

HOME-ARP

PUBLIC MEETING

JANUARY 13, 2023



Purpose

- 1. Provide an overview of the HOME-ARP Program
- 2. Seek input on needs of populations within our community targeted for HOME-ARP funding
- **3**. Advise of the County's proposed HOME-ARP funding strategies and allocation process

American Rescue Plan Act of 2021

The American Rescue Plan appropriated \$5 billion for assistance to the homeless and vulnerable populations through HUD's HOME Investment Partnerships Program.

HOME-ARP provides for:

- Capital investment for permanent rental housing
- Upgrade available stock of shelter to include non-congregate shelter
- Tenant-based rental assistance and supportive services

Palm Beach County was allocated HOME-ARP funds of <u>\$8,768,012</u>.

Funds must be expended by September 30, 2030.

HOME-ARP Eligible Activities

HOME-ARP funds for the following eligible activities:

- Affordable Rental Housing (HOME-ARP Rental Housing)
- Tenant-Based Rental Assistance (HOME-ARP TBRA)
- Supportive Services (HOME-ARP Supportive Services)
- Non-congregate Shelter (HOME-ARP NCS)

Client eligibility no longer determined by income; HOME-ARP must primarily serve Qualifying Populations.

What is a Qualifying Population (QP)?

- Homeless (McKinney Act definition at 24 CFR 91.5)
- At-risk of homelessness (McKinney Act definition at 24 CFR 91.5)
- Fleeing/ Attempting to Flee Domestic Violence, Dating Violence, Sexual Assault, Stalking, or Human Trafficking
- Other Populations:
 - previously been qualified as "homeless" as defined in 24 CFR 91.5
 - are currently housed due to temporary or emergency assistance
 - who need additional housing services to avoid return to homelessness
 - at Greatest Risk of Housing Instability (≤ 30% AMI and severely cost burdened OR ≤ 50% AMI <u>and</u> meets one of the conditions for "At risk of homelessness" per §91.5)

County Priority = Housing Inventory

Consistent with direction from the Board of County Commissioners, HOME-ARP funds will be utilized to generate <u>additional inventory of</u> <u>affordable housing and residential facilities</u>. This may include standard multifamily rental housing, permanent supportive housing, transitional housing, and non-congregate shelter facilities.

HOME-ARP Allocation Plan

The County must develop a HOME-ARP Allocation Plan that details uses of funds. Planning process involves consultation with CoC, public housing agencies, and other groups. Plan entails:

- Needs Assessment
- Production Goals
- Establishing Preferences

Needs Assessment

County Data and provider surveys reflect the following needs:

- 21,317 rental units for households at 30% AMI with 1 or more severe housing problems (at-risk of homelessness)
- 15,726 rental units for households at 30-50% AMI with 1 or more severe housing problems (at greatest risk of housing instability)
- Affordable 0-3 bedroom rental units (according to survey of local service providers)

County Production Goals

The County proposes general funding strategies for allocation of HOME-ARP funding as follow:

- 1. New Construction of Multifamily Housing \$4,000,000
- 2. Acquisition & Rehabilitation of Existing Properties \$3,891,211
- 3. Program Administration \$876,801

New Construction of Multifamily Housing

- Multifamily is 5+ units on single property under common ownership.
- Private not-for-profits / for-profits and public agencies
- Eligible projects are new construction on vacant land or redevelopment at increased density.
- Funds provided as low-interest loan for gap funding.
- Eligible costs include development hard and soft costs and initial operating reserve. No on-going operating subsidy.
- County will seek to maximize leveraging.

New Construction of Multifamily Housing

- Standard rental housing, permanent supportive, or transitional.
- At least 70% HOME-ARP units occupied by Qualifying Populations; balance of units for Low Income (<80% AMI).
- Rents for Qualifying Populations units capped at HOME-ARP rent limits (50% AMI), less utility allowance.
- Rents for Low Income units capped at lesser of HUD FMR or HOME 65% AMI limit, less utility allowance.
- Affordability period of not less than 30 years.

Acquisition/Rehab of Existing Properties

- Private not-for-profits / for-profits and public agencies
- Acquire and rehabilitate existing Multifamily residential properties and convert non-residential into housing and residential facilities.
- Eligible costs include acquisition and related, A&E, hard construction, permitting and fees, and operating reserve.
- Funds provided as low-interest loan or forgivable loan.
- County will seek to maximize leveraging.

Acquisition/Rehab of Existing Properties

- Standard rental housing, permanent supportive housing, transitional housing, or non-congregate shelter facilities.
- All units assisted will be restricted to Qualifying Populations.
- Rents for Qualifying Populations units capped at HOME-ARP rent limits (50% AMI), less utility allowance.
- Rents in SRO units may not exceed the HUD zero-bedroom Fair Market Rent (or 75% thereof), less utility allowance.
- Affordability period of not less than 30 years.

Project Identification

- County will make funding available to project developers/owners through open solicitation process (RFP or NOFA).
- Issuance of solicitations to follow HUD approval of Allocation Plan.
- County may also allocate funds to projects identified outside of an open solicitation process.
- All funding awards will be approved by BCC.

Preferences

County will establish wait list preferences* for the following:

- Seniors (age 62+)
- Families with children
- Chronically homeless
- Individuals that are homeless and living in places not meant for human habitation

*Housing opportunities will be available for all Qualifying Populations

Public Input / Comments

Please submit your written input/comments on the Draft HOME-ARP Allocation Plan and funding strategies to:

Hedcomments1@pbcgov.org

Comments should be provided no later than January 27^{th.}

Next Steps

- Finalize Draft Allocation Plan
- February 7th BCC approval of Allocation Plan
- Submit Allocation Plan to HUD by March 31st
- Execute HOME-ARP grant agreement with HUD
- Solicit projects consistent with approved funding strategies

HOME ARP Guidance

- HUD HOME-ARP Website <u>https://www.hudexchange.info/programs/home-arp/</u>
- CPD NOTICE 21-10 <u>https://www.hudexchange.info/resource/6479/notice-cpd-2110-requirements-for-the-use-of-funds-in-the-home-arp-program/</u>
- HOME-ARP Waivers <u>https://www.hud.gov/sites/dfiles/OCHCO/documents/cpdWaiverHOMEA</u> <u>RP.pdf</u>

<u>Questions to</u>: Carlos Serrano, Division Director

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