Must also establish policies for determining any household contribution to rent based on a determination of the qualifying household's income.
 7. *Rent Standard:* Consistent with 24 CFR 92.209(h)(3), a rent standard for TBRA by unit size that is based upon local market conditions or the section 8 Housing Choice Voucher program under 24 CFR part 982 must be established. Bethany House must determine whether the rent for a TBRA household complies with the rent standard established for the HOME-ARP program and must disapprove a lease if the rent does not meet rent standard for TBRA.
 8. *Housing Quality Standards:* Housing occupied by a household receiving TBRA must comply with all housing quality standards required in 24 CFR 982.401 (or successor

inspection standards issued by HUD) unless the tenant is residing in a HOME or HOME-ARP unit, in which case Bethany House may defer to initial and ongoing inspection standards.

9. *Project Completion:* Project completion for a HOME-ARP TBRA project means the final drawdown has been disbursed for the project

B. HOME-ARP funds may be used to provide a broad range of supportive services to qualifying individuals or families as a separate activity or in combination with other HOME-ARP activities. Supportive services include: a) services listed in section 401(29) of the McKinney-Vento Homeless Assistance Act (“McKinney-Vento Supportive Services”) (42 U.S.C. 11360(29)); b) homelessness prevention services, as described in Section VI.D.3. and D.4 below; and c) housing counseling services. Eligible supportive services expenses are described in **Exhibit B**.

Eligible Supportive Services under HOME-ARP: There are three categories specifically included as supportive services under HOME-ARP:

a. McKinney-Vento Supportive Services: McKinney-Vento Supportive Services under HOME-ARP are adapted from the services listed in section 401(29) of McKinney Vento.

b. Homelessness Prevention Services: HOME-ARP Homelessness Prevention Services are adapted from eligible homelessness prevention services under Emergency Solution Grant and regulation 24 CFR 576 and are revised, supplemented, and streamlined in Section VI.D.4.c.i below.

c. Housing Counseling Services: Housing counseling services under HOME-ARP are those consistent with the definition of housing counseling and housing counseling services defined at 24 CFR 5.100 and 5.111, respectively, except where otherwise noted. The requirements at 24 CFR 5.111 state that any housing counseling, as defined in 24 CFR 5.100, required under or provided in connection with any program administered by HUD shall be provided only by organizations and counselors certified by the Secretary under 24 CFR part 214 to provide housing counseling, consistent with 12 U.S.C. 1701x. HUD-approved Housing Counseling Agencies can be found on HUD’s website at: http://portal.hud.gov/hudportal/HUD?src=/program_offices/housing/sfh/hcc.

Eligible Cost of Supportive Services for Individuals and Qualifying Families

1. Case management, including:

- a. Conducting an initial evaluation, including verification and documentation of eligibility;
- b. Counseling;
- c. Developing, securing, and coordinating services;
- d. Coordinating with the CoC coordinated entry system;
- e. Monitoring and evaluating participant progress;
- f. Providing information and referrals to other providers;
- g. Providing ongoing risk assessment and safety planning with program participants fleeing or attempting to flee domestic violence, dating violence, sexual assault, stalking, and human trafficking;
- h. Developing an individual housing and service plan that includes planning a path to permanent housing stability; and
- i. Conducting re-evaluations of eligibility and service needs.

2. Housing search and counseling assistance, including:
 - a. Creating an action plan for locating housing;
 - b. Housing search assistance;
 - c. Tenant counseling;
 - d. Assistance securing utilities;
 - e. Making moving arrangements;
 - f. Outreach and negotiation with landlords or property owners;
 - g. Assistance submitting rental applications; and
 - h. Assistance understanding leases.

2. Coordinated service linkages to promote housing stability, health, income attainment, well-being, and coordinated referral and advocacy.

C. BUDGET

Bethany House will adhere to the budget as per **Exhibit A**. Changes to the total amount awarded to each component will require a contract amendment. Any increase or decrease to the estimated line item will **not** require amendment while the budget amount stays the same. No amendment to this Agreement shall be effective unless in writing signed by both parties.

D. TERMINATION OF HOUSING ASSISTANCE

Bethany House may terminate assistance to a program participant who violates program requirements utilizing a formal process consisting of:

1. Written notice to the program participant containing a clear statement of the reasons for termination;
2. Review of decision, including the opportunity to present written or oral objection before a person other than the person who made or approved the termination decision; and
3. Prompt written notice of the final decision to the program participant.

Bethany House may resume assistance to a program participant whose assistance was previously terminated.

E. RECORD KEEPING/ REPORTING

Comply with the record keeping requirements under CFR 2 Part 576.500 to include maintaining and making records available as necessary for a period of five years after the expenditure of all funds from the grant under which the program participant was served to include (but not limited to):

1. An accurate record of expenses supported by invoices and billing statements.
2. Provide monthly reports on client-level data, such as the number of persons served and their demographic information in a Homeless Management Information System (HMIS) or a comparable database.
3. Shall comply with 24 CFR 85.36(b) (3) regarding conflict of interest.
4. Confidentiality - To protect the safety and privacy of all program participants, Bethany House will be required to develop written procedures to ensure the security and

confidentiality of all records containing personally identifying information of any individual or family who applies for and/or receives ESG.

5. Property records for assets acquired with grant funds and safeguards for preventing loss, damage or theft of recipient held property.
6. Provide a copy of the organization's annual internal audit report within 60 days after its completion.
7. Provide all information required for the City's Consolidated Annual Performance Evaluation Report derive from the Sage System no later than October 15th of each year.

Comply with all other federal requirements, as applicable.

F. Environmental Review

The City of Laredo assumes the responsibilities for environmental review, decision-making, and other actions in compliance with 24 CFR, Part 58.

G. LEAD-BASED PAINT REQUIREMENTS

The Lead-Based Paint Poisoning Prevention Act (42 U.S.C 4801 et seq.), as amended by the Residential Lead-Based Paint Hazard Reduction Act of 1992 (42 U.S.C. 4851 et seq.) and implementing regulations at 24 CFR part 35, subparts A, B, H, J, K, M, and R shall apply to all housing occupied by program participants receiving assistance through ESG. See *Exhibit E*.

H. VIOLENCE AGAINST WOMEN ACT (VAWA)

Bethany House must meet with the requirements of VAWA which is a federal law that, in part, provides housing protections for people applying for or living in units subsidized by the federal government and who have experienced domestic violence, dating violence, sexual assault, or stalking, to help keep them safe and reduce their likelihood of experiencing homelessness. As mentioned in 24 CFR 5.

I. HABITABILITY STANDARDS

Bethany House shall be required to conduct an initial inspection of all housing units into which a program participant will remain or will be moving. This requirement is for all assistance, including rental arrears. HOME-ARP funds cannot be used to help a program participant remain or move into housing that does not meet the minimum habitability standards required under §576.403(c).

J. HOMELESS PARTICIPATION

Bethany House must meet the requirement of having at least one homeless person or formerly homeless person participating in the policy making regarding projects receiving HOME-ARP funds.

H. ANTI-DISCRIMINATION

Bethany House must comply with applicable fair housing and civil rights requirements in 24 CFR 5.105(a). In addition, Bethany House must make known that TBRA assistance and services are available to all on a nondiscriminatory basis and ensure that all citizens have equal access to information about HOME-ARP and equal access to the financial assistance and services provided

under this program. Bethany House will not discriminate against applicants for employment or applicants for housing or other services on the basis of age, religion, race, color, sex, disability, veteran status, familial status, sexual orientation, gender identity, marital status, or national origin.

I. AFFIRMATIVELY FURTHERING FAIR HOUSING

Under section 808(e) (5) of the Fair Housing Act, HUD has a statutory duty to affirmatively further fair housing. HUD requires the same of its funding recipients. Bethany House will have a duty to affirmatively further fair housing opportunities for classes protected under the Fair Housing Act.

J. UNIFORM ADMINISTRATIVE REQUIREMENTS

Bethany House shall be subject to the requirements of 2 CFR Part 200 – Uniform administrative requirements for grants and agreements.

K. DRUG-FREE WORKPLACE

Bethany House shall comply with the Drug-Free Workplace Act of 1988 (41 U.S.C. 701, et seq.) and 24 CFR part 21 – Government wide requirements for drug-free workplace (Grants).

L. PROCUREMENT OF RECOVERED MATERIALS

Bethany House must comply with the requirements of Section 6002 of the Solid Waste Disposal Act. In accordance, with Section 6002, Bethany House must procure items designated in guidelines of the Environmental Protection Agency (EPA) at 40 CFR part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds \$10,000.00 or the value of the quantity acquired in the preceding fiscal year exceeded \$10,000.00.

M. TERMINATION

In the event that Bethany House fails to provide services in accordance with the provisions of this contract, CITY may upon written notice of default to Bethany House terminate the whole or any part of this contract, and such termination shall not be an exclusive remedy, but shall be in addition to any other rights and remedies provided by law or under this contract.

N. INDEMNIFICATION

BETHANY HOUSE SHALL INDEMNIFY, DEFEND, SAVE AND HOLD HARMLESS THE CITY AND ITS OFFICERS, EMPLOYEES AND AGENTS FROM AND AGAINST ALL CAUSES OF ACTION, FINES, JUDGMENTS, LOSSES, CLAIMS, DAMAGES, LIABILITIES, COSTS AND EXPENSES, INCLUDING REASONABLE ATTORNEYS' FEES AND EXPENSES, JOINT OR SEVERAL, WHETHER THEY BE FOR PERSONAL INJURY OR PROPERTY DAMAGE OR ANY OTHER TYPE OF CLAIM, WHICH MAY BE ASSERTED AGAINST ANY OF THEM ARISING OUT OF OR RELATED TO (I) ANY ACTION BY BETHANY HOUSE OR ITS AGENTS IN THE CARRYING OUT OF THE SERVICES DURING THE TERM OF THIS AGREEMENT; (II) THE NEGLIGENCE OR WILLFUL OR WANTON MISCONDUCT OF BETHANY HOUSE OR ITS AGENTS; (III) ANY VIOLATION OF ANY REQUIREMENT APPLICABLE TO BETHANY HOUSE OR ITS AGENTS UNDER ANY FEDERAL, STATE, OR LOCAL LAW OR REGULATION, (IV) THE FAILURE OF BETHANY HOUSE TO PERFORM SPECIFIED DUTIES UNDER THIS AGREEMENT, OR (V) THE BREACH OF THIS AGREEMENT BY BETHANY HOUSE, EXCEPT IN EACH CASE TO THE EXTENT CAUSED BY THE GROSS NEGLIGENCE OR WILLFUL OR WANTON MISCONDUCT OF THE CITY. OBLIGATIONS UNDER THIS SECTION SHALL NOT BE LIMITED TO THE LIMITS OF COVERAGE OF INSURANCE

MAINTAINED OR REQUIRED TO BE MAINTAINED BY BETHANY HOUSE UNDER THIS AGREEMENT AND WILL NOT BE LIMITED BY COMPARATIVE NEGLIGENCE STATUTES. THIS SECTION SHALL SURVIVE THE TERMINATION OF THIS AGREEMENT.

O. ENTIRE AGREEMENT REPRESENTED

This contract and its exhibits represent the entire agreement of the parties. This contract may not be changed except by written agreement approved by the City Council and duly executed by all of the parties hereto.

P. MULTIPLE COUNTERPARTS

This contract may be executed in several counterparts each of which shall be deemed an original and all of which when taken together shall constitute but one and the same contract.

Q. NOTICE

Any and all notices or other communications required or permitted to be given pursuant to this contract shall be in writing and shall be considered as properly given if mailed by certified, return receipt requested mail, postage prepaid and addressed as follows:

Javier Garcia
Executive Director
Bethany House of Laredo, Inc.
817 Hidalgo St.
Laredo, TX 78040

Joseph W. Neeb
City Manager
City of Laredo
P.O. Box 579
Laredo, TX 78040

R. PARTIES BOUND

This contract shall be binding upon and inure to the benefit of the parties hereto, their respective heirs, executors, administrators, legal representatives, successors and assigns.

S. REPRESENTATIONS

No representations, promise, guarantees or warranties were made to induce the other party to the execution of this contract, or made in connection therewith, which are not expressly stated in the body of this contract.

T. SEVERABILITY

If any provision of this contract shall for any reason be held violate of any applicable law, governmental rule or regulation or if said contract is held to be unenforceable or unconscionable, and then the invalidity of such specific provisions herein shall not be held to invalidate the remaining provisions of this contract. Such other provisions and the entirety of this contract shall remain in full force and effect unless the removal of said invalid provision destroys the legitimate purpose of this contract, in which event this contract shall be null and void.

U. STATE LAW APPLICABLE TO CONTRACT

This contract shall be subject to and governed under the laws of the State of Texas. Any and all obligations and payments are due in performance and payable in Laredo, Webb County, Texas.

(i) Complete Understanding

By execution and acceptance of this contract, the parties hereto acknowledge they have read the same and understand each provision, term and obligation contained in this contract. This contract although drawn by one party shall be construed fairly and reasonably and not more strictly against the drafting party than the non-drafting party.

(ii) Acceptance

This contract shall not be binding until it is executed by both parties to this contract.

(iii) Date and Effectiveness

This contract shall become effective upon execution whereupon the parties' obligations contained hereinabove shall be conclusive and binding upon all or the parties hereto and this contract shall no longer be considered executory.

(iv) Signatory Clause

This contract is signed, accepted and agreed to by CITY and Bethany House by and through the parties or the parties' agents or authorized representatives and the same hereby acknowledge that they have read and understand this contract and the attachments and/or exhibits hereto and that all parties execute this legal document voluntarily and of their own free will.

Executed in triplicate originals, this ____ day of _____, 2024.

ATTEST:

Jose A. Valdez
City Secretary

APPROVED BY:

Doanh T. Nguyen
City Attorney

BETHANY HOUSE OF LAREDO:

Javier Garcia
Executive Director

CITY OF LAREDO:

Joseph W. Neeb
City Manager