HOME-ARP: Planning for Effective Implementation

NCDA Conference – June 13, 2023

Presenters

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Agenda

- HOME-ARP Overview and Allocation Plan Status
- Preferences and Referral Methods
- Program Implementation
- Available and Upcoming Technical Assistance
- Questions

HOME-American Rescue Plan (HOME-ARP)

- American Rescue Plan includes $5 billion of supplemental HOME funds to provide housing, shelter, and supportive services "qualifying populations."

- Funds allocated via HOME formula to all FY 2021 HOME PJs

- Funds available to PJs for expenditure until September 2030

- Implemented by CPD Notice 21-10 and Waiver Appendix
  - CPD Notice 22-13 revised the implementing notice to establish plan submission deadline and procedures for HUD reallocation of funds

Allocation Plan Status

- All 643 HOME participating jurisdictions expected to submit a HOME-ARP Allocation Plan met the March 31st deadline
- Field Offices have accepted 534 plans to date
- Other PJs are working on resubmissions or have resubmitted plans for Field Office review

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Poll 1: Plan Status

- Is your plan approved?
- Is your plan currently disapproved?
- Are you working with HUD TA provider?
- If TA requested, is it to:
  - Revise allocation plans?
  - Other assistance?
- Does your plan require amendment?

Plan Rejected?

- Plan rejections are not unusual for new programs
  - Substantial incompleteness
    - Examples include incomplete needs assessment or gaps analysis, defective public participation or consultation
  - Inconsistency with the purposes of the HOME-ARP Act
    - Examples include ineligible activities or beneficiaries, impermissible preferences or limitations, civil rights-related issued
  - Inaccurate Certifications
- PJ has 45 days (or longer) to resubmit
  - Notify your Field Office if it will take you longer than 45 days

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Help for Rejected Plans

- Direct technical assistance (TA) is available to assist PJs with resubmission of disapproved plans

- You can request Direct TA through TA portal on the HUD Exchange or having Field Office submit request

- Submit Questions to your Field Office or to OAHP through HOME-ARP Mailbox- HOMEARP@hud.gov

HOME-ARP Eligible Activities

- Tenant-based rental assistance

- Development of affordable rental housing

- Supportive services to qualifying individuals or families not already receiving such supportive services

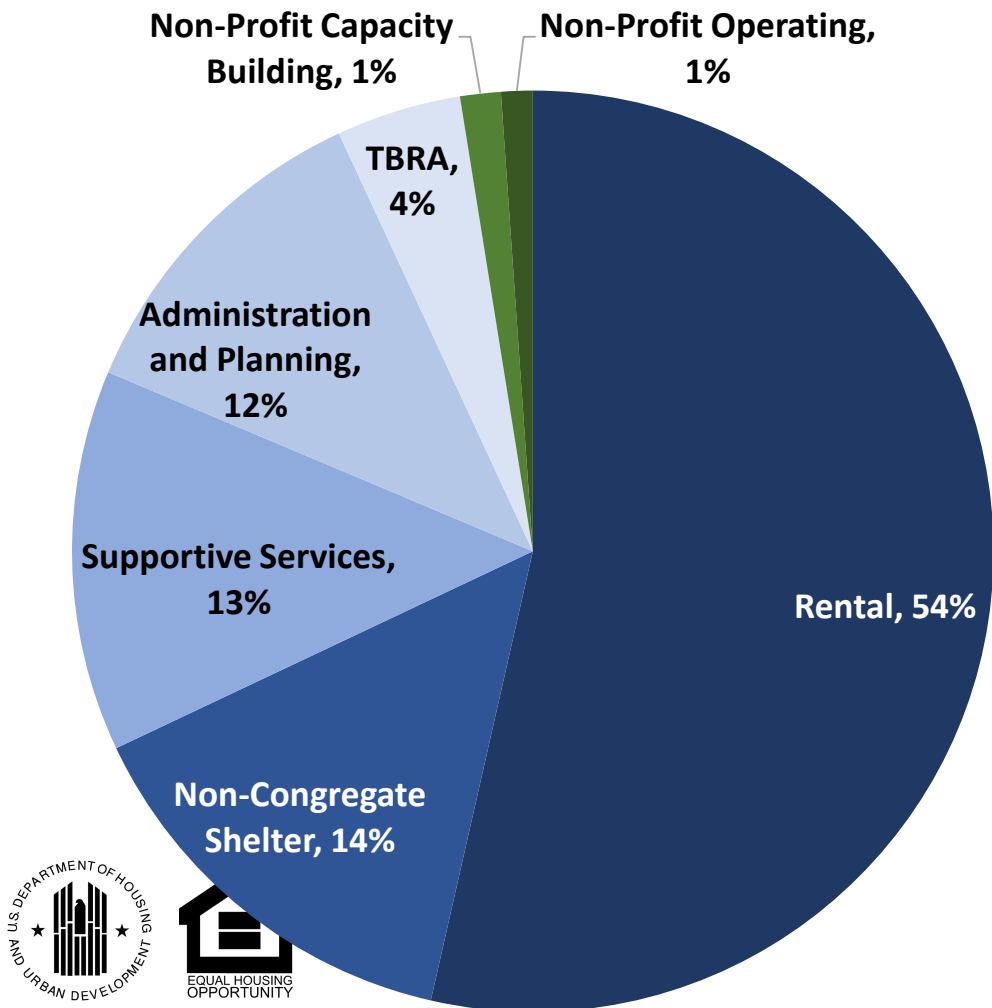- Acquisition and development of non-congregate shelters

Poll 2: Use of Funds

- Is your PJ using funds for:
  - Rental projects?
  - Non-congregate shelter?
  - Supportive services activities?
  - TBRA?

How PJs are Planning to Use HOME-ARP Funds

Distribution of HOME-ARP Funds by Activity

Pie chart:
- Rental, 54%
- Non-Congregate Shelter, 14%
- Supportive Services, 13%
- Administration and Planning, 12%
- TBRA, 4%
- Non-Profit Capacity Building, 1%
- Non-Profit Operating, 1%

Housing Goals

- 18,778 Units Produced
- 22,134 Units Supported

Note: Data reflect plans as reported by PJs in their Allocation Plans. Data are current as of June 5, 2023, and include data for 534 PJs with approved plans as of that date.

Preferences and Referral Methods

Qualifying Populations

- Homeless – as defined at 24 CFR 91.5 (1), (2), and (3)
  - Not paragraph (4)
- At Risk of Homelessness – as defined at 24 CFR 91.5
- Fleeing/Attempting to Flee Domestic Violence, Dating Violence, Sexual Assault, Stalking, or Human Trafficking
  - *Domestic Violence, Dating Violence, Sexual Assault*, and *Stalking* from VAWA regulation at 24 CFR 5.2003
  - *Human Trafficking* from Trafficking Victims Protection Act of 2000
- Other Populations: 1) Families Requiring Services or Housing Assistance to Prevent Homelessness OR 2) Those At Greatest Risk of Housing Instability

Assisting Qualifying Populations

- Congress intended that all four QPs be served by HOME-ARP
  - PJs must provide all QPs with <u>access</u> to its HOME-ARP program
  - This means that all four QPs must be eligible to apply for/be referred to HOME-ARP projects and activities
  - Implementation of preferences may not exclude or remove eligibility of any QP from its HOME-ARP program
- PJs must design/administer HOME-ARP program to ensure that all QPs have access to their programs
  - Allocation plan must address needs & housing/shelter/service gaps of each QP
  - Preferences must be identified in allocation plan

Preferences, Limitations, and Methods of Prioritization

- **Preferences** establish order in which applicants are admitted to project or activity by providing priority in selection of applicants among QPs (e.g., homeless QP) or subpopulation within a QP (e.g., persons with disabilities within one or more QPs).

- **Limitations** <u>exclude</u> certain QPs or subpopulations of QPs from eligibility for a project or activity.

- **Method of prioritization** (MOP) is process used to determine how two or more eligible QP applicants who qualify for the same or different preferences are selected for HOME-ARP assistance
  - Cannot have MOP without preference(s).
  - CEs implement MOPs.

Determining HOME-ARP Referral Methods

- Preferences, MOPs, and limitations affect permissible referral methods for projects and activities

- PJs must also take differences between HOME ARP QP definitions and similar definitions used in other HUD programs into account.
  - CoC CE must be being expanded/augmented because:
    - CEs don't include all QPs; all QPs must have access to HOME-ARP
    - CEs employ MOP which: 1) implement preferences; and 2) may not be the preferences or MOP the PJ adopted for HOME-ARP

HOME-ARP Referral Methods

- **<u>Project/Activity-Specific Waiting Lists</u>**
  - Can be used with or without preferences
  - Can be used with limitations
  - All qualifying households that apply are placed on list. Applicants are:
    - Selected in chronological order of application; OR
    - Selected consistent with any preference or MOP established for project

- In absence of preferences, this is default referral method and applicants are selected in chronological order
  - CE and other agencies can refer clients to the waiting list

HOME-ARP Referral Methods

- **Expanded Coordinated Entry** - PJ can contract with CE or CEs operating within its boundaries to accept applications and refer clients to HOME-ARP projects/activities only if:
  - CE expands to accept all HOME-ARP QPs
  - It applies the preferences and prioritization established in the PJ's HOME-ARP allocation plan
- **Coordinated Entry with Other Referral Methods** – PJ can use CE for certain QPs and supplement with referrals from other agencies or project-specific waiting lists to ensure access to all QPs

Guidance on Preferences/Referral Methods

- CPD Notice 21-10
    - Preferences: Section IV, C (p. 9)
    - Referral Methods: Section IV, C.2 (pp. 10-12)
- [Policy Brief: Preferences, Limitations, and Referral Methods](#)
- HUD Webinar - [Understanding HOME-ARP Preferences Referral Methods, and Allocation Plan Requirements](#)

Program Implementation

Poll 3: Actions after Allocation Plan Approval

- What was the first action after plan approval?

    RFP, P&Ps, New written agreement templates

- How many are using HOME P&Ps for HOME-ARP Rental and HOME-ARP TBRA?

- How many have requested TA to develop P&Ps for HOME-ARP?

- How many are working on new written agreement templates?

- How many are working on new procedures for HOME-ARP?

PJ Responsibility for Program Administration

- The PJ is responsible for managing the day-to-day operations of its HOME-ARP program, ensuring that HOME-ARP funds are used in accordance with all program requirements and written agreements, and taking appropriate action when performance problems arise.

- Develop policies and procedures to implement and maintain meaningful grant oversight and coordination.

- Internal controls to support compliance and capacity.

- Written agreement – enforce requirements.

PJ Responsibility for Program Administration

Fund, manage, and oversee eligible activities, including reporting.

- Select projects and activities based on allocation plan
- Program beneficiaries
- Partners - subrecipients, developers, contractors
- Setup and fund projects in IDIS
- Expend funds
- Reporting and recordkeeping

Implementation Tips & Reminders

- Written Agreement – cannot disburse HOME funds without an agreement. Section VIII of the Notice specifies the provisions that must be in a written agreement between a PJ or subrecipient and any owner, developer, or sponsor.

- Amend plan when projects/activities are not reflected in the plan

- Proper oversight of activities including periodic inspections

- Reporting and recordkeeping

HOME-ARP Performance Reports

- <u>Rental</u>: Similar to HOME with some differences…
  - Reporting on # of HOME-ARP assisted rental units
  - Report household characteristics of units occupied by qualified populations and low-income households
  - Report rental operating as a separate but connected activity
    - Accomplishment data transferred from rental activity

- <u>Non-Congregate Shelter</u>: This is new!
  - Report on # of HOME-ARP assisted NCS units
  - No beneficiary reporting
  - Must report disposition of NCS converted to another eligible use
    - Annual reporting during restricted use period or until converted to permanent housing

HOME-ARP Performance Reports

- <u>TBRA</u>: Similar to HOME with some differences…
    - Reporting on # of HOME-ARP assisted households
    - Report household characteristics of units occupied by qualified populations
    - Funding limited to amount committed for assistance to households
- <u>Supportive Services</u>: This is also new!
    - Quarterly reporting on aggregate number of homeless and not homeless households
        - Household level data not required to be entered in IDIS
        - PJ must begin reporting when funds are committed to the activity
        - Must report by 30 days after the end of each quarter until completion

Available & Upcoming Technical Assistance

Available HOME-ARP Allocation Plan Guidance

- [Allocation Plan Template](#) (including annotated version)
- [Field Office Review Checklist](#)
- [Common Issues in PJ Allocation Plans](#)
- [FAQs](#)
- [Allocation Plan Clinic Handouts](#)
- [Public Participation Video FAQ](#)
- [Housing Production Goal Worksheet and Video FAQ](#)
- Webinar - [HOME-ARP Planning Process](#)

HOME-ARP Technical Assistance

- Introduction to the Homeless Service System for HOME-ARP PJs
  - Webinar - HOME-ARP: Introduction to Coordinated Entry and HMIS
  - Webinar - HOME-ARP: Introduction to Systems Service People Experiencing Homelessness & At Risk of Homelessness
  - HOME-ARP Eligible Activities-CoC/ESG Housing and Services Crosswalk
  - HOME-ARP Qualifying Populations-CoC/ESG Eligible Participants Crosswalk
  - HOME-ARP Project & Activity Funding – Homeless Housing and Services Funding Crosswalk

Available HOME-ARP Guidance

- HOME-ARP Referral Methods and Coordinated Entry

- Using HOME-ARP Referral Methods

- Webinar - HOME-ARP 101: Non-Congregate Shelter Basics

- HOME-ARP Guide to ESG for PJs developing NCS

- Webinar - HOME-ARP 101: Understanding URA, Section 104(d), and Program Acquisition and Relocation Requirements

- HOME-ARP Policy Brief: URA and Section 104(d)

HOME-ARP IDIS Training

- HOME-ARP IDIS Webinars and e-Tutorials:
  - HOME-ARP Subgrants and Subfunds
  - Elements of HOME-ARP Administration and Planning Activities
  - Webinars on IDIS Set-up, Funding, and Accomplishment Reporting for:
    - NCS Activities
    - TBRA
    - Supportive Services
    - Rental and Rental Operating Activities

HOME-ARP Resources for Elected Officials

Available

- Overview of the HOME-ARP program
- Path to Allocation Plan Acceptance
- HOME-ARP: Effective Administration of Funds Handout

Upcoming

- Measuring Impact – Timely Expenditure
- Compliance and Reporting
- Development Support

Upcoming HOME-ARP Technical Assistance

Coming soon:

- Implementation Problem Solving Clinics (focused on program administration)
- Substantial Amendments Handouts
- HOME-ARP Rental Underwriting Template and webinar
- HOME-ARP Non-Congregate Shelter Costs Guide
- HOME-ARP Non-profit Operating and Capacity Building Costs Handbook
- HOME-ARP Supportive Services – Partnering with service providers
- Integrated Supportive Housing webinar

Upcoming HOME-ARP Technical Assistance

New assignments for 2023:

- Sample written agreement for each HOME-ARP eligible activity
- Compliance in HOME-ARP Rental Projects: A Guide for PJs
- Training and factsheet on operating cost assistance and replacement reserves
- Training for California PJs on HOME-ARP and Project Homekey
- HOME-ARP Cost Allocation tool
- Factsheet and training on HOME-ARP NCS due diligence requirements
- HOME-ARP TBRA Model Guide
- Policies and procedures for HOME-ARP activities

Upcoming HOME-ARP Technical Assistance

New assignments for 2023:

- Guide and webinar on tenant selection requirements
- Guide and webinar on HOME-ARP Part 5 Housing Counseling services
- Using HOME-ARP with LIHTC, HOME other financing sources in rental projects
- Capitalizing reserves in HOME-ARP rental projects
- Environmental Review TA: Part 58 Environmental Review Checklist for Rental and NCS activities
- CENST video FAQ for TBRA and Supportive Services
- Relocation and lead-based paint requirements for HOME-ARP TA

Upcoming HOME-ARP Technical Assistance

Future Assignments:

- Qualifying populations definitions checklist and forms
- Project file recordkeeping checklists by HOME-ARP eligible activity
- HOME-ARP NCS project profiles
- HOME-ARP NCS conversion best practices
- NCS Minimum habitability standards checklist
- Combining HOME-ARP Supportive Services with other eligible activities
- HOME-ARP Supportive Services eligible costs

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Stay Up to Date on HOME-ARP

- HOME-ARP resources, tools, and training will continue to be posted on the HUD Exchange as they become available.
- Visit the HOME-ARP page on the HUD Exchange
- Sign up for the HOME-ARP mailing list

Questions?