



Arizona  
Department  
of Housing

# HOME-ARP Allocation Plan

ADOH Allocation \$21,818,662

Public Hearing

Wednesday January 26, 2022

## HEARING AGENDA

1. Program requirements overview
2. Planned uses and distribution of HOME Investment Partnership Program American Rescue Plan (HOME-ARP) Allocation
  - Rationale for planned uses
3. Public comments
4. Next steps

Presenter: Martina Kuehl, Kuehl Enterprises LLC



# Planned Uses of Funds

## Allocation: \$21,818,662

- Rental Housing - \$8,264,006 (38%)
- Non-congregate Shelter - \$8,100,000 (37%)
- Supportive Services: \$2,181,866 (10%)
- Nonprofit Operating - \$1,090,930 (5%)
- Nonprofit Capacity Building - \$1,090,930 (5%)
- ADOH Administration and Planning - \$1,090,930 (5%)



# Qualifying Populations

1. 100% of non-congregate shelter & supportive services; 70% of rental units
  - Homeless (per McKinney-Vento)
  - At risk of homelessness (per McKinney-Vento);
  - Fleeing/attempting to flee domestic violence, dating violence, sexual assault, stalking (per VAWA/public housing/HCV definition), or human trafficking (per Trafficking Victims Protection Act of 2000)
  - Previously homeless, currently housed with assistance, and need additional housing assistance to prevent repeat homelessness
2. For supportive services to prevent homelessness or serve those at greatest risk of housing instability
  - Household with income below 30% AMI and paying more than 50% of income toward housing OR
  - Household with income below 50% AMI and at risk of homelessness per McKinney-Vento
- HUD → Consider Veterans



# Cross-cutting Regulations

- ▶ Section 504, Fair Housing Act, ADA, Affirmative Marketing and Minority Outreach
- ▶ Part 58 Environmental Review
- ▶ Labor Standards (Davis-Bacon)
- ▶ Lead Hazard Control Requirements
- ▶ Uniform Relocation Assistance and Real Property Acquisition Act (URA) and Section 104(d) unit replacement
  - ▶ Include HOME Program Displacement, Relocation, and Acquisition Regulations
- ▶ Section 3 Economic Opportunities
- ▶ HOME Program Conflicts of Interest
- ▶ 2 CFR Part 200 Uniform Administrative Requirements
- ▶ On-site inspections and compliance monitoring



# Rental Housing

- Construction, acquisition and/or rehabilitation
- In each HOME-ARP Project
  - Not less than 70% of HOME-ARP units for qualifying populations
    - Low-HOME/FMR rent
  - Up to 30% of HOME-ARP units for low-income households
    - High-HOME/FMR rent
- Must evidence positive cash flow for at least 15 years
  - May receive HOME-ARP operating assistance or capitalized operating reserve
  - Tenants may receive HOME-ARP supportive services
- Method of Distribution
  - Notice of Funding Availability
    - Program guidelines
    - Underwriting criteria
  - Allocation to CDBG-CV unfunded / under-funded emergency and transitional shelter projects



# Non-congregate Shelter (NCS)

- ▶ New construction or acquisition and/or rehabilitation
  - ▶ One or more buildings that provide private units or rooms
  - ▶ No lease or occupancy agreement
  - ▶ Restricted for occupancy by qualifying populations for 10-15 years depending on development activity
    - ▶ No operating subsidy
    - ▶ Tenants may receive supportive services
  - ▶ May be converted to HOME-ARP rental housing
    - ▶ After 3 to 10 years (rental housing clock restarts occupancy restrictions)
    - ▶ If elected at time of application
    - ▶ No HOME-ARP funding for conversion and no operating assistance after conversion

- Method of Distribution

- Notice of Funding Availability
  - Program guidelines
  - Underwriting criteria
- Allocation to CDBG-CV unfunded / under-funded emergency and transitional shelter projects



# Supportive Services

- No duplication of benefits
- Three categories
  1. Qualifying populations (McKinney Vento)
    - Child care; basic education; employment assistance/job training; food; housing search & counseling; legal services; life skills; mental health; outpatient health; outreach; substance abuse treatment; transportation; case management; mediation, credit repair, landlord-tenant; special populations.
  2. Other (at risk/unstably housed) populations
    - Same as above but documented differently
  3. Both qualifying and other populations
    - Housing counseling
      - Requires housing counseling workplan
      - No existing homeowner services

- Method of Distribution
  - Part of Rental Housing and NCS Notices of Funding Availability
  - Separate Notice of Funding Availability may be issued
  - Policies and procedures





# Nonprofit Operating & Capacity Building

- ▶ General operating funds only
  - ▶ Maximum 50% of general operating or \$50,000 per fiscal year
  - ▶ Maximum 50% of general operating or \$75,000 per fiscal year if receiving both types of assistance
- Method of Distribution
  - Part of Rental Housing and NCS Notices of Funding Availability
  - Separate NOFA
    - Nonprofits that intend to submit HOME-ARP application within 24 months
      - Tied to specific terms & conditions
      - Consequences if fail to receive project funding

COMMENTS OR QUESTIONS



Arizona  
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HOME-ARP planned uses and  
method of distribution

## NEXT STEPS

1. Accept written comments through February 9, 2020
  - Submit written comments to:
  - [publiccomment@azhousing.gov](mailto:publiccomment@azhousing.gov)
2. Submit substantial amendment to HUD

## YOUR INPUT

Please state your name,  
organization, and location



Are there supportive services that are underfunded or unavailable and needed to address the needs of qualifying populations? Specific segments of qualifying populations?

Where in Arizona are these services needed?

What is preventing services delivery?



# Tenant-based Rental Assistance (TBRA) & Special Assistance to Nonprofit Organizations

1. Tenant-based Rental Assistance (TBRA)
  - Rental assistance, and security and utility deposit assistance
  - Will require a separate TBRA administrative plan - very PHA
2. Nonprofit Operating and Capacity Building Assistance
  - Up to 10% of allocation (5% each)
  - For general operating only
  - Organization is carrying out or building capacity to carry out HOME-ARP activity

## YOUR INPUT

Please state your name,  
organization, and location



Are you in a market where there are sufficient rental units that qualifying populations would benefit from TBRA?

What market?

Any additional input not covered?

## NEXT STEPS

### Develop Allocation Plan for HUD Review and Approval

1. Continuing consultation
2. Needs Assessments & Gap Analysis (Data)
3. Activity descriptions, methods of distribution, project selection process
4. Public comment period and public hearing
5. Submit to HUD
6. Notice of Funds Available – mid 2022