



Arizona
Department
of Housing

HOME-ARP PROGRAM SUMMARY – MAY 2022





TABLE OF CONTENTS

Introduction	1
Geographic Distribution of HOME-ARP Funds.....	2
Eligible Applicants	2
Unique Entity Identifier	3
Program Partner Roles and Responsibilities.....	3
Owner.....	3
Subrecipient	3
Contractor	4
Eligible Activities	4
Project Thresholds and Underwriting.....	5
Project and Activity Waiting Lists	5
Project-Specific Costs, Program-Delivery Costs and Developer Fees.....	5
General Administrative Costs and Funding	5
Project-Specific Costs.....	6
Program Delivery Costs for Supportive Services	6
Developer Fees	6
Ineligible Costs	6
HOME-ARP Qualifying Populations	8
Qualifying Population Definitions.....	8
Homeless.....	8
At Risk of Homelessness	10
Fleeing or Attempting to Flee Domestic Violence, Dating Violence, Sexual Assault, Stalking, or Human Trafficking	11
Domestic Violence	12
Dating Violence	12
Sexual Assault	12
Stalking.....	12
Human Trafficking.....	13
“Other” Qualifying Population.....	13



Households Requiring Services or Housing Assistance to Prevent Repeat Homelessness.....	13
Households at Greatest Risk of Housing Instability	14
Non-Congregate Shelter	15
Eligible Costs	15
Project Hard Costs.....	15
Project Soft Costs	15
Capitalized Replacement Reserves	16
Return of Replacement Reserve to ADOH	16
Project-specific Costs	16
NCS Restricted Use Period	17
NCS Operations	18
Operation as HOME-ARP NCS.....	18
Operation as Emergency Solutions Grant (ESG) NCS.....	18
Admission and Occupancy	18
Property Standards	18
Minimum Habitability Standards	19
Minimum Rehabilitation Standards.....	20
Minimum New Construction Standards	20
On-going Habilitation Standards and Inspections	20
Conversion to HOME-ARP Rental or Transitional Housing.....	21
Minimum Use Period Prior to Conversion	22
Post-conversion Requirements.....	22
Covenants, Conditions and Restrictions	23
Repayment of HOME-ARP Funds by the Owner to the ADOH	24
Rental Housing	25
Eligible Property Types	25
Ineligible Property Types	25
Forms of Assistance	25
Minimum and Maximum HOME-ARP Development Investment.....	26



Eligible Costs	26
Project Hard Costs.....	26
Project Soft Costs	26
Capitalized Operating Cost Assistance Reserve for HOME-ARP QP Units	27
Sizing the Capitalized Operating Reserve	27
Lease-up Reserve for HOME-ARP Low-Income Units	29
Replacement Reserves.....	29
Project-specific Costs	29
Minimum Compliance Period	30
Minimum Number of HOME-ARP Units.....	30
Eligible Tenants	31
Fixed or Floating HOME-ARP Units.....	31
Occupancy and Compliance Requirements	32
Fixed Qualifying Population Units.....	32
Floating Qualifying Population Units	32
Fixed Low-income Household Units	32
Floating Low-income Household Units.....	33
Thresholds and Project Underwriting.....	33
Household Income Determination	33
Qualifying Populations.....	34
Low-income Households.....	34
Maximum HOME-ARP Rents.....	34
HOME-ARP Qualifying Population Units.....	34
HOME-ARP Low-income Units	34
Project- or Tenant-based Rental Assistance.....	35
Single Room Occupancy (SRO) Units	35
Utility Allowance.....	35
Qualifying Household Contribution to Rent	36
Changes in Qualifying Household Income	36



Low-income Household Contribution to Rent.....	36
Changes in Low-income Household Income.....	37
Covenants, Conditions and Restrictions	37
Property Standards	37
HOME-ARP Lease Requirements and Tenant Protections.....	38
Termination of Tenancy.....	39
Termination of Tenancy in Projects with Capitalized Operating Reserve for HOME-ARP Units	39
Project Waiting List and Tenant Selection Policies and Criteria.....	39
Project Completion	40
Repayment of HOME-ARP Funds by the Owner to the ADOH	40
Management and Oversight of the Capitalized Operating Reserve.....	40
Inspection and Reporting.....	41
Management Plan Requirements	42
Supportive Housing Plan.....	Error! Bookmark not defined.
Supportive Services	43
Supportive Services Project Delivery Costs	43
Eligible McKinney-Vento Services.....	43
Eligible Housing Counseling Services	50
Selection of Program Participants	50
Maximum Term of Supportive Services for HOME-ARP Rental Housing Tenants.....	51
Maximum Term of Supportive Services for NCS Program Participants.....	51
Use of Homeless Management Information System.....	51
Waiting List and Due Process Procedures	51
Denial of Assistance	53
Termination of Assistance	54
Due Process and Hearing Procedures.....	54
Notice to Applicant or Participant	54
Considering Circumstances.....	55



Hearing Procedures.....	55
Nonprofit Operating and Capacity Building Assistance	57
Maximum Amount of Assistance	57
Operating Expense Assistance	57
Capacity Building Assistance	58
Ineligible Uses	58
Application Thresholds	58
Compliance with Federal Cross-cutting Regulations	60
Accessibility Standards.....	60
Asbestos Testing	60
Affirmative Marketing.....	60
Conflicts of Interest.....	60
Organizational Conflicts of Interest	61
Exceptions to Organizational Conflicts of Interest	61
Contract Work Hours and Safety Standards Act.....	61
Labor Standards (Davis-Bacon Act).....	61
Drug Free Workplace	62
Environmental Review	62
Equal Opportunity and Fair Housing.....	62
Financial Records and Audits	63
Flood Insurance.....	63
HUD Performance Measures	63
Lead Hazard Control.....	63
Minority and Women Business Enterprises.....	64
Procurement and Contracting	64
Section 3 Economic Opportunities	64
Section 104(d) One-for-one Replacement.....	65
Uniform Relocation Assistance and Real Property Acquisition Policies Act (“URA”).....	65
Expanded HOME-ARP Protections.....	65



Initiation of Negotiations	67
Real Property Acquisition Requirements	68
Additional HOME-ARP Relocation Requirements	68
Violence Against Women Act (VAWA)	68
Compliance with State Requirements	69
A.R.S. § 41-4401—Immigration Laws and E-Verify Compliance Requirements	69
Compliance Training	69
Energy Star	69
Insurance	69
Photographs	71
Registration with Social Serve	72
Scrutinized Business Operations	72
Signage	72
Written Agreements	72
Recordkeeping Requirements	75
Supportive Services	75
Non-congregate Shelter	76
Rental Housing	77
Nonprofit operating expense and capacity building assistance	78
Financial Records	78
Program Administration Records	79
Cross-cutting Regulations and Requirements Records	79
Records Retention Period	80
Access to Records	81
Confidentiality	81
Documenting Fleeing or Attempting to Flee Status	82
Reporting and Performance Reports	82



Introduction

This Program Summary and Application Guide provides applicants with the information necessary to understand how to apply for and comply with the requirements of the US Department of Housing and Urban Development HOME Investment Partnerships Program American Recovery Plan (HOME-ARP) funding administered by the Arizona Department of Housing (ADOH).

The information in this program summary is current based on guidance issued by HUD up to May 29, 2022. This document will be updated when additional information and guidance are issued.

Persons with disabilities or with limited English proficiency who need the information contained in this publication in an alternate format may contact the ADOH at (602) 771-1000 or TTY (602) 771-1001 to make their needs known. Requests should be made as soon as possible to allow sufficient time to arrange for the accommodation.

The HOME program was created by the National Affordable Housing Act of 1990. The statutory purpose of the HOME program is “to increase the number of families served with decent, safe, sanitary, and affordable housing and expand the long-term supply of affordable housing”. Regulations governing HOME are published in 24 CFR Part 92 (Final Rule, published July 24, 2013 as amended (effective August 23, 2013)).

On March 11, 2021, the American Rescue Plan Act of 2021 was signed into law and on September 13, 2021 the US Department of Housing and Urban Development (HUD) Community Planning and Development Division issued Notice CPD-21-10. Notice CPD-21-10 establishes requirements for HOME-ARP funds appropriated under section 3205 of the American Rescue Plan Act of 2021 (P.L. 117-2). In addition to Notice CPD-21-10, HUD issued a memorandum describing waivers and alternative requirements for the HOME-ARP Program.

HOME-ARP Notices of Funding Available (NOFAs) issued by the ADOH will specify eligible uses of HOME-ARP funds from the ADOH. Applicants and recipients of HOME-ARP funding are encouraged to become familiar with the HOME regulations, Notice CPD-21-10 and the accompanying waivers.

The information in this program summary and application guide is current as of May 2022. Additional HUD guidance is anticipated in the future. Interested applicants and recipients are

encouraged to visit <https://www.hudexchange.info/programs/home-arp/> for additional updates and guidance.

Geographic Distribution of HOME-ARP Funds

The ADOH is required to distribute HOME-ARP funds throughout Arizona, including to rural areas. The geographic distribution of funds takes into account the non-metropolitan (outside Maricopa and Pima counties) share of population and rental housing need. To ensure funds are distributed to non-metropolitan areas:

1. Projects in rural areas that applied for CDBG-CV emergency or transitional housing assistance and were unfunded or underfunded will receive an allocation of HOME-ARP funds upon acceptance of the HOME-ARP requirements and ADOH terms and conditions.
2. HOME-ARP funds will be initially set-aside for projects located outside of counties that received a direct allocation of HOME-ARP funds from HUD.
3. If issued, a supportive-services-only NOFA will restrict funds for use outside of Maricopa and Pima counties.

Eligible Applicants

Eligible applicants must be authorized to conduct business in Arizona and be a managing member or general partner of the project ownership entity. Eligible applicants are limited to:

1. Units of local government, including cities, towns and counties;
2. Tribal government;
3. Nonprofit organizations; and
4. For-profit organizations.

The applicant is the entity that will:

1. Execute the application;
2. Receive ADOH communications;
3. Exercise sole authority to make decisions regarding the project; and
4. Execute the ADOH funding agreement, if the application is approved for HOME-ARP funding.

Unique Entity Identifier

The Federal government requires that all applicants, including sole proprietors, for Federal grants and cooperative agreements register their entity in the System for Award Management (SAM) and be assigned a Unique Entity Identifier. New SAM registrations can take as long as 14 days to process. Registration information can be found at www.sam.gov.

Program Partner Roles and Responsibilities

HOME-ARP activities may be implemented by a HOME-ARP project owner, a subrecipient or a subcontractor.

Owner

An owner is a nonprofit or for-profit entity that has executed a legally-binding written agreement with ADOH under which HOME-ARP assistance will be provided for an identified non-congregate shelter or rental housing project. An owner is compensated for completing a HOME-ARP project with a developer fee. The owner is responsible for ensuring compliance with HOME-ARP requirements during the development period, and the NCS restricted use period or rental housing minimum compliance period. This includes but is not limited to:

1. Assembling and managing the development team.
2. Submitting the HOME-ARP application to the ADOH and, if approved, implementing the project in accordance with HOME-ARP program requirements.
3. Ensuring that supportive services agreed to in the HOME-ARP agreement are available to occupants or tenants through a subrecipient or contractor.
4. Complying with and maintaining records of compliance with HOME-ARP regulatory requirements.

Subrecipient

A subrecipient is a public agency or nonprofit organization that designs and delivers HOME-ARP supportive services. A subrecipient is reimbursed for delivering services through actual program-delivery costs incurred or on a fixed-amount contract. Subrecipient responsibilities include, but are not limited to:

1. Determining eligibility for HOME-ARP supportive services.
2. Assessing the need for supportive services and developing a housing stability plan with HOME-ARP qualifying populations.

-
3. Determining how services will be delivered to HOME-ARP qualifying populations in accordance with HOME-ARP program requirements.
 4. Delivering services following subrecipient-defined policies and procedures that ensure compliance with HOME-ARP regulatory requirements.

Contractor

A contractor is a nonprofit or for-profit organization that delivers HOME-ARP supportive services to qualifying populations following specific policies and procedures defined by the procuring entity (ADOH, the owner, or the subrecipient). A contractor is distinguished from a subrecipient in that the contractor:

1. Is generally compensated on a fee-for service basis.
2. Is competitively procured.
3. Delivers only those services defined in the contract.
4. Does not make programmatic decisions, determine eligibility for services, or assume responsibility for complying with HOME-ARP regulatory requirements.

Eligible Activities

ADOH HOME-ARP eligible activities must serve HOME-ARP qualifying populations. ADOH HOME-ARP eligible activities are described in greater detail in this guide, and are:

1. Non-congregate shelter (NCS) development, including new construction, acquisition, and/or rehabilitation;
2. Rental housing development, including new construction, acquisition, and/or rehabilitation;
3. Supportive services in conjunction with HOME-ARP NCS or rental housing; and
4. Nonprofit operating and capacity building assistance for nonprofit applicants for and recipients of ADOH HOME-ARP funding.

Cross-cutting Federal Regulations

All recipients of ADOH HOME-ARP funding must comply with federal cross-cutting regulations:

Project Thresholds and Underwriting

The HOME-ARP Application Guide / Instructions will specify application and project thresholds. Underwriting criteria are specified in the published HOME-ARP Underwriting Guidelines.

Project and Activity Waiting Lists

Each NCS and rental housing project and each supportive services provider must establish a waiting list for each project or group of services. Owners and service providers must make access to the waiting list available to all qualifying populations. Qualifying individuals and families must be selected from the waiting list in chronological order.

Preferences, priorities, or limitations are prohibited unless the owner or subrecipient has received ADOH approval through a HUD-approved HOME-ARP Allocation Plan substantial amendment and those preferences, priorities, or limitations are incorporated into the ADOH-recipient agreement.

Project-Specific Costs, Program-Delivery Costs and Developer Fees

There are three methods of covering owner/developer and subrecipient costs to deliver HOME-ARP rental housing, non-congregate shelter and supportive services. These costs include project-specific costs, program-delivery costs, and developer fees.

General Administrative Costs and Funding

Funding to cover general administrative costs is not available to HOME-ARP owners, subrecipients, or contractors. The following costs, if not included in the developer fee, or documented as project-specific costs or program-delivery costs, are general administrative costs.

1. Costs of administering HOME-ARP supportive services programs.
2. The provision of information and other resources to residents and citizen organizations participating in the planning, implementation, or assessment of projects being assisted with HOME-ARP funds.
3. Compliance with federal cross-cutting regulations or state requirements, including but not limited to: activities to affirmatively further fair housing (AFFH); Part 58 environmental review; Displacement, relocation, and acquisition administration; and Labor standards compliance; nondiscrimination and equal opportunity, disclosure requirements, drug-free workplace, and debarred, suspended or ineligible contractors.

-
4. Indirect costs, including those under an approved cost allocation plan.
 5. Costs attributable to the regular HOME Program.

Project-Specific Costs

Project-specific costs are those that are directly attributable to relocation assistance under the expanded protections for HOME-ARP projects. Project-specific costs are included in the project budget and are eligible for HOME-ARP funding. If project-specific costs are not included in the project budget, they are classified as general administrative expenses not reimbursable by the ADOH.

Program Delivery Costs for Supportive Services

Program delivery costs are those that are directly attributable to the delivery of HOME-ARP supportive services to an identified HOME-ARP supportive services beneficiary and include:

1. The portion of labor, supplies and materials incurred to directly provide supportive services to program participants; and
2. The portion of salary and benefits of staff who directly deliver supportive services to HOME-ARP program participants.

Developer Fees

Developer fees include those actually paid or otherwise recognized as income of the developer and other costs paid to third-parties, such as construction oversight and consultant's fees. The maximum developer fee varies by project type and activity. *The maximum amount is not a guaranteed amount.* Developer fee guidelines are detailed in the HOME-ARP Underwriting Guidelines.

Ineligible Costs

HOME-ARP funds may not be used for:

1. Any cost not specifically identified as an eligible cost;
2. Costs incurred prior to March 8, 2022;
3. Operating costs of a HOME-ARP NCS project;
4. Conversion of HOME-ARP NCS to rental housing;
5. Resolving or preventing mortgage delinquency, including budgeting and credit counseling, and legal services;

-
6. Home maintenance and financial management counseling for homeowners;
 7. Legal services for immigration and citizenship matters;
 8. Legal fee retainer and contingency fee arrangements;
 9. Inpatient detoxification and other inpatient drug and alcohol treatment;
 10. Services or assistance paid through another public source;
 11. Financial assistance to a program participant who has been provided with replacement housing payments under the URA during the period of time covered by the replacement housing payments;
 12. Provision of additional HOME-ARP funds during the restricted use or minimum compliance period, except as may be necessary during the first year after project completion;
 13. Matching contributions required under any Federal program;
 14. Improvements to or operating of public housing;
 15. Pre-payment of low-income housing mortgages; and
 16. Delinquent taxes, fees, or charges.



HOME-ARP Qualifying Populations

HOME-ARP funds must be used to benefit individuals and families who meet the definition of a qualifying population (QP), including veterans and families that include a veteran family member. The percentage of QP units or individuals and families served will depend on the HOME-ARP activity:

- For Non-congregate Shelter (NCS) - 100% of individuals and families occupying NCS units must be a HOME-ARP QP;
- For Rental Housing – not less than 70% of units must be occupied by a HOME-ARP QP;
- For Supportive Services – 100% of individuals and families served must be a HOME-ARP QP.

Qualifying Population Definitions

To meet the definition of a HOME-ARP qualifying population (QP) in the ADOH HOME-ARP program, an individual or family must be homeless or a vulnerable population as defined by HUD specifically for the HOME-ARP program:

1. Homeless;
2. At risk of homelessness;
3. Fleeing or attempting to flee domestic violence, dating violence, sexual assault, stalking or human trafficking; or
4. An “other” qualifying population.

Homeless

For the purposes of the HOME-ARP program, homeless means meeting one of the following three definitions:

1. An individual or family who:
 - a. Has a primary nighttime residence that is a public or private place not designed for or ordinarily used as a regular sleeping accommodation for human beings, including a car, park, abandoned building, bus or train station, airport, or camping ground; or
 - b. Is living in a supervised publicly or privately operated shelter designated to provide temporary living arrangements (including congregate shelters, transitional housing, and hotels and motels paid for by charitable organizations

-
- or by federal, state, or local government programs for low-income individuals);
or
- c. Is exiting an institution where he or she resided for 90 days or less and who resided in an emergency shelter or place not meant for human habitation immediately before entering that institution.
2. An individual or family who will imminently lose their primary nighttime residence, provided that:
- a. The primary nighttime residence will be lost within 14 days of the date of application for assistance; and
- b. No subsequent residence has been identified; and
- c. The individual or family lacks the resources or support networks, e.g., family, friends, faith-based or other social networks needed to obtain other permanent housing.
3. Families with children and youth, or unaccompanied youth under 25 years of age, who do not otherwise qualify as homeless as defined in 1 or 2 above, but who:
- a. Are defined as homeless under section 387 of the Runaway and Homeless Youth Act (42 U.S.C. 5732a), section 637 of the Head Start Act (42 U.S.C. 9832), section 41403 of the Violence Against Women Act of 1994 (42 U.S.C. 14043e-2), section 330(h) of the Public Health Service Act (42 U.S.C. 254b(h)), section 3 of the Food and Nutrition Act of 2008 (7 U.S.C. 2012), section 17(b) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(b)), or section 725 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11434a);
- b. Have not had a lease, ownership interest, or occupancy agreement in permanent housing at any time during the 60 days immediately preceding the date of application for homeless assistance;
- c. Have experienced persistent instability as measured by two moves or more during the 60-day period immediately preceding the date of applying for homeless assistance; and
- d. Can be expected to continue in such status for an extended period of time because of:
- i. Chronic disabilities;
- ii. Chronic physical health or mental health conditions;
- iii. Substance addiction;

-
- iv. Histories of domestic violence or childhood abuse or neglect;
 - v. The presence of a child or youth with a disability; or
 - vi. Two or more of the following barriers to employment:
 - 1. Lack of a high school degree or General Educational Development (GED);
 - 2. Illiteracy;
 - 3. Low English proficiency;
 - 4. History of incarceration or detention for criminal activity;
 - 5. A history of unstable employment.

At Risk of Homelessness

For the purposes of the ADOH HOME-ARP program, at risk of homelessness means meeting one of the following two definitions:

1. An individual or family who:
 - a. Has an annual income below 30 percent of median family income, adjusted for household size, for the area, as determined by HUD; and
 - b. Does not have sufficient resources or support networks, *e.g.*, family, friends, faith-based or other social networks, immediately available to prevent them from moving to an emergency shelter or a public or private place not meant for use as a regular sleeping accommodation by human beings; and
 - c. Meets one of the following conditions:
 - i. Has moved because of economic reasons two or more times during the 60 days immediately preceding the application for homeless assistance;
 - ii. Is living in the home of another because of economic hardship;
 - iii. Has been notified in writing that their right to occupy their current housing or living situation will be terminated within 21 days after the date of application for assistance;
 - iv. Lives in a hotel or motel and the cost of the hotel or motel stay is not paid by charitable organizations or by federal, State, or local government programs for low-income individuals;



-
- v. Lives in a single-room occupancy or efficiency apartment unit in which there reside more than two persons or lives in a larger housing unit in which there reside more than 1.5 people per room, as defined by the U.S. Census Bureau; or
 - vi. Is exiting a publicly funded institution, or system of care (such as a health-care facility, a mental health facility, foster care or other youth facility, or correction program or institution).
2. A child or youth who does not qualify as homeless as defined above, but qualifies as homeless because they are:
- a. An individual under 18 years of age who cannot live safely with a parent, legal guardian, or relative, and has no other safe alternative living arrangement.
 - b. An individual who has a primary nighttime residence that provides a temporary residence for individuals intended to be institutionalized, or has a temporary accommodation for not more than 90 days in the residence of another individual.

Fleeing or Attempting to Flee Domestic Violence, Dating Violence, Sexual Assault, Stalking, or Human Trafficking

For the HOME-ARP program, this QP includes any individual or family who is fleeing, or is attempting to flee, domestic violence, dating violence, sexual assault, stalking, or human trafficking. *There is no requirement that individuals and families also meet the HOME-ARP definition of homeless, at risk of homelessness, or "other" qualifying population.*

This population includes cases where an individual or family reasonably believes that there is a threat of imminent harm from further violence due to dangerous or life-threatening conditions that relate to violence against the individual or a family member, including a child, that has either taken place within the individual's or family's primary nighttime residence or has made the individual or family afraid to return or remain within the same dwelling unit.

In the case of sexual assault, this also includes cases where an individual reasonably believes there is a threat of imminent harm from further violence if the individual remains within the same dwelling unit that the individual is currently occupying, or the sexual assault occurred on the premises during the 90-day period preceding the date of the request for assistance.

Domestic Violence

Domestic violence includes felony or misdemeanor crimes of violence committed by:

1. A current or former spouse or intimate partner of the victim (the term “spouse or intimate partner of the victim” includes a person who is or has been in a social relationship of a romantic or intimate nature with the victim, as determined by the length of the relationship, the type of the relationship, and the frequency of interaction between the persons involved in the relationship);
2. A person with whom the victim shares a child in common;
3. A person who is cohabitating with or has cohabitated with the victim as a spouse or intimate partner;
4. A person similarly situated to a spouse of the victim under the domestic or family violence laws of the State of Arizona; or
5. Any other person against an adult or youth victim who is protected from that person's acts under the domestic or family violence laws of the State of Arizona.

Dating Violence

Dating violence means violence committed by a person who is or has been in a social relationship of a romantic or intimate nature with the victim; and where the existence of the relationship is determined considering:

1. The length of the relationship;
2. The type of relationship; and
3. The frequency of interaction between the persons involved in the relationship.

Sexual Assault

Sexual assault means any nonconsensual sexual act proscribed by Federal, Tribal, or State law, including when the victim lacks capacity to consent.

Stalking

Stalking means engaging in a course of conduct directed at a specific person that would cause a reasonable person to:

1. Fear for the person’s individual safety or the safety of others; or
2. Suffer substantial emotional distress.



Human Trafficking

For the purposes of the HOME-ARP program, human trafficking includes both sex and labor trafficking, defined as:

1. For sex trafficking, the recruitment, harboring, transportation, provision, obtaining, patronizing, or soliciting of a person for the purpose of a commercial sex act, in which the commercial sex act is induced by force, fraud, or coercion, or in which the person induced to perform such act has not attained 18 years of age.
2. For labor trafficking, the recruitment, harboring, transportation, provision, or obtaining of a person for labor or services, through the use of force, fraud, or coercion for the purpose of subjection to involuntary servitude, peonage, debt bondage, or slavery.

“Other” Qualifying Population

For the purposes of the HOME-ARP program, “other” QP means individuals and families who do not meet the definition of homeless, at-risk of homelessness, or fleeing or attempting to flee domestic violence, dating violence, sexual assault, stalking or human trafficking as defined above and:

1. Requiring services or housing assistance to prevent repeat homelessness; or
2. At greatest risk of housing instability.

Households Requiring Services or Housing Assistance to Prevent Repeat Homelessness

Households may receive HOME-ARP supportive services or housing assistance as a HOME-ARP QP if they:

1. Previously qualified as homeless as defined above, or previously qualified as homeless because:
 - a. The individual or family was fleeing, or attempting to flee, domestic violence, dating violence, sexual assault, stalking, or other dangerous or life-threatening conditions that relate to violence against the individual or family member, including a child, that has either taken place within the individual’s or family’s primary nighttime residence or has made the individual or family afraid to return to their primary nighttime residence; and
 - b. Have no other residence; and
 - c. Lack the resources or support networks, such as family, friends, faith-based or other social networks, to obtain other permanent housing; and

-
2. Are currently housed with temporary or emergency assistance, including financial assistance, services, temporary rental assistance or some type of other assistance to allow the household to be housed; and
 3. Need additional housing assistance or supportive services to avoid a return to homelessness.

Households at Greatest Risk of Housing Instability

Households are at greatest risk of housing instability and a HOME-ARP QP when they meet one of the following two definitions:

1. Have an annual income that is less than or equal to 30% of the AMI and paying more than 50% of monthly household income toward housing costs (are severely cost burdened); or
2. Have annual income that is less than or equal to 50% of the AMI, **and** meet one of the following conditions:
 - a. Moved because of economic reasons two or more times during the 60 days immediately preceding the application for homelessness prevention assistance;
 - b. Living in the home of another because of economic hardship;
 - c. Have been notified in writing that their right to occupy their current housing or living situation will be terminated within 21 days after the date of application for assistance;
 - d. Lives in a hotel or motel and the cost of the hotel or motel stay is not paid by charitable organizations or by Federal, State, or local government programs for low-income individuals;
 - e. Lives in a single-room occupancy or efficiency apartment unit in which there reside more than two persons or lives in a larger housing unit in which there reside more than 1.5 persons reside per room, as defined by the U.S. Census Bureau; or
 - f. Is exiting a publicly funded institution, or system of care (such as a health-care facility, a mental health facility, foster care or other youth facility, or correction program or institution).

Non-Congregate Shelter

HOME-ARP non-congregate shelter (NCS) is one or more buildings that provide private units or rooms as temporary shelter to individuals and families and does not require occupants to sign a lease or occupancy agreement.

Eligible Costs

HOME-ARP funds may be used only for the following eligible NCS project hard and soft costs, and project-specific costs.

HOME-ARP non-congregate shelter funds may be used for the following project hard and soft costs, and project-specific costs associated with and allocable to the acquisition, construction, and rehabilitation of HOME-ARP NCS.

Project Hard Costs

- Acquisition of land (for a specific project) and existing structures
- On-site costs, such as site preparation or improvement, including demolition
- Utility connections, including connections from the property line to the adjacent street
- Materials and labor
- For new construction or rehabilitation, construction or rehabilitation of laundry, community facilities, on-site management, or supportive services offices
- Improvements for disability accessibility
- In pre-1978 structures, compliance with HUD and ADOH's LBP regulations
- Energy-related improvements
- Relocation costs, including payment for replacement housing, moving costs, and out-of-pocket expenses, advisory services, and staff and overhead related to relocation assistance and services

Project Soft Costs

- Architectural, engineering and related professional services to prepare plans, drawings, specifications, or capital needs assessments/ work write-ups
- Financing fees, including private lender origination fees, credit reports, Title binders and insurance, recordation fees, appraisals

-
- Transaction taxes
 - Surety fees (surety bond/performance bonds)
 - Legal and accounting, including cost certifications
 - Environmental reviews
 - Developer and builder fees within ADOH caps
 - Impact fees
 - Capitalized replacement reserve in acquisition and/or rehabilitation projects

Capitalized Replacement Reserves

For acquisition and/or acquisition and rehabilitation NCS projects, a capitalized replacement reserve to pay the reasonable and necessary costs of replacing major systems and their components whose useful life will end during the restricted use period may be included in the project budget. If the project consists of acquisition only and a replacement reserve is capitalized, the project will be categorized as an acquisition and rehabilitation project.

Major systems include structural support, roofing, cladding, weatherproofing, plumbing, electrical, and HVAC. The costs of replacing major systems must be determined through a Capital Needs Assessment that lists the remaining useful life of major systems and the projected timeline of replacement and replacement costs during the restricted use period. Applicants may utilize HUD's Capital Needs Assessment tool available at https://www.hud.gov/program_offices/housing/mfh/cna as a guide.

Return of Replacement Reserve to ADOH

Any unexpended HOME-ARP funds remaining in a project's replacement reserve at the completion of the restricted use period or upon conversion to rental housing must be returned to the ADOH.

Project-specific Costs

Relocation assistance provided to individuals of families occupying non-residential property and demonstrating a) they have been in continuous residence for 30 or more calendar days, and b) are a HOME-ARP qualifying population is an eligible project-specific cost.

NCS Restricted Use Period

HOME-ARP non-congregate shelter is subject to a restricted use period based on the type of activity conducted.

HOME-ARP NCS Type	Restricted Use Period
New Construction	15 years
Any level of Rehabilitation	10 years
Acquisition only	10 years

The restricted use period begins upon project completion, which is defined as:

1. All necessary title transfer requirements and construction work have been performed;
2. The project complies with the HOME-ARP requirements, including the property standards as evidenced by a final inspection;
3. The project is actively operating as HOME-ARP NCS;
4. All HOME-ARP funds necessary to complete the project for occupancy as HOME-ARP NCS have been disbursed; and
5. The project owner has submitted an acceptable close-out report to the ADOH.

Applicants that intend to convert NCS to rental housing, must also review and consider the minimum use periods described under conversion to rental housing.

The HOME-ARP NCS restrictions will be imposed through Covenants Conditions and Restrictions (CC&Rs) that require the property is operated as either HOME-ARP NCS or non-congregate emergency shelter under ESG for the required restricted use period. The CC&Rs will also specify if and when the property may be converted to rental housing and that new CC&Rs will be recorded if conversion occurs. If the property will be limited for occupancy by victims of domestic violence, dating violence, sexual assault, stalking, or human trafficking, this information will be referenced in the agreement and included in a separate written transferrable and assumable agreement between the owner and ADOH and not in the CC&Rs.

Unless otherwise requested by the applicant, HOME-ARP NCS funds will be provided as a non-interest bearing, non-amortizing loan, subject to recapture in the event of non-compliance with HOME-ARP requirements and forgivable upon the expiration of the HOME-ARP restricted use period.

NCS Operations

During the restricted use period, non-congregate shelter may be operated as HOME-ARP or Emergency Solutions Grant (ESG) NCS.

Operation as HOME-ARP NCS

When a project is not receiving operating funds from the Emergency Solutions Grant (ESG) program from an ESG grantee, the project must comply with the HOME-ARP NCS requirements as described in this program summary.

Operation as Emergency Solutions Grant (ESG) NCS

During any period that NCS receives Emergency Solutions Grant (ESG) funding for operating costs or essential services in the shelter, the NCS must be operated under the emergency shelter requirements of the ESG program. These requirements are found in 24 CFR Part 576 and specified in each ESG grantee's ESG policies and procedures. During any period for which ESG funds are provided, the applicable ESG requirements will govern in the event of any conflict with HOME-ARP requirements.

Admission and Occupancy

HOME-ARP NCS units may only be occupied by individuals or families that meet the definition of a qualifying population. Individuals and families must be selected from a project waiting list in chronological order.

No individual or family may be denied admission to or removed from a HOME-ARP NCS unit on the basis or as a direct result of the fact that the individual or family is or has been a victim of domestic violence, dating violence, sexual assault, stalking, or human trafficking if the individual or family meets the criteria of one of the qualifying populations.

The ADOH does not allow qualifying populations to be charged occupancy fees.

Property Standards

Prior to occupancy, HOME-ARP NCS must meet the minimum property standards for the project type (new construction or rehabilitation). HOME-ARP NCS must also meet the HOME-ARP minimum habitability standards prior to occupancy and throughout the restricted use period.

The written agreement between the ADOH and property owner will impose the HOME-ARP NCS property standards /minimum habitability standards and provide for inspections during development and not less than annually throughout the restricted use period.

Minimum Habitability Standards

Before occupancy and throughout the restricted use period, all HOME-ARP NCS units and common areas must:

1. Meet all applicable State and local codes, ordinances, and requirements.
2. Meet the applicable provisions of HUD's Lead Safe Housing Rules at 24 CFR Part 35.
3. Be structurally sound to protect occupants from the elements and not pose any threat to health and safety of the occupants.
4. Be accessible in accordance with:
 - a. Section 504 of the Rehabilitation Act (29 U.S.C. 794) and implementing regulations at 24 CFR part 8;
 - b. The Fair Housing Act (42 U.S.C. 3601 *et seq.*) and implementing regulations at 24 CFR part 100; and
 - c. Title II of the Americans with Disabilities Act (42 U.S.C. 12131 *et seq.*) and implementing regulations at 24 CFR part 35.
5. Provide each individual or family with an acceptable, individual room to sleep that includes adequate space and security for themselves and their belongings.
6. Have a natural or mechanical means of ventilation. The interior air must be free of pollutants at a level that might threaten or harm the health of occupants.
7. Have a water supply free of contamination.
8. Have in-unit sanitary facilities that are in proper operating condition and are adequate for personal cleanliness and the disposal of human waste.
9. Provide necessary heating/cooling facilities in proper operating condition.
10. Have adequate natural or artificial illumination to permit normal indoor activities and support health and safety.
11. Have sufficient electrical sources to permit the safe use of electrical appliances.
12. Provide one working smoke detector and one working carbon monoxide detector in each unit. All smoke and carbon monoxide detectors and alarm systems must be



designed for hearing-impaired residents. All public areas of the shelter must have at least one working smoke detector and one carbon monoxide detector.

13. Provide a second means of exiting the building in the event of fire or another emergency.
14. If food preparation areas are included, contain suitable space and equipment to store, prepare, and serve food in a safe and sanitary manner.

Minimum Rehabilitation Standards

In addition to meeting the minimum habitability standards, HOME-ARP NCS that requires any level of rehabilitation, whether that rehabilitation is funded with HOME-ARP or another source, must meet the ADOH NHTF rehabilitation standards.

Minimum New Construction Standards

HOME-ARP NCS projects that are newly constructed must meet all applicable State and local codes, ordinances, and requirements.

On-going Habilitation Standards and Inspections

The ADOH will annually throughout the restricted use period inspect HOME-ARP NCS projects to ensure they meet the minimum habilitation standards. When deficiencies are identified, a follow-up inspection to verify that deficiencies are corrected will occur within 6 months. The ADOH will issue a correction notice following the inspection, allowing for up to 30 days to respond and 90 days to correct identified deficiencies, unless the deficiencies are considered life threatening. The correction notice will specify information, including work orders and invoices, that must be provided to document the correction has been completed.

The following deficiencies are considered life threatening and must be corrected within three (3) days. Photos documenting deficiency correction, completed work orders, and invoices must be submitted to the ADOH.

1. Gas (natural or liquid petroleum) leak or fumes;
2. Electrical hazards that could result in shock or fire;
3. Inoperable or missing smoke detector;
4. Inoperable or missing carbon monoxide detector;
5. Gas/oil-fired water heater/HVAC with missing or misaligned chimney;
6. Lack of alternate means of an exit in the event of fire or blocked egress;

-
7. Missing entry door;
 8. HVAC fails to meet established criteria for emergency heating or cooling with consideration for ambient temperature range and ventilation;
 9. Absence of at least one functioning sink and toilet in the unit;
 10. Major plumbing leaks or flooding;
 11. Utilities not in service, including electricity, gas (LP or natural), water or sewer;
 12. No running hot water;
 13. No working refrigerator;
 14. Structural integrity condition where the building or a component of the building is in imminent danger of potential collapse; and
 15. In units that include food preparation facilities, no working refrigerator, stove/oven, or other method of preserving, heating or preparing food.

Conversion to HOME-ARP Rental or Transitional Housing

At the time of application, a project owner may elect to later convert the NCS to permanent or transitional rental housing. When an owner elects to later convert NCS to rental housing it must submit a complete rental housing application to the ADOH not less than six months prior to the planned conversion date. The ADOH will review and underwrite the application following the HOME-ARP underwriting guidelines. ADOH approval of NCS conversion to rental housing is not guaranteed.



Minimum Use Period Prior to Conversion

Prior to considering approval of an NCS project for conversion to rental housing, the NCS project must first be operated as NCS for a minimum use period. The minimum use period prior to conversion varies based on the original HOME-ARP NCS eligible activity undertaken and the amount of funds invested in the project.

HOME-ARP NCS Activity Type	Rehabilitation Expenditure (from all sources)	NCS Restricted Use Period	Minimum Use Period Prior to Conversion
New Construction	Not Applicable	15 years	10 years
Rehabilitation, including capitalized replacement reserve	Less than or equal to 75% of total appraised value of improved property	10 years	5 years
	More than 75% of total appraised value of the improved property	10 years	10 years
Acquisition only	Not Applicable	10 years	3 years

Post-conversion Requirements

The converted rental housing project must meet the HOME-ARP rental housing requirements for the remainder of the NCS restricted use period, including the following:

1. The same number of units that were operated as HOME-ARP NCS for qualifying populations must be restricted for and be occupied by households that meet the definition of a qualifying population at the time of initial occupancy.
2. Occupants must be offered tenancy in the project and provided notice of their rights under the Uniform Relocation Act.
3. No units may be converted to low-income household rental units.
4. Tenant rent cannot exceed the rent specified for HOME-ARP rental units occupied by qualifying populations.
5. The units must comply with the ongoing HOME rental property condition standards;



-
6. Units will be inspected within 12 months of project completion and at least once every three years thereafter;
 7. Each household that occupies a HOME-ARP assisted rental unit must have an executed lease that complies with the tenant protection and lease terms required in the HOME regulation and as described in this program summary and application guide.
 8. Each HOME-ARP unit tenant must have a contribution to rent that is affordable based on a determination of the household's income. If the household is receiving project-based or tenant-based rental assistance, it cannot contribute towards rent more than is permitted in accordance with the requirements of the applicable program. If a qualifying household cannot contribute to rent, or the contribution is insufficient to cover the unit rent, the tenant may be provided financial assistance through eligible HOME-ARP supportive services if available.
 9. An owner may not terminate the tenancy or refuse to renew the lease of a qualifying household in a permanent rental housing unit except for serious or repeated violation of the terms and conditions of the lease; for violation of applicable Federal, State, or local laws, or for other good cause. An increase in the qualifying household's income does not constitute good cause.
 10. To terminate or refuse to renew tenancy, the owner must serve written notice upon the qualifying household and the HOME-ARP sponsor if the lease is between an owner and HOME-ARP sponsor, specifying the grounds for the action at least 30 days before termination of tenancy.
 11. The owner must use a project waiting list and select applicants for HOME-ARP unit tenancy in chronological order.
 12. The owner must repay the entire HOME-ARP NCS investment if the permanent rental housing does not comply with initial or ongoing requirements of the HOME program and/or ADOH HOME-ARP policies and procedures during the restricted use period, including any extended period resulting from conversion to rental housing.

Covenants, Conditions and Restrictions

The ADOH will enforce HOME-ARP requirements through the recording of Covenants, Conditions and Restrictions (CC&Rs) running with the land. The CC&Rs must be recorded in first position, ahead of any liens or other encumbrances. The CC&Rs remain in force throughout the compliance period regardless of repayment or recapture of any HOME-ARP assistance.

Repayment of HOME-ARP Funds by the Owner to the ADOH

Project owners will be required to repay the total amount of the HOME-ARP funds to the ADOH if:

1. HOME-ARP units are not occupied by eligible qualifying populations within six months of project completion.
2. The project is terminated before completion.
3. The project does not otherwise comply with initial or ongoing HOME-ARP requirements during the entire restricted use period. This includes voluntary or involuntary sale or transfer of the project that results in termination of the CC&Rs.

Rental Housing

HOME-ARP funds may be used to acquire, rehabilitate, or construct rental housing, including transitional housing. HOME-ARP rental housing is primarily for occupancy by households of individuals and families that meet the definition of a qualifying population.

Eligible Property Types

HOME-ARP rental housing eligible property types are:

1. Site-built single-unit and multi-unit housing;
2. Manufactured housing;
3. Single Room Occupancy (SRO) units.

Ineligible Property Types

HOME-ARP funds may not be used to rehabilitate public housing units. In addition, unless acquired and rehabilitated to HOME-ARP rental housing, the following property types are ineligible as HOME-ARP rental housing:

1. Emergency shelters;
2. Hotels, and motels;
3. Facilities such as nursing homes;
4. Residential treatment facilities;
5. Correctional facilities;
6. Halfway houses; and
7. Housing for students or dormitories.

Forms of Assistance

HOME-ARP rental housing funds may be provided in the form of a grant or a loan. The terms of a loan are determined on a project-by-project basis and may be:

1. Interest-bearing or non-interest bearing
2. Amortizing or non-amortizing
3. Repayable or Forgivable
4. Cash Flow

Unless otherwise requested by the applicant, HOME-ARP funds for rental housing will be provided as a non-interest bearing, non-amortizing loan, subject to recapture in the event of non-compliance with HOME-ARP requirements and forgivable upon the expiration of the HOME-ARP minimum compliance period.

Minimum and Maximum HOME-ARP Development Investment

The minimum HOME-ARP investment is \$1,000 per HOME-ARP unit. There is no maximum HOME-ARP investment - HOME-ARP funds may pay the entire reasonable and necessary cost to acquire, rehabilitate and/or construct HOME-ARP rental units subject to any restrictions specified in the ADOH NOFA and the Cost Principles at 2 CFR Part 200.

Eligible Costs

HOME-ARP rental housing funds may be used for the following project hard and soft costs, and project-specific costs associated with and allocable to the acquisition, construction, and rehabilitation of HOME-ARP units.

Project Hard Costs

- Acquisition of land (for a specific project) and existing structures
- On-site costs, such as site preparation or improvement, including demolition and utility connections from the property line to the adjacent street
- Materials and labor
- For new construction or rehabilitation, construction or rehabilitation of laundry and community facilities located within the same building as the housing and for use by project residents
- Improvements for disability accessibility
- In pre-1978 structures, compliance with HUD and ADOH's LBP regulations
- Energy-related improvements

Project Soft Costs

- Architectural, engineering and related professional services to prepare plans, drawings, specifications, or capital needs assessments/ work write-ups
- Financing fees, including private lender origination fees, credit reports, Title binders and insurance, recordation fees, appraisals

-
- Transaction taxes
 - Surety fees (surety bond/performance bonds)
 - Legal and accounting, including cost certifications
 - Environmental reviews
 - Builder or developer fees within ADOH caps
 - Impact fees
 - Affirmative marketing, initial leasing and marketing costs
 - Relocation costs
 - Capitalized operating cost reserve for HOME-ARP QP Units
 - Lease-up reserve for HOME-ARP LI Units

Capitalized Operating Cost Assistance Reserve for HOME-ARP QP Units

The ADOH may capitalize an operating cost reserve for units that are restricted for occupancy by qualifying populations (HOME-ARP QP units) only if an operating reserve is not already established for the project.

Capitalization of a HOME-ARP operating reserve is subject to the following:

1. The capitalized reserve must be held by the project owner in a separate interest-bearing account;
2. The project owner must request written approval of the ADOH prior to disbursing funds from the reserve;
3. Funds in the capitalized reserve can only be drawn only to address operating deficits associated with HOME-ARP QP units; and
4. Unexpended operating cost reserve amounts remaining at the end of the minimum compliance period must be returned to the ADOH.

Sizing the Capitalized Operating Reserve

When sizing a capitalized operating reserve, the ADOH will apply the following criteria to determine projected deficits remaining after expected payments toward rent by qualifying households:

-
1. The reserve will not exceed the amount determined necessary to provide operating cost assistance beyond the 15-year HOME-ARP compliance period.
 2. Operating costs must be reasonable and appropriate for the geographic area, project size, population(s) served, and type of project.
 3. Anticipated year 1 household payments toward rent and utilities will be assumed equal to 30% of household income for a household with income equal to 30% AMI, adjusted for project location and unit size;
 4. Anticipated household payments toward rent and utilities in years 2 through 15 will be assumed equal to the Low-HOME-ARP rent for the unit size;
 5. HOME-ARP QP units with project-based rental assistance will not be included in the capitalized reserve calculation;
 6. Unit operating costs will be equal to the HOME-ARP QP units' share of project operating costs based on unit size and will include the following:
 - a. Project administrative expenses, limited to:
 - i. Gross salaries and wages paid to employees assigned to the property, including payroll taxes, employee compensation, and employee benefits;
 - ii. Employee education, training, and travel;
 - iii. Project advertising;
 - iv. Costs for goods and services required for administration of the housing, including rental or purchase of equipment, supplies, legal charges, bank charges, utilities, telephone services, internet service, insurance; and
 - v. Other administrative costs that may be approved by ADOH on a project-by-project basis.
 - b. Property management fees paid to a third-party management agent for day-to-day management;
 - c. Insurance;
 - d. Utilities;
 - e. Property taxes;
 - f. Maintenance and repairs;

-
- g. The prorated costs of a Resident Services Manager to arrange community activities for residents of HOME-ARP QP units and link those residents to outside service agencies as needed, if not already paid by another source; and
 - h. Replacement reserves for HOME-ARP QP Units, when a replacement reserve is not also capitalized.

Lease-up Reserve for HOME-ARP Low-Income Units

HOME-ARP low-income (HOME-ARP LI Units) rental units are eligible for an initial operating deficit reserve during the project rent-up period, which may not exceed 12 (twelve) months. The reserve may only be used to pay the share of operating expenses, scheduled payments to a replacement reserve, and debt service attributable to the HOME-ARP LI Units.

Any funds remaining in the initial operating deficit reserve for HOME-ARP LI Units after the rent-up period may be retained for reserves for replacement for HOME-ARP LI Units.

Replacement Reserves

Replacement reserves must be based on the useful life of each major system and expected replacement cost as evidenced in a Capital Needs Assessment conducted for an acquisition, rehabilitation, or acquisition and rehabilitation HOME-ARP project.

Scheduled payments to a reserve for replacement of major systems included in the operating costs allocated to a HOME-ARP unit restricted for a qualifying household may be made from the operating cost assistance reserve. A reserve for replacement allocated to the HOME-ARP units may also be capitalized in the initial year of the minimum compliance period. HOME-ARP funds cannot be used to both capitalize a reserve for replacement and provide payments to the reserve for replacement from a capitalized operating reserve during the minimum compliance period.

Project-specific Costs

Relocation assistance provided to individuals of families occupying non-residential property and demonstrating a) they have been in continuous residence for 30 or more calendar days, and b) are a HOME-ARP qualifying population may be paid as a project-specific cost.



Minimum Compliance Period

HOME-ARP rental housing units must meet HOME-ARP requirements for not less than 15 years. When a project is also receiving project-based rental assistance, the HOME-ARP units must meet HOME-ARP requirements for the term of the Housing Assistance Payments contract. Project owners may propose a longer compliance period; however, no HOME-ARP funds will be available for operating cost assistance to cover deficits during the extended period.

Minimum Number of HOME-ARP Units

HOME-ARP funds may be used to assist one or more units in a project. Only the eligible development costs of the HOME-ARP units (assisted units) may be charged to the HOME-ARP program. HOME-ARP assisted units must be substantially comparable in size and amenities to units not assisted with HOME-ARP funds. The minimum number of HOME-ARP units is calculated as follows:

All Project Units are Comparable in Size and Amenities	
Total development cost	\$7,500,000
Divided by the total number of units in project	Forty (40) units
Equals the average per unit investment (all units)	\$187,500
ADOH HOME-ARP Investment	
ADOH HOME-ARP Investment	\$5,000,000
Divided by average per unit investment (all units)	\$187,500
Equals the number of HOME-ARP units (rounded up from 26.67)	Twenty-seven (27) units
HOME-ARP Qualifying Population Units (not less than 70% of total units rounded up from 18.9)	Nineteen (19) units
HOME-ARP Low-income Units	Eight (8) units

After project completion, the number of HOME-ARP units in a project cannot be reduced, nor can the ADOH provide additional HOME-ARP funds for capital costs.

Eligible Tenants

Eligible HOME-ARP rental housing tenants are based on the number of HOME-ARP units in a property as follows:

1. Not less than 70% of households, regardless of household income, must be a qualifying population upon the household's initial occupancy, and
2. If necessary to ensure project feasibility and viability, up to 30% of households may have household income less than 80% of the AMI, adjusted for household size upon the household's initial occupancy.

When calculating the minimum number of HOME-ARP units set-aside for qualifying populations, any fraction or decimal must be rounded up, for example:

- 3 HOME-ARP units x 70% = 2.1 units – all 3 units must be set-aside for qualifying populations.
- 6 HOME-ARP units x 70% = 4.2 units – 5 units must be set-aside for qualifying populations.
- 12 HOME-ARP units x 70% = 8.4 units – 9 units must be set-aside for qualifying populations.
- 24 HOME-ARP units x 70% = 16.8 units – 17 units must be set-aside for qualifying populations.

Fixed or Floating HOME-ARP Units

HOME-ARP units must be designated as either fixed or floating:

1. Fixed Units are units are specified units that are designated as either qualifying population or low-income household units for the entire compliance period. This designation cannot change during the compliance period.
2. Floating Units are initially designated for either qualifying populations or low-income households and may lose their designation and be replaced by comparable units in the project during the compliance period when the income of the household occupying the unit changes.

Occupancy and Compliance Requirements

The mix of HOME-ARP qualifying population and low-income household units must be maintained throughout the entire compliance period. The method of maintaining this mix and remaining in compliance will depend on the unit designation and whether the unit is fixed or floating.

Fixed Qualifying Population Units

Fixed HOME-ARP qualifying population units retain their designation as compliant HOME-ARP qualifying population units regardless of changes in tenant income. When a fixed qualifying population unit is vacated, it must be rented to another household that is a qualifying population.

Regardless of changes in tenant income or status as a qualifying population, the project owner remains in compliance as long as the unit is occupied by a household that was a qualifying population at initial occupancy.

Floating Qualifying Population Units

Floating HOME-ARP qualifying population units retain their designation as compliant HOME-ARP qualifying population units regardless of changes in tenant income. When a floating qualifying population unit is vacated, that unit or the first available comparable unit in the property must be rented to another household that is a qualifying population. When the income of a household occupying a floating qualifying population unit exceeds 80% AMI, the property owner is encouraged, but not required to rent the next available unit in the project to a qualifying population.

Regardless of changes in tenant income or status as a qualifying population, the project owner remains in compliance as long as the next available unit in the project is leased to a household that is a qualifying population.

Fixed Low-income Household Units

Fixed low-income household units must be initially occupied by low-income households. When the annual income of households occupying fixed low-income units exceeds 80% AMI for the household size:



1. The household may not be evicted or terminated except for cause, may stay in the unit, and must pay a minimum of 30% of adjusted household income for rent and utilities; and
2. The next available HOME-ARP low-income household unit must be rented to a low-income household.

The owner will be considered temporarily out of compliance during the period when all designated low-income units are not occupied by low-income households.

Floating Low-income Household Units

Floating low-income household units must be initially occupied by low-income households. When the annual income of households occupying floating low-income units exceeds 80% AMI for the household size:

1. The household may not be evicted or terminated except for cause, may stay in the unit, and must pay a minimum of 30% of adjusted household income for rent and utilities, up to the prevailing market rent; and
2. The next available comparable unit in the project must be rented to a low-income household.

The owner will be considered temporarily out of compliance until the next available comparable unit in the project is rented to a low-income household.

Thresholds and Project Underwriting

Before committing HOME funds to a rental housing project, the ADOH will require that all necessary financing has been secured, a budget and schedule have been established, underwriting has been completed, and construction will start within 12 months of entering into an agreement with a project owner. Project thresholds and underwriting will be specified in each application guide and/or the HOME-ARP underwriting guidelines.

Household Income Determination

Household income of HOME-ARP rental unit tenants must be determined following the requirements at 24 CFR 5.609 (Section 8/HCV income calculation), unless the household is assisted by a state or federal project-based rental subsidy or receiving federal tenant-based rental assistance. When a unit is assisted by a state or federal project-based rental subsidy or a household is receiving a federal tenant-based subsidy (e.g., Housing Choice Voucher), then the

income determination of the public housing agency, Section 8 project owner, or CoC subrecipient's determination of income must be accepted.

Qualifying Populations

For qualifying populations, household income:

1. Is not a factor in initial occupancy of a unit;
2. Must be calculated at initial occupancy to determine the tenant's total contribution to rent, including utilities, or to determine eligibility for dual-subsidy (e.g., LIHTC) units; and
3. Must be calculated annually starting 1 year after initial occupancy to determine the tenant's total contribution to rent, including utilities.

Low-income Households

For low-income households, household income:

1. Must be determined prior to occupancy to ensure the household meets the definition of low-income; and
2. Must be calculated annually starting 1 year after initial occupancy to determine the tenant's ongoing income eligibility and applicable rental contribution.

Maximum HOME-ARP Rents

The maximum HOME-ARP rent, including utilities, depends on whether a HOME-ARP unit is restricted to qualifying populations or low-income households, and whether the unit is receiving project-based assistance or the tenant is receiving federal tenant-based rental assistance. Single room occupancy (SRO) units have different rent requirements than units with one or more bedrooms.

HOME-ARP Qualifying Population Units

The rent for a HOME-ARP qualifying population unit may not exceed the lesser of the Low-HOME-ARP or Fair Market Rent as published annually by HUD. This is equal to 30% of income of a family at 50% of the AMI for the area with adjustments for bedroom size.

HOME-ARP Low-income Units

The rent for a HOME-ARP low-income unit may not exceed the lesser of the High-HOME-ARP rent or Fair Market Rent as published annually by HUD. This is equal to 30% of income of a family at 65% of the AMI for the area with adjustments for bedroom size.

Project- or Tenant-based Rental Assistance

When a tenant is receiving federal tenant-based rental assistance, the maximum rent is the rent permissible under the rental assistance program.

When a HOME-ARP unit is receiving federal or state project-based assistance and the qualifying household is paying no more than 30% of adjusted income for rent including utilities, the maximum rent (including the tenant contribution) is the rent permissible under the project-based assistance program.

Single Room Occupancy (SRO) Units

If HOME-ARP SRO unit has both sanitary *and* food preparation facilities, the maximum HOME-ARP rent, including utilities, is the zero-bedroom fair market rent.

If the HOME-ARP SRO unit has only sanitary facilities (and no separate food preparation facilities), the maximum HOME-ARP rent, including utilities, is 75% of the zero-bedroom fair market rent.

Utility Allowance

The ADOH will accept one of the following four methodologies for calculating utility allowances. Utilities must be updated annually and included in the calculation of maximum rent. Guidance regarding these methodologies may be found at

<https://www.hud.gov/sites/dfiles/CPD/documents/HOMEfires-Vol-13-No2-Guidance-on-How-to-Establish-Utility-Allowances-for-HOME-Assisted-Rental-Units.pdf>

1. HUD Utility Schedule Model. The HUSM enables users to calculate utility schedules by housing type after entering utility rate information. This model is based on climate and survey information from the U. S. Energy Information Administration of the Department of Energy and it incorporates energy efficiency and Energy Star data. The HUSM and use instructions can be accessed on HUD User at <https://www.huduser.gov/portal/resources/utilallowance.html>.
2. Multifamily Housing Utility Analysis. The methodology described in HUD Multifamily Notice H-2015-4 may be used, including the required baseline utility analysis; the optional factor-based utility analysis; and, the utility analysis sample size.

-
3. Utility Company Estimate. Estimates may be obtained from a local utility company for each of the utilities used in the project. The estimate must be obtained in writing and must be based on the estimated cost of that utility for a unit of similar size and construction for the geographic area in which the building containing the unit is located.
 4. Energy Consumption Model (Engineer Model). Estimates may be based on an energy and water and sewage consumption and analysis model (energy consumption model) prepared by a properly licensed engineer or a qualified professional. Such professionals must be independent from the property owner and must specify the building factors included in the model.

Qualifying Household Contribution to Rent

Qualifying households must pay 30% of adjusted household income towards rent, including utilities, but not more than the Low-HOME-ARP rent as published by HUD, unless the unit is receiving project-based assistance or the household is receiving tenant-based rental assistance. When a unit is receiving project-based assistance or a household is receiving tenant-based rental assistance, the household contribution is the contribution required by the applicable assistance program.

If the qualifying household's contribution to rent does not generate sufficient rental revenue to cover the operating costs of the unit, the project owner may draw from the project operating cost reserve, with the approval of the ADOH, to cover the deficit.

Changes in Qualifying Household Income

A household that was a qualifying population household at initial occupancy and whose annual income at the time of income re-certification is above 50% AMI and below 80% AMI must pay the FMR or High-HOME-ARP rent as published annually by HUD, whichever is less.

A household that was a qualifying population household at initial occupancy and whose annual income at the time of income re-certification is above 80% AMI must pay 30% of adjusted household income for rent or the prevailing market rent, whichever is less.

Low-income Household Contribution to Rent

A low-income household must pay the lesser of the FMR or High-HOME rent, including utilities, as published annually by HUD.



Changes in Low-income Household Income

A household that was a low-income household at initial occupancy and whose annual income at the time of income re-certification is above 80% AMI must pay 30% of adjusted household income for rent or the prevailing market rent, whichever is less.

Covenants, Conditions and Restrictions

The ADOH will enforce HOME-ARP requirements through the recording of Covenants, Conditions and Restrictions (CC&Rs) running with the land. The CC&Rs must be recorded in first position, ahead of any liens or other encumbrances. The CC&Rs remain in force throughout the compliance period regardless of repayment or recapture of any HOME-ARP assistance.

Property Standards

All units in a property that contains HOME-ARP units must comply with the following property condition standards throughout the compliance period as demonstrated by an on-site inspection within 12 months of project completion and an on-site inspection at least once every three years. Projects that contain HOME-ARP units must:

1. Meet all applicable local codes, rehabilitation standards, ordinances, and zoning ordinances at the time of project completion;
2. Meet the accessibility requirements at 24 CFR part 8, which implements Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794);
3. Meet the design and construction requirements at 24 CFR 100.205, which implement the Fair Housing Act (42 U.S.C. 3601-3619); and
4. Meet the Site and Neighborhood Standards per 24 CFR Part 983.6(b).

Newly constructed housing must meet the current edition of the Model Energy Code published by the Council of American Building Officials.

Construction of manufactured housing must meet the Manufactured Home Construction and Safety Standards established in 24 CFR Part 3280, and applicable State and local laws or codes. Manufactured housing that is rehabilitated using HOME-ARP funds must meet the State's rehabilitation standards.

HOME-ARP Lease Requirements and Tenant Protections

Tenant leases on HOME-ARP units are subject to the following requirements:

1. The minimum lease term is twelve (12) months unless the tenant and owner mutually agree to a shorter term. The owner must provide written evidence that a twelve (12) month lease was offered and both parties agreed on a lesser term.
2. Leases must comply with the provisions of the Arizona Residential Tenant Landlord Act and the Fair Housing Act.
3. For transitional housing, tenant lease agreements must be separate from program agreements.
4. Tenant lease agreements must not contain any of the following provisions:
 - a. Agreement to be sued. The tenant must not be required to agree to be sued, to admit guilt or to a judgment in favor of the owner in a lawsuit brought in connection with the lease.
 - b. Treatment of property. The tenant must not be required to agree that the owner may seize or sell personal property of household members without notice to the tenant and a court decision on the rights of the parties. This provision does not apply to disposition of personal property left by a tenant who has vacated a property.
 - c. Excusing owner from responsibility. The tenant must not be required to agree not to hold the owner or owner's agents legally responsible for any action or failure to act, whether intentional or negligent.
 - d. Waiver of notice. The tenant must not be required to agree that the owner may institute a lawsuit without notice to the tenant.
 - e. Waiver of legal proceedings. The tenant must not be required to agree that the owner may evict the tenant or household members without instituting a civil court proceeding in which the tenant has the opportunity to present a defense or before a court decision on the rights of the parties.
 - f. Waiver of a jury trial. The tenant must not be required to agree to waive any right to a trial by jury.
 - g. Waiver of right to appeal court decision. The tenant must not be required to waive their right to appeal, or to otherwise challenge in court, a court decision in connection with the lease.

-
- h. Tenant chargeable with cost of legal actions regardless of outcome. The tenant must not be required to agree to pay attorney's fees or other legal costs even if the tenant wins in a court proceeding by the owner against the tenant. The tenant, however, may be obligated to pay costs if the tenant loses.
 - i. Mandatory Supportive Services. Agreement by the tenant (other than a tenant in transitional housing) to accept supportive services that are offered.
 - j. Owners may terminate tenancy or refuse to renew a lease only upon thirty (30) days written notice with cause except as provided by Arizona Law.

Termination of Tenancy

An owner may not terminate the tenancy or refuse to renew the lease of a tenant of a HOME-ARP unit except for:

1. Serious or repeated violation of the terms and conditions of the lease;
2. Violation of applicable Federal, State, or local laws;
3. Other good cause. An increase in the tenant's income does not constitute good cause.

Termination of Tenancy in Projects with Capitalized Operating Reserve for HOME-ARP Units

When HOME-ARP funds capitalize a project operating reserve, the owner may not terminate the tenancy or refuse to renew the lease of a qualifying household because of the household's inability to pay rent during the compliance period.

Project Waiting List and Tenant Selection Policies and Criteria

A project-specific waiting list must be established for each project containing HOME-ARP units. Both qualifying households and low-income households must be selected from the waiting list in chronological order based on the date of application, as practicable. As practicable means that an applicant may only be by-passed when an appropriately-sized HOME-ARP QP or HOME-ARP LI unit is not available for tenancy by the applicant.

Each project must have adopted tenant selection policies and criteria, including, at a minimum:

1. Eligible tenant definitions, including:
 - a. Limiting eligibility in HOME-ARP units to qualifying populations and low-income households, as applicable; and

-
- b. Ensuring holders of any federal, state or local tenant-based rental assistance voucher, certificate or document may not be excluded.
 2. Tenant application procedures;
 3. Tenant qualification process;
 4. Selection of tenants from the waiting list in chronological order of their application, insofar as is practical;
 5. Giving prompt written notice to any rejected applicant of the grounds for any rejection;
 6. Complying with the requirements of the Violence Against Women Act; and
 7. An Affirmative Marketing Plan.

Project Completion

HOME-ARP rental projects must be completed within four (4) years of project commitment. Project completion means the HOME-ARP units are occupied by eligible qualifying or low-income households within six months of receiving a certificate of occupancy.

Repayment of HOME-ARP Funds by the Owner to the ADOH

Project owners will be required to repay the total amount of the HOME-ARP funds to the ADOH if:

1. HOME-ARP units are not occupied by eligible qualifying populations or low-income households within twelve months of project completion.
2. The project is terminated before completion.
3. The project does not otherwise comply with initial or ongoing HOME-ARP requirements during the entire compliance period. This includes voluntary or involuntary sale or transfer of the project that results in termination of the CC&Rs.

Management and Oversight of the Capitalized Operating Reserve

Not less than annually the ADOH will review the operating cost assistance reserve account to determine that the account is appropriately sized based on the projected operating deficits of HOME-ARP qualifying household units restricted and that the project owner is complying with the following requirements:

1. The HOME-ARP capitalized operating reserve is held in a separate interest-bearing account.

-
2. The owner submits annual audited financial statements.
 3. Prior to disbursing funds from the reserve and not more than quarterly, the project owner requests and receives written approval from the ADOH.

The ADOH will review each requested distribution, including supporting documentation, to determine the distribution is reasonable and necessary to cover the operating deficit associated with HOME-ARP units occupied by qualifying households. Required supporting documentation includes:

1. Financial statements for the period covered by the draw, including balance sheet, and income statement.
2. Rent roll and bank account statement.
3. An explanation of the funding shortfall, including HOME-ARP qualifying population income, calculated rent payment, and the maximum HOME-ARP rent for the unit.

The ADOH will not require the project owner to enter into a deposit account control agreement requiring ADOH disbursement approval.

Any unexpended operating cost assistance reserve remaining at the end of the compliance period must be returned to the ADOH. The remaining reserve funds will be considered program income and deposited in the ADOH HOME account.

Inspection and Reporting

Project owners are required to submit a Compliance Annual Report in accordance with the most recent Annual Report Guide. Information provided in the Compliance Annual Report is generally confirmed through on-site unit and record inspections. The Annual Compliance Report must be submitted by August 15th of each year to the Compliance Administrator. Project financial statements may also be required.

ADOH will provide reasonable notice of scheduled inspections to each property not less than every three (3) years, adhering to the Housing Quality Standards pursuant to 24 CFR Parts 5 and 200 and to monitor tenant files for compliance with the applicable State and Federal regulation. Inspections and file monitoring may occur more frequently depending upon project performance.

Management Plan Requirements

Each project must have an adopted management plan that includes the following:

1. **Financial Plan:** How rents will be collected; and how the project's financial operations will be managed.
2. **Physical Management:** How the project will be managed, including planned and preventative maintenance activities, work order systems, ongoing unit inspections and maintenance of property standards.
3. **Occupancy Management:** How the units will be advertised/marketed, the intake and application process including certification and documentation of eligibility, how the waiting list will be maintained, how occupancy standards (i.e., house rules or standards of conduct) will be enforced and how re-certification and turnover will be managed.



Supportive Services

ADOH permits the use of HOME-ARP funds for many eligible supportive services. Supportive services may be offered on-site at HOME-ARP NCS or rental housing or by referral to one or more off-site providers. HOME-ARP funding for services will not be available after September 30, 2030.

When services are offered at a HOME-ARP NCS or rental housing project site, all eligible qualifying populations, not just those occupying or residing at the site, must be provided an opportunity to apply for services. All applicants, regardless of occupancy or tenancy, must then be selected for receipt of supportive services in chronological order, based on the date and time of application.

Supportive Services Project Delivery Costs

Service providers are compensated through project delivery costs. General administrative funding is not available for the ADOH to pass through to service providers. A supportive services project delivery cost is one that can be directly attributed to the delivery of a specific HOME-ARP service to an identified and eligible HOME-ARP program participant. When a service provider is engaged directly in the provision of HOME-ARP supportive services to identified HOME-ARP program participants, the labor (including salary and benefit packages of staff), supplies, and materials incurred in directly providing the supportive services are reimbursable project delivery costs.

Eligible McKinney-Vento Services

ADOH HOME-ARP funding is available for the following eligible McKinney-Vento services for qualifying populations that are 1) homeless, or 2) at risk of homelessness, including those who are occupants or prospective occupants of HOME-ARP NCS and tenants or prospective tenants of HOME-ARP rental housing. McKinney-Vento supportive services may only be offered to households (individuals or families) that meet the definition of a homeless or at-risk of homeless qualifying population at the time of application for services. Eligibility must be documented prior to providing HOME-ARP funded services.

1. Assessment of services needs and existing services secured by the individual or family.
2. Benefits and services navigation.
3. Food, limited to meals or groceries for program participants.
4. Housing stability case management, limited to:

-
- a. Counseling;
 - b. Developing, securing and coordinating services including federal, state, and local benefits;
 - c. Monitoring and evaluating program participant progress;
 - d. Providing information and referrals to other providers; and
 - e. Developing an individualized housing and service plan.
5. Child care, including providing meals and snacks, and comprehensive and coordinated developmental activities.
 - a. The child care center must be licensed by the jurisdiction in which it operates.
 - b. Children must be under the age of 13 unless the children have a disability.
 - c. Children with a disability must be under the age of 18.
 6. Education services to improve knowledge and basic educational skills, limited to:
 - a. Individual or group instruction or training in:
 - i. Consumer education;
 - ii. Health education;
 - iii. Substance abuse prevention;
 - iv. Literacy;
 - v. English as a Second Language; and
 - vi. General Educational Development (GED).
 - b. Screening, assessment, and testing;
 - c. Tutoring;
 - d. Provision of books, supplies, and instructional material;
 - e. Counseling; and
 - f. Referral to community resources.
 7. Employment assistance and job training, including the costs of establishing and/or operating employment assistance and job training programs. Employment and job training programs may be provided in a classroom, online and/or as computer instruction, or as on-the-job instruction limited to:
 - a. Services that assist individuals in securing employment, including:

-
- i. Employment screening, assessment, or testing;
 - ii. Structured job skills and job-seeking skills;
 - iii. Special training and tutoring, including literacy training and prevocational training;
 - iv. Books and instructional material;
 - v. Counseling or job coaching; and
 - vi. Referral to community resources.
 - b. Services that assist individuals in acquiring learning skills, including skills that can be used to secure and retain a job, including the acquisition of vocational licenses and/or certificates; and
 - c. Reasonable stipends to program participants in employment assistance and job training programs.
 8. Housing search and counseling services that are provided as part of a larger set of holistic case management services and that assist program participants to locate, obtain, and retain suitable housing, limited to:
 - a. Development of an action plan for locating housing;
 - b. Housing search assistance;
 - c. Tenant counseling;
 - d. Securing utilities;
 - e. Making moving arrangements;
 - f. Outreach to and negotiation with owners/property managers/landlords;
 - g. Assistance submitting rental applications and understanding leases;
 - h. Mediation with property owners and landlords on behalf of eligible program participants;
 - i. Credit counseling, accessing a free personal credit report, and resolving personal credit issues; and
 - j. Payment of rental application fees.
 9. Legal services, including client intake, receiving and preparing cases for trial, provision of legal advice, representation at hearings, and counseling, that are provided by a licensed

attorney or a person under the direct supervision of a licensed attorney. Filing fees and other necessary court costs.

- a. Fees based on the actual service performed (i.e., fee for service) are eligible only if the cost would be less than the cost of hourly fees. Retainer fee arrangements and contingency fee arrangements are prohibited.
 - b. If the contractor is a legal services provider and performs the services itself, the eligible costs are the contractor's employees' salaries and other costs necessary to perform the services. All costs must be directly attributable to a HOME-ARP program participant.
 - c. Legal services for immigration and citizenship matters and for issues related to mortgages and homeownership are ineligible.
 - d. Legal services must be necessary to assist a qualifying household to obtain housing and are limited to the following subject matters.
 - i. Child support;
 - ii. Guardianship;
 - iii. Paternity;
 - iv. Emancipation;
 - v. Legal separation;
 - vi. Orders of protection and other legal remedies for victims of domestic violence, dating violence, sexual assault, human trafficking, and stalking;
 - vii. Appeal of veterans and public benefit claim denials;
 - viii. Landlord-tenant disputes; and
 - ix. Resolution of outstanding criminal warrants when those warrants are prohibiting the program participant from obtaining permanent housing.
10. Life skills training, including teaching critical life management skills that may never have been learned or have been lost during the course of physical or mental illness, domestic violence, dating violence, sexual assault, stalking, human trafficking, substance abuse, and homelessness. These services must be necessary to assist the program participant to function independently in the community. Eligible life skills training services are:
- a. Budgeting and money management;
 - b. Household management;

-
- c. Conflict management;
 - d. Shopping for food and other needed items;
 - e. Nutrition;
 - f. The use of public transportation; and
 - g. Parenting training.
11. Mental health services provided on an outpatient basis by licensed professionals that apply therapeutic processes to personal, family, situational, or occupational problems in order to bring about positive resolution of the problem or improved individual or family functioning or circumstances, limited to:
- a. Crisis interventions;
 - b. Counseling;
 - c. Individual, family, or group therapy sessions;
 - d. The prescription of psychotropic medications or explanations about the use and management of medications; and
 - e. Combinations of therapeutic approaches to address multiple problems.
12. Outpatient health services provided by licensed medical professionals to treat medical conditions, limited to:
- a. Analysis or assessment of a program participant's health problems and the development of a treatment plan;
 - b. Assisting program participants to understand their health needs;
 - c. Providing directly or assisting program participants to obtain and utilize appropriate medical treatment;
 - d. Preventive medical care and health maintenance services, including in-home health services and emergency medical services;
 - e. Provision of appropriate medication;
 - f. Necessary follow-up services; and
 - g. Preventive and non-cosmetic dental care.
13. Substance abuse treatment services by licensed or certified professionals to prevent, reduce, eliminate, or deter relapse of substance abuse or addictive behaviors, limited to:

-
- a. Intake and assessment;
 - b. Outpatient treatment;
 - c. Group and individual counseling; and
 - d. Drug testing.
14. Transportation, limited to:
- a. The costs of program participant's travel on public transportation or in a vehicle provided by the subrecipient to and from medical care, employment, childcare, or HOME-ARP eligible supportive services;
 - b. Mileage allowance for service workers to visit program participants and to carry out housing inspections; and
 - c. The costs of staff to accompany or assist program participants to utilize public transportation.
15. Case management, including assessing, arranging, coordinating, and monitoring the delivery of individualized services to meet the needs of program participant(s), limited to:
- a. Conducting an initial evaluation, including verifying and documenting eligibility;
 - b. Counseling;
 - c. Developing, securing, and coordinating services;
 - d. Obtaining federal, state, and local benefits;
 - e. Monitoring and evaluating program participant progress;
 - f. Providing information and referrals to other providers;
 - g. Providing ongoing risk assessment and safety planning with victims of domestic violence, dating violence, sexual assault, stalking, and human trafficking;
 - h. Developing an individualized housing and service plan, including planning a path to permanent housing stability; and
 - i. Conducting re-evaluations of the program participant's eligibility and the types and amounts of assistance the program participant needs.
16. Credit counseling and other services necessary to assist program participants with critical skills related to household budgeting, managing money, accessing a free personal credit report, and resolving personal credit problems. This assistance does not include the payment or modification of a debt.

17. Landlord/Tenant Liaison services between property managers/owners and program participants, limited to:

- a. Landlord outreach;
- b. Physical inspections as needed to secure units;
- c. Rental application fees and security deposits; and
- d. Coordination with other HOME-ARP eligible services to assist clients to maintain permanent housing.

18. Financial assistance costs paid to third parties on behalf of a program participant, limited to:

- a. Rental application fees charged by an owner to all applicants;
- b. Security deposits that do not exceed two months' rent and are separate and distinct from first and last months' rent;
- c. Utility deposits for the following utilities paid directly to the utility company or to the owner if the owner pays utilities and requires all tenants to provide utility deposits:
 - i. Gas
 - ii. Electric
 - iii. Water
 - iv. Sewer
- d. Up to 6 months of utility payment arrears if necessary to secure permanent housing;
- e. Moving costs, limited to:
 - i. Truck rental;
 - ii. Hiring a moving company; and
 - iii. Up to 3 months' temporary storage fees beginning the date a program participant begins receiving HOME-ARP assistance and ending when the program participant moves into permanent housing.
- f. First and last month's rent if necessary to obtain housing for a program participant and paid at the time the owner is paid the security deposit for the program participant's tenancy in the housing. This assistance:

-
- i. Is separate and distinct from any security deposit assistance; and
 - ii. Must not exceed two month's rent.

Eligible Housing Counseling Services

ADOH HOME-ARP funding is available for the following eligible Housing Counseling services for all qualifying populations (homeless, at-risk of homelessness, fleeing/attempting to flee, or “other”), including occupants or prospective occupants of HOME-ARP NCS and tenants or prospective tenants of HOME-ARP rental housing. Eligibility as a qualifying population must be documented prior to providing HOME-ARP funded supportive services. HOME-ARP housing counseling supportive services do not include services provided to current homeowners, regardless of their status as a qualifying population.

1. Development of a housing counseling work plan;
2. Intake;
3. Financial and housing affordability analysis;
4. Action plans that outline what the housing counseling agency and the client will do to meet the client’s housing goals and that address the client’s housing problem(s);
5. Rental housing counseling topics as defined in 24 CFR 214.300(e)(4);
6. Homeless services topics as defined in 24 CFR 214.300(e)(5);
7. Pre-purchase homebuying topics as defined in 24 CFR 214.300(e)(1); and
8. Follow-up communication with program participants.

Selection of Program Participants

Prior to providing supportive services to any individual or family, an eligibility assessment must be conducted to identify needed and existing services. The assessment must:

1. Document how the individual or family meets the definition of a HOME-ARP qualifying population, and specify the category of qualifying population met;
2. Identify and document any services already being received by the individual or family. Only services that are not currently being received by the individual or family may be provided using HOME-ARP funds. Services provided through another source may not be terminated in order to provide HOME-ARP funded services.



Occupants and tenants are not required to accept supportive services as a condition of occupancy or tenancy and may request services at any time during occupancy or tenancy subject to availability and HOME-ARP supportive services time limitations.

Maximum Term of Supportive Services for HOME-ARP Rental Housing Tenants

When supportive services are provided in combination with HOME-ARP rental housing, an individual or family will be considered a qualifying population until the earlier of September 30, 2030, or until the individual or family:

1. No longer occupies the HOME-ARP QP unit;
2. Voluntarily terminates HOME-ARP supportive services; or
3. Obtains needed supportive services from another source.

Maximum Term of Supportive Services for NCS Program Participants

For program participants in HOME-ARP NCS, supportive services assistance cannot exceed sixty (60) days during the period the program participant is seeking permanent housing and cannot exceed thirty-six (36) months during the period the program participant is living in permanent housing.

Use of Homeless Management Information System

Subrecipients, service providers, and owners providing services to qualifying populations who meet the HOME-ARP definition of homeless or at risk of homelessness must use the Homeless Management Information System.

Waiting List and Due Process Procedures

Recipients must maintain a waiting list of individuals and families wishing to apply for HOME-ARP supportive services. Individuals and families wishing to apply for services must provide complete information necessary to placement on the services waiting list. This information includes name and contact information (phone, email, street address, if available).

Placement on the waiting list does not indicate the family will be eligible for assistance – a final determination of eligibility will be made when the family is selected from the waiting list. When the family nears the top of the waiting list, the service provider will verify eligibility for services and develop a services plan.

The waiting list must be organized and maintained as follows:

-
1. All applications will be maintained in order of date and time of application.
 2. Any contact between the service provider and the applicant must be documented in the applicant's file.

The service provider will remove an applicant's name from the waiting list only when:

1. The applicant requests in writing that the name be removed;
2. The applicant fails to respond to a written or documented verbal (method, date and time of contact made) request for information;
3. The applicant misses scheduled appointments;
4. The applicant does not meet the eligibility criteria;
5. The applicant knowingly provides false information or fraudulent statements affecting the applicant's status or eligibility for assistance; or
6. The applicant receives services from another source.

The service provider's system of removing applicants from the waiting list will not violate the rights of persons with disabilities. If an applicant's failure to respond to a request for information or updates was caused by the applicant's disability, the service provider will verify that there is in fact a disability and that the accommodation they are requesting is necessary based on the disability. An example of a reasonable accommodation would be to reinstate the applicant on the waiting list based on the date and time of the original application.

When a family nears the top of the waiting list, the service provider will notify the applicant that they must attend an eligibility interview and provide information necessary to establish the family's eligibility. The purposes of the eligibility interview are to discuss the family's circumstances in greater detail, clarify information that has been provided by the family, and verify that the provided information is true and complete. The notice will:

1. Provide the date of the eligibility interview;
2. Inform the applicant that all adult family members must attend the interview;
3. Inform the applicant that their name will be removed from the waiting list for failure to attend the interview or to reschedule;

-
4. Include any forms or information that must be provided to the service provider to determine eligibility.

Once determined eligible, the service provider will give the family a packet covering at least the following subjects:

1. The family's obligations under the program, including program rules and the termination process before the family begins receiving assistance;
2. The grounds upon which the service provider may terminate services because of the family's action or inaction;
3. Service provider informal hearing procedures, including when the service provider is required to provide the opportunity for an informal hearing, and information on how to request a hearing; and
4. An explanation of rights afforded to participants under the Violence Against Women Act.

Denial of Assistance

The service provider will deny assistance to applicants who:

1. Do not meet any one or more of the eligibility criteria.
2. Do not supply required information or documentation.
3. Fail to respond to a written request for information or a request to declare their continued interest.
4. Fail to complete any aspect of the application, eligibility interview, or services action plan that may be required by the service provider.
5. Currently receive the same services from another source.
6. Have engaged in or threatened abusive or violent behavior towards any service provider staff member.

Termination of Assistance

1. The family may terminate services at any time.
2. The service provider may fully or partially terminate services assistance when:
 - a. The service provider determines that there is insufficient funding in their contract to support continued assistance for families in the program.
 - b. The service provider determines the family no longer needs the services.
 - c. The family is receiving services from another source.
 - d. The family has reached any monetary or time limits for receipt of services.
 - e. The family fails to provide any information that the service provider, the ADOH or HUD determines is necessary in the administration of the program, including but not limited to any requested certification, release, consent form, or other documentation, Social Security Numbers; and signed consent forms for obtaining information.
 - f. The family fails to keep appointments.
 - g. A family member violates any family obligations under the program, including failing to comply, without good cause, with the services contract of participation.
 - h. Any family member has engaged in or threatened abusive or violent behavior toward service provider personnel, or any contracted services on behalf of the service provider. Abusive or violent behavior includes verbal as well as physical abuse or violence, use of racial epithets, or other language, written or oral, that is customarily used to intimidate. Threatening refers to oral or written threats or physical gestures that communicate intent to abuse or commit violence.
 - i. A family member commits fraud, bribery or other corrupt or criminal acts in connection with the program.

Due Process and Hearing Procedures

When the service provider makes a decision to deny or terminate services to an applicant or participant, the family is often entitled to appeal the decision. The appeal takes the form of an Informal Hearing.

Notice to Applicant or Participant

If the service provider will remove an applicant from the waiting list, determines that an applicant does not meet the criteria for receiving services, or that a participant will be

terminated from the program, the service provider will promptly provide the applicant or participant with email or written notice of the determination. The notice will:

1. Contain a brief statement of the reason(s) for the decision;
2. State that the applicant or participant may request in writing an informal hearing of the decision within ten (10) calendar days of the date of the service provider notice;
3. Describe how to obtain the informal hearing;
4. Remind the applicant or participant of:
 - a. Their rights under the Violence Against Women Act; and
 - b. Their right to request a reasonable accommodation or limited English proficiency assistance.

The fact that an applicant or participant is or has been a victim of domestic violence, dating violence, sexual assault or stalking is not an appropriate basis for denial or termination of program assistance if the applicant or participant otherwise qualifies for assistance. The service provider will follow its Domestic Violence policy where an applicant or participant claims protection against an action proposed to be taken by the service provider involving such individual.

Considering Circumstances

When conducting informal reviews and hearings, the service provider will consider all of the circumstances, including the seriousness of the case, the extent of participation or culpability of individual family members, and the effects of denial or termination on other family members who were not involved in the action or failure.

Hearing Procedures

1. The service provider will schedule a hearing within ten (10) business days of the receipt of the applicant's or participant's request.
2. Discovery
 - a. The family will be given the opportunity to examine before the hearing any service provider documents, including records and regulations, that are directly relevant to the hearing. The family will be allowed to copy any such document at the family's expense. If the service provider does not make the document(s)

available for examination on request of the family, the service provider may not rely on the document(s) at the hearing.

- b. The service provider will be given the opportunity to examine, at the service provider's offices before the hearing, any family documents, including records and regulations, that are directly relevant to the hearing. The service provider will be allowed to copy any such document at the service provider's expense. If the family does not make the document(s) available for examination on request of the service provider, the family may not rely on the document(s) at the hearing.
3. Representation of the Family. A lawyer or other representative may represent the family at the family's own expense.
4. Hearing Officer. The hearing will be conducted by a person or persons designated by the service provider, other than a person who made or approved the decision under review or a subordinate of this person.
5. Evidence. The service provider and the family shall have the opportunity to present evidence and may question any witnesses. Evidence may be considered without regard to admissibility under the rules of evidence applicable to judicial proceedings.
6. Issuance of Decision. The Hearing Officer will issue a written decision within fourteen (14) calendar days from the date of the hearing, stating briefly the reasons for the decision. Factual determinations relating to the individual circumstances of the family shall be based on a preponderance of the evidence presented at the hearing.
7. Effect of the Decision. The service provider is not bound by a hearing decision:
 - a. Concerning a matter for which the service provider is not required to provide an opportunity for an informal hearing under this section, or that otherwise exceeds the authority of the person conducting the hearing under the service provider hearing procedures.
 - b. Contrary to HUD regulations or requirements, or otherwise contrary to federal, state, or local law.
 - c. If the service provider determines that it is not bound by a hearing decision, the service provider will notify the family within fourteen (14) calendar days of the determination, and of the reasons for the determination.

Nonprofit Operating and Capacity Building Assistance

A nonprofit organization may be eligible to receive nonprofit operating and/or capacity building assistance when it is also receiving ADOH HOME-ARP funds:

1. For an identified non-congregate shelter or rental housing project that will be implemented within 24 months of application; or
2. To provide supportive services.

Nonprofit operating assistance may be made available each fiscal year during which the nonprofit organization is also operating the HOME-ARP NCS or rental housing project or supportive services program, but not later than September 30, 2030. Operating assistance is initially limited to not more than five fiscal years. Capacity building assistance is initially limited to not more than three fiscal years.

Maximum Amount of Assistance

In any fiscal year, nonprofit operating expense OR capacity building assistance may not exceed the greater of \$50,000 or 50% of the general operating expenses of the organization.

If a nonprofit organization is receiving both operating expense AND capacity building assistance in any fiscal year, the combined operating expense and capacity building assistance may not exceed the greater of \$75,000 or 50% of the general operating expenses of the organization.

Operating Expense Assistance

Operating expenses are the reasonable and necessary costs of operating the nonprofit organization, not of implementing a HOME-ARP or any other specific program, project, or activity. Allowable uses of ADOH HOME-ARP nonprofit operating expense assistance are limited to:

1. Salaries, wages and other employee compensation and benefits for employees not assigned to or paid by a specific program or project;
2. General employee education, training, and travel;
3. Main or satellite office rent, utilities, communication costs, taxes, insurance, equipment, materials, and supplies as long as the office space is not co-located with non-congregate shelter or rental housing.

Capacity Building Assistance

Allowable uses of ADOH HOME-ARP capacity building assistance are limited to:

1. Salaries, wages and other employee compensation and benefits *for new hires*;
2. Employee training and staff development expenses designed to enhance employee skills to develop or operate non-congregate shelter or rental housing or to work effectively with HOME-ARP qualifying populations;
3. Purchase of or upgrades to equipment, such as computer software or programs, that improve organizational processes in the management and operation of HOME-ARP eligible activities; and
4. Contracts for technical assistance or for consultants to provide technical assistance to increase the capacity of the organization to independently execute HOME-ARP eligible activities and work with HOME-ARP qualifying populations.

Ineligible Uses

HOME-ARP operating expense and capacity building assistance may not be used to reimburse:

1. The actual costs of implementing a specific activity or project, including contracts with consultants and other third parties, whether funded with HOME-ARP or other resources.
2. Any operating expense or cost that has a final cost objective, such as a project or activity, whether funded with HOME-ARP or other resources.

Application Thresholds

Nonprofit operating expense and capacity building assistance will only be made available to the extent sufficient funds are available to fund the proposed HOME-ARP non-congregate shelter, rental housing, or supportive services activities beyond those for which conditional commitments have been made.

Applications for nonprofit operating expense and capacity building assistance must meet the following thresholds:

1. The applicant is applying for and reasonably expected to receive HOME-ARP funds to develop non-congregate shelter or rental housing within 24 months of the date of the application, or to deliver HOME-ARP supportive services.
2. For operating fund requests, the organization evidences paid staff whose experience qualifies them to undertake the proposed HOME-ARP activities.

-
3. Not fewer than 80% of the positions on the organization's Board of Directors are currently filled.
 4. The applicant has not been issued any findings or concerns by an independent auditing firm in the last two years.
 5. The applicant has made reasonable progress towards previously-funded ADOH projects and/or projects funded by other HOME Participating Jurisdictions.
 6. The organization is in good standing with the Arizona Corporation Commission.
 7. The organization evidences nonprofit status, limited to 501c3, 501c4, or Section 905 (subordinate) status.
 8. The submitted operating budget:
 - a. Has been adopted by the organization's governing body; and
 - b. Includes total uses and sources of operating funds by line item.

Compliance with Federal Cross-cutting Regulations

HOME-ARP applicants, subrecipients, service providers, and owners must comply with the following statutes, policies and procedures.

Accessibility Standards

All HOME-ARP activities and projects must comply with the accessibility standards of the Americans with Disabilities Act, The Fair Housing Act and the Rehabilitation Act, as revised.

Asbestos Testing

Recipients must comply with Federal and State requirements to protect affected public members from exposure to regulated asbestos-containing material during renovation, demolition, removal, transport, and disposal activities in accordance with applicable Environmental Protection Agency (EPA) regulations.

Affirmative Marketing

Owners of assisted rental housing containing five (5) or more total units must adhere to the ADOH Affirmative Marketing requirements. Actions must be taken to provide equal access to all eligible persons in the housing market area with a focus on those least likely to apply. Affirmative marketing procedures are required to be submitted with the application. Applicants may use HUD guidance at <https://www.hud.gov/sites/documents/935-2A.PDF> when preparing an affirmative marketing plan.

Conflicts of Interest

Both Federal and State laws prohibit employees, agents, consultants, officers or elected officials of entities receiving government funds from obtaining a financial interest or benefit from a government-assisted activity, having an interest in any contract, subcontract or agreement with respect to any contract during their tenure and for one (1) year thereafter. In the HOME-ARP program, this requirement includes the State of Arizona, owners, service providers and recipients. These requirements are also applicable to persons to whom the above-identified parties have family or business ties.

Recipients must maintain written standards of conduct covering conflicts of interest and organizational conflicts of interest requirements. All conflicts of interest and organizational conflicts of interest must be disclosed by applicants, subrecipients, and project owners.

Awards of HOME-ARP funds will be made at the sole discretion of the ADOH. Continuum of Care board members may not participate in and/or influence discussions or resulting decisions concerning the ADOH selection of subrecipients or owners.

If an applicant is unsure whether a conflict of interest exists, they may request a determination from ADOH.

Organizational Conflicts of Interest

HOME-ARP supportive services may not be contingent on any individual's or family's acceptance or occupancy of a shelter or housing unit owned by a recipient or any parent, affiliate, or subsidiary of the recipient.

In addition, no recipient may, with respect to individuals or families occupying housing owned by the recipient or any parent, affiliate, or subsidiary of the recipient administer financial assistance that includes HOME-ARP rental payments, utility deposits, security deposits, or first- and last-months' rent.

Exceptions to Organizational Conflicts of Interest

Any request for an exception to the organizational conflicts of interest provisions must be made by the recipient to the ADOH. The ADOH will in turn submit the requested exception to HUD, along with the required written public disclosure and an opinion of the State's attorney that an exception to the conflict would not violate State law.

Contract Work Hours and Safety Standards Act

Requires that projects with twelve (12) or more HOME-ARP assisted units comply with overtime provisions of the Act. Overtime provisions apply to the entire development, not just the HOME-ARP assisted units and the provisions must be in the construction contract. Payroll records must be provided to ADOH weekly. The ADOH Labor Standards Handbook should be used.

Labor Standards (Davis-Bacon Act)

Requires that a contract for construction with twelve (12) or more HOME-ARP assisted units pay to all laborers and mechanics not less than the wages prevailing in that locality as predetermined by the U.S. Department of Labor. Prevailing wages must be paid on the entire development, not just the HOME-ARP assisted units and the wage provisions must be in the

construction contract. Payroll records must be provided to ADOH weekly. The ADOH Labor Standards Handbook should be used.

Drug Free Workplace

Recipients are required to certify and maintain a drug free workplace.

Environmental Review

The environmental effects of each activity carried out with Federal funds must be assessed following Part 58 HUD Environmental Review requirements and using the ADOH Environmental Review Handbook and ADOH forms found at housing.az.gov/documentslinks/handbooks.

The acquisition of property or any physical action taken on a proposed site prior to the completion of the environmental review will preclude the award of HOME-ARP funds to a project or activity, regardless of the source of funds used.

HUD Format Environmental Review requirements generally require between thirty (30) and one hundred twenty (120) days to complete, depending upon the type of activity and its location. Applicants must consult with the State Historic Preservation Officer (“SHPO”), including the Tribal Historic Preservation Officer.

An ASTM E 1527-13 Phase I Assessment (with asbestos and lead paint reports, if the project includes rehabilitation) and termite inspection and report are required for all non-congregate shelter and rental housing projects. An ASTM E 1527-13 Phase I Assessment completed first may help expedite the HUD Format Environmental Review process.

Equal Opportunity and Fair Housing

Multiple Acts, Orders and Regulations must be followed to ensure equal access to HOME-ARP activities. These include:

1. The Fair Housing Act and implementing regulations at 24 CFR 100;
2. 24 CFR 110 requiring fair housing posters be prominently displayed so they are apparent to all persons seeking housing accommodations;
3. Equal Access to Housing in HUD Programs Regardless of Sexual Orientation or Gender Identity Final Rule;
4. Executive Order 12259 - Equal Opportunity in Housing;



-
5. Title VI of the Civil Rights Act of 1964 (24 CFR 1) – Nondiscrimination in Federally-assisted Programs;
 6. Age Discrimination Act of 1975 (25 CFR 146);
 7. Section 504 of the Rehabilitation Act (24 CFR 8); and
 8. Executive Order 11246 - Equal Employment Opportunity.

Financial Records and Audits

Recipients must comply by ensuring that financial records can be audited based on Generally Accepted Accounting Principles; internal controls are effective and protect federal funds from inappropriate use; procedures exist for determining costs are allowable, reasonable, and allocable; and systems are in place to review procedures. Additional information may be found in the CDBG Application Handbook and at <https://housing.az.gov/documents-links/forms/community-revitalization> under the Financial Management heading. The ADOH may require evidence that the recipient’s financial management system complies with 2 CFR 200, and may require the most recent audit be submitted for review.

Flood Insurance

Section 202 of the Flood Disaster Protection Act of 1973 (42 U.S.C. 4106) requires that Federal funds not be provided to an area that has been identified by the Federal Emergency Management Agency (“FEMA”) as having special flood hazards unless the community is participating in the National Flood Insurance Program or it has been less than one (1) year since the community was designated as having special flood hazards and flood insurance is obtained.

HUD Performance Measures

The recipient must provide performance measurement data as prescribed by HUD and submit such data to ADOH upon request. The performance measurements will be reported in the Consolidated Annual Performance Evaluation Report and may be incorporated into any Consolidated Plan update and corresponding Annual Action Plan. HUD guidance will be issued in the near future.

Lead Hazard Control

The Lead Safe Housing Rule (“LSHR”) 24 CFR Part 35 applies to HOME-ARP rental housing and non-congregate shelter activities. Depending on the nature of work and the dollar amount of HOME-ARP funding, certain requirements must be complied with regard to lead-based paint

inspection, risk assessment, and in handling lead-based paint. The use of a certified abatement contractor is required.

Minority and Women Business Enterprises

Recipients must make efforts to include, to the maximum extent possible, minorities and women and entities owned by minorities and women in all contract activity. Recipients are contractually obligated to maintain documentation and data on the steps taken to implement outreach programs to minority-owned and women-owned businesses, including data indicating the racial, ethnic or gender character of each business entity receiving a contract or subcontract to be paid with HOME-ARP funds; the amount of the contract or subcontract; and documentation of the steps to assure that minority- and women-owned business enterprises have an equal opportunity to obtain or compete for contracts and subcontracts as sources of supplies, equipment, construction and services.

Procurement and Contracting

All recipient procurement must comply with the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards at 2 CFR 200. Any procurement that did not incorporate federal labor standards or Section 3 employment opportunities requirements will be invalid. Construction contractors must have the appropriate license and insurance for the type of work being performed. Contractors and participants must not be debarred, suspended, or ineligible based on the excluded parties list.

Additional information may be found in the ADOH procurement and contracting handbook at https://housing.az.gov/documents-links/handbooks?tid_1=678. The ADOH may require evidence that any pre-award procurement complied with the recipient's written procurement policy and 2 CFR 200, and included Federal Labor Standards and/or Section 3 requirements, as applicable.

Section 3 Economic Opportunities

When HOME-ARP and any other covered Section 3 project assistance is \$200,001 or greater, recipients, contractors and subcontractors must track project labor hours, including those worked by Section 3 workers and targeted Section 3 workers, and take actions to provide opportunities for Section 3 businesses to participate in funded projects. Detailed information is found in the ADOH Section 3 Handbook at <https://housing.az.gov/documents-links/handbooks>.

Section 104(d) One-for-one Replacement

All lower-income dwelling units demolished or converted to a use other than a lower-income dwelling unit (one with a rent that does not exceed the HUD FMR) must be replaced on a unit-by-unit basis. For HOME-ARP only, single-room occupancy units or residential hotel/motel units that are considered dwelling units and are demolished or converted are not required to be replaced.

Uniform Relocation Assistance and Real Property Acquisition Policies Act (“URA”)

The URA provides important protections and assistance for people affected by the acquisition, rehabilitation or demolition of real property for federally funded projects. This law ensures that people whose real property is acquired, or who move as a direct result of projects receiving Federal funds, are treated fairly and equitably and receive assistance in moving from the property they occupy. All voluntary and involuntary acquisitions, and any relocation, must comply with the URA. HUD Handbook 1378 provides detailed information regarding URA requirements.

Expanded HOME-ARP Protections

It is the policy of the ADOH to minimize displacement in all activities. To the extent feasible, existing residential tenants must be provided a reasonable opportunity to lease and occupy a suitable, decent, safe, sanitary, and affordable dwelling unit in the building/complex upon completion of the project. When a residential tenant must relocate temporarily for a HOME-ARP project, the tenant must be provided:

1. Reimbursement for all reasonable out-of-pocket expenses incurred in connection with the temporary relocation, including the cost of moving to and from the temporarily occupied housing and any increase in monthly rent/utility costs.
2. Appropriate advisory services, including reasonable advance written notice of:
 - a. The date and approximate duration of the temporary relocation;
 - b. The location of the suitable, decent, safe, and sanitary dwelling to be made available for the temporary period; and
 - c. The terms and conditions under which the tenant may lease and occupy a suitable, decent, safe, and sanitary dwelling in the building/complex upon completion of the project.

When displacement is unavoidable, displaced persons must be provided relocation assistance under the URA and:

1. Advised of their rights under the Fair Housing Act; and
2. If the comparable replacement dwelling used to establish the amount of the replacement housing payment to be provided to a minority person is located in an area of minority concentration, the minority person also must be given, if possible, referrals to comparable and suitable, decent, safe, and sanitary replacement dwellings not located in such areas.

A person (including a family, individual, business, nonprofit organization, or farm) is displaced when they:

1. Move permanently from real property or move personal property from real property as a direct result of a HOME-ARP project. This includes any involuntary move from the real property that is made:
 - a. After notice by the owner to move permanently from the property, if the move occurs on or after:
 - i. The date of the submission of an application to the ADOH, if the applicant has site control and the application is later approved; or
 - ii. The date the ADOH approves the applicable site, if the applicant does not have site control at the time of the application; or
 - iii. At any time before the above if the ADOH or HUD determines that the displacement resulted directly from acquisition, rehabilitation, or demolition for the project.
 - b. By a tenant-occupant of a dwelling unit, if any one of the following three situations occurs:
 - i. The tenant moves after execution of the agreement covering the acquisition, rehabilitation, or demolition and before the tenant is provided written notice offering the tenant the opportunity to lease and occupy a suitable, decent, safe, and sanitary dwelling in the same building/complex upon completion of the project under reasonable terms and conditions. Such reasonable terms and conditions must include a term of at least one year at a monthly rent and estimated average monthly utility costs that do not exceed the greater of:



-
1. The tenant's monthly rent before such agreement and estimated average monthly utility costs; or
 2. 30% of gross household income, if the tenant is not low-income.
- c. The tenant is required to relocate temporarily, does not return to the building/complex, and either:
 - i. The tenant is not offered payment for all reasonable out-of-pocket expenses incurred in connection with the temporary relocation; or
 - ii. Other conditions of the temporary relocation are not reasonable.
 - d. The tenant is required to move to another dwelling unit in the same building/complex but is not offered reimbursement for all reasonable out-of-pocket expenses incurred in connection with the move, or other conditions of the move are not reasonable.
2. A person does not qualify as a displaced person if:
 - a. The person has been evicted for cause based upon a serious or repeated violation of the terms and conditions of the lease or occupancy agreement, violation of applicable federal, State or local law, or other good cause, and the ADOH determines that the eviction was not undertaken for the purpose of evading the obligation to provide relocation assistance. The effective date of any termination or refusal to renew must be preceded by at least 30 days advance written notice to the tenant specifying the grounds for the action.
 - b. The person moved into the property after the submission of the application but, before signing a lease and commencing occupancy, was provided written notice of the project, its possible impact on the person (e.g., the person may be displaced, temporarily relocated, incur a rent increase), and the fact that the person would not qualify as a "displaced person" (or for any assistance under this section) as a result of the project.

Initiation of Negotiations

Initiation of negotiations is defined as the execution of an agreement covering acquisition, demolition, or rehabilitation for a HOME-ARP NCS or Rental Housing project. Initiation of negotiations may occur prior to the date of application for HOME-ARP funds, if it is the intent of the applicant to utilize HOME-ARP funding. In addition to ensuring proper notices are timely delivered, the date of initiation of negotiations must be used to compute replacement housing

assistance to be provided to a tenant displaced from a dwelling as a direct result of a HOME-ARP funded project.

Real Property Acquisition Requirements

The acquisition of real property for a project is subject to the URA and the requirements of 49 CFR part 24, subpart B.

Additional HOME-ARP Relocation Requirements

When an individual or family is displaced and is ineligible for relocation assistance as defined under the URA and HOME-ARP program, they may still be eligible for certain HOME-ARP assistance. Specifically:

1. Households occupying non-residential hotels and motels or other non-residential properties that will be acquired and/or rehabilitated using HOME-ARP funds may be offered an opportunity to return to the NCS or rental unit upon completion of the project or may be offered supportive services to assist with securing stable permanent housing. Costs associated with these activities may be charged as a project delivery cost or relocation cost. Individuals or families must demonstrate:
 - a. They have been in continuous residence at the property for 30 or more calendar days; and
 - b. They are a qualifying population.
2. Persons occupying HOME-ARP NCS that is converted to permanent rental housing may be offered an opportunity to return to the NCS or rental unit upon completion of the project or may be offered supportive services to assist with securing stable permanent housing at another location.
3. Individuals who will be required to move as a direct result of a HOME-ARP project and are determined ineligible for both HOME-ARP housing assistance and relocation assistance as a displaced person may be provided with advisory services as a HOME-ARP administrative cost when determined reasonable and necessary by the ADOH.

Violence Against Women Act (VAWA)

The Violence Against Women Act (VAWA) provides expanded protections to victims of domestic violence, dating violence, sexual assault, and stalking across HUD housing and homelessness programs. Generally, applicants, occupants, service participants, and tenants may not be denied assistance or have assistance terminated on the basis of or as a direct result of their status as a victim.

Compliance with State Requirements

A.R.S. § 41-4401—Immigration Laws and E-Verify Compliance Requirements

1. Recipient must warrant compliance with all Federal immigration laws and regulations relating to employees and warrant its compliance with Section A.R.S. § 23-214, Subsection A. (That subsection reads, “After December 31, 2007, every employer, after hiring an employee, shall verify the employment eligibility of the employee through the E-Verify program.”).
2. A breach of a warranty regarding compliance with immigration laws and regulations will be deemed a material breach of the contract and recipient may be subject to penalties up to and including termination of the Funding Agreement.
3. ADOH retains the legal right to inspect the papers of any employee who works on the Funding Agreement to ensure that recipient or recipient’s subcontractor is complying with the warranty under paragraph one (1).

Compliance Training

Owners, developers, co-developers and managing agents of HOME-ARP rental housing must attend Compliance Training at a minimum of every five (5) years. Recipients must provide Compliance Training certificates prior to the project completion date.

Energy Star

The purpose of the Energy Star partnership is to promote energy-efficient affordable housing stock while protecting the environment. Recipients constructing, rehabilitating or maintaining housing or community facilities are required to promote energy efficiency in design and operations and to purchase Energy Star rated appliances.

Insurance

During the contract period, recipients must purchase and maintain the following insurance. Required insurance must be in full force and effect until all work or service required under the performance terms of the contract is completed satisfactorily and formally accepted by the ADOH. All certificates of insurance must provide for a thirty (30) day notice to ADOH of cancellation, non-renewal or material change. The recipient’s insurance shall be primary insurance as respects to ADOH and any insurance or self-insurance maintained by ADOH shall not contribute to it.

Proof of insurance must be provided to ADOH prior to execution of the contract and periodic certifications must be furnished at the request of ADOH. All insurance companies must be licensed and possess a current A.M. Best, Inc. Rating of A-, Local government insurance pools formed pursuant to ARS 11-952.01 or others as approved by ADOH and licensed in the State of Arizona with policies and forms satisfactory to ADOH are also acceptable.

Recipient must comply with the claim reporting provisions of the insurance policies and must not cause any breach of an insurance policy warranty that would affect coverage afforded under insurance policies to protect ADOH.

The insurance policies may provide coverage that contains deductibles or self-insured retentions. Deductibles and/or self-insured retentions are not applicable to the coverage provided to ADOH under policies. The recipient is solely responsible for the deductible and/or self-insured retention, and ADOH, at its option, may require the recipient to secure payment of deductibles or self-insured retentions by a Surety Bond or an irrevocable and unconditional letter of credit.

ADOH reserves the right to request and to receive, within ten (10) working days, certified copies of any or all of the required insurance policies and/or endorsements. ADOH is not obligated, however, to review same or to advise recipient of any deficiencies in such policies and endorsements and such receipt shall not relieve recipient from, or be deemed a waiver of ADOH's right to insist on, strict fulfillment of recipient's obligations under the contract. The insurance policies, except Worker's Compensation and Professional Liability, required by the contract, shall name ADOH, its agents, representatives, officers, directors, officials and employees as additionally insured.

1. Commercial General Liability. Commercial General Liability insurance with a limit of not less than \$1,000,000 for each occurrence with a \$2,000,000 Products/Completed Operations Aggregate and a \$2,000,000 General Aggregate Limit. The Policy shall include coverage for bodily injury, broad form property damage, personal injury, products and completed operations and blanket contractual coverage. Coverage will be at least as broad as Insurance Service Office, Inc. Policy Form CG 00011093 or any replacements thereof. Such policy shall contain a severability of interest provision and shall not contain a sunset provision or commutation clause, or any provision that would serve to limit their party action over claims. The Commercial General Liability additional insured endorsement shall be at least as broad as the Insurance Service Office, Inc. Additional Insured, Form B, CG 20101185 and shall include coverage for recipient's operations products and completed operations.

-
2. **Automobile Liability.** Recipient shall maintain Commercial/Business Automobile Liability insurance with a combined single limit for bodily injury and property damage of not less than \$1,000,000 for each occurrence for all owned autos, scheduled autos, hired autos, non-owned autos assigned to or used in performance of the recipient's work. Coverage will be at least as broad as coverage code one (1), "any auto", (Insurance Service Office, Inc. Policy Form CA 00011293 or any replacements thereof).
 3. **Worker's Compensation.** Recipient shall carry Worker's Compensation insurance to cover obligations imposed by Federal and State statutes having jurisdiction of recipient's employees engaged in the performance of the work or services; and Employer's Liability insurance of not less than \$100,000 for each accident, \$100,000 disease for each employee and \$500,000 disease policy limit. Recipient will require all subcontractors to provide Worker's Compensation and Employer's Liability to at least the same extent as required of the recipient.
 4. **Certificates of Insurance.** Prior to commencing work or services under this Contract, recipient shall furnish ADOH with Certificates of Insurance, or formal endorsements as required by the Contract, issued by recipient's insurer(s), as evidence that policies providing the required coverage, conditions and limits required by this Contract are in full force and effect. In the event any insurance policy(ies) required by this contract is (are) written on a "claims made" basis, coverage shall extend for two (2) years past completion and acceptance of recipient's work or services and as evidenced by annual Certificates of Insurance. If a policy does expire during the life of the Contract, a renewal certificate must be sent to ADOH fifteen (15) days prior to the expiration date.
 5. **Cancellation and Expiration Notice.** Insurance required herein shall not expire, be canceled, or materially changed without thirty (30) days written notice to ADOH.

Photographs

Recipients must provide to ADOH digital format photographs of projects undertaken with HOME-ARP at the following various stages of development:

1. Before;
2. Fifty percent (50%) completion; and
3. Completed project.

Registration with Social Serve

For new construction or rehabilitation of rental projects, recipient agrees to register the project with www.socialserve.com at the time of initial lease up and keep the project listed with www.socialserve.com for the duration of the period of affordability as indicated in the CC&Rs.

Scrutinized Business Operations

Pursuant to A.R.S. § 35-391.06 and 35-393.06, recipient must certify that it does not have a scrutinized business operation in Sudan or Iran. For the purpose of this Section, the term “scrutinized business operations” shall have the meanings set forth in A.R.S. § 35-391 or and 35-393, as applicable. If the State of Arizona or ADOH determines that the recipient submitted a false certification, ADOH may impose remedies as provided by law including cancellation or termination of a Funding Agreement.

Signage

Unless the project will serve individuals or families fleeing domestic violence, dating violence, sexual assault, stalking or human trafficking, the recipient must erect a sign at the project site at the time of issuance of the Notice to Proceed through the completion of construction indicating that the project is funded through the ADOH and indicate the sources of funds. The sign must be a minimum size of twenty-four (24) inches high by thirty-six (36) inches wide, include a minimum five (5) inch high ADOH logo and text printed at a minimum seventy-two (72) point font. An individual ADOH sign does not have to be provided if recipient incorporates ADOH information into a larger group sign.

The sign must contain the applicably-size Fair Housing logo, slogan, and/or statement. If a telephone number is included on the sign, it must also include the TTY or equally-effective system for communication.

Written Agreements

Before disbursing HOME-ARP funds to any entity, the ADOH will enter into a written agreement with that entity. The agreement will commit only to providing HOME-ARP funds during the HOME-ARP budget period. The content of the written agreement will vary depending upon the type of entity and the activity being implemented.

All agreements, regardless of activity will include:

1. Required compliance with federal cross-cutting regulations, including Uniform Administrative Requirements;

-
2. Uses of HOME-ARP and other funds for the specified activity;
 3. Affordability requirements of rental housing, including NCS converted to rental housing;
 4. Program income retention or return to ADOH;
 5. Requirement that funds not be disbursed until needed for payment of eligible costs, that each payment request be limited to only the amount needed, and that program income, if any, must be disbursed prior to requesting additional funds from the ADOH;
 6. Records and reports that must be maintained and submitted;
 7. Means of enforcement of program requirements;
 8. Means of enforcement of the agreement; and
 9. Duration of the agreement.

For rental housing projects, the written agreement will also include:

1. The address of the project or legal description of the property if a street address has not been assigned to the property;
2. Required project tasks;
3. A complete budget;
4. For any capitalized operating cost assistance reserve:
 - a. The amount of the capitalized reserve;
 - b. Restrictions on use of the operating reserve use during the minimum compliance period; and
 - c. Prohibition in generating net operating income from HOME-ARP operating cost assistance.
5. Ongoing compliance with rental housing requirements, including repayment of HOME-ARP funds in the event of non-compliance;
6. On-site inspections and financial oversight requirements;
7. Tenant selection; and
8. Project-specific waiting list.

For non-congregate shelter projects, the agreement will also include:

1. The address of the project or legal description of the property if a street address has not been assigned to the property;
2. Required project tasks;
3. A complete budget;
4. Ongoing compliance with HOME-ARP non-congregate shelter requirements, including repayment of HOME-ARP funds in the event of non-compliance;
5. On-site inspections and financial oversight requirements;
6. Plan of conversion to HOME-ARP rental housing, if applicable;
7. Use of replacement reserve, if applicable;
8. Occupant selection; and
9. Project-specific waiting list procedures.

Nonprofit Operating and Capacity Building Assistance written agreements will also include:

1. The amount of funds for operating expenses and/or capacity building, including:
 - a. A separate scope of assistance, eligible uses and costs, and a total budget for each type of fund;
2. If the non-profit organization is not also receiving HOME-ARP funds to carry out a specific HOME-ARP project:
 - a. That the organization is expected to receive funds for a HOME-ARP project within 24 months of the date of receiving the funds for operating or capacity building expenses;
 - b. Specific terms and conditions upon which this expectation of future funding is based; and
 - c. That the operating and/or capacity building assistance will be recaptured by the ADOH in the event the project fails to receive HOME-ARP funds.

Recordkeeping Requirements

Each subrecipient and project owner must establish and maintain sufficient records to enable HUD to determine whether the ADOH has met the HOME-ARP requirements. At a minimum, the following records must be maintained for each HOME-ARP activity.

Supportive Services

Program participant information must be entered into HMIS for each qualifying household, subject to confidentiality requirements, and the following additional records must be maintained:

1. Documentation supporting the eligibility of each beneficiary as:
 - a. Homeless or at risk of homelessness;
 - b. Fleeing or attempting to flee domestic violence, dating violence, sexual assault, stalking, or human trafficking; or
 - c. Other HOME-ARP eligible population.
2. Evidence of the expenditure of HOME-ARP funds only for eligible costs.
3. Records, where applicable, demonstrating compliance with the termination of assistance requirements.
4. Records of all solicitations of and agreements with subrecipients and contractors.
5. Records of all payment requests by and dates of payments made to subrecipients and contractors.
6. Records of all procurement contracts and documentation of compliance with procurement requirements.
7. Records evidencing the use of the written procedures in selecting program participants for and providing supportive services.
8. Records of all leases, subleases, and financial assistance agreements for the provision of rental payments.
9. Documentation of payments made to owners for rental payments, and supporting documentation for these payments, including dates of occupancy by qualifying individuals and families.
10. Records of the types of services provided under the program and the amounts spent on these services.

-
11. For any HOME-ARP Housing Counseling Services, records must be maintained in accordance with the Housing Counseling Final Rule.

Non-congregate Shelter

Unit occupant information must be entered into HMIS for each qualifying household that meets the HOME-ARP definition of homeless or at risk of homelessness, subject to confidentiality requirements, and the following additional records must be maintained:

1. Evidence of the commitment and expenditure of all funds necessary to complete the project.
2. Evidence of the expenditure of HOME-ARP funds only for eligible costs.
3. Records (e.g., inspection reports) demonstrating that each NCS project meets the property and habitability standards at project completion and throughout the applicable restricted use period.
4. Documentation of annual household income, where applicable.
5. Records demonstrating compliance with the return of the HOME-ARP NCS replacement reserve at the end of the restricted use period.
6. Records demonstrating that any conversion of HOME-ARP NCS complies with the HOME-ARP requirements, including that conversion of NCS only occurred after the end of the applicable minimum use period.
7. Purchase contract.
8. Closing documents.
9. Settlement statement and title work for acquisitions.
10. Appraisal or other estimation of value.
11. Architectural and engineering contracts and completed designs, plans, and specifications for rehabilitation and new construction activities.
12. Invoices, pay requests, and proof of payment for all project expenditures.
13. Proof of insurance.
14. Project and program audits.

Rental Housing

Unit occupant information must be entered into HMIS for each qualifying household that meets the HOME-ARP definition of homeless or at-risk of homelessness subject to confidentiality requirements, and the following additional records must be maintained:

1. Evidence of the commitment and expenditure of all funds necessary to complete the project.
2. Evidence of the expenditure of HOME-ARP funds only for eligible costs.
3. Records (e.g., inspection reports) demonstrating that each HOME-ARP rental unit and project meets the property standards at project completion and through the applicable minimum compliance period.
4. Records demonstrating compliance with operating cost assistance reserve management and oversight.
5. Documentation of annual household income to determine eligibility for occupancy and/or the tenant contribution to rent, including:
 - a. Source documents for the assets held by the household and income received over the most recent period for which representative data is available before the date of the evaluation (e.g., wage statement, unemployment compensation statement, public benefits statement, bank statement);
 - b. To the extent that source documents are unobtainable, a written statement by the relevant third party (e.g., employer, government benefits administrator) or the written certification by the recipient's or subrecipient's intake staff of the oral verification by the relevant third party of the income the household received over the most recent period for which representative data is available; or
 - c. To the extent that source documents and third-party verification are unobtainable, the written certification by the household of the amount of income the household received for the most recent period representative of the income that the household is reasonably expected to receive over the 3-month period following the evaluation.
6. Records demonstrating continued compliance with HOME-ARP rental requirements.
7. Leases and other documents demonstrating compliance with tenant selection and tenant protection requirements.
8. Records that document the monthly allowance for utilities (excluding telephone) used to determine compliance with the rent restriction.

-
9. Records demonstrating compliance with the return of the HOME-ARP rental capitalized operating cost assistance reserve at the end of the compliance period.
 10. Records demonstrating that each HOME-ARP rental housing unit and project meets the rent limitations for the 15-year minimum compliance period. Records must be kept for each household assisted.
 11. Records demonstrating that a site and neighborhood standards review was conducted for each HOME-ARP rental housing project involving new construction.
 12. Purchase contract.
 13. Closing documents.
 14. Settlement statement and title work for acquisitions.
 15. Appraisal or other estimation of value.
 16. Architectural and engineering contracts and completed designs, plans, and specifications for rehabilitation and new construction activities.
 17. Invoices, pay requests, and proof of payment for all project expenditures.
 18. Proof of insurance.
 19. Project and program audits.

Nonprofit operating expense and capacity building assistance

1. Records demonstrating the use of funds for nonprofit operating expense and capacity building assistance.
2. Written agreements between the state and the nonprofit organization providing nonprofit operating expense assistance or capacity building assistance must be retained for five years after the agreement terminates.

Financial Records

1. Records identifying the source and application of program income and repayments.
2. Records demonstrating adequate budget control and other records required by the uniform administrative requirements, including evidence of periodic account reconciliations.

Program Administration Records

1. Records demonstrating compliance with the applicable uniform administrative requirements.
2. Records documenting required inspections, monitoring reviews and audits, and the resolution of any findings or concerns.

Cross-cutting Regulations and Requirements Records

1. Records demonstrating compliance with nondiscrimination, equal opportunity, and fair housing requirements.
2. Data on the extent to which each racial and ethnic group, and single-headed households (by gender of household head) have applied for, participated in, or benefited from HOME-ARP funds.
3. Records demonstrating compliance with affirmative marketing procedures and requirements.
4. Documentation and data on the steps taken to outreach to minority-owned (MBE) and female-owned (WBE) businesses including:
 - a. Data indicating the racial/ethnic or gender character of each business entity receiving a contract or subcontract of \$25,000 or more paid, or to be paid, with HOME-ARP funds; and
 - b. The amount of the contract or subcontract.
5. Records demonstrating compliance with the environmental review requirements, including flood insurance requirements.
6. Records demonstrating compliance with the requirements regarding displacement, relocation, and real property acquisition, including but not limited to:
 - a. Project occupancy lists identifying the name and address of all persons:
 - i. Occupying the real property on the date of the initiation of negotiations or application for HOME-ARP funds, whichever is earlier;
 - ii. Moving into the property on or after the date of the initiation of negotiations or application for HOME-ARP funds; and
 - iii. Occupying the property upon completion of the project.
 - b. Lists of all individuals or families occupying hotels and motels and other nonresidential properties acquired, rehabilitated, and/or demolished and newly

constructed to become HOME-ARP NCS or HOME-ARP rental housing that qualify for assistance as members of a qualifying population, including records indicating whether such persons were assisted by the HOME-ARP program following the closure of the nonresidential properties because of HOME-ARP activities.

- c. Lists of all individuals or families occupying HOME-ARP NCS that were converted to HOME-ARP rental housing that qualify for assistance, including:
 - i. Records indicating whether moving costs or advisory services were provided as part of HOME-ARP administrative costs or under the HOME-ARP supportive services activity; and
 - ii. Records indicating whether such persons were assisted by the HOME-ARP program following the conversion of the HOME-ARP NCS units.
7. Records demonstrating compliance with the labor requirements, including contract provisions and payroll records.
8. Records demonstrating compliance with the lead-based paint requirements.
9. Records supporting compliance with conflict of interest requirements.
10. Records demonstrating compliance with debarment and suspension requirements.
11. Records of emergency transfers requested by victims of domestic violence, dating violence, sexual assault, or stalking, including data on the outcomes of those requests.
12. Records documenting compliance with 2 CFR 200 regarding financial management and procurement.
13. Documentation of actions undertaken to meet Section 3 requirements.

Records Retention Period

All records pertaining to HOME-ARP funds must be retained for five years after contract close-out, except:

1. For HOME-ARP rental housing projects:
 - a. Records pertaining to the development phase must be retained for five years after the project completion date;
 - b. Records of individual tenant income verifications, project rents and project inspections must be retained for the most recent five-year period, until five years after the minimum compliance period terminates.
2. Written agreements must be retained for five years after the agreement terminates.



3. Records covering displacements and acquisition must be retained for five years after the date by which all persons displaced from the property and all persons whose property is acquired for the project have received the final payment to which they are entitled.
4. If any litigation, claim, negotiation, audit, monitoring, inspection, or other action is started before the expiration of the required record retention period, records must be retained until completion of the action and resolution of all issues which arise from it, or until the end of the required period, whichever is later.

Access to Records

Citizens, public agencies, and other interested parties will be provided with reasonable access to records, consistent with applicable state and local laws and any other applicable grant conditions from other federal grant programs regarding privacy and obligations of confidentiality.

Confidentiality

All HOME-ARP subrecipients, owners, and contractors must develop, implement, and maintain written procedures to ensure that:

1. All records containing personally identifying information of any individual or family who applies for and/or receives HOME-ARP assistance will be kept secure and confidential;
2. The address or location of any NCS or HOME-ARP rental housing exclusively for individuals fleeing or attempting to flee domestic violence, dating violence, sexual assault, stalking, or human trafficking will not be made public, except as necessary where making the address or location public does not identify occupancy of the NCS or HOME-ARP rental housing, including recording of use restrictions or restrictive covenants, or with written authorization of the person or entity responsible for the operation of the NCS or HOME-ARP rental housing; and
3. The address or location of any program participant that is a fleeing or attempting to flee domestic violence, dating violence, sexual assault, stalking, or human trafficking will not be made public.

The recipient may create a program participant identifier code or number that can be used on a file and maintained internally, in such a way that the number itself does not inadvertently identify the program participant, (i.e., no use of initials, date of birth, or other pieces of information that might suggest the identity of the program participant). The “key” or “cypher”

for the program participant identifier code would itself be confidential and would not leave the provider.

In the circumstance of HUD programs, the Unique Personal Identification Number which is generated within the comparable database could be used with auditors to identify records of services to distinct individuals, subject to the following:

- HUD and the Comptroller General of the United States, any of their representatives, have the right of access to any pertinent books, documents, papers, or other records of the PJ, state recipients, and subrecipients, in order to make audits, examinations, excerpts, and transcripts. If a provider of services or operator of an NCS is subject to state or local laws or other federal grant programs that require that HUD not be given access to records detailing PII of victims, then auditors or evaluators may be given access to representative files without any sharing of individual identifying information.

Documenting Fleeing or Attempting to Flee Status

If an individual or family qualifies because the individual or family is fleeing or attempting to flee domestic violence, dating violence, sexual assault, stalking, or human trafficking then acceptable evidence includes an oral or written statement by the qualifying individual or head of household seeking assistance that they are fleeing that situation. A statement may be documented by either:

1. A written certification by the individual or head of household; or
2. A written certification by a victim service provider, intake worker, social worker, legal assistance provider, health-care provider, law enforcement agency, legal assistance provider, pastoral counselor, or an intake worker in any other organization from whom the individual or family sought assistance.

The written documentation need only include the minimum amount of information indicating that the individual or family is fleeing or attempting to flee domestic violence, dating violence, sexual assault, stalking, or human trafficking and need not include any additional details about the conditions that prompted the individual or family to seek assistance.

Reporting and Performance Reports

Recipients must submit reports in a format and at such time as prescribed by the ADOH. As of February 2022, the following are known reporting requirements:

1. A project completion report when HOME-ARP rental or NCS activities are completed.

-
2. The disposition of any HOME-ARP-assisted NCS that is converted to rental housing.
 3. For HOME-ARP Supportive Services activities, a monthly report on the number of homeless and not homeless households assisted with supportive services and housing counseling, including race and ethnicity, household size, and household type.

HUD will issue additional guidance about reporting on HOME-ARP activities at a later date.