

HOME-AMERICAN RESCUE PLAN PROGRAM (HOME-ARP) SUBRECIPIENT TRAINING



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HOUSEKEEPING

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AGENDA

2021 ARP Act Overview

Qualifying Populations

Other Populations Definitions

Eligible Activities

Project Records

Record Retention

HOME-ARP Income & Rent Limits

Questions

2021 American Rescue Plan Act

Funds were appropriated under Title II of
Cranston-Gonzalez National Affordable
Housing Act of 1990 (NAHA) – HOME
Program Statute

\$5 billion for homelessness assistance
and assistance to other vulnerable
populations to:

- ☐ provide capital investment for permanent rental housing
- ☐ upgrade available stock of shelter to include non-congregate shelter
- ☐ provide tenant-based rental assistance and supportive services

2021 American Rescue Plan Act

Suspended certain HOME statutory requirements for HOME-ARP

- ☐ Match Requirement
- ☐ Community Housing Development Organization (CHDO) Set-aside Requirement
- ☐ Maximum per unit subsidy limit (aka, 221(3) limit)
- ☐ 24-month commitment deadline



HOME-ARP

70% of all HOME-ARP units must serve households based only upon their status as **qualifying households**.

Up to 30% of HOME-ARP assisted units may be restricted to households that are low-income households.



HOME-ARP QUALIFYING POPULATIONS

Primarily benefit individuals and families that meet the requirements for one or more “qualifying populations”.

- 1) Homeless (McKinney Act definition at 24 CFR 91.5)
- 2) At-risk of homelessness (McKinney Act definition at 24 CFR 91.5)
- 3) Fleeing/Attempting to Flee Domestic Violence, Dating Violence, Sexual Assault, Stalking, or Human Trafficking
 - Definitions from VAWA regulation at 24 CFR 5.2003, except
 - Human trafficking definition from Trafficking Victims Protection Act of 2000
- 4) Other Populations where assistance would:
 - Prevent the family’s homelessness; or
 - Serve those with the Greatest Risk of Housing Instability

**Veterans and families including veteran member that meet one of preceding criteria*

OTHER POPULATIONS DEFINITIONS

Other Families Requiring Services or Housing Assistance to Prevent Homelessness: Households (i.e., individuals and families)

- ☐ who have previously been qualified as “homeless”
- ☐ are currently housed due to 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
- ☐ who need additional housing assistance or supportive services to avoid a return to homelessness

OTHER POPULATIONS DEFINITIONS

At Greatest Risk of Housing Instability means a household that has:

1) Annual income \leq 30% of area median income and is experiencing severe cost burden (i.e., is paying more than 50% of monthly household income toward housing costs);

OR

2) Annual income \leq 50% of AMI and meets one of the conditions in paragraph (iii) of “At risk of homelessness” definition at §91.5



HOME-ARP ELIGIBLE ACTIVITIES

HOME-ARP TBRA

HOME-ARP TBRA can assist qualifying populations to pay the rent, security deposits, utility payments, and utility deposits.

May provide up to 100% of rent and utility costs.

Assistance is attached to **qualifying household** rather than the unit.

Household can take assistance to another unit that is rent reasonable and meets applicable property standards.

****Requires new rental assistance contract***

HOME-ARP TBRA

Eligible costs include:

- ✓ rental assistance
- ✓ security deposit payments
- ✓ utility payments, as part of rental assistance
- ✓ utility deposit payments, as part of rental assistance or security deposit assistance



HOME-ARP TBRA - Parameters of Assistance

HOME-ARP TBRA
Households must be
Cobb County
Residents

**Maximum term of
assistance is 2 years**

**Maximum Subsidy
Limits**

**Document
Household's
Contribution to Rent**

**Rent Reasonableness
(Comparison to rent
for other comparable
unassisted units)**

**Inspections to verify
compliance with HQS
and occupancy
standards**

**Rental Assistance
Contract (Tri-Party
Contract, Cobb
County Subrecipient,
Owner, & Qualifying
Household)**

**Qualifying Household
must have an
executed lease and
lease addendum**

**Lead-Based Paint
Disclosures for units
pre-1978**

HOME-ARP SUPPORTIVE SERVICES

HOME-ARP funds may be used to provide a broad range of supportive services to qualifying individuals or families:



- As a standalone program, or
- In combination with other HOME-ARP activities

Individuals and families who meet a QP definition and are **not already** receiving these services through another program are **eligible** for HOME-ARP supportive services

If qualifying household is already receiving the same eligible supportive service or was approved to receive the same service through another program/provider, participant does not have a need for HOME-ARP services.

SUPPORTIVE SERVICES ELIGIBLE ACTIVITIES

Three categories of eligible supportive services under HOME-ARP:

1. **McKinney-Vento Supportive Services** -- adapted from the services listed in section 401(29) of the McKinney-Vento Homeless Assistance Act
2. **HOME-ARP Homelessness Prevention Services** -- adapted from eligible homelessness prevention services under Emergency Solutions Grant (ESG) regulations and are revised, supplemented, and streamlined.
3. **Housing Counseling** -- as defined in Part 5, including requirement that counseling only be provided by HUD-certified housing counselors.

ELIGIBLE COSTS

MCKINNEY-VENTO SUPPORTIVE SERVICES AND HOMELESSNESS PREVENTION SERVICES

- ❑ Costs of homelessness prevention services are only eligible to the extent that assistance is necessary to help program participants regain stability in current housing or new permanent housing.
- ❑ Subrecipient must document eligible costs as McKinney-Vento Supportive Services, Homelessness Prevention Services, or Housing Counseling.

All qualifying households are eligible to receive HOME-ARP supportive services.

ELIGIBLE COSTS

MCKINNEY VENTO SUPPORTIVE SERVICES AND HOMELESSNESS PREVENTION SERVICES

- Child care
 - Education services
 - Employment assistance and job training
 - Food
 - Housing search and counseling services
 - Legal Services
 - Life skills training
 - Mental Health Services
 - Outpatient Health Services
 - Outreach Services
 - Substance abuse treatment services
 - Transportation
 - Case management
 - Mediation
 - Credit Repair
 - Landlord/tenant liaison
 - Services for special populations
 - Financial Assistance Costs
- Includes Rent or Utility for up-to 24 months over a 3-year period.*

ELIGIBLE COSTS

HOUSING COUNSELING

- ❑ Costs may only be paid under HOME-ARP if housing counseling services are provided by a **HUD-certified housing** counselors or organizations.
- ❑ Costs for provision of services to existing homeowners related to homeownership and mortgages are **NOT** eligible under HOME-ARP.
- ❑ If a qualifying household is a candidate for homeownership, costs associated with pre-purchase homebuying counseling, education, and outreach **are eligible** under HOME-ARP.
- ❑ No Duplication of Services
- ❑ Termination of Assistance: May terminate assistance to a qualifying households who violates program requirements or conditions of occupancy.

ELIGIBLE COSTS

HOUSING COUNSELING

- Staff salaries and overhead costs of HUD-certified housing counseling agencies - direct housing counseling services
- Development of a housing counseling workplan
- Marketing and outreach
- Intake
- Financial and housing affordability analysis
- Action plans
- Follow-up communication with program participants

HOME-ARP NON-CONGREGATE SHELTER

NCS is defined as one or more buildings that:

- ☐ Provide private units or rooms for temporary shelter
- ☐ Serve individuals and families that meet one or more of the qualifying populations
- ☐ Do not require occupants to sign a lease or occupancy agreement

HOME-ARP NON-CONGREGATE SHELTER

ELIGIBLE ACTIVITIES:

NCS activity may include the construction of new structures or the acquisition and/or rehabilitation of existing structures (such as motels, nursing homes, or other facilities) to be for use as HOME-ARP NCS.

- ✓ Acquisition of structures - New construction, with or without land acquisition
- ✓ Rehabilitation of existing structures (such as motels, nursing homes)
- ✓ Construct NCS Units

HOME-ARP NON-CONGREGATE SHELTER

ELIGIBLE COSTS:

- ☐ Acquisition Costs: acquire improved or unimproved real property.
- ☐ Demolition Costs: demolish existing structures.
- ☐ Development Hard Costs: rehabilitate or construct HOME-ARP NCS units.
- ☐ Rehabilitation - improvements to the project site, including installation of utilities or utility connections, laundry facilities, community facilities, on-site management, or supportive service offices.
- ☐ Related Soft Costs: incurred by Subrecipient associated with financing, acquisition, and development of HOME-ARP NCS projects.
- ☐ Replacement Reserve: Costs to capitalize a replacement reserve to cover reasonable and necessary costs of replacing major systems and their components.

Ongoing operating costs of NCS cannot be paid for with HOME-ARP

HOME-ARP NON-CONGREGATE SHELTER

ADMISSION AND OCCUPANCY:

- ☐ HOME-ARP NCS units may only be occupied by individuals or families that meet the criteria for one or more of the Qualifying Populations
- ☐ Program participants may not be charged occupancy fees or other charges to occupy a HOME-ARP NCS unit.
- ☐ HOME-ARP supportive services may also be provided, if needed, to Qualifying Populations served by the NCS.

HOME-ARP NON-CONGREGATE SHELTER

PROJECT REQUIREMENTS:

- ☐ **Property and Habitability Standards:** at project completion must meet all applicable State and local codes, ordinances, and requirements and HUD's Lead Safe Housing Rules.
- ☐ Meet HOME-ARP NCS ongoing property standards throughout the restricted use period.
- ☐ Units must remain as HOME-ARP NCS
- ☐ Can be used as NCS under ESG program

HOME-ARP NON-CONGREGATE SHELTER

RESTRICTED USE PERIOD

Restricted Use Period: Must comply with HOME-ARP requirements

- New Construction: 15 years
- Rehabilitation: 10 years
- Acquisition Only: 10 years

Minimum Use Period (before conversion permitted):

- Acquisition Only: 3 years
- Moderate Rehabilitation: 5 years (Total Investment < 75% Appraised Value)
- Substantial Rehabilitation: 10 Years (Total Investment > 75% Appraised Value)
- New Construction: 10 Years

After Minimum Use Period Met: units can be converted to HOME-ARP affordable rental housing or to CoC permanent housing.

COST OF CONVERSION CANNOT BE PAID WITH HOME-ARP

HOME-ARP NON-CONGREGATE SHELTER

OTHER FEDERAL REQUIREMENTS

HOME-ARP funds are federal financial assistance and, therefore, are subject to requirements:

- ✓ Environmental review
- ✓ URA Displacement, Relocation, and Acquisition
- ✓ Lead-Based Paint
- ✓ Nondiscrimination and Equal Opportunity;
- ✓ Disclosure Requirements;
- ✓ Debarred, Suspended or Ineligible contractors
- ✓ Fair Housing
- ✓ Drug-free Workplace
- ✓ Housing Counseling & Nondiscrimination - NAHA Section 282
- ✓ Violence Against Women Act (VAWA) Requirements
- ✓ Affirmative Marketing and Minority Business Outreach
- ✓ Labor Standards
- ✓ Section 3 Economic Opportunities
- ✓ Conflicts of Interest

PROJECT RECORDS

Required for all
HOME-ARP Activities

HOME-ARP records must:

- ☐ Demonstrate each qualifying household is eligible for HOME-ARP assistance
- ☐ Detail type of HOME-ARP assistance provided
- ☐ Number of units, families, or qualifying households assisted with HOME-ARP funds
- ☐ Written policies and procedures for maintaining confidentiality of qualifying households (i.e. domestic violence victims)
- ☐ Records demonstrating that each household qualifying as homeless meet regulatory **“Homeless status”**, *(24yrs old and under not be required to provide third-party documentation to show they are homeless to receive any shelter, housing, or services for which ESG or CoC Program funds may be used to supplement the HOME-ARP assistance)*
- ☐ Records demonstrating that each household qualifying as “at risk of homelessness,”
- ☐ Household income evaluation and 2 months of income source documents or third-party written statement

PROJECT RECORDS

HOME-ARP Supportive Services Records (*McKinney-Vento or Homelessness Prevention Supportive Services*)

- ✓ Demonstrate compliance with the termination of assistance: 30-day Notice to Tenant
- ✓ Document of solicitations and agreements with contractors
- ✓ Procurement documentation and contracts
- ✓ Leases, subleases, and financial assistance agreements for the provision of rental payments
- ✓ Documentation of payments made by the Subrecipient to owners, or qualifying households for rental payments and supporting documentation for these payments, including dates of occupancy by qualifying individuals and families.
- ✓ Document of the monthly allowance for utilities (excluding telephone) in compliance with the rent restriction
- ✓ Records of the types of services provided under the PJ's program and the amounts spent on these services.

PROJECT RECORDS

HOME-ARP TBRA Records

- ✓ HOME-ARP TBRA units may only be occupied by individuals or families that meet the criteria for one or more of the qualifying populations
- ✓ Records supporting the rent standard and minimum tenant contribution established
- ✓ HOME-ARP TBRA units occupied by qualifying household meets the HQS (Housing Quality Standards) at initial occupancy and through term of assistance
- ✓ Compliance with the tenant protection requirements
- ✓ Records of emergency transfers requested under 24 CFR 5.2005(e) and 24 CFR 92.359 pertaining to victims of domestic violence

PROJECT RECORDS

HOME-ARP NCS Records

- ✓ Records (e.g., inspection reports) demonstrating that each NCS project meets the property and habitability at project completion and throughout restricted use period.
- ✓ Records meets the minimum compliance period or restricted use period through deed restriction.

HOME-ARP NCS projects the following documents must be maintained:

- ☐ Purchase contract, closing documents, settlement statement & title review
- ☐ Appraisal or other estimation of value to justify acquisition expenditure.
- ☐ Architectural and engineering contracts and completed designs, plans, and specifications for rehabilitation and new construction activities.
- ☐ Invoices, pay requests, and proof of payment for all project expenditures.
- ☐ Proof of insurance.
- ☐ Project and program audits.

RECORD RETENTION

- All records pertaining to HOME-ARP funds must be retained for five years
- HOME-ARP TBRA projects, records must be retained for five years after the period of rental assistance terminates.
- Written agreements must be retained for five years after the agreement terminates.
- 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

HOME-ARP INCOME LIMITS

- 30% Income Limits are calculated based on the definition of extremely low-income (ELI) family.
- HOME-ARP income limit values for large households (9-12 persons) must be rounded to the nearest \$50

2021 HOME-ARP Program Income Limits

Effective June 1, 2021

Household Size	Extremely Low 30%	Very Low Income 50%	Moderate Income 60%	Low Income 80%
1	\$18,100	\$30,200	\$36,240	\$48,300
2	\$20,700	\$34,500	\$41,400	\$55,200
3	\$23,300	\$38,800	\$46,560	\$62,100
4	\$25,850	\$43,100	\$ 51,720	\$68,950
5	\$27,950	\$46,550	\$55,860	\$74,500
6	\$30,000	\$50,000	\$60,000	\$80,000
7	\$32,100	\$53,450	\$64,140	\$85,500
8	\$34,150	\$56,900	\$68,280	\$91,050

Source: U. S. Department of Housing and Urban Development [HUD] www.huduser.gov

**Income of all persons living in the household*

HOME-ARP RENT LIMITS

2021 HOME-ARP Program Rent Limits

Effective June 1, 2021

# of Bedrooms Limit	High Rent Limit 80% of Units	Low Rent Limit 20% of Units
0	\$961	\$755
1	\$1,031	\$808
2	\$1,185	\$970
3	\$1,424	\$1,120
4	\$1,569	\$1,250
5	\$1,712	\$1,379
6	\$1,856	\$1,508

Source: U. S. Department of Housing and Urban Development [HUD] www.huduser.gov

**Income of all persons living in the household*

HOME-ARP qualified population households rent must meet the following requirements:

- ❑ Rent may not exceed 30% of the annual income of a family whose income equals 50% of the AMI.
- ❑ If the unit receives federal or state project-based rental subsidy and the very low-income family pays as a contribution toward rent, not more than 30% of the family's adjusted income, then the maximum rent (i.e., tenant contribution plus project-based rental subsidy) is the rent allowable under the federal or state project-based rental subsidy program.
- ❑ If a household receives TBRA, the rent is the rent permissible under the applicable rental assistance program (i.e., the tenant rental contribution plus the rental subsidy allowable under that rental assistance program).

HOME-ARP FORMS TO BE PROVIDED

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- Rent Reasonableness Form
 - TBRA File Checklist
 - Supportive Services File Checklist
 - NCS File Checklist
 - Qualifying Population Determination
 - HOME-ARP Income & Rent Limits
 - Duplication of Services Form
 - TBRA HOME Lease Addendum Form
 - VAWA Lease Addendum Form
 - Monthly Report Form
 - Monthly Expenditure Form
 - HOME-ARP Income Recertification Form
 - HOME-ARP Budget Reallocation Form

*Environmental Review Records have been completed
and will be provided to each Subrecipient*

UPCOMING ITEMS

- Subrecipient Agreements will be executed by Chairwoman upon approval of HOMEARP Allocation Plan
- Subrecipient will be provided a Notice to Proceed when funds are available.
- Forms will be uploaded on Box.com and shared with all Subrecipients
- Budget Revisions

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