HOME-ARP Application Workshop

Dauphin County Community and Economic Development

Agenda

What is HOME-ARP?

Eligible Activities and Qualifying Populations

Environmental Review, Subsidy Layering, Underwriting

Affordability and Ongoing Compliance

Other Federal Requirements

Review Application Process and Requirements
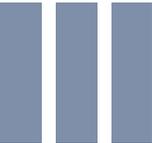
The HOME-American Rescue Plan (ARP)

SEC. 3205. HOMELESSNESS ASSISTANCE AND SUPPORTIVE SERVICES PROGRAM.

Provides $5 billion of supplemental HOME funds to assist individuals or households who are homeless, at risk of homelessness and other vulnerable populations by providing housing, rental assistance, supportive services, and non-congregate shelter

Qualifying Populations

Homeless, as defined in section 103(a) of the McKinney-Vento Homeless Assistance Act

At-risk of homelessness, as defined in section 401(1) of the McKinney-Vento Homeless Assistance Act

Fleeing, or attempting to flee, domestic violence, dating violence, sexual assault, stalking, or human trafficking, as defined by the Secretary

In other populations where providing supportive services or assistance under section 212(a) of the Act (42 U.S.C. 12742(a)) would prevent the family's homelessness or would serve those with the greatest risk of housing instability

HUD HOME-ARP Definition Homeless

an individual or family who lacks a fixed, regular, and adequate nighttime residence
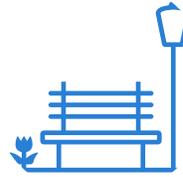
an individual or family with a primary nighttime residence that is a public or private place not meant for human habitation, including a car, park, abandoned building, bus or train station, airport, or camping ground

an individual or family living in shelter designated to provide temporary living arrangements

an individual who resided in a shelter or place not meant for human habitation and who is exiting an institution where he or she temporarily resided

an individual or family who will imminently lose their housing, including housing they own, rent, or live in without paying rent, are sharing with others, and rooms in hotels or motels

HUD HOME-ARP Definition At Risk of Homelessness

Income at or below 30% AMI; Lacks sufficient resources to attain housing stability; AND

Multiple Moves: Has moved because of economic reasons two or more times during the 60 days immediately preceding the application for assistance

Doubled Up: Is living in the home of another because of economic hardship

Hotel/Motel: Lives in a hotel or motel and the cost is not paid for by charitable organizations or by federal, state, or local government programs for low-income individuals

Overcrowded Housing: Lives in a single room occupancy (SRO) or efficiency apartment unit where two or more persons reside or where there are more than one-and-a-half persons per room

Exiting Institution: Is exiting a publicly funded institution or system of care (e.g., jail, prison, psychiatric hospital, etc.);

Tenant Selection

- Dauphin County has not established a preference among Qualifying Populations

- All Qualifying Populations must be considered for occupancy of HOME-ARP units, and placed on a project-specific wait list

- Rents for HOME-ARP units cannot exceed 30% of the tenant's income

Five Eligible Activities

PRODUCTION OR PRESERVATION OF AFFORDABLE RENTAL HOUSING

TENANT-BASED RENTAL ASSISTANCE (TBRA)

SUPPORTIVE SERVICES, HOMELESS PREVENTION SERVICES, AND HOUSING COUNSELING

PURCHASE AND DEVELOPMENT OF NON-CONGREGATE SHELTER

NONPROFIT OPERATING AND CAPACITY BUILDING

Uses of Funds

Acquisition

Construction – building, site and off-site

Soft costs

Relocation Costs

Operating Cost Assistance

Environmental Review

All federal agencies are required to comply with the National Environmental Policy Act.

HUD Implements their compliance with NEPA through 24 CFR Part 58

This is NOT a Phase I ESA, though that is often made part of the "Part 58 Review"

Pre-planning tool to ensure the most environmental, social and economic benefit is achieved for the project (avoids wasted dollars)

Underwriting Review

County is required to perform underwriting of project and developer capacity

- Review development budget
- Sources and Uses of Funds
- Development and Operating Proformas
- Determine per-unit cost/cost allocation if required

Will be done prior to County executing Written Agreement

Compliance Period

- All Rental Projects assisted with HOME-ARP have a minimum 15 year compliance period that begins at project completion
  - Project completion means the project meets property standards and all fund have been expended by County
- Supportive Services do not have a maximum timeframe except as outlined in the CPD Notice (generally maximum 3 months for rental assistance and 24 months for utility assistance)

All funds must be spent by September 30, 2030, regardless of when commitment was issued or when services to participant started

Eligible Supportive Services

- Costs of child care;
- Costs of improving knowledge and basic educational skills;
- Costs of establishing and/or operating employment assistance and job training programs
- Costs of providing meals or groceries
- Costs of assisting eligible program participants to locate, obtain and retain housing
- Costs of certain legal services
- Costs of teaching critical life management skills
- Financial assistance costs, including:
  - Rental application fees
  - Security deposits
  - Utility deposits
  - Payment of rental arrears

- Mental health/substance misuse treatment services
- Outpatient health services
- Street outreach services to place individuals in housing
- Transportation services
- Credit repair services
- Case Management
- Landlord/Tenant Liaison

Consult Notice CPD 21-10 for complete list of eligible services, costs and time limitations

Affordability and Ongoing Compliance

Minimum 15 year affordability/compliance period

Must provide evidence of correct rent calculation (utility allowance)

Physical inspection upon completion, within 12 months of completion and every three years during affordability period. Property must continue to meet state/local codes and County's property standards

Projects with 5+ units must submit an Affirmative Marketing Plan, and demonstrate outreach efforts

Rent increases must be approved by the County; tenants given minimum 30 day notice once County approves any increase. Rent increases must be consistent with state landlord/tenant law.

Rent Limitations

- Units occupied by HOME ARP QPs:
  - Rent cannot exceed the Low-HOME Rent limits, as established annually by HUD
  - Tenants cannot pay more than 30% of their adjusted income toward rent and utilities
  - Consider: how will your proforma make up any potential shortfall between a tenant's income and the rent for the unit
- HOME ARP units occupied by Low-Income households:
  - Rent cannot exceed the High HOME rent limit

Note: If a unit has PBV, or a tenant receives another Federal tenant-based voucher (i.e. Section 8, CoC, etc), the rent allowable under that program prevails, so long as the tenant does not contribute more than 30% of their adjusted income toward the rent.

Other Federal Requirements

Uniform Relocation Act applies if units to be acquired/rehabilitated are occupied

Prevailing Wage applies for projects with 12 or more HOME-assisted units

MBE/WBE/Section 3 contracting

Lead-Safe Housing Rule and Radon standards apply

Section 504-Accessibility

Grant Application Basics

Must provide housing and/or services for Qualifying Populations

Leverage outside funds and fills gap

Clearly define project– Scope, location, need, benefit, budget, goals

Demonstrate capacity of applicant

Establish measurable realistic goals

Provide detailed project description

Meet project eligibility

Demonstrate project will be completed within four years

Demonstrate commitment to long-term affordability

Do's and Don'ts

DO: Answer the question asked

DO: Be complete, but succinct.

DO: Make sure budget matches narratives and first page of app!

DO: SUBMIT ON TIME

DON'T: EVER start a project until you have a signed county agreement - any work started before the executed agreement is at the risk of the municipality

Questions