



Event # 235-3

Name: HOME-ARP Non-Congregate Shelters

Description: The City of Fort Lauderdale, Florida (City) is seeking a qualified and experienced developer to acquire, develop, and operate a Non-Congregate Shelter (NCS) within the City of Fort Lauderdale in accordance with the terms, conditions and specifications contained in this Request for Proposals (RFP).

The City has received a special allocation of the HOME Investment Partnerships Program through the 2021 American Rescue Plan (HOME-ARP) for acquisition and development of a non-congregate shelter to address the need for homelessness development is not limited to the acquisition of land and construction of HOME-ARP NCS. This activity may include or rehabilitation of existing structures such as motels, hotels, or other facilities to be used for HOME-ARP NCS.

Minimum Qualifications

Proposers shall be in the business of development of Non-Congregate Shelters and must possess sufficient financial support, equipment, and organization to ensure that it can satisfactorily perform the services if awarded a Contract.

There will be a NON-MANDATORY pre-proposal conference on Thursday January 11, 2024 @ 10:30 AM, via Microsoft Teams.

Buyer: HEMMINGS TURNER, PAULETTE

Status: Pending Award

Event Type: RFP

Currency: USD

Sealed Bid: Yes

Respond To All Lines: Yes

Q & A Allowed: Yes

Number Of Amendments: 3

Display Bid Tabulation: Display When Event Closed For Bidding Or Canceled

Event Dates

Preview:

Q & A Open: 01/05/2024 04:00:00 PM

Open: 01/05/2024 04:00:00 PM

Q & A Close: 02/22/2024 05:00:00 PM

Close: 03/29/2024 02:00:00 PM

Dispute Close:

Questions

Question	Response Type	Attachment
Did you sign and attach Attachments 1-5	Yes No	Attachments.pdf
Did you sign and attach all the Required Forms?	Yes No	Required Forms.pdf

Event # 235-3: HOME-ARP Non-Congregate Shelters

Attachments

Name	Description	Attachment
Event 235 HOME-ARP Non-Congregate Shelter	Event 235 HOME-ARP Non-Congregate Shelter Solicitation Documents & Exhibits.	Event 235 Developer for ARP Non-Cregate Shelter.pdf

Contacts

Name	Email Address
PAULETTE HEMMINGS TURNER	pturner@fortlauderdale.gov

Commodity Codes

Commodity Code	Description
909-57	Land Development and Sub-Division Services

Line Details

Line 1: HOME ARP Non-Congregate Shelters

Description: RFP for HOME ARP for Non-Congregate Shelters

Item: HOME ARP NON-CONGREGATE SHELTER HOME ARP Non-Congregate Shelters

Long Item Description: HOME ARP NON-CONGREGATE SHELTER

Commodity Code: 909-57 Land Development and Sub-Division Services

Quantity: 1.0000

Unit of Measure: LS

Require: Yes

Price Breaks: No

Allow Alternate: No

Event # 235-3: HOME-ARP Non-Congregate Shelters

Response:

Add On No
Charges
Allowed:

Allowed:

Responses:

Solicitation # 235

Developer for HOME- ARP Non-Congregate Shelter

Bid Designation: Public



City of Fort Lauderdale

Procurement Services Division 1E
Broward Boulevard, Suite 444
Fort Lauderdale, Florida 33301

Bid ID: 235
Developer for HOME- ARP Non-Congregate Shelter

Bid Start Date: January 5, 2025
Bid End Date: February 12, 2024, 2:00/PM EDT
Q & A End Date: February 5, 2024, 5:00 PM EDT

Bid Contact: Paulette R Hemmings Turner
Senior Procurement Specialist
954-828-5139
pturner@fortlauderdale.gov

Contract Duration: One Time Purchase
Contract Renewal: Not Applicable
Prices Good for: 120 days

Comments

The City of Fort Lauderdale, Florida (City) is seeking a qualified, experienced developer to develop a Non-Congregate Shelter (NCS) within the City, in accordance with the terms, conditions, and specifications contained in this Request for Proposals (RFP).

The City has received a special allocation of the HOME Investment Partnerships Program through the 2021 American Rescue Plan (HOME-ARP) for acquisition and development of a non-congregate shelter to address the need for homelessness development is not limited to the acquisition of land and construction of HOME-ARP NCS. This activity may include or rehabilitation of existing structures such motels, hotels, or other facilities to be used for HOME-ARP NCS.

Sealed proposals will be received electronically until 2:00 P.M., local time, on February 12, 2024 , Please be advised that effective immediately, and until further notice, all Invitation to Bids, by the City of Fort Lauderdale will be opened electronically via [City's on-line strategic sourcing platform](#) at the date and time indicated on the solicitation. This notice supersedes any indication on any current unopened solicitation that may give a specific location for the solicitation opening. Once the Procurement Specialist opens the solicitation, the bid tabulations may be viewed immediately on a computer, laptop, cell phone, or any other device with WiFi access.

Anyone requesting assistance or having further inquiry in this matter must contact the Procurement Specialist indicated on the solicitation, via the question and Answer forum

on the City's online Sourcing Platform before the Last Day for Questions indicated in the Solicitation.

There will be a **NON-MANDATORY** pre-proposal conference on Thursday January 11, 2024 @ 10:30 AM, via Microsoft Teams.

Microsoft Teams meeting

Join on your computer, mobile app or room device

[Click here to join the meeting](#)

Meeting ID: 294 079 405 282

Passcode: Abt32y

[Download Teams](#) | [Join on the web](#)

Or call in (audio only)

[+1 954-686-7296,,884201793#](#) United States, Fort Lauderdale

Phone Conference ID: 884 201 793#

[Find a local number](#) | [Reset PIN](#)



This meeting is facilitated by the City of Fort Lauderdale. Meeting content may be subject to Florida Statute Chapter 119 concerning public records and subject to disclosure.

[Learn More](#) | [Meeting options](#)

It will be the sole responsibility of the Contractor/Developer to attend the pre-proposal conference. No variation in price or conditions shall be permitted based upon a claim of ignorance. Submission of a proposal will be considered evidence that the Proposer has familiarized themselves with the nature and extent of the work, equipment, materials, and labor required.

SECTION I – INTRODUCTION AND INFORMATION

1.1 Purpose

The City of Fort Lauderdale, Florida (City) is seeking a qualified, experienced developer to develop a Non-Congregate Shelter (NCS) within the City, in accordance with the terms, conditions, and specifications contained in this Request for Proposals (RFP).

The City has received a special allocation of the HOME Investment Partnerships Program through the 2021 American Rescue Plan (HOME-ARP) for acquisition and development of a non-congregate shelter to address the need for homelessness development is not limited to the acquisition of land and construction of HOME-ARP NCS. This activity may include or rehabilitation of existing structures such motels, hotels, or other facilities to be used for HOME-ARP NCS.

The proposed funding amount is \$750,000.00 in HOME-ARP Funds. The City reserves the right to increase/decrease award budget under this solicitation at its discretion.

1.2 Point of Contact

For information concerning procedures for responding to this solicitation, contact Procurement Specialist Paulette Hemmings Turner at (954) 828-5139 or email at PTurner@fortlauderdale.gov. Such contact shall be for clarification purposes only.

For information concerning technical specifications, please utilize the question / answer feature on the [City's on-line strategic sourcing platform](#). Questions of a material nature must be received prior to the cut-off date specified in the RFP Schedule. Material changes, if any, to the scope of services or bidding procedures will only be transmitted by written addendum. Contractors please note: Proposals shall be submitted as stated in PART IV – Submittal Requirements. No part of your proposal can be submitted via FAX. No variation in price or conditions shall be permitted based upon a claim of ignorance. Submission of a proposal will be considered evidence that the Contractor has familiarized themselves with the nature and extent of the work, and the equipment, materials, and labor required. The entire proposal must be submitted in accordance with all specifications contained in this solicitation. The questions and answers submitted shall become part of any contract that is created from this RFP.

1.3 Pre-proposal Conference

There will be a **NON-MANDATORY** pre-proposal conference on Thursday January 11, 2024 @ 10:30 AM, via Microsoft Teams.

Microsoft Teams meeting

Join on your computer, mobile app or room device

[Click here to join the meeting](#)

Meeting ID: 294 079 405 282

Passcode: Abt32y

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Or call in (audio only)

[+1 954-686-7296,884201793#](tel:+19546867296884201793) United States, Fort Lauderdale

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[Learn More](#) | [Meeting options](#)

It will be the sole responsibility of the Developer to attend the pre-proposal conference. No variation in price or conditions shall be permitted based upon a claim of ignorance. Submission of a proposal will be considered evidence that the Proposer has familiarized themselves with the nature and extent of the work, equipment, materials, and labor required.

If a person decides to appeal any decision made by the board, agency, or commission with respect to any matter considered at such meeting or hearing, he or she will need a record of the proceedings, and that, for such purpose, he or she may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based.

City's on-line strategic sourcing platform

The City of Fort Lauderdale uses the City's on-line strategic sourcing platform to administer the competitive solicitation process, including but not limited to soliciting proposals, issuing addenda, posting results and issuing notification of an intended decision. There is no charge to register and download the RFP from the City's on-line strategic sourcing platform. Proposers are strongly encouraged to read the supplier tutorials available in the [City's on-line strategic sourcing platform](#) well in advance of their intention of submitting a proposal to ensure familiarity with the use of the City's on-line strategic sourcing platform. The City shall not be responsible for a Proposer's inability to submit a Proposal by the end date and time for any reason, including issues arising from the use of the City's on-line strategic sourcing platform.

It is the sole responsibility of the Bidder/Proposer to ensure that their bid/proposal is submitted electronically through at [City's on-line strategic sourcing platform](#) no later than the time and date specified in this solicitation. PAPER BID/PROPOSAL SUBMITTALS WILL NOT BE ACCEPTED. BIDS/PROPOSALS MUST BE SUBMITTED ELECTRONICALLY VIA [CITY'S ON-LINE STRATEGIC SOURCING PLATFORM](#).

1.4 Electronic Bid Openings/Proposal Closings

Please be advised that effective immediately, and until further notice, all Invitation to Bids, Request for Proposals, Request for Qualifications, and other solicitations led by the City of Fort Lauderdale will be opened electronically via the [City's on-line strategic sourcing platform](#) at the date and time indicated on the solicitation. All openings will be held on the City's on-line strategic sourcing platform.

Anyone requesting assistance or having further inquiry in this matter must contact the Procurement Specialist indicated on the solicitation, via the Question-and-Answer forum on the [City's on-line strategic sourcing platform](#) before the Last Day for Questions indicated in the Solicitation.

END OF SECTION

SECTION II - SPECIAL TERMS AND CONDITIONS

2.1 General Conditions

RFP General Conditions (Form G-107, Rev. 02/20) are included and made a part of this RFP.

2.2 Addenda, Changes, and Interpretations

It is the sole responsibility of each firm to notify the Buyer utilizing the question / answer feature provided by the [City's on-line strategic sourcing platform](#) and request modification or clarification of any ambiguity, conflict, discrepancy, omission, or other error discovered in this competitive solicitation. Requests for clarification, modification, interpretation, or changes must be received prior to the Question and Answer (Q & A) Deadline. Requests received after this date may not be addressed. Questions and requests for information that would not materially affect the scope of services to be performed or the solicitation process will be answered within the question / answer feature provided by the City's on-line strategic sourcing platform and shall be for clarification purposes only. Material changes, if any, to the scope of services or the solicitation process will only be transmitted by official written addendum issued by the City and uploaded to the City's on-line strategic sourcing platform as a separate addendum to the RFP. Under no circumstances shall an oral explanation given by any City official, officer, staff, or agent be binding upon the City and should be disregarded. All addenda are a part of the competitive solicitation documents, and each firm will be bound by such addenda. It is the responsibility of each to read and comprehend all addenda issued.

2.3 Changes and Alterations

Proposer may change or withdraw a Proposal at any time prior to Proposal submission deadline; however, no oral modifications will be allowed. Modifications shall not be allowed following the Proposal deadline.

2.4 Proposer's Costs

The City shall not be liable for any costs incurred by Proposers in responding to this RFP.

2.5 Pricing/Delivery – N/A

2.6 Price Validity – N/A

2.7 Invoices/Payment – N/A

2.8 Related Expenses/Travel Expenses – N/A

2.9 Payment Method – N/A

2.10 Mistakes

The consultant shall examine this RFP carefully. The submission of a Proposal shall be prima facie evidence that the consultant has full knowledge of the scope, nature, and quality of the work to be performed; the detailed requirements of the specifications; and the conditions under which the work is to be performed. Ignorance of the requirements will not relieve the consultant from liability and obligations under the Contract.

2.11 Acceptance of Proposals / Minor Irregularities

2.11.1 The City reserves the right to accept or reject any or all proposals, part of proposals, and to waive minor irregularities or variances to specifications contained in proposals which do not make the proposal conditional in nature and minor irregularities in the solicitation process. A minor irregularity shall be a variation from the solicitation that does not affect the price of the contract or does not give a respondent an advantage or benefit not enjoyed by other respondents, does not adversely impact the interests of other firms, or does not affect the fundamental fairness of the solicitation process. The City also reserves the right to reissue a Request for Proposal.

2.11.2 The City reserves the right to disqualify Proposer during any phase of the competitive solicitation process and terminate for cause any resulting contract upon evidence of collusion with intent to defraud or other illegal practices on the part of the Proposer.

2.12 Modification of Services

2.12.1 While this contract is for services provided to the department referenced in this Request for Proposals, the City may require similar work for other City departments. Successful Proposer agrees to take on such work unless such work would not be considered reasonable or become an undue burden to the Successful Proposer.

2.12.2 The City reserves the right to delete any portion of the work at any time without cause, and if such right is exercised by the City, the total fee shall be reduced in the same ratio as the estimated cost of the work deleted bears to the estimated cost of the work originally planned. If work has already been accomplished and approved by the City on any portion of a contract resulting from this RFP, the Successful Proposer shall be paid for the work completed on the basis of the estimated percentage of completion of such portion to the total project cost.

2.12.3 The City may require additional items or services of a similar nature, but not specifically listed in the contract. The Successful Proposer agrees to provide such items or services and shall provide the City prices on such additional items or services. If the price(s) offered are not acceptable to the City, and the situation cannot be resolved to the satisfaction of the City, the City reserves the right to procure those items or services from other vendors, or to cancel the contract upon giving the Successful Proposer thirty (30) days written notice.

2.12.4 If the Successful Proposer and the City agree on modifications or revisions to the task elements, after the City has approved work to begin on a particular task or project, and a budget has been established for that task or project, the Successful Proposer will submit a revised budget to the City for approval prior to proceeding with the work.

2.13 Non-Exclusive Contract

Proposer agrees and understands that the contract shall not be construed as an exclusive arrangement and further agrees that the City may, at any time, secure similar or identical services from another vendor at the City's sole option.

2.14 Development Agreement

Sample of the formal agreement template: See Attachment 6

2.15 Responsiveness

In order to be considered responsive to the solicitation, the firm's proposal shall fully conform in all material respects to the solicitation and all its requirements, including all form and substance.

2.16 Responsibility

In order to be considered as a responsible firm, firm shall be fully capable to meet all of the requirements of the solicitation and subsequent contract, must possess the full capability, including financial and technical, to perform as contractually required, and must be able to fully document the ability to provide good faith performance.

2.17 Minimum Qualifications

Proposers shall be in the business of development of Non-Congregate Shelters and must possess sufficient financial support, equipment, and organization to ensure that it can satisfactorily perform the services if awarded a Contract. Proposers must demonstrate that they, or the key staff assigned to the project, have successfully provided services with similar magnitude to those specified in the scope of services to at least one entity similar in size and complexity to the City of Fort Lauderdale or can demonstrate they have the experience with large scale private sector clients and the managerial and financial ability to successfully perform the work.

Proposers shall satisfy each of the following requirements cited below. Failure to do so may result in the proposal being deemed non-responsive.

2.17.1 Proposer or principals shall have relevant experience in managing affordable rental housing (Non-Congregate Housing)

2.17.2 Before awarding a contract, the City reserves the right to require that a Proposer submit such evidence of qualifications as the City may deem necessary. Further, the City may consider any evidence of the financial, technical, and other qualifications and abilities of a firm or principals, including previous experiences of same with the City and performance evaluation for services, in making the award in the best interest of the City.

2.17.3 Firm or principals shall have no record of judgments, pending lawsuits against the City or criminal activities involving moral turpitude and not have any conflicts of interest that have not been waived by the City Commission.

2.17.4 Neither firm nor any principal, officer, or stockholder shall be in arrears or in default of any debt or contract involving the City, (as a party to a contract, or otherwise); nor have failed to perform faithfully on any previous contract with the City.

2.18 Lobbying Activities

ALL CONTRACTORS PLEASE NOTE: Any contractor submitting a response to this solicitation must comply, if applicable, with City of Fort Lauderdale Ordinance No. C-11-42 & Resolution No. 07-101, Lobbying Activities. Copies of Ordinance No. C-11-42 and Resolution No. 07-101 may be obtained from the City Clerk's Office on the 7th Floor of City Hall, 100 N. Andrews Avenue, Fort Lauderdale, Florida. The ordinance may also be viewed on the City's website at: <http://www.fortlauderdale.gov/home/showdocument?id=6036>.

2.19 Local Business Preference N/A

2.20 Disadvantaged Business Enterprise Preference – N/A

2.21 Protest Procedure

2.21.1 Any Bidder who is not recommended for award of a contract and who alleges a failure by

the city to follow the city's procurement ordinance or any applicable law, may follow the protest procedure as found in the city's procurement ordinance within five (5) days after a notice of intent to award is posted on the city's web site at the following link. <https://www.fortlauderdale.gov/government/departments-a-h/finance/procurement-services/notices-of-intent-to-award>.

2.21.2 The complete protest ordinance may be found on the city's web site at the following link: https://library.municode.com/fl/fort_lauderdale/codes/code_of_ordinances?nodeId=COOR_CH2AD_ARTVFI_DIV2PR_S2-182.1PRSO.

2.22 Public Entity Crimes

Proposer, by submitting a proposal, certifies that neither the Proposer nor any of the Proposer's principals has been placed on the convicted vendor list as defined in Section 287.133, Florida Statutes (2018), as may be amended or revised. A person or affiliate who has been placed on the convicted vendor list following a conviction for a public entity crime may not submit a bid, proposal, or reply on a contract to provide any goods or services to a public entity; may not submit a bid, proposal, or reply on a contract with a public entity for the construction or repair of a public building or public work; may not submit bids, proposals, or replies on leases of real property to a public entity; may not be awarded or perform work as a contractor, supplier, subcontractor, or consultant under a contract with any public entity; and may not transact business with any public entity in excess of the threshold amount provided in s. 287.017 for CATEGORY TWO for a period of 36 months following the date of being placed on the convicted vendor list.

2.23 Subcontractors

2.23.1 If the Contractor proposes to use subcontractors in the course of providing these services to the City, this information shall be a part of the bid/proposal response. Such information shall be subject to review, acceptance, and approval of the City, prior to any contract award. The City reserves the right to approve or disapprove of any subcontractor candidate in its best interest and to require Contractor to replace subcontractor with one that meets City approval.

2.23.2 Contractor shall ensure that all of Contractor's subcontractors perform in accordance with the terms and conditions of this Contract. Contractor shall be fully responsible for all of Contractor's subcontractors' performance, and liable for any of Contractor's subcontractors' non-performance and all of Contractor's subcontractors' acts and omissions. Contractor shall defend, at Contractor's expense, counsel being subject to the City's approval or disapproval, and indemnify and hold harmless the City and the City's officers, employees, and agents from and against any claim, lawsuit, third-party action, or judgment, including any award of attorney fees and any award of costs, by or in favor of any Contractor's subcontractors for payment for work performed for the City.

2.23.3 Contractor shall require all its subcontractors to provide the required insurance coverage as well as any other coverage that the contractor may consider necessary, and any deficiency in the coverage or policy limits of said subcontractors will be the sole responsibility of the contractor.

2.24 Proposal Security – N/A

2.25 Payment and Performance Bond – N/A

2.26 Insurance Requirements

As a condition precedent to the effectiveness of this Agreement, during the term of this Agreement and during any renewal or extension term of this Agreement, Contractor, at its sole expense, shall provide insurance of such types and with such terms and limits as noted below. Providing proof of

and maintaining adequate insurance coverage are material obligations of Contractor. Contractor shall provide the City a certificate of insurance evidencing such coverage. Contractor's insurance coverage shall be primary insurance for all applicable policies, in respect to the City's interests. The limits of coverage under each policy maintained by Contractor shall not be interpreted as limiting Contractor's liability and obligations under this Agreement. All insurance policies shall be through insurers authorized or eligible to write policies in the State of Florida and possess an A.M. Best rating of A-, VII or better, subject to approval by the City's Risk Manager.

The coverages, limits, and/or endorsements required herein protect the interests of the City, and these coverages, limits, and/or endorsements shall in no way be relied upon by Contractor for assessing the extent or determining appropriate types and limits of coverage to protect Contractor against any loss exposures, whether as a result of this Agreement or otherwise. The requirements contained herein, as well as the City's review or acknowledgement, are not intended to and shall not in any manner limit or qualify the liabilities and obligations assumed by Contractor under this Agreement.

The following insurance policies and coverages are required:

Professional Liability

Coverage must be afforded for Wrongful Acts in an amount not less than \$1,000,000 each claim and \$2,000,000 aggregate.

Contractor must keep the professional liability insurance in force until the third anniversary of expiration or early termination of this Agreement or the third anniversary of acceptance of work by the City, whichever is longer, which obligation shall survive expiration or early termination of this Agreement.

Commercial General Liability

Coverage must be afforded under a Commercial General Liability policy with limits not less than:

- \$1,000,000 each occurrence and \$2,000,000 aggregate for Bodily Injury, Property Damage, and Personal and Advertising Injury
- \$1,000,000 each occurrence and \$2,000,000 aggregate for Products and Completed Operations

Policy must include coverage for contractual liability and independent contractors.

The City, a Florida municipality, its officials, employees, and volunteers are to be covered as an additional insured with a CG 20 26 04 13 Additional Insured – Designated Person or Organization Endorsement or similar endorsement providing equal or broader Additional Insured Coverage with respect to liability arising out of activities performed by or on behalf of Contractor. The coverage shall contain no special limitation on the scope of protection afforded to the City, its officials, employees, and volunteers.

Business Automobile Liability

Proof of coverage must be provided for all Owned, Hired, Scheduled, and Non-Owned vehicles for Bodily Injury and Property Damage in an amount not less than the State of Florida required minimums unless a different amount is required by City Ordinance(s).

If Contractor does not own vehicles, Contractor shall maintain coverage for Hired and Non-Owned Auto Liability, which may be satisfied by way of endorsement to the Commercial General Liability policy or separate Business Auto Liability policy.

Workers' Compensation and Employer's Liability

Coverage must be afforded per Chapter 440, Florida Statutes. Any person or entity performing work for or on behalf of the City must provide Workers' Compensation insurance. Exceptions and exemptions will be allowed by the City's Risk Manager, if they are in accordance with Florida Statute.

Contractor waives, and Contractor shall ensure that Contractor's insurance carrier waives, all subrogation rights against the City, its officials, employees, and volunteers for all losses or damages. The City requires the policy to be endorsed with WC 00 03 13 Waiver of our Right to Recover from Others or equivalent.

Contractor must be in compliance with all applicable State and federal workers' compensation laws, including the U.S. Longshore and Harbor Workers' Compensation Act and the Jones Act, if applicable.

Insurance Certificate Requirements

- a. Contractor shall provide the City with valid Certificates of Insurance (binders are unacceptable) no later than ten (10) days prior to the start of work contemplated in this Agreement.
- b. Contractor shall provide to the City a Certificate of Insurance having a thirty (30) day notice of cancellation; ten (10) days' notice if cancellation is for nonpayment of premium.
- c. In the event that the insurer is unable to accommodate the cancellation notice requirement, it shall be the responsibility of Contractor to provide the proper notice. Such notification will be in writing by registered mail, return receipt requested, and addressed to the certificate holder.
- d. In the event the Agreement term or any surviving obligation of Contractor following expiration or early termination of the Agreement goes beyond the expiration date of the insurance policy, Contractor shall provide the City with an updated Certificate of Insurance no later than ten (10) days prior to the expiration of the insurance currently in effect. The City reserves the right to suspend the Agreement until this requirement is met.
- e. The Certificate of Insurance shall indicate whether coverage is provided under a claims-made or occurrence form. If any coverage is provided on a claims-made form, the Certificate of Insurance must show a retroactive date, which shall be the effective date of the initial contract or prior.
- f. The City shall be covered as an Additional Insured on all liability policies, with the exception of Workers' Compensation.
- g. The City shall be granted a Waiver of Subrogation on Contractor's Workers' Compensation insurance policy.
- h. The title of the Agreement, Bid/Contract number, or other identifying reference must be listed on the Certificate of Insurance.

The Certificate Holder should read as follows:

City of Fort Lauderdale
100 N. Andrews Avenue
Fort Lauderdale, FL 33301

Contractor has the sole responsibility for all insurance premiums and shall be fully and solely responsible for any costs or expenses as a result of a coverage deductible, co-insurance penalty, or self-insured retention; including any loss not covered because of the application of such deductible, co-insurance penalty, self-insured retention, or coverage exclusion or limitation. Any costs for adding the City as an Additional Insured shall be at Contractor's expense.

If Contractor's primary insurance policy/policies do not meet the minimum requirements as set forth

in this Agreement, Contractor may provide evidence of an Umbrella/Excess insurance policy to comply with this requirement.

Contractor's insurance coverage shall be primary insurance in respect to the City's interests, a Florida municipality, its officials, employees, and volunteers. Any insurance or self-insurance maintained by the City shall be non-contributory.

Any exclusion or provision in any insurance policy maintained by Contractor that excludes coverage required in this Agreement shall be deemed unacceptable and shall be considered breach of contract.

All required insurance policies must be maintained until the contract work has been accepted by the City, or until this Agreement is terminated, whichever is later. Any lapse in coverage may be considered breach of contract. In addition, Contractor must provide to the City confirmation of coverage renewal via an updated certificate of insurance should any policies expire prior to the expiration of this Agreement. The City reserves the right to review, at any time, coverage forms and limits of Contractor's insurance policies.

Contractor shall provide notice of any and all claims, accidents, and any other occurrences associated with this Agreement to Contractor's insurance company or companies and the City's Risk Management office as soon as practical.

It is Contractor's responsibility to ensure that any and all of Contractor's independent contractors and subcontractors comply with these insurance requirements. All coverages for independent contractors and subcontractors shall be subject to all of the applicable requirements stated herein. Any and all deficiencies are the responsibility of Contractor. The City reserves the right to adjust insurance limits from time to time at its discretion with notice to Contractor.

2.27 Award of Contract

A Contract (the "Agreement") may be awarded by the City Commission. The City reserves the right to execute or not execute, as applicable, a contract with the Proposer(s) that is determined to be in the City's best interests. Award may be by Group or Item, whichever is determined to be in the best interest of the City.

The City also reserves the right to waive minor variations in the specifications and in the bidding process. The City further reserves the right to accept or reject any and/or all proposals and to award or not award a contract based on this bid solicitation

The proposed project shall comply with the rules, regulations, ordinances, codes, and standards of the City of Fort Lauderdale, and any Federal and State requirements.

- i. Recipients must agree to cooperate with the City of Fort Lauderdale and the Federal Government in the implementation of a uniform data reporting system. Required data will include but may not necessarily be limited to quarterly reporting that documents the number of unduplicated clients served, specifically by age, race, sex, and ethnicity; along with quarterly reports that identify problems and successes with strategies for resolution of problems. Recipient must utilize reporting documents provided by City of Fort Lauderdale.
- ii. Recipients must comply with the applicable provisions of the Americans with Disabilities Act (42 U.S.C. 12101-12213) and implementing regulations at 28 CFR part 35 (state and local government grantees) and 24 CFR Part 7 and 41 CFR Part-Equal employment opportunity without regard to race, sex, color religion, age,

national origin, and disability in federally assisted construction contracts. .

- iii. Established agencies must submit or have previously provided the City with the most recent financial statement/audit. Agencies unable to provide same must submit written explanation as to why such a document is unavailable.
- iv. Providers of assistance that are primarily religious organizations must agree to provide all eligible activities in a manner that is free from religious influences and in accordance with 24CFR§574.300(c).
- v. The proposed project shall be accessible to and usable by persons with disabilities
 - 1. in compliance with the American with Disabilities ACT (ADA) and any subsequent
 - 2. and applicable amendments. Furthermore, the proposed project shall incorporate universal design elements which promote tenable and functional environment for individuals with disabilities.
- vi. The proposed project must incorporate energy efficiency measures to prevent heat gain in residential facilities and orient dwellings to maximize natural ventilation, day lighting without heat gain.
- vii. The proposed project should incorporate green building, sustainable development and smart building concepts and technologies in order to enhance the overall design and construction.
- viii. The proposed project should incorporate digital and underground communications connectivity (cable, Wi-Fi, internet, telephone) where feasible.
- ix. The proposed project must comply with all City existing landscape requirements.

2.28 Unauthorized Work

The Successful Proposer(s) shall not begin work until a Contract has been awarded by the City Commission and a notice to proceed has been issued. Proposer(s) agree and understand that the issuance of a Purchase Order and/or Task Order shall be issued and provided to the Successful Proposer(s) following Commission award; however, receipt of a purchase order and/or task order shall not prevent the Successful Proposer(s) from commencing the work once the City Commission has awarded the contract and notice to proceed is issued.

2.29 Damage to Public or Private Property

Extreme care shall be taken to safeguard all existing facilities, site amenities, irrigation systems, vehicles, etc. on or around the job site. Damage to public and/or private property shall be the responsibility of the Contractor and shall be repaired and/or replaced at no additional cost to the City.

2.30 Safety

The Contractor(s) shall adhere to the Florida Department of Transportation's Uniform manual on Traffic Control for construction and maintenance work zones when working on or near a roadway. It will be the sole responsibility of the Contractor to make themselves and their employees fully aware of these provisions, especially those applicable to safety.

2.31 Uncontrollable Circumstances ("Force Majeure")

The City and Contractor will be excused from the performance of their respective obligations under

this agreement when and to the extent that their performance is delayed or prevented by any circumstances beyond their control including, fire, flood, explosion, strikes or other labor disputes, act of God or public emergency, war, riot, civil commotion, malicious damage, act or omission of any governmental authority, delay or failure or shortage of any type of transportation, equipment, or service from a public utility needed for their performance, provided that:

2.31.1 The non- performing party gives the other party prompt written notice describing the particulars of the Force Majeure including, but not limited to, the nature of the occurrence and its expected duration, and continues to furnish timely reports with respect thereto during the period of the Force Majeure;

2.31.2 The excuse of performance is of no greater scope and of no longer duration than is required by the Force Majeure;

2.31.3 No obligations of either party that arose before the Force Majeure causing the excuse of performance are excused as a result of the Force Majeure; and

2.31.4 The non-performing party uses its best efforts to remedy its inability to perform. Notwithstanding the above, performance shall not be excused under this Section for a period in excess of two (2) months, provided that in extenuating circumstances, the City may excuse performance for a longer term. Economic hardship of the Contractor will not constitute Force Majeure. The term of the agreement shall be extended by a period equal to that during which either party's performance is suspended under this Section.

2.32 Canadian Companies

In the event Contractor is a corporation organized under the laws of any province of Canada or is a Canadian federal corporation, the City may enforce in the United States of America or in Canada or in both countries a judgment entered against the Contractor. The Contractor waives any and all defenses to the City's enforcement in Canada, of a judgment entered by a court in the United States of America. All monetary amounts set forth in this Contract are in United States dollars.

2.33 News Releases/Publicity

News releases, publicity releases, or advertisements relating to this contract, or the tasks or projects associated with the project shall not be made without prior City approval.

2.34 Manufacturer/Brand/Model Specific Request – N/A

2.35 Contract Period – N/A

2.36 Cost Adjustments – N/A

2.37 Service Test Period – N/A

2.38 Contract Coordinator

The City may designate a Contract Coordinator whose principal duties shall be:

Liaison with Contractor.

Coordinate and approve all work under the contract.

Resolve any disputes.

Assure consistency and quality of Contractor's performance.

Schedule and conduct Contractor performance evaluations and document findings.

Review and approve for payment all invoices for work performed or items delivered.

2.39 Contractor Performance Reviews and Ratings

The City Contract Coordinator may develop a Contractor performance evaluation report. This report shall be used to periodically review and rate the Contractor's performance under the contract with performance rating as follows:

Excellent	Far exceeds requirements.
Good	Exceeds requirements.
Fair	Just meets requirements.
Poor	Does not meet all requirements and contractor is subject to penalty provisions under the contact.
Non-compliance	Either continued poor performance after notice or a performance level that does not meet a significant portion of the requirements. This rating makes the Contractor subject to the default or cancellation for cause provisions of the contract.

The report shall also list all discrepancies found during the review period. The Contractor shall be provided with a copy of the report and may respond in writing if he takes exception to the report or wishes to comment on the report. Contractor performance reviews and subsequent reports will be used in determining the suitability of contract extension.

- 2.40 Substitution of Personnel – N/A**
- 2.41 Ownership of Work – N/A**
- 2.42 Condition of Trade-In Equipment – N/A**
- 2.43 Conditions of Trade-In Shipment and Purchase Payment – N/A**
- 2.44 Verification of Employment Status – N/A**
- 2.45 Service Organization Controls – N/A**
- 2.46 Warranties of Usage – N/A**
- 2.47 PCI (Payment Card Industry) Compliance – N/A**

END OF SECTION

SECTION III - TECHNICAL SPECIFICATIONS/SCOPE OF SERVICES

3.1 Project Definition and Objective

A 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. HOME-ARP funds may be used to acquire and develop HOME-ARP.

NCS for individuals and families in qualifying populations as defined in Section IV.A of Notice CPD-21.10. Refer to Exhibit 3 – HUD CPD notice CPD-21-20 for more additional information.

The HOME Investment Partnerships (HOME) program was authorized under Title II of the Granston-Gonzalez National Affordable Housing Act, as amended. HOME provides formula grants to states and localities that communities use – often in partnership with local nonprofit groups – to fund a wide range of activities that build, buy, and/or rehabilitate affordable housing for rent or homeownership or provide direct rental assistance to low-income people. HOME funds are regulated and distributed to Participating Jurisdictions (PJs) by the U.S. Department of Housing and Development (HUD).

A PJ is a term given to any state or local government that HUD has designated to administer a HOME Program. HUD designation as a PJ occurs if a state or local government meets the funding thresholds, notifies HUD that it intends to participate in the program, and obtains approval by HUD of a Consolidated Plan. Consolidated Plans describe community needs, resources, priorities and proposed activities to be undertaken under certain HUD programs, including HOME.

3.2 Federal Requirements and Non-Discrimination

The requirements in [24 CFR 92.350](#) apply to the HOME-ARP program. PJs must comply with the Federal requirements set forth in [24 CFR part 5, subpart A](#), including: nondiscrimination and equal opportunity; disclosure requirements; debarred, suspended or ineligible contractors; drug-free work; and housing counseling and the nondiscrimination requirements at section 282 of NAHA. PJs must also comply with the Violence Against Women Act (VAWA) requirements.

Affirmative Marketing and Minority Outreach

The requirements in [24 CFR 92.351](#) apply to HOME-ARP activities.

National Environmental Policy Act of 1969 (NEPA) (42 U.S.C. 4321) and Related Laws

The environmental requirements in [24 CFR 92.352](#) apply to eligible activities under this Notice. The environmental effects of each activity carried out with HOME-ARP funds must be assessed in accordance with the provisions of NEPA and the related authorities listed in HUD's implementing regulations at [24 CFR part 58](#). The applicability of the provisions of [24 CFR part 58](#) is based on the HOME-ARP project as a whole (i.e., all individual project activities, such as acquisition and rehabilitation, aggregated according to the requirements at [24 CFR 58.32](#)), not on the type of the cost paid with HOME-ARP funds. In accordance with the provisions in [24 CFR part 58](#), activities undertaken with HOME-ARP funds are subject to environmental review by a PJ or State recipient. The PJ or State recipient (referred to as the "Responsible Entity" or "RE") must assume responsibility for environmental review, decision making, and action for each activity that it carries out with HOME-ARP funds, in accordance with the requirements at [24 CFR Part 58](#). A state PJ must assume responsibility for approval of Requests for Release of Funds and Certification (RROF/C) submitted by State recipients.

No funds may be committed to a HOME-ARP activity or project before the completion of the environmental review and approval of the RROF/C, as applicable. Neither a HOME-ARP

recipient nor any participant in the development process, including public or private nonprofit or for-profit entities, or any of their contractors, may commit HUD assistance on an activity or project until the environmental review has been completed and HUD or the state has approved the recipient's RROF/C from the RE as applicable. In addition, until the RROF/C have been approved, neither a HOME-ARP recipient nor any participant in the development process may commit non-HUD funds on or undertake a HOME-ARP activity or project if the activity or project would have an adverse environmental impact or limit the choice of reasonable alternatives. Therefore, it is important to begin and complete any required environmental reviews as soon as possible.

3.3 Non-Congregate Shelter

Non-Congregate Shelter (NCS) shall be funded using HOME American Rescue Plan funds. Shelter operations include basic shelter oversight and operations, intake, recordkeeping and reporting, security and 24-hour supervision. Supportive Services will be provided through a separate Supportive Services RFP.

A 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 of occupancy agreement or charged an occupancy fee or other charges to occupy unless determined such fees and charges are determined customary and reasonable and comply with 24 CFR 578.77(b). All NCS units must provide individual or family with an acceptable, individual room to sleep which includes adequate space and security for themselves and their belongings.

Eligible Activity: HOME-ARP funds may be used to acquire, rehabilitate, or construct NCS units to serve individuals and families Qualifying Populations.

Eligible Cost: HOME-ARP funds may be used for:

- Acquisition Cost-Costs to acquire improve or unimproved real property for use as a development of HOME-ARP NCS.
- Demolition Cost: Costs to demolish existing structures for the purpose of developing HOME-ARP NCS.
- Development Hard Costs: Costs to rehabilitate or construct HOME-ARP NCS units to meet the HOME-ARP minimum habitability standards. Cost to make 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: Reasonable and necessary costs incurred by the PJ, subrecipient, or project owner associated with financing, acquisition, and development of HOME-ARP NCS projects.
- Replacement Reserve: Cost to capitalize a replacement reserve to cover reasonable and necessary costs of replacing major systems and their components.
- Ineligible Costs: HOME-ARP funds may not be used to pay ongoing costs of operating HOME-ARP NCS or to convert NCS to housing.
- HOME-ARP NCS project must comply with HOME-ARP requirements during the restricted period and no HOME-ARP funds may be used for conversion.
- HOME-ARP NCS project must comply with HOME-ARP requirements during the

restricted period and no HOME-ARP funds may be used for conversion.

- Property must meet the NCS minimum property standards throughout the Restricted Use Period.
- Restricted period is the minimum period or amount of time NCS property must operate as
- Emergency shelter before being converted to a permanent housing.

3.4 Scope

An experienced developer is required to acquire, develop, and operate a Non-Congregate Shelter (NCS) within the City of Fort Lauderdale,

The City has received a special allocation of the HOME Investment Partnerships Program through the 2021 American Rescue Plan (HOME-ARP) for acquisition and development of a non-congregate shelter to address the need for homelessness. This activity may include the construction of new structures or acquisition or rehabilitation of existing structures such as motels, hotels, nursing homes or other facilities to be used for HOME-ARP NCS.

The proposed funding amount is \$750,000.00 in HOME-ARP Funds. The City reserves the right to increase/decrease award budget under this solicitation at its discretion. No ongoing operating funds will be provided. No funding for rehab and construction costs to turn HOME-ARP NCS units into permanent housing.

Developer should refer to Exhibits 1 - HOME-ARP Program Fact Sheet for Non-Congregate Shelters and Exhibit 3- CPD-21-10 Requirements for the Use of Funds in the HOME American Rescue Plan Program.

Project must be Shovel Ready.

3.5 Tasks

Developer shall be responsible for all onsite and offsite costs and expenses associated with the development, construction, ownership, management, and operation of the proposed project, including but not limited to planning, design, entitlement, permit fees, utility charges, rental of the individual units within the multi-family home complex, operation, and management expenses.

The successful Developer shall prepare a set of schematic and conceptual site plans, floor plans, and elevations for the proposed project, within the time frames specified by City.

a. Task A

Provide a concise written understanding of the project to include the number of proposed units, the eligible population, area median income of households served and the location of the project.

b. Task B

Provide Property and site control information (fee simple title, lease period, ground lease)

c. Task C

Provide the following:

- i. Site drawing including a detail drawing of construction on land or rehabilitation of an existing structure and pictures of the subject property.
- ii. A timeline/schedule of development.

- iii. Organization and management team experience.
- iv. Location map, showing location of the site and the surrounding area.
- v. Written proof of firm funding sources. Use (Exhibit 2) Affordable Housing Resource Guide as reference for obtaining project funding sources.
- vi. Developer must demonstrate the project financial feasibility through-out the restricted use period.
- vii. Developer must state their intentions to continue operating the project as HOME-ARP NCS or convert to permanent housing after the minimum use period.

END OF SECTION

SECTION IV – SUBMITTAL REQUIREMENTS

4.1 Instructions

- 4.1.1** The City of Fort Lauderdale uses its own on-line strategic sourcing platform to administer the competitive solicitation process, including but not limited to soliciting proposals, issuing addends, responding to questions/requests for information. There is no charge to register and download the RFP from the [City's on-line strategic sourcing platform](#). Proposers are strongly encouraged to read the supplier tutorial available in the City's on-line strategic sourcing platform well in advance of their intention of submitting a proposal to ensure familiarity with the use of the [City's on-line strategic sourcing platform](#). The City shall not be responsible for a Proposer's inability to submit a proposal by the end date and time for any reason, including issues arising from the use of the City's on-line strategic sourcing platform.
- 4.1.2** Careful attention must be given to all requested items contained in this RFP. Proposers are invited to submit proposals in accordance with the requirements of this RFP. Please read entire solicitation before submitting a proposal. Proposers must provide a response to each requirement of the RFP. Proposals should be prepared in a concise manner with an emphasis on completeness and clarity. Notes, exceptions, and comments may be rendered on an attachment, provided the same format of this RFP text is followed.
- 4.1.3** All information submitted by Proposer shall be typewritten or provided as otherwise instructed to in the RFP. Proposers shall use and submit any applicable or required forms provided by the City and attach such to their proposal. Failure to use the forms may cause the proposal to be rejected and deemed non-responsive.
- 4.1.4** Proposals shall be submitted by an authorized representative of the firm. Proposals must be submitted in the business entities name by the President, Partner, Officer or Representative authorized to contractually bind the business entity. Proposals shall include an attachment evidencing that the individual submitting the proposal, does in fact have the required authority stated herein.
- 4.1.5** All proposals will become the property of the City. The Proposer's response to the RFP is a public record pursuant to Florida law, which is subject to disclosure by the City under the State of Florida Public Records Law, Florida Statutes Chapter 119.07 ("Public Records Law"). The City shall permit public access to all documents, papers, letters, or other material submitted in connection with this RFP and the Contract to be executed for this RFP, subject to the provisions of Chapter 119.07 of the Florida Statutes. Any language contained in the Proposer's response to the RFP purporting to require confidentiality of any portion of the Proposer's response to the RFP, except to the extent that certain information is in the City's opinion a Trade Secret pursuant to Florida law, shall be void. If a Proposer submits any documents or other information to the City which the Proposer claims is Trade Secret information and exempt from Florida Statutes Chapter 119.07 ("Public Records Laws"), the Proposer shall clearly designate that it is a Trade Secret and that it is asserting that the document or information is exempt. The Proposer must specifically identify the exemption being claimed under Florida Statutes 119.07. The City shall be the final arbiter of whether any information contained in the Proposer's response to the RFP constitutes a Trade Secret. The city's determination of whether an exemption applies shall be final, and the Proposer agrees to defend, indemnify, and hold harmless the city and the city's officers, employees, and agent, against any loss or damages incurred by any person or entity as a result of the city's treatment of records as public records. In the event of Contract award, all documentation produced as part of the Contract shall become the exclusive property of the City.

IF THE CONTRACTOR HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO THE CONTRACTOR'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS CONTRACT, CONTACT THE CUSTODIAN OF PUBLIC RECORDS AT PRRCONTRACT@FORTLAUDERDALE.GOV, 954-828-5002, CITY CLERK'S OFFICE, 100 N. ANDREWS AVENUE, FORT LAUDERDALE, FLORIDA 33301.

Contractor shall:

1. Keep and maintain public records required by the City in order to perform the service.
2. Upon request from the City's custodian of public records, provide the City with a copy of the requested records or allow the records to be inspected or copied within a reasonable time at a cost that does not exceed the cost provided in Chapter 119, Florida Statutes (2018), as may be amended or revised, or as otherwise provided by law.
3. Ensure that public records that are exempt or confidential and exempt from public records disclosure requirements are not disclosed except as authorized by law for the duration of the contract term and following completion of this contract if the Contractor does not transfer the records to the City.
4. Upon completion of the Contract, transfer, at no cost, to the City all public records in possession of the Contractor or keep and maintain public records required by the City to perform the service. If the Contractor transfers all public records to the City upon completion of this Contract, the Contractor shall destroy any duplicate public records that are exempt or confidential and exempt from public records disclosure requirements. If the Contractor keeps and maintains public records upon completion of this Contract, the Contractor shall meet all applicable requirements for retaining public records. All records stored electronically must be provided to the City, upon request from the City's custodian of public records, in a format that is compatible with the information technology systems of the City.

4.1.6 By submitting a response Proposer is confirming that the firm has not been placed on the convicted vendors list as described in Section §287.133 (2) (a) Florida Statutes; that the only person(s), company or parties interested in the proposal as principals are named therein; that the proposal is made without collusion with any other person(s), company or parties submitting a proposal; that it is in all respects fair and in good faith, without collusion or fraud; and that the signer of the proposal has full authority to bind the firm.

4.2 Contents of the Proposal

The City deems certain documentation and information important in the determination of responsiveness and for the purpose of evaluating proposals. Proposals should seek to avoid information in excess of that requested, must be concise, and must specifically address the issues of this RFP. The City prefers that proposals be no more than 100 pages in one complete pdf document. The proposals should be organized, divided, and indexed into the sections indicated herein. These are not inclusive of all the information that may be necessary to properly evaluate the proposal and meet the requirements of the scope of work and/or specifications. Additional

documents and information should be provided as deemed appropriate by the respondent in proposal to specific requirements stated herein or through the RFP.

4.2.1 Table of Contents

The table of contents should outline in sequential order the major areas of the submittal, including enclosures. All pages should be consecutively numbered and correspond to the Table of Contents.

4.2.2 Executive Summary

Each Offeror must submit an executive summary that identifies the business entity, its background, main office(s), and office location that will service this contract. Identify the officers, principals, supervisory staff, and key individuals who will be directly involved with the work and their office locations. The executive summary should also summarize the key elements of the proposal.

4.2.3 Approach to Scope of Work

Provide in concise narrative form, your understanding of the City's needs, goals, and objectives as they relate to the project, and your overall approach to accomplishing the project. Give an overview on your proposed vision, ideas, and methodology, location, and target group. Ability to identify Program Goals, Readiness to Proceed and meeting the requirements of the 2020-2024 Consolidated Plan and City Commission 2023 Top Priorities.

As part of the project approach, the proposer shall propose a scheduling methodology (timeline) for effectively managing and executing the work in the optimum time. Also provide information on your firm's current workload and how this project will fit into your workload. Describe available facilities, technological capabilities, and other available resources you offer for the project.

4.2.3.1 Non-Congregate Shelter Development Plan

The following issues should be fully responded to in this part of your proposal in concise, narrative form or as required. Additional sheets should be used, but they should reference each issue and be presented in the same order. Refer to Project Development Schedule document for the respective "Attachment" referenced below.

1. A detailed affordable, single, or multi-family housing development plan including:
2. Description of the proposed housing development program.
3. Detail listing of tasks to be undertaken
4. A timeline/schedule of development as well as process and completion of tasks.
5. Complete Project Development Schedule - **Attachment 1**
6. Project Budget/Source of Funding and uses – Must show 12.50% funding leverage - **Attachment 2**
7. Project Total Cost -12% Developer fee is allowed - **Attachment 3**

8. Project Pro Forma for Operating Statement – **Attachment 4**
9. Completed Projects- **Attachment 5.**
10. Commitment from other funding source(s) (i.e., Bank statements, loan commitments, etc. that confirms the financial capacity of the DEVELOPER) currently in place to complete this project. Refer to Exhibit 2 – Affordable Housing Resource Guide for other funding sources.
11. Conceptual Design Documents prepared by registered architect or professional engineer to include:
 - i. Conceptual land use site plan/street level floor plan showing all components of the project.
 - ii. Building height with corresponding square footages.
 - iii. Floor plan of unit type

4.2.4 Organizational Experience and Financial Capacity

Describe the firm’s understanding and application of the HOME-ARP Program Guidelines in current or previous projects completed and the firm’s experience in working with rental programs. Indicate the firm’s initiatives towards its own sustainable business practices that demonstrate a commitment to conservation. Indicate business structure, IE: Corp., Partnership, LLC. Firm should be registered as a legal entity in the State of Florida; Minority or Woman owned Business (if applicable); Company address, phone number, fax number, E-Mail address, web site, contact person(s), etc. Relative size of the firm, including management, technical and support staff; licenses and any other pertinent information shall be submitted.

Indicate the following in your response:

1. Key Staff Narrative: roles and responsibilities of key staff: resume and background information of each person.
2. Organization Experience Narrative: summarize your organization’s experience in affordable housing development - specifically skills and experience relating to the development of shelters or other similar facilities; housing management, and / or other areas relevant to the proposed project. Also describe how your organization will implement this project.
3. Management Team Experience: resume for each member of the Development Team.
4. Evidence of prior experience operating shelters and evidence depicting project feasibility throughout the restricted use period.

Demonstrated Proof of Financial Capacity: Demonstrated proof of Financial Capacity indicating the financial position of the Developer for the past three years including annual income statements prepared by an independent, licensed CPA, or for a newly formed entity, current income statements prepared by an independent CPA for all principals covering the past three years. Additional information shall include financial references, including the name of the bank, financial institution or individual used as a reference and their names and phone number.

Prior experience working with Federal Funding: This project utilizes federal funding; thus, the ideal candidate should have prior experience working with federal funding. Document the firm's experience working with federal funding.

4.2.4.1 History and Current Status of the Proposer

The following issues should be fully responded to in this part of your proposal in concise narrative form, or as required. Additional sheets should be used, but they should reference each issue and be presented in the same order. A detailed listing of the qualification of the DEVELOPER, including:

1. An organizational chart.
2. Most recent Audit Review.
3. List all pending lawsuits which are concerned directly with the staff or part of your organization proposed for the contract.
4. List all judgments from lawsuits in the last 5 years, which are concerned directly with the staff or part of your organization, proposed for the contract.
5. List all bankruptcies filed by the organization or any of its principals in the last 5 years.
6. List all board members who are City of Fort Lauderdale employees.
7. List all board members who hold a position as an elected or appointed member of Fort Lauderdale City government.

4.2.5 Leveraging Resources

Firms should provide financial approval letters from other lenders and a detailed breakdown of the total budget and sources of any other revenue that will be used for the proposed project. The minimum leveraging resources must be at least 12.5% of the total funding provided by City (in-kind contributions not included). Refer to Exhibit 2 – Affordable Housing Resource Guide for other funding sources.

Proposed Financing Plan. The Proposed Financing Plan should describe all proposed sources of financing, probable conditions, equity injections, credit enhancement, debt coverage ratios and return on investment. It should be supported by a financial proforma which includes detailed development cost and source and use statement identifying all hard and soft cost, land cost, cost of construction, projected income, debt service, square foot cost and proposer's profit, a cash flow statement over a period of ten years including all assumptions, showing income, expenses, net operating income, debt service and cash flow, funding commitments letters, type of security for completion of the development, guarantees and bonding capacity, public subsidies and incentives requested.

4.2.6 References

Provide at least three references, preferably government agencies, for projects with similar scope as listed in this RFP. Information should include:

- Client Name, address, contact person telephone and E-mail addresses.
- Description of work.
- Year the project was completed.
- Total cost of the project

Note: Do not include City of Fort Lauderdale work or staff as references to demonstrate your capabilities. The Committee is interested in work experience and references other than the City of Fort Lauderdale.

4.2.7 Minority/Women (M/WBE) Participation

If your firm is a certified minority business enterprise as defined by the Florida Small and Minority Business Assistance Act of 1985, provide copies of your certification(s). If your firm is not a certified M/WBE, describe your company's previous efforts, as well as planned efforts in meeting M/WBE procurement goals under Florida Statutes 287.09451.

4.2.8 Subcontractors

Proposer must clearly identify any subcontractors that may be utilized during the term of this contract.

4.2.9 Required Documentations

All required forms and documents must be submitted with each Proposal, non-submission may result in proposals deemed non-responsive.

A. Proposal Certification

Complete and attach the Proposal Certification provided herein.

- i. Indicate leveraging resource percentage.

B. Non-Collusion Statement

This form is to be completed and inserted in this section.

C. Non-Discrimination Certification Form

This form is to be completed and inserted in this section.

D. E-Verify Affirmation Statement

This form must be completed and inserted in this section.

E. Sample Insurance Certificate

Demonstrate your firm's ability to comply with insurance requirements. Provide a previous certificate or other evidence listing the Insurance Companies names for the required coverage and limits.

F. W-9 for Proposing Firm

This form must be completed and inserted in this section.

G. Active Status Page from Division of Corporations – Sunbiz.org

Provide PDF to denote current status.

H. Attachments

Include the following completed attachments:

- i. Attachment 1 - Project Development Schedule
- ii. Attachment 2 - Project Budget/Source of Funding and uses
- iii. Attachment 3 - Project Total Cost
- iv. Attachment 4 – Project Pro Forma for Operating Statement
- v. Attachment 5 - Completed Project

I. City of Fort Lauderdale- Affidavit of Compliance with Foreign Entity Laws

This form is to be completed and inserted in this section.

END OF SECTION

SECTION V – EVALUATION AND AWARD

5.1 Evaluation Procedure

5.1.1 Bid/Proposal Tabulations/Intent to Award

Notice of Intent to Award Contract/Bid/Proposal, resulting from the City's Formal solicitation process, requiring City Commission action, may be found at:

<https://www.fortlauderdale.gov/government/departments-a-h/finance/procurement-services/notices-of-intent-to-award>. Tabulations of receipt of those parties responding to a formal solicitation may be found at:

<https://www.fortlauderdale.gov/government/departments-a-h/finance/procurement-services/bid-results>, or any interested party may call the Procurement Services Division at 954-828-5933.

5.1.2 Evaluation of proposals will be conducted by an Evaluation Committee, consisting of a minimum of three members of City Staff, or other persons selected by the City Manager or designee. All committee members must be in attendance at scheduled evaluation meetings. Meetings may be in person or virtual. Proposals shall be evaluated based upon the information and references contained in the responses as submitted.

5.1.3 The Committee may short list Proposals that it deems best satisfy the weighted criteria set forth herein. The committee may then conduct virtual interviews and/or require virtual oral presentations from the short-listed Proposers. The Evaluation Committee shall then re-score and re-rank the short-listed firms in accordance with the weighted criteria.

5.1.4 The City may require visits to the Proposer's facilities to inspect record-keeping procedures, staff, facilities and equipment as part of the evaluation process.

5.1.5 The final ranking and the Evaluation Committee's recommendation may then be reported to the City Manager for consideration of contract award.

5.2 Evaluation Criteria

5.2.1 The City uses a mathematical formula to determine the scoring for each individual responsive and responsible firm based on the weighted criteria stated herein. Each evaluation committee member will rank each firm by criteria, giving their first ranked firm a number 1, the second ranked firm a number 2, and so on. The City shall multiply that average ranking by the weighted criterion identified herein to determine the total the points for each Proposer. The lowest average final ranking score will determine the recommendation by the evaluation committee to the City Manager.

5.2.2 Weighted Criteria

Organizational Experience and Financial Capacity	30%
Approach to Scope of Work	35%
Leveraging Resources and Financing Plan	25%
References	10%
TOTAL PERCENT AVAILABLE:	100%

5.3 Contract Award

The City reserves the right to award a contract to the Developer who will best serve the interest of the City. The City reserves the right, based upon its deliberations and in its opinion, to accept or reject any or all proposals. The City also reserves the right to waive minor irregularities or variations of the submittal requirements and RFP process.

END OF SECTION

HOME-ARP Program Fact Sheet: Non-Congregate Shelter

Overview:

HOME-ARP funds may be used to acquire and develop non-congregate shelter (HOME-ARP NCS) for individuals and families that meet one of the Qualifying Populations defined in the CPD Notice: *Requirements for the Use of Funds in the HOME-American Rescue Plan Program* (“the Notice”). NCS provides private units or rooms as temporary shelter to individuals and families and do not require occupants to sign a lease or occupancy agreement. This 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. The Notice establishes requirements applicable to HOME-ARP NCS.

Eligible Activities and Costs:

- **Eligible Activities:** HOME-ARP funds may be used to acquire, rehabilitate, or construct NCS units to serve individuals and families Qualifying Populations.
- **Eligible Costs:** HOME-ARP funds may be used for:
 - **Acquisition Costs:** Costs to acquire improved or unimproved real property for use as or development of HOME-ARP NCS.
 - **Demolition Costs:** Costs to demolish existing structures for the purpose of developing HOME-ARP NCS.
 - **Development Hard Costs:** Costs to rehabilitate or construct HOME-ARP NCS units to meet the HOME-ARP minimum habitability standards. Costs to make 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:** Reasonable and necessary costs incurred by the PJ, subrecipient, or project owner 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.
- **Ineligible Costs:** HOME-ARP funds may not be used to pay ongoing costs of operating HOME-ARP NCS or to convert NCS to housing.

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 unless the PJ determines such fees and charges are customary and reasonable and the charges comply with [24 CFR 578.77\(b\)](#).

- PJs are encouraged to incorporate HOME-ARP NCS units into the CE established by the CoC(s) for the area the NCS is funded to serve, if the CE complies with the requirements established in the HOME-ARP Notice.
- HOME-ARP supportive services may also be provided, if needed, to Qualifying Populations served by the NCS.

Project Requirements:

- Property and Habitability Standards: At project completion, HOME-ARP NCS units and common areas must meet all applicable State and local codes, ordinances, and requirements and HUD’s Lead Safe Housing Rules at [24 CFR Part 35](#). Project classification as acquisition only, rehabilitation, or new construction is determined by the PJ’s local code requirements based on specific work to be performed. Projects must meet HOME-ARP NCS ongoing property standards throughout the restricted use period.
- Restricted Use Period: HOME-ARP NCS projects must comply with HOME-ARP requirements during the restricted use period established in the HOME-ARP Notice.

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

- Use as NCS: The NCS may remain as HOME-ARP NCS for the restricted use period or may be used as NCS under the Emergency Shelter Grant (ESG) program.
- Conversion to Housing: ARP permits HOME-ARP NCS units to be converted into permanent housing under the Continuum of Care (CoC) program or permanent affordable housing during the restricted use period in accordance with requirements established in the Notice. No HOME-ARP funds may be used for conversion.
 - Minimum Use Period: All HOME-ARP NCS projects must be operated as NCS for a minimum period of time prior to conversion. 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.
 - Permanent Affordable Housing: During the restricted use period, but only after the HOME-ARP NCS minimum use period, a PJ may provide written approval to convert the project from HOME-ARP NCS to permanent affordable housing (e.g., affordable multifamily rental housing, transitional housing) in accordance with the requirements prescribed in the PJ’s written agreement with the HOME-ARP NCS owner.
 - CoC Permanent Housing: During the restricted use period, but only after the HOME-ARP NCS minimum use period has been met, a PJ may permit conversion of a HOME-ARP NCS project to permanent housing under [24 CFR 578.43](#) (acquisition) and/or [24 CFR 578.45](#) (rehabilitation) of the CoC program regulations. Conversions must comply with any conversion requirements established in the PJ’s written agreement with the HOME-ARP NCS owner. If conversion is planned, the HOME-ARP NCS use restrictions must

remain in place until the project is approved for CoC funding and the required CoC restrictions are imposed on the property.

PJ Management and Oversight:

- Project Development Due Diligence: Before awarding HOME-ARP funds to a HOME-ARP NCS project, PJs must determine that acquisition and/or development is financially feasible. The PJ is responsible for maintaining continued operation of the NCS and must consider whether the HOME-ARP NCS project has secured or has a high likelihood of securing operating funding, because operating costs cannot be paid with HOME-ARP.

PJs must assess HOME-ARP NCS projects, including a review of information from the owner and/or developer that demonstrates the project's financial feasibility throughout the restricted use period.

Before committing funds, PJs should also determine whether the owner intends to continue operating the project as HOME-ARP NCS or emergency shelter NCS under ESG for the restricted use period or plans to convert the HOME-ARP NCS to housing after the minimum use period has been met. In such instances, the PJ should consider the physical design needs of an eventual conversion in its evaluation of the HOME-ARP NCS project.

AFFORDABLE HOUSING RE\$OURCE GUIDE



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INTRODUCTION

This Affordable Housing Resource Guide was developed by the Florida Housing Coalition as a quick but comprehensive and current reference source for affordable housing providers, including local governments and nonprofit organizations.

This guide is particularly geared toward nonprofit organizations that currently provide affordable housing or are considering becoming affordable housing developers and/or owners.

The resources described are intended for use for all types of affordable housing including home ownership and purchase assistance, small and large rental housing, supportive housing, and ending homelessness. The resources are differentiated by the beneficiary whether directly to the household or to be used by affordable housing developers or managers.

The guide is organized into three main sections followed by a Glossary of Terms:

1. Funding resources suitable for homeownership purchase, rehabilitation and development.
2. Funding resources suitable for rental rehabilitation, acquisition and development including special needs housing and energy retrofit funds.
3. Funding resources and programs for rental assistance and ending homelessness.

The resources outlined in this guide include public and private sources. Public sources may be local, state or federal. Private sources include financial resources such as community development financial institutions and the Federal Home Loan Bank. Each funding source has an entry that briefly describes the program, including the types of housing it supports, eligible applicants, the forms of subsidy it provides, and which organization administers the funds. It is important to note that funds for many federal programs are passed through to state and/or local governments, which are often given wide latitude in designing programs to administer the funds.

Some of the funding sources are most accessible to small-scale developers while others are often used by developers of large projects. Additionally, some funding sources that are traditionally used for large-scale multifamily developments may be available for small-scale developers in some circumstances. For example, Florida Housing Finance Corporation (FHFC) targets some of the Low Income Housing Tax Credit (LIHTC) and State Apartment Incentive Loan (SAIL) funds it administers to small-scale projects. Some FHFC applications are for nonprofit organizations exclusively.

The information in this guide is reasonably comprehensive and can be a starting point for the prospective funding applicant to search for more information. Applicants should contact the agencies listed in each entry to learn more about available funds and what types of projects are priorities in their geographic area. In addition, applicants should be aware that regulations and funding priorities for some programs may have changed since this guide was published.

The resources described are intended for use for all types of affordable housing including home ownership and purchase assistance, small and large rental housing, supportive housing, and ending homelessness. The resources are differentiated by the beneficiary whether directly to the household or to be used by affordable housing developers or managers.

Acronyms

AHP	Affordable Housing Program (Federal Home Loan Bank of Atlanta)
ALF	Assisted Living Facility
AMI	Area Median Income
CCTC(P)	Community Contribution Tax Credit (Program)
CDBG	Community Development Block Grant
CDBG-DR	Community Development Block Grant-Disaster Recovery
CHDO	Community Housing Development Organization
DEO	Department of Economic Opportunity
DPA	Down Payment Assistance
FCLF	Florida Community Loan Fund
FEMA	Federal Emergency Management Agency
FHFC	Florida Housing Finance Corporation (or "Florida Housing")
FSS	Family Self-Sufficiency Program
FTHB	First-Time Homebuyer Program
FY	Fiscal Year
HCV	Housing Choice Voucher (also known as a "Section 8 Voucher")
HFA	Housing Finance Agency
HHRP	Hurricane Housing Recovery Program
HOME	HOME Investment Partnerships Program
HOP	Homeownership Pool Program
HUD	U.S. Department of Housing and Urban Development
IDA	Individual Development Account
LHAP	Local Housing Assistance Plan
LIHTC	Low Income Housing Tax Credits (or "Housing Credits")
LTV	Loan-to-Value Ratio

MMRB	Multifamily Mortgage Revenue Bond Program
NOFA	Notice of Funding Availability
NSP	Neighborhood Stabilization Program
OZ	Opportunity Zone
PBRA	Project-Based Rental Assistance (acronym generally used for HOME and Section 8)
PBV	Project-Based Voucher
PHA	Public Housing Authority
PJ	Participating Jurisdiction
PLP	Predevelopment Loan Program
PRA	Project Rental Assistance (acronym generally used for Section 202 and Section 811)
RA	Rental Assistance
RFA	Request for Applications
RHS	Rural Housing Service
RRH	Rapid Re-Housing
RRLP	Rental Recovery Loan Program
SAIL	State Apartment Incentive Loan Program
SBA	Small Business Administration
SHIP	State Housing Initiatives Partnership Program
SPRAC	Senior Preservation Rental Assistance Contract
TA	Technical Assistance
TBRA	Tenant-Based Rental Assistance
TBV	Tenant-Based Voucher
USDA	U.S. Department of Agriculture
WAP	Weatherization Assistance Program



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Funding Sources for **HOMEOWNERSHIP**

Funding Sources for Homeownership

Homeownership housing assistance can be direct to the buyer, as in down payment or purchase assistance, or construction financing for developers of single-family housing. Single family development typically requires funding for predevelopment, site acquisition and construction. Permanent financing flows to the homebuyer through financial institutions which pays off the construction loan and costs. Subsidies enable the home to be sold at an affordable price to the low or moderate-income buyer. Thus, to be successful in developing affordable single-family housing, the developer must be able to provide construction financing and market the homes to eligible buyers. It is important that the local housing assistance programs provide homebuyer training for prospective homeowners and conduct the proper income compliance procedures. Successful programs make use of community land trusts, surplus land, and development incentives to make the homes affordable for not only the first, but subsequent buyers.

In order to prepare for using purchase assistance and homeownership resources, the housing provider, assuming it is a nonprofit organization, must have established procedures for the steps required to build and sell homes to eligible purchasers. All of the components need to be assembled and ready to be deployed before embarking on just one part of the process. These components include the following:

- **Land availability** either owned or available as surplus land or for purchase. Land must be suitable for single family housing development and meet locational criteria consistent with program goals
- **Interested buyers** who are of the targeted income and demographic categories for program participation
- **A housing counseling program** for buyers to improve their credit and to understand the responsibilities of owning a home
- **Lenders** willing to participate in the program whose fees and terms are consistent with subsidy sources
- **Qualified home builders** or renovation specialists with suitable home models and clearly defined construction costs and production time frame
- **Other qualified and competent partners** including inspectors, surveyors, appraisers, title agents, legal representation, and Realtors
- **Internal staff capacity** to dedicate time and appropriate skill sets to conduct marketing, intake, income certification, counseling, construction management, funding sources expertise, and compliance
- **Financial capacity** to operate the intake and development process with sound fiscal management
- **Good will** with the community in general and with the local government housing administrators

Community Contribution Tax Credit (CCTC) – Ownership

The Community Contribution Tax Credit (CCTC) program is a state tax incentive that allows businesses to declare a tax credit on Florida corporate income tax, insurance premium tax, or sales tax refund for donations made to local community development projects. Affordable housing projects are not required to be located in an Enterprise Zone or Front Porch Community to be eligible for the credit, but other CCTC project types must be located in these areas.

<p>Applicants Corporations that make donations to Community Development and Affordable Housing nonprofits or government agencies</p>	<p>Housing Type Homeownership, Rental</p>
<p>Application Cycle Year-round</p>	<p>Primary Use Acquisition, Construction, Rehabilitation</p>

The CCTC program allows businesses that donate cash, property or goods to an approved community-based organization or government agency to take a credit against Florida corporate income tax, insurance premium tax or sales tax refund. Approved sponsors of a project may construct, improve, or substantially rehabilitate housing, commercial, industrial or public facilities or promote entrepreneurial or job development opportunities for low income (at or below 80% of AMI) persons.

For each dollar donated, businesses may receive up to \$0.50 in tax credits and the donation may also be deducted from federal taxable income. The annual amount of the credit granted is limited to \$200,000 per firm and for fiscal year 2019-2020, a total of \$17 million in tax credits are available for the state. Unused credits may be carried forward for up to five years. Prior to making a CCTCP donation, a business should contact the Department of Economic Opportunity to confirm that the project is eligible for a tax credit.

The most successful beneficiaries for this program in the past decade have been local affiliates of Habitat for Humanity. Habitat affiliates seek approval under the program as community-based organizations, and solicit and receive donations from qualified corporations. The funds raised from the donations are used to purchase materials and supplies for the construction of affordable homes.

PROGRAM CONTACT:

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Website: <http://www.floridajobs.org/business-growth-and-partnerships/for-businesses-and-entrepreneurs/business-resources/community-contribution-tax-credit-program>

Community Development Block Grant (CDBG) – Ownership

The Community Development Block Grant (CDBG) is a HUD-administered federal program. Funds may be provided as a subsidy to housing developers, or directly to homeowners or homebuyers. HUD provides CDBG grants on a formula basis directly to urban counties and larger cities (called Entitlement Communities), and to state governments to award on a competitive basis to non-entitlement communities.

<p>Applicants</p> <p>Affordable housing developers, Individuals</p>	<p>Housing Type</p> <p>Homeownership, Rental</p>
<p>Application Cycle</p> <p>State or local government control based on annual Congressional appropriation</p>	<p>Primary Use</p> <p>Gap financing, Emergency repairs, Acquisition, Rehabilitation, Slum and blight clearance, Infrastructure, Public Services</p>

CDBG funds can be used for a wide range of programs that meet at least one of three national objectives: 1) Benefit to low- and moderate-income* persons, 2) Prevent or eliminate slums and blight, or 3) Meet urgent community needs. At least 70% of a local government’s CDBG award must benefit low- and moderate-income persons. A community’s housing activities using CDBG funds often qualify under the low/moderate-income national objective but can qualify under the other two national objectives in some cases.

Homeownership Assistance: CDBG allows two broad categories of homeownership assistance - homeowner rehabilitation and home purchase activities. Homeowner rehabilitation programs provide homeowners with funds for moderate and substantial rehabilitation, energy efficiency improvements, accessibility modifications, and demolition and reconstruction of a home on the same property.

Home purchase assistance programs are limited to low- and moderate-income homebuyers in most cases and may include assistance with down payment and closing costs, principal write-downs, interest rate subsidies, loan guarantees, and subsidies for homebuyers’ Individual Development Accounts (IDAs). CDBG funds may also be provided to affordable housing developers to subsidize the cost of property acquisition and rehabilitation for sale to eligible families. New construction of ownership housing is allowed only in limited circumstances.

Eligible Applicants:

- Florida Small Cities CDBG (administered by the Florida Department of Economic Opportunity) – Non-Entitlement cities and counties apply for funds through an annual competitive process, and then award funds to local agencies, homeowners, and homebuyers.
- Entitlement Communities – Housing developers, property owners, and homebuyers need to contact their respective city or county to ask how the CDBG entitlement funds are being used in their community. There is wide variation among cities and counties as to how they use these funds.

PROGRAM CONTACT:

For Local Entitlement Communities – HUD, Local Government Housing and Community Development Departments.

The contact information for the cities and counties that receive CDBG funds directly from HUD is listed at the following website: <http://portal.hud.gov/hudportal/HUD?src=/states/florida/community/cdbg>

For Non-Entitlement Communities – Contact the Florida Small Cities Program

<http://www.floridajobs.org/community-planning-and-development/assistance-for-governments-and-organizations/florida-small-cities-community-development-block-grant-program>.

Roger Doherty

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*Note that CDBG regulations have a different definition for the term “low-income” than the one used in Florida Statutes. CDBG defines a low-income household as having an income at or below the “very low-income” threshold established by HUD for the Section 8 program, and a moderate-income household as having an income at or below the Section 8 “low-income” threshold but above the “very low-income” threshold. The Florida Statutes use the Section 8 definitions of low-income ($\leq 80\%$ of area median income) and very low-income ($\leq 50\%$ of area median income). HUD updates Section 8 income limits on an annual basis, with some mathematical adjustments made for geographic areas where housing costs or incomes are exceptionally low or high.

Community Development Block Grant (CDBG-DR) – Ownership

Community Development Block Grant Disaster Recovery (CDBG-DR) funding is designed to address housing, infrastructure and economic development needs that remain after other assistance has been exhausted, including federal assistance and private insurance. Following a disaster, Congress makes an appropriation of CDBG-DR funding based on preliminary damage assessments. Once HUD prepares a notice of how the funds may be allocated, and publishes it to the Federal Register, the state must prepare an Action Plan. The Action Plan, once approved by HUD, is implemented to provide funding for a variety of activities including home repair, rental housing repair, and the development of new multifamily housing. The buyout of homes that have been repetitively damaged may also be undertaken.

Applicants Communities that have received a disaster declaration and are named in the HUD Allocation post disaster	Housing Type Homeownership, Rental
Application Cycle Based on Action Plan provisions	Primary Use Repair, reconstruction, replacement, voluntary buyout, infrastructure, economic revitalization

CDBG-DR funds can be used for a wide range of recovery related activities. The activities are described in the Action Plan. Unless the requirement is waived, at least 70% of CDBG-DR funds must benefit low and moderate-income persons. CDBG-DR funding typically meets the national objective of meeting urgent needs.

Homeowner Assistance: CDBG-DR funds can be used to help survivors repair or rebuild their homes. Since the funding is for meeting unmet needs, all other funds must be exhausted, including FEMA, private insurance, SBA loans, or charitable giving. Funds can be used to make repairs, reconstruct homes, elevate them, or for acquisition. Low and moderate-income households are prioritized.

Eligible Applicants: The general public cannot apply directly for CDBG-DR funding. In Florida, the Department of Economic Opportunity (DEO) is the grantee of CDBG-DR funds. The Action Plan for each disaster provides the structure for implementation. Applicants must apply through the state agency or to the local government that was awarded funding. CDBG-DR funds can be combined with other federal funding sources but cannot duplicate other disaster assistance benefits. CDBG-DR funds can be used as a “non-federal” source to match other federal programs such as the Hazard Mitigation Grant program.

PROGRAM CONTACT:

CDBG-DR funds flow directly from HUD to Florida’s Department of Economic Opportunity.
<http://www.floridajobs.org/community-planning-and-development/assistance-for-governments-and-organizations/disaster-recovery-initiative>

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*Note that CDBG regulations have a different definition for the term “low-income” than the one used in Florida Statutes. CDBG defines a low-income household as having an income at or below the “very low-income” threshold established by HUD for the Section 8 program, and a moderate-income household as having an income at or below the Section 8 “low-income” threshold but above the “very low-income” threshold. The Florida Statutes use the Section 8 definitions of low-income ($\leq 80\%$ of area median) and very low-income ($\leq 50\%$ of area median). HUD updates Section 8 income limits on an annual basis, with some mathematical adjustments made for geographic areas where housing costs or incomes are exceptionally low or high.

Federal Home Loan Bank Affordable Housing Program (AHP) – Ownership

The Federal Home Loan Bank Affordable Housing Program (AHP) is a competitive program offering a flexible source of funding designed to help member financial institutions and their community partners develop affordable owner-occupied and rental housing for very low- to moderate-income families and individuals.

<p>Applicants Nonprofits and for-profits through FHLBank members or the Florida Community Loan Fund</p>	<p>Housing Type Homeownership, Rental</p>
<p>Application Cycle Annual, Competitive</p>	<p>Primary Use New Construction, Rehabilitation, Acquisition</p>

The AHP provides direct subsidies (grants) and below interest rate loans to Federal Home Loan Bank members (financial institutions) engaged in lending to local governments and for- and nonprofit corporations for the creation of affordable housing. Generally, AHP funds are leveraged with other sources of funds for construction, rehabilitation, or development of housing that may be either rental or ownership. Housing providers request member banks in their community to sponsor their application in the once per year competitive cycle. The bank actually makes the application and the funds are passed through to the nonprofit to contribute to the development of the project. The funds are usually in a grant form so the end cost of the housing can be affordable to low- or moderate-income households.

AHP subsidized units must serve households earning 80% or less of the area median income. Subsidies under AHP must be used to finance the purchase, construction, and/or rehabilitation of the owner occupied and rental housing. Rental projects are required to ensure that 20 percent of the total units are for very low income (50% or less of AMI) families.

Eligible Applicants/Application Process: Member Banks hold at least one competitive application cycle annually. Project sponsors must register through the FHLBank website in order to obtain a user ID and password (required to access the AHP application). Once the sponsor completes an application, it must be approved and submitted for review through a FHLBank member financial institution. Applications are ranked by score, in descending order, and funds are awarded until the available subsidies are exhausted.

PROGRAM CONTACT:

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Federal Home Loan Bank of Atlanta
1475 Peachtree Street, N.E.
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Website: www.fhlbatl.com
For other FHL banks: www.fhlnbanks.com

First Time Homebuyer – Single Family Mortgage Revenue Bond – Ownership

The First Time Homebuyer (FTHB) – Single Family Mortgage Revenue Bond program is administered by FHFC. The program provides low-interest financing to participating lenders. Applicants may apply for home loans from these lenders and receive a lower interest rate plus down payment assistance.

Applicants Individuals	Housing Type Homeownership
Application Cycle Year-round	Primary Use Gap financing, Acquisition of new or existing single-family homes or condos

The FTHB program offers 30-year fixed-interest mortgage loans to first-time homebuyers through its network of participating lenders and lending institutions. Applicants who are not first-time homebuyers may still be eligible for this program if the home being purchased is in a federally designated targeted area or if the applicant is a qualified veteran. This program uses income and purchase price limits to determine eligibility. Additionally, a potential homebuyer must complete a 6-8 hour face-to-face homebuyer education class, be able to qualify for a mortgage, and have a minimum credit score of 640.

In conjunction with the FTHB program, FHFC offers up to \$10,000 in down payment and closing cost assistance for families with incomes up to 120 percent of AMI. Assistance is given as a second mortgage loan. Note that this source of down payment assistance is only available to homebuyers receiving a FTHB loan; it is not a stand-alone product.

Income and purchase price limits vary by county, and may be viewed on the First Time Homebuyer Wizard on FHFC's website at <https://apps.floridahousing.org/StandAlone/FTHBWizard>.

The Wizard will also provide contact information for participating lenders in your county.

Eligible Applicants: First-time Homebuyers, qualified veterans, persons purchasing a home in a federally designated target area.

PROGRAM CONTACT:

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Florida Community Loan Fund – Ownership

The Florida Community Loan Fund (Loan Fund) is an independent, privately supported financial intermediary that provides capital and technical assistance to qualifying organizations that have insufficient access to capital from conventional lending sources throughout the state of Florida. The Loan Fund seeks low-interest loans and equity capital contributions from socially concerned institutions and individuals. Contributions are then used to make below market interest rate loans to eligible nonprofits to support economic development, affordable housing and social services in urban and rural, low-income communities.

Applicants Non-profit sponsors, mission focused for-profits	Housing Type Homeownership, Rental, Supportive Housing
Application Cycle Open	Primary Use Gap Financing, New Construction, Rehabilitation, Acquisition

The Loan Fund provides various types of financing to meet the needs of non-profit organizations and mission-based for-profit organizations that develop affordable housing, supportive housing, community facilities, and economic development projects. This financing can include loans for new construction, preservation, rehab, acquisition, lines of credit, and/or longer-term permanent financing. Loans from \$20,000 to \$400,000, with variable terms and interest rates are made for the following: (1) low-income (persons at 80 percent or less of the area median income) housing development or improvement; (2) job creation (one job created or retained per \$10,000 borrowed) for low-income individuals; and (3) social service loans, as long as the loan will positively impact the economic stability of a community.

The Florida Community Loan Fund is also a sponsor for Florida applications to the Federal Home Loan Bank- Atlanta for the Affordable Housing Program (AHP) annual grants cycle.

Eligible Applicants/Application Process: Nonprofit, 501(c)(3) organizations that have a strong community base and serve low income communities within the state of Florida may either complete a pre-application by mail or online. If all criteria are met (management capacity, financial capacity and development impact, support and feasibility) and the Loan Fund’s Board of Directors approves the request, a loan agreement is executed between the borrower and the Loan Fund. The Loan Fund provides flexibility in its loan products in an effort to meet borrower needs.

PROGRAM CONTACT:

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 Orlando FL 32803

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Website: www.fclf.org

HOME Investment Partnerships Program (HOME) – Ownership

HOME is a HUD-administered federal program that provides funding for local communities to provide affordable housing for low- and very low-income residents. HOME funds can provide construction or acquisition/rehabilitation subsidies for affordable housing developers, purchase assistance and gap financing for homebuyers, rehabilitation assistance for homeowners, and tenant-based rental assistance.

Applicants Low- and very low-income households; Nonprofit and for-profit affordable housing developers	Housing Type Homeownership, Lease Purchase, Rental
Application Cycle Varies by Participating Jurisdiction	Primary Use Acquisition, Purchase assistance, Rehabilitation, Gap financing, Rental assistance

Homeownership: HOME funds can be used for property acquisition, new construction, and rehabilitation of housing to be owner-occupied. Funds may be provided to developers to subsidize construction or acquisition/rehabilitation, allowing the homes to be sold at a lower price. Rehabilitation assistance can also be provided directly to eligible homeowners.

HOME may also be used to provide down payment and closing cost assistance to homebuyers, as well as gap financing to reduce monthly mortgage payments. Assistance is provided in the form of grants, low-interest loans, deferred-payment loans, loan guarantees, and interest buydowns. Long-term affordability is achieved by the use of either a recapture mechanism or a resale requirement recorded as a deed restriction or covenant.

Eligible Applicants: HOME funds are provided directly to local government Participating Jurisdictions (PJs) on a formula basis. PJs then award the funds to developers, homeowners, homebuyers, and renters according to a locally determined process. At the state level, FHFC also receives a HOME allocation and provides the funds for homeownership activities through the Homeownership Pool Program (HOP).

Fifteen percent of HOME funds awarded to state governments and local PJs are reserved for projects by Community Housing Development Corporations (CHDOs). CHDOs are community-based nonprofit housing developers and providers that meet certain HUD criteria for geographic and programmatic focus and board structure. PJs, not HUD, are responsible for certifying organizations seeking CHDO status.

PROGRAM CONTACT:

Local HOME (Participating Jurisdictions)

You can identify your local PJ by going to the web page below, and by selecting Florida as the location, and HOME Investments Partnership as the program <https://www.hudexchange.info/grantees/>

If your city or county is not listed as a local Participating Jurisdiction, HOME funding for your area is allocated through the State HOME PJ- Florida Housing Finance Corporation.

David Westcott

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Homeownership Pool (HOP) Program – Ownership

The HOP Program is funded by developers who reserve funds for eligible homebuyers to assist with down payment assistance (DPA). This non-competitive, on-going program serves eligible homebuyers on a first-come, first-served basis.

Applicants For-profit and nonprofit housing developers	Housing Type Homeownership
Application Cycle Year-round	Primary Use Down Payment Assistance

Available to both nonprofit and for-profit organizations, HOP funds are available to approved homebuyers purchasing newly constructed homes from HOP member builders. Eligible homebuyers with income that does not exceed 80% AMI receive a 0% deferred second mortgage loan for the lesser of \$25,000 or the amount necessary to meet underwriting criteria. Eligible buyers with disabilities and buyers at 50% AMI or below are limited to the lesser of \$35,000 or the amount necessary to meet underwriting criteria.

An eligible organization that becomes a member of the HOP Pool reserves financing for qualified homebuyers on a loan-by-loan basis. As homes near completion, a borrower analysis package for each contracted eligible buyer is submitted to FHFC. Upon approval, HOP funds are provided to reduce the purchase price. This creates affordability and provides closing costs assistance to the homebuyer. Funds may be reserved for a maximum of 180 days and are restricted to no more than 10 homebuyer reservations in the system at one time, per developer.

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HOP Homeownership Pool HOME –

To view the rules and forms for the HOP program, visit [https://www.floridahousing.org/programs/homebuyer-loan-program-wizards/homeownership-pool-\(hop\)-program/rule-and-program-documents](https://www.floridahousing.org/programs/homebuyer-loan-program-wizards/homeownership-pool-(hop)-program/rule-and-program-documents)

Hurricane Housing Recovery Program (HHRP) – Ownership

The Hurricane Housing Recovery Program (HHRP) was activated in response to Hurricane Michael’s devastation of homeowner properties and small and large rental properties. The Florida Legislature allocated \$65 million from the State’s Sadowski Affordable Housing Trust Fund for a broad range of recovery strategies. The HHRP is administered by FHFC through the SHIP jurisdictions located in the impacted counties. Of note, HHRP was initially offered in response to damage by the storms in the 2004 hurricane season along with the Hurricane Rental Recovery Loan Program (RRLP).

<p>Applicants For-Profit, Nonprofit, Public Agencies, Individuals</p>	<p>Housing Type Homeownership, Rental</p>
<p>Application Cycle Local government control based on specific appropriation</p>	<p>Primary Use Repairs, rehabilitation, acquisition, new construction, purchase assistance</p>

The Florida Legislature passed legislation that appropriated dollars to HHRP’s hurricane recovery activities under the following proviso language:

From the funds in Specific Appropriation 2316A, \$65,000,000 of nonrecurring funds from the Local Government Housing Trust Fund shall be used to fund the Hurricane Housing Recovery Program for eligible counties and municipalities based on Hurricane Michael Federal Emergency Management Agency damage assessment data and population.

HHRP homeownership funds may include, but are not limited to, repair and replacement of housing; assistance to homeowners to pay insurance deductibles; repair, replacement, and relocation assistance for manufactured homes; acquisition of building materials for home repair and construction; foreclosure eviction prevention; or other strategies in the approved local housing assistance plan.

Impacted local governments that were appropriated HHRP funding include: Bay County, City of Panama City, Jackson County, Gulf County, Calhoun County, Gadsden County, Washington County, Liberty County, Leon County, City of Tallahassee, Franklin County, Wakulla County, and Holmes County.

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Hurricane Michael Recovery Loan Program - Ownership

The Hurricane Michael Recovery Loan Program provides eligible low-income homebuyers with \$15,000 of down payment assistance at 0% interest. The assistance is forgivable after five years; 20% is forgiven each year, for five years. There is not a first-time buyer requirement. This assistance is only available in the Hurricane Michael-impacted areas of Bay, Calhoun, Franklin, Gadsden, Gulf, Holmes, Jackson, Liberty, Taylor, Wakulla, and Washington Counties.

Applicants Low-income homebuyers	Housing Type Homeownership
Application Cycle Year-round	Primary Use Down Payment Assistance, Closing Cost Assistance

FHFC's Hurricane Michael Recovery Loan Program is not a stand-alone down payment assistance loan. In order to receive this assistance, a borrower must use one of FHFC's first mortgage loan products. Allowable loan products include:

- Florida First (FHA, USDA-RD, VA)
- Florida Military Heroes (FHA, USDA-RD, VA)
- Florida HFA Preferred (Fannie Mae HFA Preferred)
- Florida HFA Advantage Loan Program

These loan products require a minimum FICO score of 640.

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Update: The funds for this program have already been spent, although future funding is possible. It is notable that the Hurricane Michael Recovery Loan Program was fully used in under four months. It provided purchase assistance to 335 families impacted by Hurricane Michael.

Neighborhood Stabilization Program (NSP) – Ownership

At the height of the recession, Congress created the Neighborhood Stabilization Program (NSP) to help communities arrest and reverse blight and property value decline in neighborhoods most impacted by foreclosures and predatory lending. NSP funds were provided in three rounds in 2008, 2009, and 2010, known as NSP1, NSP2, and NSP3, respectively. Although the expenditure deadlines for NSP have passed, many grantees have and are continuing to earn program income.

<p>Applicants Nonprofit and for-profit housing developers, Individuals</p>	<p>Housing Type Homeownership, Rental</p>
<p>Application Cycle Varies</p>	<p>Primary Use Acquisition, Rehabilitation, Demolition, Reconstruction, Gap financing</p>

NSP has five eligible uses of funds:

- a. Establish financing mechanisms for purchase and redevelopment of foreclosed-upon homes and residential properties.
- b. Purchase and rehabilitate homes and residential properties that have been abandoned or foreclosed upon, in order to sell, rent, or redevelop these properties.
- c. Establish and operate land banks for homes and residential properties that have been foreclosed upon.
- d. Demolish blighted structures.
- e. Redevelop demolished or vacant properties as housing. *

Except as provided in the statutes that created the NSP funding rounds, the program is generally governed by Community Development Block Grant (CDBG) regulations. One key difference is that all NSP funds were required to benefit, low, moderate, and middle-income families (up to 50%, between 50% and 80%, and between 80% and 120% of AMI, respectively).** Moreover, grantees were required to use at least 25% of their NSP funds to provide housing for families at or below 50% of AMI.

NSP1 allocated \$3.92 billion to HUD to distribute to state governments and local CDBG entitlement communities using a formula that accounted for the prevalence of foreclosures and subprime loans. NSP2 provided \$1.93 billion on a competitive basis to entitlement communities, nonprofits, and consortia of nonprofits. For NSP3, HUD awarded \$970 million on a formula basis to state and local governments. The formula was somewhat different from that of NSP1, and some non-entitlement communities received direct allocations from HUD.

Depending on the NSP funding round, grantee type, and other factors, some program income must be spent on NSP-eligible activities. Some communities also have land banks, and properties may be used by public and private agencies to develop housing, public facilities, businesses, and other uses that benefit low-, moderate-, and middle-income people and neighborhoods. (In most cases, disposition of land bank properties for uses other than housing is

an eligible end use but must be paid for by funds other than NSP). Land bank properties may also be available to low-, moderate, and middle-income homeowners as side lots. Contact NSP grantees in your area to determine whether they have program income and/or land bank properties available.

Eligible Applicants for NSP program income funds: Varies by NSP grantee, but may include nonprofit and for-profit housing developers, homebuyer counseling agencies, and individual homebuyers.

PROGRAM CONTACT:

Local Government, Nonprofit, and Consortium Grantees

Search for NSP grantees on the HUD website: <https://www.hudexchange.info/grantees/>

State NSP— Robin Grantham, Program Manager

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*NSP1 allows vacant and demolished properties to be redeveloped for public facilities and economic development, as well as for housing.

**NSP uses the same definitions of low- and moderate-income as CDBG. One way that NSP eligible activities differ from the CDBG national objective of benefiting people with low and moderate incomes is that, in NSP, middle-income households (between 80% and 120% of AMI) are eligible.

Opportunity Zone Equity – Ownership

Opportunity Zone (OZ) equity may be used in large-scale new construction homeownership projects, or for substantial rehabilitation of dilapidated ownership/condominium units.

<p>Applicants For-Profit, Nonprofit, Individuals</p>	<p>Housing Type Homeownership, Rental</p>
<p>Application Cycle On-going, with statutory expiration December 31, 2026</p>	<p>Primary Use New construction, substantial rehabilitation, multifamily mixed use, adaptive reuse</p>

The OZ tax incentive, created in the 2017 Tax Cuts and Jobs Act, is intended to attract investment in designated census tracts called OZs. To be designated as an OZ, the identified census tract must have high rates of poverty and a large share of low-income households. Former Governor Rick Scott nominated a list of 427 census tracts throughout Florida for OZ designation, with at least one in each county in the state. All of the recommended census tracts were approved and formally designated by the U.S. Treasury.

The incentive attracts a new source of capital for the community development industry: capital gains held by corporations, individuals, and families. There are three primary means by which an investor benefits from investing capital gains into a Qualified Opportunity Fund (QOF) - an investment vehicle specifically designated by the IRS to hold capital gains for the purposes of OZ investment:

1. Deferral of capital gains tax.
2. Step-up in basis of original gain.
3. Total capital gains tax exclusion on the sale of equity after a 10-year hold period.

OZ capital is used on a project-level basis for substantial rehabilitation of existing and dilapidated housing stock, or for new construction of housing. It can be used for both homeownership and rental housing. An OZ investor will typically secure an equity stake in a project by way of investing in a QOF.

Any project sponsor may participate in utilizing OZ equity by sourcing investors for the project. There are hundreds of QOFs operating nationwide. Additionally, the OZ statute permits designation of QOFs on a project-by-project basis.

There are multiple listing services for existing QOFs nationwide, including Novogradac's listing at the following link: <https://www.novoco.com/resource-centers/opportunity-zone-resource-center/opportunity-funds-listing>

Predevelopment Loan Program (PLP) – Ownership

The Predevelopment Loan Program (PLP) is vital to developing successful affordable housing properties. Funding for predevelopment activities is difficult to obtain, especially for small nonprofit developers. FHFC fills this gap with the PLP, which offers technical assistance and low-interest loans of up to \$750,000 for site acquisition and other common predevelopment expenses.

Applicants Nonprofit and community-based organizations, Units of government, Public Housing Authorities	Housing Type Homeownership, Rental
Application Cycle Year-round	Primary Use Predevelopment costs, including site acquisition

PLP has two stages for a successful applicant. In the first stage, the applicant submits an application with information about the organization and the development. The applicant should have a site in mind and provide as much detail about the proposed development as possible, but plans may be tentative at this stage. If the application is accepted, FHFC will assign a technical assistance (TA) provider to work with the applicant to draft a predevelopment budget and a development plan. As part of this process, the TA provider assists the applicant in assembling the development team, developing operating pro formas, selecting appropriate funding sources, and analyzing the overall feasibility of the project.

The next stage begins with submission of a TA-provider-approved PLP budget and development plan to FHFC. The PLP loan, if approved, covers a wide range of activities, including:

- Land Acquisition
- Appraisals
- Title Searches
- Legal Fees
- Architectural and Engineering Fees
- Market Studies
- Permit fees
- Impact fees
- Site plan approval fees
- Environmental reviews

The PLP loan has a 1% interest rate and is non-amortizing. The loan matures three years after closing, or once construction or permanent financing is obtained, whichever comes first. For rental developments, the borrower must commit to setting aside at least 20% of units for households at or below 50% of AMI, over a 15-year affordability period. For homeownership developments, 50% of the homes must be sold to buyers whose incomes do not exceed 80% of AMI, and the remaining units sold to buyers at or below 120% of AMI.

Eligible Applicants: PLP is available to nonprofit and community-based organizations, units of government, and public housing authorities. Limited liability companies and limited partnerships that are controlled by nonprofits are also eligible.

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State Housing Initiatives Partnership (SHIP) – Ownership

State Housing Initiatives Partnership (SHIP) funds may be provided to developers or individuals to rehabilitate or construct owner-occupied residences or for down payment and closing costs.

<p>Applicants For-profit, Nonprofit, Public Agencies, Individuals</p>	<p>Housing Type Homeownership, Rental</p>
<p>Application Cycle Local Government Control Based on Annual Legislative Appropriation</p>	<p>Primary Use Gap Financing, New Construction, Repairs, Rehabilitation, Acquisition</p>

Created in 1992 as part of the William E. Sadowski Affordable Housing Act, the State Housing Initiatives Partnership (SHIP) Program’s mission is threefold:

1. Provide funding to eligible local governments for the implementation of programs that create and preserve affordable housing;
2. Foster public-private partnerships to create and preserve affordable housing; and,
3. Encourage local governments to implement regulatory reforms and promote the development of affordable housing in their communities by using funds as an incentive for private development.

Funds are allocated to every Florida county, as well as municipalities, which receive Community Development Block Grant (CDBG) entitlement funds.

SHIP homeownership funds may be used for emergency repairs, rehabilitation, gap financing, mortgage buy-downs, acquisition of owner-occupied property for affordable housing, and match for federal housing loans and grants. A minimum of 65 percent of a local government’s total annual distribution of SHIP funds must be used for home ownership. A minimum of 75 percent of a local government’s total annual distribution of SHIP funds must be used for construction-related activities, including rehabilitation, emergency repairs, or financing for a newly constructed or rehabilitated unit. Ownership units subsidized with SHIP must be sold to income eligible households at a maximum price determined by the local government.

At least 30 percent of a local government’s total annual distribution of SHIP funds must be reserved for awards to very low-income persons (50 percent AMI), and an additional 30 percent of funds must be awarded to low-income persons (80 percent AMI). The remainder may serve any combination of very low, low- or moderate-income persons (120 percent AMI).

Eligible Applicants: Individuals, nonprofit organizations, and for-profit developers must apply to a local government for funding. Each local government receives an annual allocation, which is appropriated by the Florida Legislature. To participate, a local government must establish a Local Housing Assistance Program (LHAP); submit and receive approval of a LHAP to the FHFC; adopt and incorporate Local Housing Incentive Strategies; establish or amend local land development regulations, policies, and procedures in order to implement incentive strategies; submit an annual report of the housing program’s accomplishments; and encourage public and private sector partnerships to further program goals and reduce housing costs.

Each locally administered SHIP program determines the process of awarding and distributing funds within its community and is required to establish selection criteria to identify eligible applicants and the application process in their LHAP.

PROGRAM CONTACT:

Contact information for local community SHIP offices can be found at:

<https://www.floridahousing.org/programs/special-programs/ship---state-housing-initiatives-partnership-program/local-government-information>

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USDA Rural Housing Service (RHS) – Ownership

The USDA Rural Housing Service (RHS) has various programs available to assist low income homebuyers, public agencies, and nonprofit organizations with the purchase, repair, and construction of homes in rural areas.

<p>Applicants Nonprofits, Public agencies, Individuals, Lenders</p>	<p>Housing Type Homeownership, Rental</p>
<p>Application Cycle Year-round</p>	<p>Primary Use Acquisition, Rehabilitation, New construction, Program administration</p>

The Florida State Office, located in Gainesville, administers USDA Rural Development programs for Florida through six area offices. Detailed information and applications for financial assistance are available through these offices.

Section 502 Direct Loan Program: Provides loans to very low (50% or less of AMI) and low-income (80% or less of AMI) rural residents to purchase, construct, repair, reconstruct, relocate or, in limited circumstances, refinance a dwelling and related facilities. Up to 100 percent of the value may be financed; however, leveraging with other subsidies (such as SHIP and HOME) and private lenders is encouraged. The maximum loan term is 33 years and 30 for manufactured homes. Terms may go to 38 years for those with incomes at less than 60% of area median income. Maximum eligible mortgage amounts are calculated for multiple areas in a state and reflect the value of a modest home. Certain applicants receive priority, including existing RHS customers seeking to eliminate health and safety hazards.

The number of Section 502 Direct Loan originations has declined significantly in recent years, as USDA has increasingly used Section 502 funds for loan guarantees, described below.

Section 502 Single Family Housing Guaranteed Loan Program: Encourages lenders to make mortgage loans for modest homes to families with low and moderate incomes (up to 115 percent of AMI) by guaranteeing the loan against default. Guaranteed Rural Housing Loans may be made up to 100 percent of the market value or acquisition costs, whichever is less, which eliminates the need for both a down payment and mortgage insurance. Lenders apply to their local Rural Development office to become approved to originate RHS Guaranteed Rural Housing loans, and eligible homebuyers then apply to approved lenders.

Section 504 Loan and Grant Program: Provides home improvement and repair loans (with a 1 percent interest rate) and grants to enable very low-income (50% or less of AMI) rural homeowners to remove health and safety hazards or make general repairs and improvements. Grants are also available for persons 62 years of age and older who need to make health, safety, and/or accessibility improvements. The maximum loan amount is \$20,000 and the maximum grant an elderly person can receive is \$7,500. Priority is given to applicants seeking to eliminate health and safety hazards.

Rural Housing Site Loans: Provide financing for public and nonprofit agencies to purchase and develop sites for low- and moderate-income ownership housing. Section 523 loans are available at three percent interest to agencies that work with homebuyers to construct homes using the self-help method. Section 524 loans are available for agencies that serve low- and moderate-income homeowners without the self-help method; for the interest rate, the agency may select the market rate at the time of loan approval or closing. However, funding for these loans has been limited and sporadic in recent years.

Technical Assistance Grants: The Section 523 Technical Assistance Grant is available specifically for public and nonprofit agencies (including state and local governments) that operate the self-help homeownership programs for low-income families. USDA also has a Technical and Supervisory Assistance Grants program for nonprofit organizations (both public and private) that operate homeownership programs for low-income families in rural areas. However, it has not been funded in recent years.

Housing Preservation Grants (Section 533): Provide qualified non-profit organizations and public agencies with grant funds to administer programs that assist very low- and low-income rural homeowners with the repairs and/or rehabilitation of their homes. Owners of rental properties occupied by low- and very low-income tenants are also eligible beneficiaries.

Mutual Self-Help Housing Loans (Section 502): Are generally administered by nonprofits or municipalities that assist groups of six to eight low-income families, helping each other to build homes. The loans are limited and competitive, and nonprofits or municipalities must apply to their local RHS office. Funds may be used for materials and construction activities not conducted by the homebuyers, including site preparation and skilled labor. The families must agree to work together until all homes are finished. Self-Help Housing Loans are provided as part of the 502 Direct Loan Program.

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Website: <https://www.rd.usda.gov/fl>

USDA Fact Sheets: <https://www.rd.usda.gov/publications/fact-sheets>

Weatherization Assistance Program (WAP) – Ownership

The Weatherization Assistance Program (WAP) provides grants to Community Action Agencies, local governments, Indian tribes, and non-profit organizations to provide specific program services for low-income families in Florida.

Applicants Individuals, Property owners or managers	Housing Type Homeownership, Rental
Application Cycle Year-round	Primary Use Grant for weatherization upgrades

WAP's mission is to reduce the monthly energy burden on low-income households by improving the energy efficiency of the home. The program offers free weatherization services to homeowners and renters including upgrades of air infiltration with weather stripping, caulking, thresholds, minor repairs to walls, ceilings, and floors, and window and door replacement. Other actions may include installation of attic ventilation, solar reflective coating to manufactured homes, solar screens, repairs or replacement of inefficient heating and cooling units, and the repair or replacement of water heaters.

Eligible Applicants: To qualify for WAP assistance, the total household income may not be more than 200 percent of the national poverty level. Preference is given to owner-occupied homes, elderly, or physically disabled residents, families with children under 12 and households with a high energy burden (repeated high utility bills).

PROGRAM CONTACT:

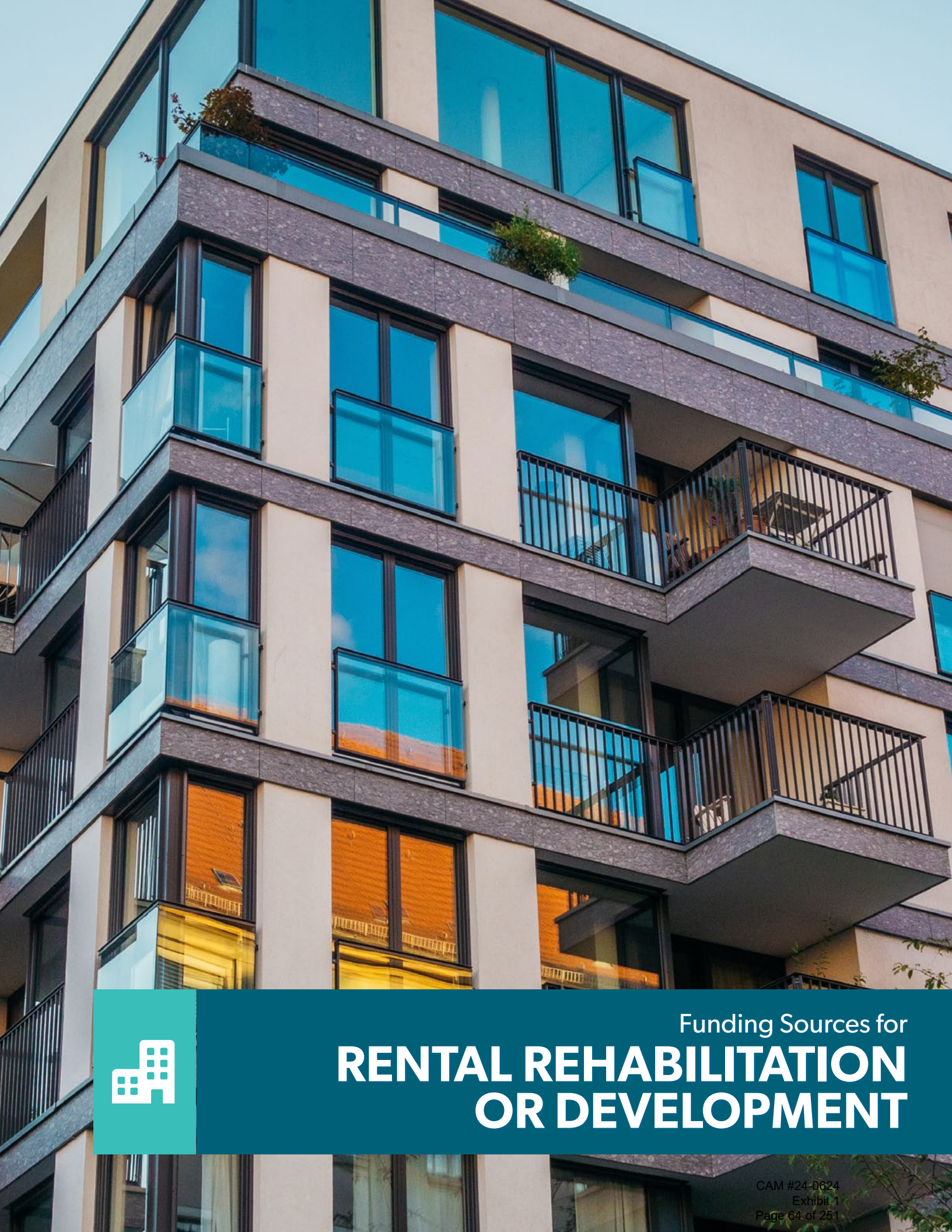
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Funding Sources for

RENTAL REHABILITATION OR DEVELOPMENT

Funding Sources for Rental Rehabilitation or Development

Funding for rental housing is available in a variety of loans, bridge loans and grants. It is likely that one project may rely on several sources, presenting challenges in both timing and targeted income set-asides. The most significant funding sources in Florida are administered by the FHFC. A Request for Application (RFA) process takes place several times during the year with solicitations for a variety of types of rental housing including permanent supportive housing, multifamily, elderly, and energy retrofits. Each RFA has specific rules on eligible applicants, project size and type and financing limitations. All projects that receive an award are invited to credit underwriting where the feasibility of the project is carefully examined prior to closing on the award.

FHFC maintains the “Florida Housing Search” website (www.floridahousingsearch.org) as a tool to identify low-cost rental housing throughout Florida. Florida Housing Search provides information on assisted and market-rate rental housing, assisted living facilities, and adult family care homes. Users can search for apartments by county, city, community, rent range, accessibility features (to accommodate a disability), pet policies, and other characteristics. The website also provides links to information on tenant rights and responsibilities, fair housing, and rent and utility assistance.

Community Contribution Tax Credit (CCTC) – Rental

The Community Contribution Tax Credit (CCTC) program is a state tax incentive that allows businesses to declare a tax credit on Florida corporate income tax, insurance premium tax, or sales tax refund for donations made to local community development projects. Affordable housing projects are not required to be located in an Enterprise Zone or Front Porch Community to be eligible for the credit, but other CCTC project types must be located in these areas.

<p>Applicants Corporations that make donations to Community Development and Affordable Housing nonprofits or government agencies</p>	<p>Housing Type Homeownership, Rental</p>
<p>Application Cycle Year-round</p>	<p>Primary Use Construction, Acquisition, Rehabilitation</p>

The CCTC program allows businesses that donate cash, property or goods to an approved community-based organization or government agency to take a credit against Florida corporate income tax, insurance premium tax or sales tax refund. Approved sponsors of a project may construct, improve, or substantially rehabilitate housing, commercial, industrial or public facilities or promote entrepreneurial or job development opportunities for low-income (at or below 80% of AMI) persons.

For each dollar donated, businesses may receive up to \$0.50 in tax credits, and the donation may also be deducted from federal taxable income. The annual amount of the credit granted is limited to \$200,000 per firm and for fiscal year 2019-2020, a total of \$17 million in tax credits are available for the state. Unused credits may be carried forward for up to five years. Prior to making a CCTCP donation, a business should contact the Department of Economic Opportunity to confirm that the project is eligible for a tax credit.

The most successful beneficiaries for this program in the past decade have been local affiliates of Habitat for Humanity. Habitat affiliates seek approval under the program as community-based organizations and solicit and receive donations from qualified corporations. The funds raised from the donations are used to purchase materials and supplies for the construction of affordable homes.

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Community Development Block Grant (CDBG) – Rental

The Community Development Block Grant (CDBG) is a HUD-administered federal program. Funds may be provided as a subsidy to housing developers, or directly to homeowners or homebuyers. HUD provides CDBG grants on a formula basis directly to urban counties and larger cities (called Entitlement Communities), and to state governments to award on a competitive basis to non-entitlement communities.

<p>Applicants Affordable housing developers, Individuals</p>	<p>Housing Type Homeownership, Rental</p>
<p>Application Cycle State or local government control based on annual Congressional appropriation</p>	<p>Primary Use Gap financing, Emergency repairs, Acquisition, Rehabilitation, Slum and blight clearance, Infrastructure, Public Services</p>

CDBG funds can be used for a wide range of programs that meet at least one of three national objectives: 1) Benefit to low- and moderate-income* persons, 2) Prevent or eliminate slums and blight, or 3) Meet urgent community needs. At least 70% of a local government's CDBG award must benefit low- and moderate-income persons. A community's housing activities using CDBG funds often qualify under the low/moderate-income national objective but can qualify under the other two national objectives in some cases.

Rental Housing: CDBG may be used to subsidize the cost of developing rental housing. Eligible activities include acquisition, rehabilitation and, in limited circumstances, new construction. Grantees may provide assistance in the form of loans, grants, loan guarantees, and interest subsidies.

Eligible Applicants:

- Florida Small Cities CDBG (administered by the Florida Department of Economic Opportunity) – Non-Entitlement cities and counties apply for funds through an annual competitive process, and then award funds to local agencies, homeowners, and homebuyers.
- Entitlement Communities – Housing developers, property owners, and homebuyers need to contact their respective city or county to ask how the CDBG entitlement funds are being used in their community. There is wide variation among cities and counties as to how they use these funds.

PROGRAM CONTACT:

For Local Entitlement Communities – HUD, Local Government Housing and Community Development departments

The contact information for the cities and counties that receive CDBG funds directly from HUD is listed at the following website: <http://portal.hud.gov/hudportal/HUD?src=/states/florida/community/cdbg>

For Non-Entitlement Communities

Contact the Florida Small Cities Program at: <http://www.floridajobs.org/community-planning-and-development/assistance-for-governments-and-organizations/florida-small-cities-community-development-block-grant-program>.

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*Note that CDBG regulations have a different definition for the term “low-income” than the one used in Florida Statutes. CDBG defines a low-income household as having an income at or below the “very low-income” threshold established by HUD for the Section 8 program, and a moderate-income household as having an income at or below the Section 8 “low-income” threshold but above the “very low-income” threshold. The Florida Statutes use the Section 8 definitions of low-income ($\leq 80\%$ of area median income) and very low-income ($\leq 50\%$ of area median income). HUD updates Section 8 income limits on an annual basis, with some mathematical adjustments made for geographic areas where housing costs or incomes are exceptionally low or high.

Community Development Block Grant (CDBG-DR) – Rental

Community Development Block Grant Disaster Recovery (CDBG-DR) funding is designed to address housing, infrastructure as well as economic development needs that remain after other assistance has been exhausted, including federal assistance and private insurance. Following a disaster, Congress makes an appropriation of CDBG-DR funding based on preliminary damage assessments. Once HUD prepares a notice of how the funds may be allocated, and publishes it to the Federal Register, the state must prepare an Action Plan. The Action Plan, once approved by HUD, is implemented to provide funding for a variety of activities including home repair, rental housing repair, and the development of new multifamily housing. The buyout of homes that have been repetitively damaged may also be undertaken.

<p>Applicants Communities that have received a disaster declaration and are named in the HUD Allocation post disaster</p>	<p>Housing Type Homeownership, Rental</p>
<p>Application Cycle Based on Action Plan provisions</p>	<p>Primary Use Repair, reconstruction, replacement, voluntary buyout, infrastructure, economic revitalization</p>

CDBG-DR funds can be used for a wide range of recovery related activities. The activities are described in the Action Plan. Unless the requirement is waived, at least 70% of CDBG-DR funds must benefit low and moderate-income persons. CDBG-DR funding typically meets the national objective of meeting urgent needs.

Assistance to Rental Properties: If allowed by the Action Plan, CDBG-DR funds can be used to repair rental housing with a priority for housing serving low and moderate-income households.

Eligible Applicants: The general public cannot apply directly for CDBG-DR funding. In Florida, the Department of Economic Opportunity (DEO) is the grantee of CDBG-DR funds. The Action Plan for each disaster provides the structure for implementation. Applicants must apply through the state agency or to the local government that was awarded funding. CDBG-DR funds can be combined with other federal funding sources but cannot duplicate other disaster assistance benefits. CDBG-DR funds can be used as a “non-federal” source to match other federal programs such as the Hazard Mitigation Grant program.

PROGRAM CONTACT:

CDBG-DR funds flow directly from HUD to Florida’s Department of Economic Opportunity.
<http://www.floridajobs.org/community-planning-and-development/assistance-for-governments-and-organizations/disaster-recovery-initiative>

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*Note that CDBG regulations have a different definition for the term “low-income” than the one used in Florida Statutes. CDBG defines a low-income household as having an income at or below the “very low-income” threshold established by HUD for the Section 8 program, and a moderate-income household as having an income at or below the Section 8 “low-income” threshold but above the “very low-income” threshold. The Florida Statutes use the Section 8 definitions of low-income ($\leq 80\%$ of area median income) and very low-income ($\leq 50\%$ of area median income). HUD updates Section 8 income limits on an annual basis, with some mathematical adjustments made for geographic areas where housing costs or incomes are exceptionally low or high.

Federal Home Loan Bank Affordable Housing Program (AHP) – Rental

The Federal Home Loan Bank Affordable Housing Program (AHP) is a competitive program offering a flexible source of funding designed to help member financial institutions and their community partners develop affordable owner-occupied and rental housing for very low- to moderate-income families and individuals.

Applicants Nonprofits and for-profits through FHLBank members or the Florida Community Loan Fund	Housing Type Homeownership, Rental
Application Cycle Annual, Competitive	Primary Use New Construction, Rehabilitation, Acquisition

The AHP provides direct subsidies (grants) and below interest rate loans to Federal Home Loan Bank members (financial institutions) engaged in lending to local governments and for- and nonprofit corporations for the creation of affordable housing. Generally, AHP funds are leveraged with other sources of funds for construction, rehabilitation, or development of housing that may be either rental or ownership. Housing providers request member banks in their community to sponsor their application in the once per year competitive cycle. The bank actually makes the application and the funds are passed through to the nonprofit to contribute to the development of the project. The funds are usually in a grant form so the end cost of the housing can be affordable to low or moderate-income households.

AHP subsidized units must serve households earning 80% or less of the area median income. Subsidies under AHP must be used to finance the purchase, construction, and/or rehabilitation of the owner occupied and rental housing. Rental projects are required to ensure that 20 percent of the total units are for very low income (50% or less of AMI) families.

Eligible Applicants/Application Process: Member Banks hold at least one competitive application cycle annually. Project sponsors must register through the FHLBank website in order to obtain a user ID and password (required to access the AHP application). Once the sponsor completes an application, it must be approved and submitted for review through a FHLBank member financial institution. Applications are ranked by score, in descending order, and funds are awarded until the available subsidies are exhausted.

PROGRAM CONTACT:

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For other FHL banks: www.fhlnbanks.com

Financing to Build or Rehab Smaller Permanent Supportive Housing for Persons with Developmental Disabilities - Rental

FHFC was appropriated \$10 million in grant funds by the 2017 Legislature for housing for Persons with Developmental Disabilities as defined in Section 393.063, F.S. These funds can be used by existing eligible properties for renovation or for the development of new housing that will serve persons with developmental disabilities in small group homes or community-based settings. This is an excellent funding source that can be used in conjunction with SHIP funds that are set-aside for special needs housing, with the priority for serving residents with a developmental disability.

<p>Applicants Non-Profit organizations that have a primary mission which includes serving Persons with Developmental Disabilities</p>	<p>Housing Type Rental</p>
<p>Application Cycle Request for Application Cycle</p>	<p>Primary Use New Construction, Rehabilitation, or Renovation – Up to 6 Residents with DD in CRHs – Up to 10 Residents with DD in SLUs – May include 1 bedroom/bath for caretaker/family/visitors</p>

This Request for Application (RFA) provides financing for small Permanent Supportive Housing Developments consisting of no more than six units. The legislation specifies that FHFC will offer the funding through a competitive grant program to private non-profit organizations that have a primary mission which includes serving persons with developmental disabilities.

FHFC is required to consider the extent to which funds from local and other sources will be used by applicants to leverage these grant funds; employment opportunities and supports that will be available to residents of the proposed housing; a plan for residents to access community-based services, resources, and amenities; and partnerships with supportive services agencies.

This RFA is open to applicants proposing the development of Permanent Supportive Housing for Persons with Developmental Disabilities, either Community Residential Homes or Supported Living Units. Community Residential Homes (i) must be single family homes; (ii) must be licensed by the Florida Agency for Persons with Disabilities to serve no more than six residents; (iii) must serve no more than six residents; and (iv) must demonstrate at credit underwriting that they are adhering to licensing standards related to location, design, construction features and other requirements.

Supported Living Units (i) must consist of no more than six units; (ii) must serve no more than 10 residents if the proposed development consists of new construction or acquisition with rehabilitation, or 12 residents if the proposed development consists of renovation of an existing development serving persons with developmental disabilities; and (iii) the Supported Living provider must conduct a housing setting survey per Rule 65G-5.004, F.A.C. Applicants may propose the development of Shared Housing Units, as defined in Exhibit C, to allow unrelated Persons with Developmental Disabilities the choice to share units. For purposes of this RFA, Community Residential Homes are considered Shared Housing. Applicants may propose to build Supported Living Units as either non-Shared Housing or Shared Housing.

Eligible Applicants: Small Permanent Supportive Housing for DD financing is available to non-profit organizations that have a primary mission which includes serving Persons with Developmental Disabilities.

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Florida Community Loan Fund – Rental

The Florida Community Loan Fund (Loan Fund), is an independent, privately supported financial intermediary, that provides capital and technical assistance to qualifying organizations with insufficient access to capital from conventional lending sources throughout the state of Florida. The Loan Fund seeks low-interest loans and equity capital contributions from socially concerned institutions and individuals. Contributions are then used to make below market interest rate loans to eligible nonprofits to support economic development, affordable housing and social services in urban and rural, low-income communities.

Applicants Non-profit sponsors, mission focused for-profits	Housing Type Rental, Home Ownership, Supportive Housing
Application Cycle Open	Primary Use Gap Financing, New Construction, Rehabilitation, Acquisition

The Loan Fund provides various types of financing to meet the needs of non-profit organizations and mission-based for-profit organizations that develop affordable housing, supportive housing, community facilities, and economic development projects. This financing can include loans for new construction, preservation, rehab, acquisition, lines of credit, and/or longer-term permanent financing.

Loans from \$20,000 to \$400,000, with variable terms and interest rates are made for the following: (1) low-income (persons at 80 percent or less of the area median income) housing development or improvement; (2) job creation (one job created or retained per \$10,000 borrowed) for low-income individuals; and (3) social service loans, as long as the loan will positively impact the economic stability of a community.

The Florida Community Loan Fund is also a sponsor for Florida applications to the Federal Home Loan Bank- Atlanta for the Affordable Housing Program (AHP) annual grants cycle.

Eligible Applicants/Application Process: Nonprofit, 501(c)(3) organizations that have a strong community base and serve low income communities within the state of Florida may either complete a pre-application by mail or online. If all criteria are met (management capacity, financial capacity and development impact, support and feasibility) and the Loan Fund’s Board of Directors approves the request, a loan agreement is executed between the borrower and the Loan Fund. The Loan Fund provides flexibility in its loan products in an effort to meet borrower needs.

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HOME For Hurricane Michael Rental New Construction - Rental

HOME for Hurricane Michael Rental New Construction funding in the amount of \$32,939,566 will finance the new construction of rental housing for low and moderate-income households in Hurricane Michael-impacted counties. In April 2019, FHFC awarded funds for seven projects in this targeted area. Gulf County has two projects, Bay County has three projects, and Jackson and Wakulla Counties each have one project.

Applicants Low- and very low-income households; Nonprofit and for-profit affordable housing developers	Housing Type Rental
Application Cycle Request for Application Cycle	Primary Use Acquisition, Rehabilitation, Gap financing

These HOME funds may be used for property acquisition and new construction of non-luxury rental housing with suitable amenities. The funds are provided in exchange for a long-term commitment to primarily assist persons or households at 60% AMI or less. Owners of HOME-assisted rental property must adhere to maximum fair market rents set by HUD, which are adjusted annually.

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HOME Investment Partnerships Program (HOME) – Rental

HOME is a HUD-administered federal program that provides funding for local communities to provide affordable housing for low- and very low-income residents. HOME funds can provide construction or acquisition/rehabilitation subsidies for affordable housing developers, purchase assistance and gap financing for homebuyers, rehabilitation assistance for homeowners, and tenant-based rental assistance.

<p>Applicants Low- and very low-income households; Nonprofit and for-profit affordable housing developers</p>	<p>Housing Type Homeownership, Lease Purchase, Rental</p>
<p>Application Cycle Varies by Participating Jurisdiction</p>	<p>Primary Use Acquisition, Purchase assistance, Rehabilitation, Gap financing, Rental assistance</p>

Rental Development: HOME can be used for property acquisition, new construction, and rehabilitation of non-luxury rental housing with suitable amenities. The funds are provided in exchange for a long-term (at least 15 years) commitment to primarily assist persons or households at 60% or less of area median income. HOME can also be used to fund an initial operating reserve for up to 18 months. Owners of HOME assisted rental properties must lease the units within fair market rent rates set by HUD, which are adjusted annually. Depending on the agency distributing the funds, HOME may be provided as a low-interest loan or, a deferred-payment forgivable loan or a grant.

Tenant-Based Rental Assistance (TBRA): Under this program, a PJ or its subrecipient makes rental subsidy payments directly to landlords on behalf of a very low- or low-income tenant. TBRA can be used for rental subsidy payments, security deposits and (in some cases) utility deposits. The program may be administered by a local government department or agency, a Public Housing Authority (PHA) or a nonprofit organization.

TBRA is similar to a Housing Choice Voucher (also known as Section 8) in that it provides monthly rental assistance to private landlords to help subsidize the cost of the rental unit for an income eligible tenant. Local governments may choose to make the TBRA available to the general population or designate it to specific population segments, such as persons with disabilities, victims of domestic violence, youth aging out of foster care or homeless individuals and families. Housing participants select privately owned, scattered site units throughout the community. The identified units are generally eligible if they meet certain housing quality standards and the rent is considered to be reasonable.

Eligible Applicants: HOME funds are provided directly to local government Participating Jurisdictions (PJs) on a formula basis. PJs then award the funds to developers, homeowners, homebuyers, and renters according to a locally determined process. The State of Florida also receives a HOME allocation, and awards funds to local governments, housing developers, nonprofits, and Public Housing Authorities in competitive solicitations.

Fifteen percent of HOME funds awarded to state governments and local PJs are reserved for projects by Community Housing Development Corporations (CHDOs). CHDOs are community-based nonprofit housing developers and providers that meet certain HUD criteria for geographic and programmatic focus and board structure. PJs, not HUD, are responsible for certifying organizations seeking CHDO status.

In most cases, new applicants for TBRA must be considered very low-income (50% or less of AMI); however, there may be instances where a low-income family (80% or less of AMI) can receive assistance.

PROGRAM CONTACT:

Local HOME (Participating Jurisdictions)

You can identify your local PJ by going to the web page below, and by selecting Florida as the location, and HOME Investments Partnership as the program <https://www.hudexchange.info/grantees/>

If your city or county is not listed as a local Participating Jurisdiction, HOME funding for your area is allocated through the State HOME PJ- Florida Housing Finance Corporation.

State HOME – David Westcott

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Hurricane Housing Recovery Program (HHRP) – Rental

The Hurricane Housing Recovery Program (HHRP) was activated in response to Hurricane Michael’s devastation of homeowner properties and small and large rental properties. The Florida Legislature allocated \$65 million from the State’s Sadowski Affordable Housing Trust Fund for a broad range of recovery strategies. The HHRP is administered by FHFC through the SHIP jurisdictions located in the impacted counties. Of note, HHRP was initially offered in response to damage by the storms in the 2004 hurricane season along with the Hurricane Rental Recovery Loan Program (RRLP).

Applicants For-Profit, Nonprofit, Public Agencies, Individuals	Housing Type Homeownership, Rental
Application Cycle Local government control based on specific appropriation	Primary Use Repairs, rehabilitation, acquisition, new construction, temporary rent assistance

The Florida Legislature passed legislation that appropriated dollars to HHRP’s hurricane recovery activities under the following proviso language:

From the funds in Specific Appropriation 2316A, \$65,000,000 of nonrecurring funds from the Local Government Housing Trust Fund shall be used to fund the Hurricane Housing Recovery Program for eligible counties and municipalities based on Hurricane Michael Federal Emergency Management Agency damage assessment data and population.

HHRP rental funds may be used for emergency repair and replacement of housing; new construction; rehabilitation and gap financing; housing re-entry assistance, such as security deposits, utility deposits, and temporary storage of households furnishings; monthly rental assistance for a limited period of time; or other strategies in the approved local housing assistance plan.

Impacted local governments that were appropriated HHRP funding include: Bay County, City of Panama City, Jackson County, Gulf County, Calhoun County, Gadsden County, Washington County, Liberty County, Leon County, City of Tallahassee, Franklin County, Wakulla County, and Holmes County.

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Hurricane Rental Recovery Loan Program (RRLP) – Rental

The Hurricane Rental Recovery Loan Program (RRLP) was activated in response to Hurricane Michael’s devastation of both small and large rental properties. The Florida Legislature allocated \$50 million from the State’s Sadowski Affordable Housing Trust Fund for the development of new multifamily housing in the Hurricane Michael impacted counties – Bay and Jackson County (Tier 1), Calhoun, Gadsden, and Gulf counties (Tier 2), and Washington, Liberty, Franklin, Leon, Wakulla, and Holmes counties (tier 3).

The RRLP is administered by FHFC through the solicitation of competitive applications.

RRLP was initially offered in response to damage by the storms in the 2004 hurricane season. The Florida Legislature formed a task force to create the RRLP and allocated \$187 million from general revenue for the program.

<p>Applicants For-profit and non-profit housing developers and public agencies</p>	<p>Housing Type Rental</p>
<p>Application Cycle Request for Application Cycle</p>	<p>Primary Use Construction, rehabilitation, demolition/reconstruction, acquisition</p>

RRLP provides low-interest loans, on a competitive basis, to affordable housing developers. These funds are available to construct or substantially rehabilitate affordable multifamily rental housing.

RRLP often serves to bridge the gap between the development’s primary financing and the total cost of the development. It usually covers 25% to 35% of development costs. RRLP may provide a first, second, or other mortgage loan or loan guarantee for the development of multifamily rental units that are affordable to very low-income households with incomes up to 50% AMI. At a minimum, RRLP developments must set aside 20% of units for households at or below 50% of AMI.

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Low Income Housing Tax Credits (LIHTC) - Rental

Low Income Housing Tax Credits (LIHTC) are provided by the federal government to rental housing developers in exchange for a commitment to provide affordable rents and are usually sold to investors to raise project equity.

Applicants Nonprofit, For-profit developers	Housing Type Rental
Application Cycle Varies; Credits are awarded in one or more Requests for Applications (RFA)	Primary Use New construction, Rehabilitation

The LIHTC program is governed by the U.S. Department of the Treasury, and Florida's allocation is administered by the FHFC. Under the LIHTC program, successful applicants are provided with a dollar-for-dollar reduction in federal tax liability in exchange for the development or rehabilitation of units to be occupied by very low- and low-income households. In practice, developers usually sell credits to investors in exchange for equity to the development, with syndicators as intermediaries.

Two types of housing credits are available:

1. "9% credits" for new construction and substantial rehabilitation projects without other direct federal subsidies. For investors, these credits are worth up to 9% of eligible development costs annually for the first ten years of the project's life*. A state's annual allocation of 9% credits is based on population and awarded competitively.
2. "4% credits" for projects that entail moderate rehabilitation, are financed by tax-exempt bonds, and/or receive certain other federal subsidies. The credits are worth up to 4% of eligible development costs annually for a decade. There is no statewide limit on the number of 4% credits that can be awarded, and projects receiving tax-exempt bond financing are automatically eligible for these credits. Because 4% credits provide less equity than 9% credits, projects with 4% credits tend to need much more gap financing.

Eligible Activities/Beneficiaries: LIHTC-funded developments must set aside at least 20% of units for households earning up to 50% of AMI, or at least 40% of units for households with incomes at or below 60% of AMI. Rent, including utilities, for all tax credit-assisted units may not exceed 30 percent of the applicable income limitation.

Developers can sell tax credits only for income-restricted units, and in practice they usually designate most or all units in a project as income-restricted.

Eligible Applicants/Application Process: FHFC awards the state's annual 9% credit allocation in one or more RFAs over the course of a year. Each RFA may be targeted to a specific development type and/or beneficiary group. FHFC also issues RFAs for projects to be financed with 4% credits, tax-exempt bond financing, and other funding sources (i.e. HOME and SAIL).

Applications are reviewed, scored and ranked according to such items as funding, ability to proceed, leveraging and experience of development team.

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*The actual value of 4% and 9% credits to investors is less than 4% or 9%, respectively, since it is indexed to 10-year U.S. Treasury bond yields. The value of "9% credits" ranges from about 7.5% to 9%, and the value of "4% credits" ranges from about 3% to 4%

Multifamily Mortgage Revenue Bond Program (MMRB) – Rental

The Multifamily Mortgage Revenue Bond (MMRB) Program utilizes funds generated from the sale of both taxable and tax-exempt bonds to make low-interest loans to non-profit and for-profit developers of rental housing so lower rents can be charged.

Applicants For-Profit and nonprofit developers	Housing Type Rental
Application Cycle Consult FHFC for current application procedures	Primary Use Gap financing, Acquisition, Rehabilitation, New construction

The Multifamily Mortgage Revenue Bond program (MMRB) uses both taxable and tax-exempt bonds to provide low-interest loans to non-profit and for-profit developers who set aside a certain percentage of their units for low income families. These bonds are sold through either a competitive or negotiated method of sale or private placement. The program requires that at least 20 percent of the units be set aside for households earning at or below 50 percent of AMI. The developer may also opt to set aside 40 percent of the units for households earning at or below 60 percent of AMI.

The total value of tax-exempt bonds that governmental entities in each state can issue is based on population and capped annually by federal law, but there is no limit on the value of taxable bonds that state and local governments can issue. Developers may apply for tax-exempt bond financing separately at any time, but preference is given to developers who apply for bond financing in conjunction with an application for state HOME or SAIL funds and non-competitive Low Income Housing Tax Credits. Applications are reviewed, scored and ranked according to such items as funding, ability to proceed, leveraging and experience of development team.

Eligible Applicants: For-profit and nonprofit organizations and public agencies may apply for MMRBs on a competitive basis.

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Neighborhood Stabilization Program (NSP) – Rental

At the height of the recession, Congress created the Neighborhood Stabilization Program (NSP) to help communities arrest and reverse blight and property value decline in neighborhoods most impacted by foreclosures and predatory lending. NSP funds were provided in three rounds in 2008, 2009, and 2010, known as NSP1, NSP2, and NSP3, respectively. Although the expenditure deadlines for NSP have passed, many grantees have and are continuing to earn program income.

<p>Applicants Nonprofit and for-profit housing developers, Individuals</p>	<p>Housing Type Homeownership, Rental</p>
<p>Application Cycle Varies</p>	<p>Primary Use Acquisition, Rehabilitation, Demolition, Reconstruction, Gap financing</p>

NSP has five eligible uses of funds:

- a. Establish financing mechanisms for purchase and redevelopment of foreclosed-upon homes and residential properties.
- b. Purchase and rehabilitate homes and residential properties that have been abandoned or foreclosed upon, in order to sell, rent, or redevelop these properties.
- c. Establish and operate land banks for homes and residential properties that have been foreclosed upon.
- d. Demolish blighted structures.
- e. Redevelop demolished or vacant properties as housing. *

Except as provided in the statutes that created the NSP funding rounds, the program is generally governed by Community Development Block Grant (CDBG) regulations. One key difference is that all NSP funds were required to benefit low-, moderate- and middle-income families (up to 50%, between 50% and 80%, and between 80% and 120% of AMI, respectively).** Moreover, grantees were required to use at least 25% of their NSP funds to provide housing for families at or below 50% of AMI.

NSP1 allocated \$3.92 billion to HUD to distribute to state governments and local CDBG entitlement communities using a formula that accounted for the prevalence of foreclosures and subprime loans. NSP2 provided \$1.93 billion on a competitive basis to entitlement communities, nonprofits, and consortia of nonprofits. For NSP3, HUD awarded \$970 million on a formula basis to state and local governments. The formula was somewhat different from that of NSP1, and some non-entitlement communities received direct allocations from HUD.

Depending on the NSP funding round, grantee type, and other factors, some program income must be spent on NSP-eligible activities. Some communities also have land banks, and properties may be used by public and private agencies to develop housing, public facilities, businesses, and other uses that benefit low-, moderate-, and middle-income people and neighborhoods. (In most cases, disposition of land bank properties for uses other than housing is an eligible end use but must be paid for by funds other than NSP.) Land bank properties may also

be available to low-, moderate, and middle-income homeowners as side lots. Contact NSP grantees in your area to determine whether they have program income and/or land bank properties available.

Eligible Applicants for NSP program income funds: Varies by NSP grantee, but may include nonprofit and for-profit housing developers, homebuyer counseling agencies, and individual homebuyers.

PROGRAM CONTACT:

Local Government, Nonprofit, and Consortium Grantees

Search for NSP grantees on the HUD website: <https://www.hudexchange.info/grantees/>

State NSP— Robin Grantham

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*NSP1 allows vacant and demolished properties to be redeveloped for public facilities and economic development, as well as for housing.

**NSP uses the same definitions of low- and moderate-income as CDBG. One way that NSP eligible activities differ from the CDBG national objective of benefiting people with low and moderate incomes is that, in NSP, middle-income households (between 80% and 120% of AMI) are eligible.

Opportunity Zone Equity – Rental

Opportunity Zone (OZ) equity may be used in multifamily rental projects, or for substantial rehabilitation of dilapidated rental projects.

<p>Applicants For-Profit, Nonprofit, Individuals</p>	<p>Housing Type Homeownership, Rental</p>
<p>Application Cycle On-going, with statutory expiration December 31, 2026</p>	<p>Primary Use New construction, substantial rehabilitation, multifamily mixed use, adaptive reuse</p>

The OZ tax incentive, created in the 2017 Tax Cuts and Jobs Act, is intended to attract investment in designated census tracts called OZs. To be designated as an OZ, the identified census tract must have high rates of poverty and a large share of low-income households. Former Governor Rick Scott nominated a list of 427 census tracts throughout Florida for OZ designation, with at least one in each county in the state. All of the recommended census tracts were approved and formally designated by the U.S. Treasury.

The incentive attracts a new source of capital for the community development industry: capital gains held by corporations, individuals, and families.

There are three primary means by which an investor benefits from investing capital gains into a Qualified Opportunity Fund (QOF) - an investment vehicle specifically designated by the IRS to hold capital gains for the purposes of OZ investment:

1. Deferral of capital gains tax.
2. Step-up in basis of original gain.
3. Total capital gains tax exclusion on the sale of equity after a 10-year hold period.

OZ capital is used on a project-level basis for substantial rehabilitation of existing and dilapidated housing stock, or for new construction of housing. It can be used for both homeownership and rental housing. An OZ investor will typically secure an equity stake in a project by way of investing in a QOF.

Any project sponsor may participate in utilizing OZ equity by sourcing investors for the project. There are hundreds of QOFs operating nationwide. Additionally, the OZ statute permits designation of QOFs on a project-by-project basis.

There are multiple listing services for existing QOFs nationwide, including Novogradac's listing at the following link: <https://www.novoco.com/resource-centers/opportunity-zone-resource-center/opportunity-funds-listing>

Predevelopment Loan Program (PLP) – Rental

The Predevelopment Loan Program (PLP) is vital to developing successful affordable housing properties. Funding for predevelopment activities is difficult to obtain, especially for small nonprofit developers. FHFC fills this gap with the Predevelopment Loan Program, which offers technical assistance and low-interest loans of up to \$750,000 for site acquisition and other common predevelopment expenses.

Applicants Nonprofit and community-based organizations, Units of government, Public Housing Authorities	Housing Type Rental, Homeownership
Application Cycle Year-round	Primary Use Predevelopment costs, including site acquisition

PLP has two stages for a successful applicant. In the first stage, the applicant submits an application with information about the organization and the development. The applicant should have a site in mind and provide as much detail about the proposed development as possible, but plans may be tentative at this stage. If the application is accepted, FHFC will assign a technical assistance (TA) provider to work with the applicant to draft a predevelopment budget and a development plan. As part of this process, the TA provider assists the applicant in assembling the development team, developing operating pro formas, selecting appropriate funding sources, and analyzing the overall feasibility of the project.

The next stage begins with submission of a TA-provider-approved PLP budget and development plan to FHFC. The PLP loan, if approved, covers a wide range of activities, including:

- Land Acquisition
- Appraisals
- Title Searches
- Legal Fees
- Architectural and Engineering Fees
- Market Studies
- Permit fees
- Impact fees
- Site plan approval fees
- Environmental reviews

The PLP loan has a 1% interest rate and is non-amortizing. The loan matures three years after closing, or once construction or permanent financing is obtained, whichever comes first. For rental developments, the borrower must commit to setting aside at least 20% of units for households at or below 50% of AMI, over a 15-year affordability period. For homeownership developments, 50% of the homes must be sold to buyers whose incomes do not exceed 80% of AMI, and the remaining units sold to buyers at or below 120% of AMI.

Eligible Applicants: PLP is available to nonprofit and community-based organizations, units of government, and public housing authorities. Limited liability companies and limited partnerships that are controlled by nonprofits are also eligible.

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State Apartment Incentive Loan (SAIL) Program - Rental

The State Apartment Incentive Loan (SAIL) program is administered by the FHFC and provides low-interest loans on a competitive basis to affordable housing developers each year. This money often serves to bridge the gap between the development's primary financing and the total cost of the development. SAIL dollars are available for developers proposing to construct or substantially rehabilitate affordable multifamily rental housing.

<p>Applicants For-profit and nonprofit housing developers, Public agencies</p>	<p>Housing Type Rental</p>
<p>Application Cycle Annual funding is made available in one or more RFAs</p>	<p>Primary Use Gap financing, Construction, Rehabilitation, Acquisition</p>

Created in 1992 as part of the William E. Sadowski Affordable Housing Act, SAIL provides first, second, or other mortgage loans or loan guarantees to developers of multifamily rental units that are affordable to very low-income households (up to 50% of AMI). At a minimum, developments financed by SAIL must set aside 20 percent of units for households at or below 50 percent of AMI or, if the development also receives Housing Credits, 40 percent of units for households up to 60 percent of AMI. In general, SAIL loans cover 25 to 35 percent of development costs. Individual Requests for Applications (RFAs) for SAIL funds often require applicants to apply for tax-exempt bond financing and non-competitive Housing Credits.

For the first six months after the first RFA for SAIL is published, FHFC is required to reserve a portion of its annual SAIL funds for five categories of tenants:

1. Commercial farmworkers and fishing workers
2. Families
3. People experiencing homelessness
4. Persons with special needs, including domestic violence survivors, the homeless, people with disabilities, and youth aging out of foster care
5. Elderly persons.

Additionally, individual SAIL RFAs may require set-asides for specific demographic groups and/or Extremely Low-Income (ELI) households.

Eligible Applicants: For-profit, nonprofit, and public entities are eligible for SAIL funds, although FHFC may specify additional eligibility criteria in individual RFAs.

PROGRAM CONTACT:

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Florida Housing Finance Corporation
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State Housing Initiatives Partnership (SHIP) – Rental

State Housing Initiatives Partnership (SHIP) funds may be provided as development subsidy for rental housing in exchange for a requirement to offer lower, more affordable rents. SHIP funds may also be used for eviction prevention, rental deposits, and up to 12 months of ongoing rent subsidies.

<p>Applicants For-profit, Nonprofit, Public Agencies, Individuals</p>	<p>Housing Type Rental rehab or development, Rental Assistance, Security Deposits</p>
<p>Application Cycle Local Government Control Based on Annual Legislative Appropriation</p>	<p>Primary Use Gap Financing, New Construction, Repairs, Rehabilitation, Acquisition, Eviction Prevention, Rent Subsidies</p>

Created in 1992 as part of the William E. Sadowski Affordable Housing Act, the State Housing Initiatives Partnership (SHIP) Program’s mission is threefold: (1) provide funding to eligible local governments for the implementation of programs that create and preserve affordable housing; (2) foster public-private partnerships to create and preserve affordable housing; and, (3) encourage local governments to implement regulatory reforms and promote the development of affordable housing in their communities by using funds as an incentive for private development. Funds are allocated to every Florida county, as well as municipalities, which receive Community Development Block Grant (CDBG) entitlement funds.

SHIP rental funds may be used for emergency repairs, new construction, rehabilitation, construction and gap financing, mortgage buy-downs, acquisition of property for affordable housing, special needs housing, and match for federal housing loans and grants. A minimum of 65 percent of a local government’s total annual distribution of SHIP funds must be used for home ownership. A minimum of 75 percent of a local government’s total annual distribution of SHIP funds must be used for construction-related activities, including rehabilitation, new construction, emergency repairs, or financing for a newly constructed or rehabilitated unit. Rental units subsidized with SHIP must be rented at affordable rates as determined annually by the FHFC.

SHIP funding may also be used to prevent an individual household from losing their current housing or to assist with moving into rental housing. First, the funding can keep an eligible household from being evicted by paying past-due rent of no more than six months’ rent. Second, funds may help an eligible household by paying a rental deposit. Third, SHIP may be used to assist very low-income households that meet the Florida statute definition of “homeless” or “special needs” by paying up to 12 months of rental subsidy assistance.

At least 30 percent of a local government’s total annual distribution of SHIP funds must be reserved for awards to very low-income persons (50 percent AMI), and an additional 30 percent of funds must be awarded to low-income persons (80 percent AMI). The remainder may serve any combination of very low, low- or moderate-income persons (120 percent AMI).

Eligible Applicants: Individuals, nonprofit organizations, and for-profit developers must apply to a local government for funding. Each local government receives an annual allocation, which is appropriated by the Florida Legislature. To participate, a local government must establish a Local Housing Assistance Program (LHAP); submit and receive approval

of a LHAP to the FHFC; adopt and incorporate Local Housing Incentive Strategies; establish or amend local land development regulations, policies, and procedures in order to implement incentive strategies; submit an annual report of the housing program's accomplishments; and encourage public and private sector partnerships to further program goals and reduce housing costs.

Each locally administered SHIP program determines the process of awarding and distributing funds within its community and is required to establish selection criteria to identify eligible applicants and the application process in their LHAP.

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Contact information for local community SHIP offices can be found at:

<https://www.floridahousing.org/programs/special-programs/ship---state-housing-initiatives-partnership-program/local-government-information>

USDA Rural Housing Service (RHS) - Rental

USDA Rural Housing Service (RHS) loans provide financing for multifamily properties and group homes in rural areas in exchange for ensuring the units are affordable to low- and moderate-income families. Project-based rental assistance may also be provided.

<p>Applicants For-profit, Nonprofit, Public agencies, Individual landlords, Farmers and farm Organizations</p>	<p>Housing Type Rental, Homeownership</p>
<p>Application Cycle Annual Notice of Funding Availability (NOFA) contingent on Congressional appropriation</p>	<p>Primary Use Acquisition, Rehabilitation, New construction, Project-based rental assistance</p>

The Florida State Office, located in Gainesville, administers USDA Rural Development programs for Florida through six area offices. Detailed information and applications for financial assistance are available through these offices.

Rural Rental Housing Loans (Section 515): Financing for development and rehabilitation of rental housing that serves very low-, low-, and moderate-income families, including but not limited to the elderly, persons with disabilities, and farmworkers. These Section 515 loans are offered on a competitive basis under a NOFA (Notice of Funding Availability) process, which usually opens in November of each year. In exchange for a low-interest loan, the owner must agree to rent the units to income-qualified households. The loans are primarily used as a direct mortgage, but the funds may also be used to buy and improve land and to provide water and waste disposal systems. However, Section 515 funding has decreased sharply in recent years. Since FY 2012, funds have been used exclusively to preserve existing units.

Guaranteed Rural Rental Housing Program (Section 538): Encourages lenders to make mortgage loans for rental housing serving families with low and moderate incomes (up to 115 percent of AMI), by guaranteeing the loan against default. The maximum loan to value is 90% for for-profit entities and 97% for non-profit entities. Lenders apply to their local Rural Development office to become approved to originate RHS Guaranteed Rural Housing loans, and eligible property owners/developers then apply to approved lenders.

Housing Preservation Grants (Section 533): Provide qualified non-profit organizations and public agencies with grant funds to administer programs that assist in the preservation of rental and ownership housing for very low- and low-income families. USDA issues a NOFA (Notice of Funding Availability) annually, generally in late fall or early spring.

Rental Assistance (RA): RA is available mainly to housing financed with Rural Rental Housing (Section 515) or off-farm housing (Section 516(1)) loans or grants and provides the difference between established rents and a very low- or low-income tenant's affordable level of rent contribution. Availability of RA is contingent on funding and the level of need among the development's tenants.

Farmworker Housing Loans and Grants: Available to individuals and/or entities involved in the provision of affordable housing for farmworkers. Section 516(1) loans and grants are available to public and broad-based nonprofit agencies for off-farm housing. Section 514 loans are available to farmers, family farm partnerships and corporations, and farmers' associations to develop on-farm housing. Loans are for 33 years at 1% interest, while grants may cover up to 90% of development costs.

PROGRAM CONTACT:

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USDA Fact Sheets: <https://www.rd.usda.gov/publications/fact-sheets>

Weatherization Assistance Program (WAP) – Rental

The Weatherization Assistance Program (WAP) provides grants to Community Action Agencies, local governments, Indian tribes, and non-profit organizations to provide specific program services for low-income families in Florida.

Applicants Individuals, Property owners or managers	Housing Type Rental, Homeownership
Application Cycle Year-round	Primary Use Grant for weatherization upgrades

WAP's mission is to reduce the monthly energy burden on low-income households by improving the energy efficiency of the home. The program offers free weatherization services to homeowners and renters including upgrades of air infiltration with weather stripping, caulking, thresholds, minor repairs to walls, ceilings, and floors, and window and door replacement. Other actions may include installation of attic ventilation, solar reflective coating to manufactured homes, solar screens, repairs or replacement of inefficient heating and cooling units, and the repair or replacement of water heaters.

Eligible Applicants: To qualify for WAP assistance, the total household income may not be more than 200 percent of the national poverty level. Preference is given to owner-occupied homes, elderly, or physically disabled residents, families with children under 12 and households with a high energy burden (repeated high utility bills).

PROGRAM CONTACT:

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Website: [http://www.floridajobs.org/
 community-planning-and-development/
 community-services/weatherization-assistance-
 program](http://www.floridajobs.org/community-planning-and-development/community-services/weatherization-assistance-program)



Rental Assistance and Programs to
END HOMELESSNESS

Rental Assistance and Programs to End Homelessness

There are a variety of programs that provide monthly rental payment assistance to low, very low, and extremely low-income households. Some of these assistance programs are reserved for specific populations (e.g. veterans, families, individuals, etc.) who are experiencing homelessness. The following program descriptions include programs that provide assistance directly to eligible households as well as program funding.

Continuum of Care (CoC) Program

The HUD Continuum of Care (CoC) program is designed to promote community-wide commitment to the goal of preventing and ending homelessness. Funding issued by federal, state, and local government entities is passed through from the CoC's collaborative applicant to direct service providers. CoCs are charged with coordinating the community's efforts, developing and implementing a strategic plan, and promoting best practices to prevent and end homelessness. CoC funds may be used to establish and operate projects under five program components: permanent housing; transitional housing; supportive services only; HMIS; and, in some cases, homelessness prevention.

Project Applicants States, local governments, private nonprofit organizations	Housing Type Rental
Application Cycle Annual, but variable	Primary Uses Permanent housing, transitional housing, supportive services, HMIS, and homelessness prevention

CoCs are established to serve geographic regions of their choosing. The CoC designates a Lead Agency which is responsible for carrying out the operation of the CoC. Each year, HUD issues a competitive Notice of Funding Availability (NOFA), Local service organizations, or Project Applicants submit project applications to the local CoC Lead Agency. The CoC then ranks applications received according to objective criteria. The applications and rankings are submitted to HUD for approval. Below are the five eligible program components.

Permanent Housing (PH)

Permanent Housing is community-based housing, the purpose of which is to provide housing where the household has full tenancy rights. Grant funds may be used for acquisition, rehabilitation, new construction, leasing, rental assistance, operating costs, and supportive services.

Permanent Housing interventions include:

- i. Permanent Supportive Housing (PSH). PSH is specifically for persons with disabilities with extended periods of homelessness who meet the definition of chronic homelessness. PSH can only provide assistance to individuals with disabilities and families in which one adult or child has a disability. Individuals and families must meet the definition of chronic homelessness. Supportive services that are paired with the housing subsidy are designed to meet the needs of the program participants and must be made available to the program participants. The intent of PSH is to serve the most vulnerable households who are often screened out of other programs. PSH should be low barrier and accessible to vulnerable households.
- ii. Rapid Re-housing (RRH). RRH is a PH intervention with less restrictive eligibility than PSH; accommodating individuals and families experiencing a current homeless episode. RRH is designed to exit households out of homelessness rapidly and into permanent housing. CoC funds may provide supportive services, and/or short-term (up to 3 months) and/or medium-term (for 3 to 24 months) tenant-based rental assistance as necessary to help an individual or family experiencing homelessness, with or without disabilities, move as quickly as possible into permanent housing and achieve stability in that housing. Tenants must have a lease in their name with full tenancy rights.

Transitional Housing (TH)

Transitional Housing facilitates the movement of individuals and families experiencing homelessness to PH within 24 months of entering TH. Grant funds may be used for acquisition, rehabilitation, new construction, leasing, rental assistance, operating costs, and supportive services.

Supportive Service Only (SSO)

SSO funds may be used for acquisition, rehabilitation, relocation costs, or leasing of a facility from which supportive services will be provided. To ensure engagement with both unsheltered and sheltered persons experiencing homelessness, this component allows for supportive services provision when the recipient or subrecipient is not providing housing or housing assistance. SSO also includes street outreach to more effectively provide services to difficult to engage populations.

Homeless Management Information System (HMIS)

HMIS is the information system designated by the Continuum of Care to comply with the HMIS requirements prescribed by HUD. See HEARTH Act for regulation on eligible costs.

Homelessness Prevention

Funds may be used by recipients in CoC-designated high-performing communities for housing relocation and stabilization services, and short- and/or medium-term rental assistance that are necessary to prevent an individual or family from becoming homeless.

Eligible Household Applicants: Household eligibility will be determined by the terms of the HUD contract with the Project Applicant. CoC-funded projects are required to participate in Coordinated Entry. The household should be able to access and apply for housing opportunities through their local Coordinated Entry System (CES).

PROGRAM CONTACT:

Local Continuums of Care (CoC)

You can identify your local CoC by going to the web page below, and by selecting Florida as the location, and Continuum of Care as the program
<https://www.hudexchange.info/grantees/>

In Florida, you can find your local CoC by visiting The Office on Homelessness website:
<https://www.myflfamilies.com/service-programs/homelessness/local-providers.shtml>

Further Continuum of Care program information and regulations can be found at:
<https://www.hudexchange.info/programs/coc/>

Emergency Solutions Grant (ESG) – Homelessness Prevention

Homelessness Prevention is one of five eligible program components of the Emergency Solutions Grant (ESG) funded by HUD. Homelessness Prevention is utilized for (1) housing relocation and stabilization services and/or (2) short and/or medium-term rental assistance necessary to prevent the individual or family from moving into an emergency shelter or becoming homeless.

<p>Project Applicants Metropolitan cities, urban counties and territories (may subgrant), States (must subgrant)</p>	<p>Housing Type Rental</p>
<p>Application Cycle Annual</p>	<p>Primary Uses Rental assistance to prevent homelessness</p>

The costs of homeless prevention are only eligible to the extent that the assistance is necessary to help the program participant regain stability in their current housing or move into other permanent housing and achieve stability in that housing.

Eligible costs include:

- Rental Assistance: rental assistance and rental arrears
- Financial assistance: rental application fees, security and utility deposits, utility payments, last month's rent, moving costs
- Services: housing search and placement, housing stability case management, landlord-tenant mediation, tenant legal services, credit repair

The only entities that may submit an application for the ESG shall be the lead agencies of the CoC, as designated pursuant to section 420.624(6), Florida Statutes, by the Office on Homelessness for specified catchment areas within the state.

Nonprofits may apply to the local city and/or county government in metropolitan and urban areas which receive ESG money directly from HUD.

Eligible Household Applicants: Very Low Income individuals and families who meet the criteria under the "at risk of homelessness" definition, or who meet the criteria in paragraph (2), (3), or (4) of the "homeless" definition in § 576.2 and have an annual income below 30 percent of median family income for the area, as determined by HUD.

PROGRAM CONTACT:

To find an ESG grantee, visit HUD's website: <https://www.hudexchange.info/grantees/contacts/>

To contact a state ESG grantee, visit The Office on Homelessness website: <https://www.myflfamilies.com/service-programs/homelessness/local-providers.shtml>

Emergency Solutions Grant (ESG) – Rapid Re-Housing (RRH)

Rapid Re-Housing is one of five eligible program components of the Emergency Solutions Grant (ESG) under HUD.

<p>Project Applicants Metropolitan cities, urban counties and territories (may subgrant), States (must subgrant)</p>	<p>Housing Type Rental</p>
<p>Application Cycle Annual</p>	<p>Primary Uses Rental assistance to assist households quickly exit homelessness</p>

ESG funds may be used to provide housing relocation and stabilization services and short- and/or medium-term rental assistance as necessary to help a homeless individual or family move as quickly as possible into permanent housing and achieve stability in that housing.

Component services and assistance generally consist of short-term and medium-term rental assistance, rental arrears, rental application fees, security deposits, advance payment of last month's rent, utility deposits and payments, moving costs, housing search and placement, housing stability case management, mediation, legal services, and credit repair. For specific requirements and eligible costs, see 24 CFR 576.104, 576.105, and 576.106.

The only entities that may submit an application for the State of Florida ESG are the lead agencies of the homeless Continuum of Care, as designated pursuant to section 420.624(6), Florida Statutes, by the Office on Homelessness for specified catchment areas within the state.

Nonprofits may apply to the local city and/or county government in metropolitan and urban areas which receive ESG money directly from HUD, unless otherwise determined by that local government.

Eligible Household Applicants: Individuals and families currently experiencing homelessness who meet the criteria under paragraph (1) of the "homeless" definition in §576.2 or who meet the criteria under paragraph (4) of the "homeless" definition and live in an emergency shelter or other place described in paragraph (1) of the "homeless" definition.

PROGRAM CONTACT:

To find an ESG grantee, visit HUD's website: <https://www.hudexchange.info/grantees/contacts/>

To contact a state ESG grantee, visit The Office on Homelessness website: <https://www.myflfamilies.com/service-programs/homelessness/local-providers.shtml>

Housing Choice Voucher (HCV) Program

The HCV program is a federal rental subsidy program supported by HUD funds and administered by local Public Housing Authorities (PHAs). PHAs provide payments to private landlords to reduce rental housing costs for low and very low-income voucher holders.

Project Applicants Very low- and low-income households, Elderly, Disabled, and Families	Housing Type Rental
Application Cycle Varies with each Public Housing Agency	Primary Uses Rental assistance

Housing Choice Vouchers (HCVs; sometimes referred to as Section 8 Vouchers) provide ongoing rental subsidies, known as Housing Assistance Payments (HAP), directly to private landlords on behalf of the housing program participant. Funds for this program are appropriated by Congress to HUD, which disburses them to PHAs according to pre-established contracts.

HCVs are “tenant-based”: When a household receives a HCV, the participant is responsible for finding a rental unit that meets PHA standards (developed according to HUD guidelines) for housing quality and rent reasonableness.

Some PHAs also administer the Family Self-Sufficiency (FSS) program, which pairs the HCV program with voluntary supportive services aimed at improving opportunities to achieve long-term self-sufficiency. The goal of FSS is to promote the development of local strategies for coordinating the use of Housing Choice Vouchers with public and private resources to help eligible families achieve economic independence. The objective of the program is to create an individualized five-year plan to assist these families in obtaining employment that will allow them to become self-sufficient and not dependent on future rental assistance. A primary focus of the FSS program is to successfully exit the household, voluntarily relinquishing their HCV, and transition them into homeownership.

Eligible Household Applicants: All PHAs are required to maintain their own Administrative Plan which details their Tenant Selection process, providing internal guidelines for program eligibility. HCVs can serve eligible households up to 80% AMI. In general, at least 75% of households admitted to a PHA’s voucher program each year (including both HCVs and Project-Based Vouchers) must be extremely low-income (up to 30% of AMI).

PROGRAM CONTACT:

Contact PHAs in the area you wish to live.

https://www.hud.gov/program_offices/public_indian_housing/pha/contacts

HUD-Veterans Affairs Supportive Housing (HUD-VASH)

The HUD-Veterans Affairs Supportive Housing (HUD-VASH) program serve veterans experiencing homelessness by combining Housing Choice Voucher (HCV) rental assistance, administered by a public housing agency (PHA), and case management and clinical services provided by the Department of Veterans Affairs (VA). The VA provides these case management and clinical services for participating veterans at VA Medical Centers (VAMCs), in the homes of HUD-VASH housing participants, and community-based outreach clinics.

Project Applicants Public Housing Agencies	Housing Type Rental
Application Cycle Varies with each public housing agency	Primary Uses Rental assistance

The HUD-VASH program is a joint effort between HUD and the VA to move veterans and their families out of homelessness and into permanent housing. HUD provides housing assistance through its HCV program (also known as Section 8) that allows homeless veterans to rent privately owned housing, scattered within the PHA catchment area. The VA offers eligible veterans experiencing homelessness clinical and supportive services through its health care system across the 50 states, the District of Columbia, Puerto Rico, and Guam.

HUD-VASH provides permanent supportive housing for eligible veterans and their families. HUD-VASH is focused on addressing housing and service needs for the most vulnerable veterans with the longest episodes of homelessness.

Eligible Household Applicants: HUD-VASH is unique, as referral and pre-eligibility is determined by the VA. Some of the factors considered include length of time served in the military, military discharge status, and clinical eligibility. The veteran must be VA healthcare eligible. Once referred, the PHA determines if the veteran applicant meets HUD’s regulations for this program. The PHA will determine eligibility based on income limits. Additionally, the PHA will conduct a screening, evaluating if any member of the household is required to maintain Lifetime Sexual Offender Registry status – those who do are not eligible to participate in this program.

PROGRAM CONTACT:

National Call Center for Homeless Veterans at 1-877-4AID-VET

For further program information visit the VA’s website: <https://www.va.gov/homeless/hud-vash.asp>

Project Based Vouchers (PBV) – Section 8

The Project-Based Voucher (PBV) program is a federal rental subsidy program supported by HUD funds and administered by local Public Housing Authorities (PHAs). PHAs provide payments to private landlords to reduce rental housing costs for low and very low-income voucher holders.

<p>Project Applicants</p> <p>Housing developers apply for project based vouchers which are available to eligible tenants</p>	<p>Housing Type</p> <p>Rental</p>
<p>Application Cycle</p> <p>Variable</p>	<p>Primary Uses</p> <p>Rental assistance</p>

A PHA may choose to use up to 20% of the Housing Choice Voucher funding it receives from HUD to support PBVs instead of tenant-based vouchers. The PHA contracts with owners of specific rental housing developments to subsidize monthly rents for a certain percentage of their units, making them affordable to low-income tenants. The developments may be existing housing, or newly constructed or rehabilitated to standards agreed upon with the PHA. Note that PBVs do not subsidize construction or rehabilitation, and developments with certain federal subsidies (including HUD's Section 202 and project-based Section 811) are ineligible to use PBVs.

The property owner enters into a Housing Assistance Payment (HAP) contract with the PHA for an initial term of up to 10 years. Thereafter, the owner may choose to renew the contract with the PHA in increments of up to five years.

Eligible Applicants: In most cases, new applicants must be considered Very Low Income (50% or less of area median income), although there may be instances where the PHA is able to assist a low-income family (80% or less of Area Median Income). In general, at least 75% of households admitted to a PHA's voucher program each year (including both HCVs and Project-Based Vouchers) must be extremely low-income (30% or less of area median income).

PROGRAM CONTACT:

Local HUD offices, Local Public Housing Authorities, Local Housing Finance Agencies, Nonprofit housing organizations

Supportive Services for Veteran Families (SSVF) – Rapid Re-Housing (RRH)

Through the SSVF Program, the VA aims to improve the housing stability of very low-income Veteran families. Towards this end, SSVF grantees provide a set of required SSVF services and have the option of providing additional SSVF services. The following are required SSVF services: (1) Outreach; (2) Case management; (3) Connection to VA benefits and programs (4) Connection to public benefits and mainstream, community resources; and (5) Temporary Financial Assistance.

Project Applicants Private non-profit organizations and consumer cooperatives	Housing Type Rental
Application Cycle Annual	Primary Uses See above listed required SSVF services

Grantees must use a **minimum** of 60 percent of the temporary financial assistance (TFA) portion of their supportive services grant funds to serve very low-income veteran individuals and families who either (i) are homeless and scheduled to become residents of permanent housing within 90 days pending the location or development of housing suitable for permanent housing or (ii) have exited permanent housing within the previous 90 days to seek other housing that is responsive to their needs and preferences. Grantees should establish the appropriate level of RRH assistance within the context of the overall community plan, crafted in collaboration with their partners in the CoC and the VA. Frequently grantees will target use of TFA well in excess of 60 percent to meet the needs of veteran households experiencing homelessness and ensure no gaps in the availability of RRH assistance. Determinations regarding the allocation of funds are announced in the SSVF Notice of Fund Availability (NOFA).

VA policy supports a “Housing First” approach in addressing and ending homelessness. Housing First establishes housing stability as the primary intervention in working with homeless persons.

Eligible Applicants: Very low-income individuals who are either (a) a veteran (A person who served in the active military, naval, or air service, and who was discharged or released there from under conditions other than dishonorable); or (b) a member of a family in which the head of household, or the spouse of the head of household, is a veteran.

PROGRAM CONTACT:

To find a SSVF grantee, visit the VA's website: https://www.va.gov/homeless/ssvf/?page=/home/general_program_info_regs



GLOSSARY OF TERMS

Glossary of Terms

Affordable Housing

The rule of thumb used by the federal government is that housing should cost no more than 30 percent of a household's gross income. Housing costs include rent or mortgage payments, property taxes (for homeowners), renter's or homeowner's insurance, and utility costs. Many, though not all, federal, state, and local funding programs require affordable housing providers to use this standard when setting rents or purchase prices for their units. Depending on the program, the rent or purchase price of a unit may be set at 30 percent of a specific income level (e.g. 50 percent of Area Median Income), or at 30 percent of the applicant household's income.

One example of a program that does not have a specific definition of affordability is the Community Development Block Grant (CDBG). In practice, many CDBG grantees use the 30-percent standard.

Affordability Period

The period during which a subsidized owner-occupied or rental unit must be kept affordable to households at designated income levels. Affordability periods vary widely among subsidy programs, generally ranging from 15 to 40 years. This period is sometimes also referred to as a "compliance period".

Amortizing Loan

A loan where the principal of the loan is paid down over the life of the loan (that is, amortized) according to an amortization schedule, typically through equal payments.

Area Median Income (AMI)

The median household or family income in a designated geographic area, usually a metropolitan area or a county. Every year, the U.S. Department of Housing and Urban Development (HUD) calculates "Median Family Incomes" for designated geographic areas around the country, using data from the U.S. Census Bureau and the Consumer Price Index. State and local housing programs generally use HUD's Median Family Income calculations for their own definitions of Area Median Income.

Note that in any given year, HUD's Median Family Incomes are different than median family incomes and median household incomes calculated by the Census Bureau, due to differences in calculation methods.

Deferred-Payment Loan

A loan to a homebuyer or affordable housing developer that does not have to be repaid until a later date, when or if certain conditions are met. For example, if a homebuyer receives a deferred-payment loan for down payment assistance or mortgage principal reduction, he or she may have to pay back all or part of the loan if he or she sells the home during the affordability period (see Recapture). Depending on the program, deferred-payment loans may be forgivable under certain circumstances.

Extremely Low-Income (ELI) Household

A household with an income up to 30 percent of the Area Median Income (AMI).

Forgivable Loan

A loan to a homebuyer or affordable housing developer for which repayment is not required if certain conditions are met. For example, in some homebuyer subsidy programs, the homebuyer is assisted with a loan that is forgiven if he or she lives in the home for a certain minimum amount of time.

Gap Financing

Gap financing generally refers to a grant or loan that covers the difference between the cost of developing and operating an affordable housing project, and the funding sources that the developer has already obtained or is likely to obtain.

Guarantee

In the affordable housing field, a guarantee usually refers to a pledge from a funding agency to repay a mortgage or other loan if the borrower (an income-qualified homebuyer or affordable housing developer) defaults. Loan guarantees encourage private lenders, such as banks, to make loans to individuals and organizations who would otherwise be considered too risky.

Joint Venture

A legal entity created by two or more organizations to undertake a specific project, sharing the benefits and risks according to a specified agreement. In affordable housing, a joint venture generally refers to a development project undertaken by two or more organizations working in partnership. The parties of a joint venture may be an inexperienced and experienced housing developer, a housing developer and a social service agency, or other configuration. A joint venture may consist of nonprofit organizations, for-profits, or both.

Loan-to-Value (LTV) Ratio

The ratio of a mortgage loan for a homebuyer or rental housing developer to the total value of the property. Some funding programs have a maximum loan-to-value ratio used to determine the maximum amount of subsidy to award to an applicant.

Low-Income (LI) Household

The most commonly used definition of a low-income household is one whose annual income is no more than 80 percent of Area Median Income (AMI). The entries in this Guide use this definition of low-income unless otherwise stated. One program that uses a different definition is the Community Development Block Grant. Under CDBG regulations, a low-income household is one whose income is up to 50 percent of AMI.

Moderate-Income Household

Under Florida Statutes, a moderate-income household does not exceed 120 percent of the Area Median Income (AMI). Under the CDBG and Neighborhood Stabilization Programs (NSP), a moderate-income household has an income greater than 50 percent of AMI but no more than 80 percent of AMI. Some programs, such as those administered by the United States Department of Agriculture's Rural Housing Service (USDA RHS), have their own definitions of moderate-income.

Non-Amortizing Loan

A loan in which payments on the principal are not made on a regular basis. As a result, the value of principal does not decrease at all over the life of the loan.

The principal is then paid as a lump sum at the maturity of the loan. Examples of non-amortizing loans include balloon mortgages and deferred interest programs.

Participating Jurisdiction

Any State or unit of local government that has been designated by HUD to administer a HOME Investments Partnerships program grant.

Recapture

A recapture provision is one way to ensure that a subsidy for an owner-occupied home remains available for future low-income homebuyers. A recapture provision is triggered if a low-income homeowner who benefited from a subsidy chooses to sell the house during the affordability period. Depending on the specific program guidelines, the homeowner may have to pay back all or part of the original subsidy using proceeds from selling the house. The entity that administers the program can reinvest these recaptured funds to help future homebuyers.

The term “recapture” can also refer to a funding agency requiring a beneficiary (a public or private entity or an individual) to pay back funds, if the beneficiary used them for inappropriate activities, failed to spend them by an agreed-upon deadline, or otherwise failed to comply with the program.

Resale Requirement

If an affordable home sold to an income-qualified homebuyer has a resale requirement, the homeowner is legally required by a deed restriction or land covenant to sell the home to another income-qualified household at an affordable price (when/if the first homeowner chooses to sell.)

Very Low-Income (VLI) Household

A household with an income up to 50 percent of the (Area Median Income).



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Affordable Housing Resource Guide

AND OTHER VALUABLE RESOURCES UNDER THE PUBLICATIONS TAB
ON THE FLORIDA HOUSING COALITION'S WEBSITE AT:

WWW.FLHOUSING.ORG





U.S. Department of Housing and Urban Development
Community Planning and Development

Special Attention of:

CPD Division Directors
All HOME Coordinators
All HOME Participating Jurisdictions

Notice: CPD-21-10

Issued: September 13, 2021

Expires: **This NOTICE is effective until it is amended, superseded, or rescinded**

Cross Reference: 24 CFR Part 92

Subject: Requirements for the Use of Funds in the HOME-American Rescue Plan Program

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Appendix – Waivers and Alternative Requirements for HOME Investment Partnerships Program – American Rescue Plan (HOME-ARP)

I. PURPOSE

This Notice establishes requirements for funds appropriated under section 3205 of the American Rescue Plan Act of 2021 (P.L. 117-2) (“**ARP**”) for the HOME Investment Partnerships Program (HOME) to provide homelessness assistance and supportive services.

II. BACKGROUND

On March 11, 2021, President Biden signed ARP into law, which provides over \$1.9 trillion in relief to address the continued impact of the COVID-19 pandemic on the economy, public health, State and local governments, individuals, and businesses.

To address the need for homelessness assistance and supportive services, Congress appropriated \$5 billion in ARP funds to be administered through HOME to perform four activities that must primarily benefit qualifying individuals and families who are homeless, at risk of homelessness, or in other vulnerable populations. These activities include: (1) development and support of affordable housing, (2) tenant-based rental assistance (TBRA), (3) provision of supportive services; and (4) acquisition and development of non-congregate shelter units. The program described in this notice for the use of the \$5 billion in ARP funds is the **HOME-American Rescue Plan** or “**HOME-ARP**.”

ARP defines qualifying individuals or families as those that are (1) homeless, as defined in section 103(a) of the McKinney-Vento Homeless Assistance Act, as amended (42 U.S.C. 11302(a)) (“**McKinney-Vento**”); (2) at risk of homelessness, as defined in section 401 of McKinney-Vento; (3) fleeing, or attempting to flee domestic violence, dating violence, sexual assault, stalking, or human trafficking; (4) part of other populations where providing supportive services or assistance would prevent a family’s homelessness or would serve those with the greatest risk of housing instability; or (5) veterans and families that include a veteran family member that meet the criteria in one of (1)-(4) above.

ARP authorized HUD to allocate HOME-ARP funds to states, units of general local government, insular areas, and consortia of units of general local government that qualified for an allocation of HOME funds in Fiscal Year (FY) 2021, pursuant to section 217 of the Cranston-Gonzalez National Affordable Housing Act of 1990, as amended (42 U.S.C. 12701 et seq.) (“**NAHA**”). On April 8, 2021, HUD allocated HOME-ARP funds to 651 grantees using the HOME formula established at [24 CFR 92.50](#) and [92.60](#). The HOME-ARP allocation amounts can be found [here](#).

III. ESTABLISHMENT OF HOME-ARP REQUIREMENTS

ARP provides funds for homelessness and supportive services assistance under the HOME statute of Title II of NAHA (42 U.S.C. 12721 et seq.) and authorizes the Secretary of HUD to waive or specify alternative requirements for any provision of NAHA or regulation for the administration of the HOME-ARP program, except requirements related to fair housing, civil rights, nondiscrimination, labor standards, and the environment, upon a finding that the waiver

or alternative requirement is necessary to expedite or facilitate the use of HOME-ARP funds. Pursuant to ARP, the per-unit cost limits (42 U.S.C. 12742(e)), commitment requirements (42 U.S.C. 12748(g)), matching requirements (42 U.S.C. 12750), and set-aside for housing developed, sponsored, or owned by community housing development organizations (CHDOs) (42 U.S.C. 12771) in NAHA do not apply to HOME-ARP funds.

This Notice describes the requirements applicable to a participating jurisdiction's (PJ's) use of HOME-ARP funds. Consolidated plan requirements for HOME are in title I of NAHA and [24 CFR part 91](#). HOME program regulations are in [24 CFR part 92](#). Except as described in ARP and this Notice, HOME statutory and regulatory provisions apply to a PJ's use of HOME-ARP funds. Sections I-IX of this Notice describe the HOME-ARP requirements imposed on a PJ for the use of HOME-ARP funds to assist the qualifying populations through HOME-ARP projects or activities. The Appendix describes the waivers and alternative requirements imposed on PJs for the use of HOME-ARP funds and is included in any reference to "this Notice." Specific citations in the Notice shall mean the statute or regulation cited, as may be revised by the Appendix to this Notice. PJs and insular areas must comply with all applicable statutory, regulatory, and alternative requirements, as described in this Notice, including the Appendix.

IV. QUALIFYING POPULATIONS, TARGETING AND PREFERENCES

ARP requires that funds be used to primarily benefit individuals and families in the following specified "qualifying populations." Any individual or family who meets the criteria for these populations is eligible to receive assistance or services funded through HOME-ARP without meeting additional criteria (e.g., additional income criteria). All income calculations to meet income criteria of a qualifying population or required for income determinations in HOME-ARP eligible activities must use the annual income definition in [24 CFR 5.609](#) in accordance with the requirements of [24 CFR 92.203\(a\)\(1\)](#).

A. Qualifying Populations

1. **Homeless**, as defined in [24 CFR 91.5](#) *Homeless* (1), (2), or (3):

(1) An individual or family who lacks a fixed, regular, and adequate nighttime residence, meaning:

(i) An individual or family with 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;

(ii) An individual or family 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

(iii) An individual who 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:

(i) The primary nighttime residence will be lost within 14 days of the date of application for homeless assistance;

(ii) No subsequent residence has been identified; and

(iii) 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) Unaccompanied youth under 25 years of age, or families with children and youth, who do not otherwise qualify as homeless under this definition, but who:

(i) 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);

(ii) 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;

(iii) 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

(iv) Can be expected to continue in such status for an extended period of time because of chronic disabilities, chronic physical health or mental health conditions, substance addiction, histories of domestic violence or childhood abuse (including neglect), the presence of a child or youth with a disability, or two or more barriers to employment, which include the lack of a high school degree or General Education Development (GED), illiteracy, low English proficiency, a history of incarceration or detention for criminal activity, and a history of unstable employment;

2. At risk of Homelessness, as defined in [24 CFR 91.5](#) *At risk of homelessness*:

(1) An individual or family who:

(i) Has an annual income below 30 percent of median family income for the area, as determined by HUD;

(ii) 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 another place described in paragraph (1) of the “Homeless” definition in this section; and

(iii) Meets one of the following conditions:

(A) Has moved because of economic reasons two or more times during the 60 days immediately preceding the application for homelessness prevention assistance;

(B) Is living in the home of another because of economic hardship;

(C) 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;

(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 people per room, as defined by the U.S. Census Bureau;

(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); or

(G) Otherwise lives in housing that has characteristics associated with instability and an increased risk of homelessness, as identified in the recipient's approved consolidated plan;

(2) A child or youth who does not qualify as “homeless” under this section, but qualifies as “homeless” under section 387(3) of the Runaway and Homeless Youth Act (42 U.S.C. 5732a(3)), section 637(11) of the Head Start Act (42 U.S.C. 9832(11)), section 41403(6) of the Violence Against Women Act of 1994 (42 U.S.C. 14043e-2(6)), section 330(h)(5)(A) of the Public Health Service Act (42 U.S.C. 254b(h)(5)(A)), section 3(l) of the Food and Nutrition Act of 2008 (7 U.S.C. 2012(l)), or section 17(b)(15) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(b)(15)); or

(3) A child or youth who does not qualify as “homeless” under this section but qualifies as “homeless” under section 725(2) of the McKinney-Vento Homeless Assistance Act (42

U.S.C. 11434a(2)), and the parent(s) or guardian(s) of that child or youth if living with her or him.

3. Fleeing, or Attempting to Flee, Domestic Violence, Dating Violence, Sexual Assault, Stalking, or Human Trafficking, as defined by HUD.

For HOME-ARP, this population includes any individual or family who is fleeing, or is attempting to flee, domestic violence, dating violence, sexual assault, stalking, or human trafficking. 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 transfer.

Domestic violence, which is defined in [24 CFR 5.2003](#) 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 jurisdiction receiving HOME-ARP funds; 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 jurisdiction.

Dating violence which is defined in [24 CFR 5.2003](#) means violence committed by a person:

- 1) Who is or has been in a social relationship of a romantic or intimate nature with the victim; and
- 2) Where the existence of such a relationship shall be determined based on a consideration of the following factors:
 - a. The length of the relationship;
 - b. The type of relationship; and
 - c. The frequency of interaction between the persons involved in the relationship.

Sexual assault which is defined in [24 CFR 5.2003](#) means any nonconsensual sexual act proscribed by Federal, Tribal, or State law, including when the victim lacks capacity to consent.

Stalking which is defined in [24 CFR 5.2003](#) 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 includes both sex and labor trafficking, as outlined in the Trafficking Victims Protection Act of 2000 (TVPA), as amended (22 U.S.C. 7102). These are defined as:

- 1) *Sex trafficking* means 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; or
- 2) *Labor trafficking means* 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.

4. **Other Populations** where providing supportive services or assistance under section 212(a) of NAHA ([42 U.S.C. 12742\(a\)](#)) would prevent the family's homelessness or would serve those with the greatest risk of housing instability. HUD defines these populations as individuals and households who do not qualify under any of the populations above but meet one of the following criteria:

(1) **Other Families Requiring Services or Housing Assistance to Prevent Homelessness** is defined as households (i.e., individuals and families) who have previously been qualified as "homeless" as defined in [24 CFR 91.5](#), 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.

(2) **At Greatest Risk of Housing Instability** is defined as household who meets either paragraph (i) or (ii) below:

(i) has annual income that is less than or equal to 30% of the area median income, as determined by HUD and is experiencing severe cost burden (i.e., is paying more than 50% of monthly household income toward housing costs);

- (ii) has annual income that is less than or equal to 50% of the area median income, as determined by HUD, **AND** meets one of the following conditions from paragraph (iii) of the “At risk of homelessness” definition established at [24 CFR 91.5](#):
- (A) Has moved because of economic reasons two or more times during the 60 days immediately preceding the application for homelessness prevention assistance;
 - (B) Is living in the home of another because of economic hardship;
 - (C) 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;
 - (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;
 - (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); or
 - (G) Otherwise lives in housing that has characteristics associated with instability and an increased risk of homelessness, as identified in the recipient's approved consolidated plan

Veterans and Families that include a Veteran Family Member that meet the criteria for one of the qualifying populations described above are eligible to receive HOME-ARP assistance.

B. Use of Funds to Benefit Qualifying Populations

ARP states that funds must be used to primarily benefit the qualifying populations through the four eligible activities: (1) TBRA, (2) development and support of affordable housing, (3) provision of supportive services; and (4) acquisition and development of non-congregate shelter (NCS) units. Recognizing the urgent needs of individuals and families in qualifying populations, HUD is requiring that:

- 100% of HOME-ARP funds used by a PJ for TBRA, supportive services, and acquisition and development of non-congregate shelter units must benefit individuals and families in qualifying populations. Individuals and families in qualifying populations may be assisted by one or more of the HOME-ARP eligible activities, consistent with the requirements in this Notice.
- Not less than 70 percent of affordable rental housing units acquired, rehabilitated, or constructed with HOME-ARP funds by a PJ must be occupied by households in the qualifying populations. Units that are not restricted to occupancy by qualifying populations are subject to income targeting and rent requirements established under the

HOME-ARP Rental Program rules and are only permitted in projects with rental units restricted for occupancy by qualifying populations.

HUD recognizes that, because many households in the qualifying populations are unable to pay rents sufficient to cover unit operating costs, PJs and project owners should attempt to obtain Federal or state project-based rental subsidies, if available. Since project-based rental subsidies can be difficult to secure, additional flexibility may be necessary to structure and underwrite projects so that they remain both affordable and financially viable. HUD is providing PJs with additional flexibilities in [Section VI.B.](#) to structure and underwrite HOME-ARP rental projects so they remain financially viable during the minimum compliance period. One of these flexibilities is permitting up to 30 percent of HOME-ARP rental housing units funded by a PJ to be occupied by low-income households. PJs are encouraged to use this flexibility only when it is required to facilitate development of a HOME-ARP rental project.

PJs must determine and document that households meet the definition of a qualifying population or, for the portion of HOME-ARP rental units not restricted to these populations, that households are low-income.

C. Preferences Among Qualifying Populations, Referral Methods, and Subpopulations

1. Preferences

ARP establishes the qualifying populations that are eligible for assistance with HOME-ARP funds. A PJ may establish reasonable preferences among the qualifying populations to prioritize applicants for HOME-ARP projects or activities based on the PJ's needs and priorities, as described in its HOME-ARP allocation plan. For example, a PJ may set a preference among qualifying individuals and families for a HOME-ARP non-congregate shelter for individuals and families who are homeless; fleeing or attempting to flee domestic violence, dating violence, sexual assault, stalking, or human trafficking; and veterans and families with a veteran family member that meet the criteria of one of these prior qualifying populations, consistent with its HOME-ARP allocation plan.

The PJ must comply with all applicable fair housing, civil rights, and nondiscrimination requirements, including but not limited to those requirements listed in [24 CFR 5.105\(a\)](#) when applying preferences through its referral methods. Persons who are eligible for a preference must have the opportunity to participate in all HOME-ARP activities of the PJ in which they are eligible under this Notice, including activities that are not separate or different, and cannot be excluded because of any protected characteristics or preferential status.

Targeted assistance: If HOME-ARP funds are used for TBRA, the PJ may establish a preference for individuals with special needs or persons with disabilities among the HOME-ARP qualifying populations. Within the qualifying populations, participation may be limited to persons with a specific disability only, if necessary, to provide effective housing, aid, benefit, or services that would be as effective as those provided to others in accordance with [24 CFR 8.4\(b\)\(1\)\(iv\)](#). The PJ may also provide a preference for a specific category of individuals with disabilities (e.g., persons with HIV/AIDS or chronic mental illness) within the qualifying

populations only if the specific category is identified in the PJ's HOME-ARP allocation plan as having unmet need and the preference is needed to narrow the gap in benefits and services received by such persons.

2. Referral Methods for Projects or Activities

A PJ may use the referral methods described below to administer HOME-ARP assistance to qualifying individuals and families. Regardless of the referral method used by the PJ, HUD holds the PJ responsible for determining and documenting that beneficiaries meet the definition of a qualifying population or, for the portion of HOME-ARP rental units not restricted to qualifying populations, that beneficiaries are low-income.

A PJ may use the coordinated entry or coordinated entry process (CE) of a continuum of care (CoC) for referrals for projects and activities as described below. Under 24 CFR 578.3, a CE is a centralized or coordinated process designed to coordinate program participant intake assessment and provision of referrals within a defined area. HUD requires each CoC to establish and operate a CE with the goal of increasing the efficiency of local crisis response systems and improving fairness and ease of access to resources, including mainstream resources. A PJ may permit a CoC CE to collect information and documentation required to determine whether an individual or family meets the criteria of a HOME-ARP qualifying population at any point in the coordinated entry process, (i.e., after or concurrently with the assessment and intake processes) as long as that information is not used to rank a person for HOME-ARP assistance other than as specified by the preferences or method of prioritization established by the PJ, in accordance with HOME-ARP requirements. If the PJ uses CE, the PJ cannot require HOME-ARP victim service providers to use the CE but may permit them to do so.

The PJ must comply with all applicable nondiscrimination and equal opportunity laws and requirements listed in [24 CFR 5.105\(a\)](#) and any other applicable fair housing and civil rights laws and requirements when using the following referral methods:

i. Use of Expanded CE in HOME-ARP

Under this referral method, a PJ may use a CE established by a CoC operating within its boundaries for one or more projects or activities if the CE accepts all HOME-ARP qualifying populations eligible for those activities or projects, in accordance with the preferences and prioritization, if any, established or approved by the PJ in its HOME-ARP allocation plan and imposed through the PJ's written agreements.

Before using a CoC's CE, PJs should consider whether the CE covers the same service area as the HOME-ARP project or activity that would use that CE. At a minimum, the PJ must establish policies and procedures that describe the relationship of the geographic area(s) served by the project or activity to the geographic area(s) covered by the CoC CE and address how the CE will provide access and implement uniform referral processes in situations where a project's geographic area(s) is broader than the geographic area(s) covered by the CE.

The PJ must require a project or activity to use CE along with other referral methods (as provided in section ii below) or to use only a project/activity waiting list (as provided in section iii below) if:

1. the CE does not have a sufficient number of qualifying individuals and families to refer to the PJ for the project or activity;
2. the CE does not include all HOME-ARP qualifying populations; or,
3. the CE fails to provide access and implement uniform referral processes in situations where a project's geographic area(s) is broader than the geographic area(s) covered by the CE.

ii. Use of CE with Other Referral Methods

The PJ may use a CoC CE with additional referrals from outside organizations or project-specific waiting lists consistent with HOME-ARP requirements. If using this referral method, the PJ must establish or approve any preferences or prioritization criteria applied by a CoC CE or other referral sources. The PJ may also use a waiting list to receive referrals from a CoC CE and other referral agencies for a project or activity, where a CoC CE or referral agency refers an applicant that is placed on the waiting list for that project or activity in chronological order.

If applicable, a PJ must establish policies and procedures for applying a PJ's established preferences and method of prioritization, if any, when accepting direct referrals from a CoC CE and other referral agencies and must document that such the policies and procedures were followed for each applicant served.

iii. Use of a Project/Activity Waiting List

The PJ may establish a waiting list for each HOME-ARP project or activity. All qualifying individuals or families must have access to apply for placement on the waiting list for an activity or project. Qualifying individuals or families on a waiting list must be accepted in accordance with the PJ's preferences, if any, consistent with this Notice or, if the PJ did not establish preferences, in chronological order, insofar as practicable.

3. Limiting Eligibility to Subpopulations

PJs must follow all applicable fair housing, civil rights, and nondiscrimination requirements, including but not limited to those requirements listed in [24 CFR 5.105\(a\)](#). This includes, but is not limited to, the Fair Housing Act, Title VI of the Civil Rights Act, section 504 of Rehabilitation Act, HUD's Equal Access Rule, and the Americans with Disabilities Act, as applicable.

HOME-ARP rental housing or NCS may be limited to a specific subpopulation of a qualifying population identified in [Section IV.A.](#) of this Notice, so long as admission does not discriminate against any protected class under federal nondiscrimination laws in [24 CFR 5.105](#) (e.g., the housing may be limited to homeless households and at risk of homelessness households,

veterans and their families, victims of domestic violence, dating violence, sexual assault, stalking or human trafficking and their families).

Recipients may limit admission to or provide a preference for HOME-ARP rental housing or NCS to households who need the specialized supportive services that are provided (e.g., domestic violence services). However, no otherwise eligible individuals with disabilities or families including an individual with a disability who may benefit from the services provided may be excluded on the grounds that they do not have a particular disability.

Consistent with the statutory authority under ARP, HOME-ARP NCS may be converted to permanent housing under the CoC program or used as shelters under the ESG program, when all program and fair housing and nondiscrimination requirements are met. As such, HOME-ARP NCS may need to limit eligibility to households that are homeless and/or at risk of homelessness if the shelter will be converted to permanent housing under the CoC program or used as an emergency shelter in the ESG program.

V. HOME-ARP ALLOCATION PLAN

PJs develop annual action plans as part of their application for HOME funding. To receive its HOME-ARP funds, a PJ must engage in consultation and public participation processes and develop a HOME-ARP allocation plan that meets the requirements established in this section of the Notice and submit it to HUD as a substantial amendment to its Fiscal Year 2021 annual action plan. HUD is using the waiver and alternative requirement authority provided by ARP to establish requirements for the HOME-ARP allocation plan in this Notice. The HOME-ARP allocation plan must describe how the PJ intends to distribute HOME-ARP funds, including how it will use these funds to address the needs of HOME-ARP qualifying populations. A PJ's HOME-ARP allocation plan must include:

- A summary of the consultation process and results of upfront consultation;
- A summary of comments received through the public participation process and a summary of any comments or recommendations not accepted and the reasons why;
- A description of HOME-ARP qualifying populations within the jurisdiction;
- An assessment of unmet needs of each qualifying population;
- An assessment of gaps in housing and shelter inventory, homeless assistance and services, and homelessness prevention service delivery system;
- A summary of the planned use of HOME-ARP funds for eligible activities based on the unmet needs of the qualifying populations;
- An estimate of the number of housing units for qualifying populations the PJ will produce or preserve with its HOME-ARP allocation; and
- A description of any preferences for individuals and families in a particular qualifying population or a segment of a qualifying population.

All the above required elements of the HOME-ARP allocation plan shall be part of the FY 2021 annual action plan for purposes of the HOME-ARP program. Consequently, PJs are not required to amend their consolidated plans.

A. Consultation

Before developing its HOME-ARP allocation plan, a PJ must consult with agencies and service providers whose clientele include the HOME-ARP qualifying populations to identify unmet needs and gaps in housing or service delivery systems. In addition, a PJ should use consultation to determine the HOME-ARP eligible activities currently taking place within its jurisdiction and potential collaborations for administering HOME-ARP. This consultation will provide a basis for the PJ's strategy for distributing HOME-ARP funds for eligible activities to best meet the needs of qualifying populations. At a minimum, a PJ must consult with the CoC(s) serving the jurisdiction's geographic area, homeless and domestic violence service providers, veterans' groups, public housing agencies (PHAs), public agencies that address the needs of the qualifying populations, and public or private organizations that address fair housing, civil rights, and the needs of persons with disabilities. State PJs are not required to consult with every PHA or CoC within the state's boundaries; however, local PJs must consult with all PHAs (including statewide or regional PHAs) and CoCs serving the jurisdiction. In its plan, a PJ must describe its consultation process, list the organizations consulted, and summarize the feedback received from these entities.

B. Public Participation

PJs must provide for and encourage citizen participation in the development of the HOME-ARP allocation plan. Before submitting the HOME-ARP allocation plan to HUD, PJs must provide residents with reasonable notice and an opportunity to comment on the proposed HOME-ARP allocation plan of no less than 15 calendar days. The PJ must follow its adopted requirements for "reasonable notice and an opportunity to comment" for plan amendments in its current citizen participation plan. In addition, PJs must hold at least one public hearing during the development of the HOME-ARP allocation plan prior to submitting the plan to HUD.

For the purposes of HOME-ARP, PJs are required to make the following information available to the public:

- The amount of HOME-ARP funds the PJ will receive.
- The range of activities the PJ may undertake.

A PJ must consider any comments or views of residents received in writing, or orally at a public hearing, when preparing the HOME-ARP allocation plan. In its plan, a PJ must describe its public participation process, including any efforts made to broaden public participation. In its plan, the PJ must also include a summary of comments and recommendations received through the public participation process and any comments or recommendations not accepted and the reasons why.

Throughout the HOME-ARP allocation plan public participation process, the PJ must follow its applicable fair housing and civil rights requirements and procedures for effective communication, accessibility and reasonable accommodation for persons with disabilities and providing meaningful access to participation by limited English proficient (LEP) residents that are in its current citizen participation plan as required by [24 CFR 91.105](#) and [91.115](#).

C. HOME-ARP Allocation Plan Requirements

The HOME-ARP allocation plan must describe the distribution of HOME-ARP funds and the process for soliciting applications and/or selecting eligible projects. The plan must also identify any preferences being established for eligible activities or projects. However, PJs are not required to identify specific projects that will be funded in the HOME-ARP allocation plan.

1. **Needs Assessment and Gaps Analysis:** A PJ must evaluate the size and demographic composition of qualifying populations within its boundaries and assess the unmet needs of those populations. In addition, a PJ must identify any gaps within its current shelter and housing inventory as well as the service delivery system. A PJ should use current data, including point in time count, housing inventory count, or other data available through CoCs, and consultations with service providers to quantify the individuals and families in the qualifying populations and their need for additional housing, shelter, or services. A PJ should identify and consider the current resources available to assist qualifying populations, including congregate and non-congregate shelter units, supportive services, TBRA, and affordable and permanent supportive rental housing. A PJ must consider the housing and service needs of qualifying populations, including but not limited to:
 - Sheltered and unsheltered homeless populations;
 - Those currently housed populations at risk of homelessness;
 - Other families requiring services or housing assistance to prevent homelessness; and
 - Those at greatest risk of housing instability or in unstable housing situations.

A PJ should include data in its HOME-ARP allocation plan that describes the qualifying populations.

In addition, a PJ must include a narrative description that:

- Identifies the characteristics of housing associated with instability and an increased risk of homelessness if the PJ will include such conditions under HUD’s definition of “other populations” as established in [Section IV.A.4.2.ii.G.](#) of this Notice.
 - Identifies the PJ’s priority needs for qualifying populations; and,
 - Explains how the PJ determined the level of need and gaps in its shelter and housing inventory and service delivery systems.
2. **HOME-ARP Activities:** The HOME-ARP allocation plan must describe how a PJ will distribute HOME-ARP funds in accordance with its priority needs. The plan must describe the PJ’s method for soliciting applications for funding and/or selecting developers, service providers, subrecipients and/or contractors and whether the PJ will administer eligible activities directly. If the PJ will provide any portion of its HOME-ARP administrative funds to a subrecipient or contractor prior to HUD’s acceptance of the PJ’s HOME-ARP allocation plan because the subrecipient or contractor is responsible for the administration of the PJ’s entire HOME-ARP grant, the plan must identify the subrecipient or contractor and describe its role and responsibilities in administering all of the PJ’s HOME-ARP program.

PJs must indicate in the HOME-ARP allocation plan the amount of HOME-ARP funding that is planned for each eligible HOME-ARP activity type, including administrative and

planning activities. In addition, a PJ must demonstrate that any planned funding for nonprofit organization operating assistance, as described in [Section VI.F](#), nonprofit capacity building, and administrative costs is within HOME-ARP limits. PJs must also include a narrative description about how the characteristics of its shelter and housing inventory, service delivery system, and the needs identified in the PJ's gap analysis provided a rationale for its plan to fund eligible activities.

3. **HOME-ARP Production Housing Goals:** The HOME-ARP allocation plan must estimate the number of affordable rental housing units for qualifying populations that a PJ will produce or support with its HOME-ARP allocation. The plan must also include a narrative about the specific affordable rental housing production goal that the PJ hopes to achieve and describe how it will address the PJ's priority needs.
4. **Preferences:** The HOME-ARP allocation plan must identify whether the PJ intends to give preference to one or more qualifying populations or a subpopulation within one or more qualifying populations for any eligible activity or project. For example, PJs may include a preference for:
 - homeless individuals and families as defined in the ESG and CoC programs;
 - individuals with special needs or persons with disabilities among qualifying individuals and families;
 - a specific category of qualifying individuals and families (e.g., chronically homeless as defined in [24 CFR 91.5](#)).

PJs are not required to describe specific projects to which the preferences will apply in the HOME-ARP allocation plan. However, a PJ must explain how the use of a preference or method of prioritization will address the unmet need or gap in benefits and services received by individuals and families in the qualifying population or category of qualifying population, consistent with the PJ's needs assessment and gap analysis. The PJ must also describe how it will still address the unmet needs or gaps in benefits and services of the other qualifying populations that are not included in a preference through the use of HOME-ARP funds.

Preferences cannot violate any applicable fair housing, civil rights, and nondiscrimination requirements, including but not limited to those requirements listed in [24 CFR 5.105\(a\)](#). The PJ must comply with all applicable nondiscrimination and equal opportunity laws and requirements listed in [24 CFR 5.105\(a\)](#) and any other applicable fair housing and civil rights laws and requirements when establishing preferences or methods of prioritization.

5. **HOME-ARP Refinancing Guidelines:** If a PJ intends to use HOME-ARP funds to refinance existing debt secured by multifamily rental housing that is being rehabilitated with HOME-ARP funds, it must state its refinancing guidelines in accordance with [24 CFR 92.206\(b\)\(2\)](#). The guidelines must describe the conditions under which the PJ will refinance existing debt for a HOME-ARP rental project. At a minimum, the guidelines must:
 - Establish a minimum level of rehabilitation per unit or a required ratio between rehabilitation and refinancing to demonstrate that rehabilitation of HOME-ARP rental housing is the primary eligible activity.

- Require a review of management practices to demonstrate that disinvestment in the property has not occurred; that the long-term needs of the project can be met; and that the feasibility of serving qualified populations for the minimum compliance period can be demonstrated.
 - State whether the new investment is being made to maintain current affordable units, create additional affordable units, or both.
 - Specify whether the required compliance period is the minimum 15 years or longer.
 - State that HOME-ARP funds cannot be used to refinance multifamily loans made or insured by any federal program, including CDBG.
6. **Substantial Amendments to the HOME-ARP Allocation Plan:** PJs must make a substantial amendment to the HOME-ARP allocation plan for changes in the method of distributing funds; to carry out an activity not previously described in the plan; or, to change the purpose, scope, location, or beneficiaries of an activity, including new preferences not previously described in the plan. In addition, the requirements for substantial amendments at [24 CFR 92.63](#) apply to the HOME-ARP allocation plan for insular areas. PJs are not required to make a substantial amendment to describe individual projects selected for funding if the eligible activity is included in the PJ’s plan. PJs must make the proposed substantial amendment public and provide for a 15-day public comment period prior to submission. Upon completion of the public comment period, PJs must submit substantial amendments to HUD in accordance with the process for submitting the HOME-ARP allocation plan as described in [Section V.D.](#)
7. **Certifications and SF-424:** PJs must submit the required certifications in accordance with the requirements in this Notice, including the following:
- a. Affirmatively Further Fair Housing;
 - b. Uniform Relocation Assistance and Real Property Acquisition Policies Act and Anti-displacement and Relocation Assistance Plan;
 - c. Anti-Lobbying;
 - d. Authority of Jurisdiction;
 - e. Section 3; and,
 - f. HOME-ARP specific certification that a PJ will only use HOME-ARP funds consistent with ARP and the HOME-ARP Notice for eligible activities and eligible costs.

PJs must also submit the SF-424, SF-424B, and SF-424D with the HOME-ARP allocation plan.

D. Submission and Review Process

1. **HOME-ARP Submission and the eCon Planning Suite:** Upon completion of the HOME-ARP allocation plan, a PJ must submit the HOME-ARP allocation plan to HUD. To submit the HOME-ARP allocation plan, PJs must follow the process in IDIS to make an amendment to the Fiscal Year (FY) 2021 annual action plan. Once the FY 2021 annual action plan is reopened, a PJ must upload a Microsoft Word or PDF version of the plan as an attachment next to the “HOME-ARP allocation plan” option on the AD-26 screen (for

PJs whose FY. 2021 annual action plan is a Year 2-5 annual action plan) or the AD-25 screen (for PJs whose FY 2021 annual action plan is a Year 1 annual action plan that is part of the 2021 consolidated plan), unless instructed by HUD to follow a different submission procedure. PJs are not required to make any other edits to the FY 2021 annual action plan or applicable consolidated plan screens in the eCon Planning Suite. For more information on how to upload an attachment in the eCon Planning Suite, PJs can refer to the [eCon Planning Suite Desk Guide](#).

2. **HUD Review of the HOME-ARP Allocation Plan:** The PJ must submit its HOME-ARP allocation plan to HUD for review in accordance with [24 CFR 91.500](#), as revised by this Notice. Unless instructed otherwise by HUD, the HOME-ARP allocation plan is received by HUD when the SF-424 is submitted electronically, which means that it is uploaded in the eCon Planning Suite as an attachment on AD-25 or AD-26 screen, as applicable, and the action plan status is changed to “Submitted for Review.” HUD will review a PJ’s HOME-ARP allocation plan to determine that it is:
- Substantially complete, and
 - Consistent with the purposes of ARP.

HUD may disapprove a PJ’s HOME-ARP allocation plan in accordance with [24 CFR 91.500\(b\)](#). HUD may also disapprove a HOME-ARP allocation plan or a portion of a plan if HUD determines that the plan is inconsistent with the purposes of ARP or substantially incomplete. A PJ’s plan is inconsistent with ARP if it allocates HOME-ARP funds for uses other than a HOME-ARP eligible activity, as described in this Notice. A PJ’s HOME-ARP allocation plan is substantially incomplete if:

- The PJ does not complete the required public participation or consultation or fails to describe those efforts in the plan;
- The PJ fails to include the required elements outlined in this Notice, including the amount of HOME-ARP funds for each eligible HOME-ARP activity type;
- The PJ fails to identify and describe the responsibilities of the subrecipient or contractor administering all of its HOME-ARP award, if applicable; or,
- HUD rejects the PJ’s HOME-ARP certification as inaccurate.

In accordance with section 105(c) of NAHA (42 U.S.C. 12705(c)) and [24 CFR 91.500\(a\)](#), if the PJ’s HOME-ARP allocation plan is not disapproved within 45 days, then the plan is deemed approved 45 days after HUD receives the plan, and HUD shall notify the PJ that the plan is accepted.

If HUD determines that the plan is substantially incomplete or that the plan is inconsistent with ARP, HUD will notify the PJ in writing with the reasons for disapproval, in accordance with [24 CFR 91.500\(c\)](#). If a PJ’s plan is disapproved, the PJ may revise or resubmit the plan for HUD review within 45 days after the first notification of disapproval. HUD will respond to accept or disapprove the resubmitted plan within 30 days of receiving the revisions or resubmission.

Once HUD notifies a PJ that the plan is accepted, the PJ must make the final HOME-ARP allocation plan available to the public in accordance with the same requirements in the PJ’s

current citizen participation plan that are followed to make the PJ's adopted consolidated plan and substantial amendments available to the public, including the availability of materials in a form accessible to persons with disabilities, and translated materials in different languages to accommodate LEP persons, upon request.

3. **HUD Review of the HOME-ARP Allocation Plan for Insular Areas:** In addition to the standards for review described in [Section V.D.2](#), HUD will review an insular area's HOME-ARP allocation plan in accordance with [24 CFR 92.62](#). If HUD cannot make a determination based on the information submitted that the HOME-ARP allocation plan complies with HOME-ARP allocation plan requirements, or if the eligible activities described in the plan are not within the insular area's management capability as demonstrated by past performance in housing and community development programs, HUD will notify the insular area within 30 days of receipt of the HOME-ARP allocation plan that supporting documentation is needed. The insular area will have a mutually agreed upon period to submit the necessary supporting information or to revise the eligible activities in its HOME-ARP allocation plan.

VI. ELIGIBLE ACTIVITIES

A. Administration and Planning

The PJ may expend, for payment of reasonable administrative and planning costs, up to 15 percent of its HOME-ARP allocation. Reasonable administrative and planning costs for the HOME-ARP program include:

1. Reasonable costs of overall HOME-ARP program management, coordination, monitoring, and evaluation. Such HOME-ARP costs include, but are not limited to, necessary expenditures for the following:
 - a. Salaries, wages, and related costs of the PJ's staff. If a PJ charges costs to this category, the PJ may either include the entire salary and related costs allocable to the HOME-ARP program of each person whose *primary* responsibilities with regard to the HOME-ARP program involves program administration assignments, or the prorated share of the salary, wages, and related costs of each person whose job includes *any* program administrative assignments. A PJ may only use one of these two methods. Program administration includes:
 - i. Developing systems and schedules for complying with HOME-ARP program requirements, including systems to prevent a duplication of benefits among beneficiaries of HOME-ARP activities;
 - ii. Developing interagency agreements and agreements with entities receiving HOME-ARP funds;
 - iii. Monitoring HOME-ARP activities for progress and compliance with HOME-ARP program requirements;
 - iv. Preparing HOME-ARP reports and other documents related to the HOME-ARP program for submission to HUD;

- v. Coordinating the resolution of audit and monitoring findings on HOME-ARP activities;
 - vi. Evaluating HOME-ARP program results against stated objectives in the HOME-ARP allocation plan, and
 - vii. Managing or supervising persons whose primary responsibilities with regard to the HOME-ARP program include such assignments as those described above.
- b. Travel costs incurred for official business in carrying out the HOME-ARP program.
 - c. Administrative services performed under third party contracts or agreements, including such services as general legal services, accounting services, and audit services.
 - d. Other costs for goods and services required for administering the HOME-ARP program, such as: rental or purchase of equipment, insurance, information systems necessary to track and implement beneficiaries of HOME-ARP activities in accordance with the requirements of this Notice, utilities, office supplies, and rental and maintenance (but not purchase) of office space.
 - e. Costs of administering HOME-ARP TBRA and HOME-ARP supportive services programs.
2. Staff and overhead costs of the PJ directly related to carrying out a HOME-ARP project, in accordance with [24 CFR 92.207\(b\)](#).
 3. 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.
 4. Activities to affirmatively further fair housing (AFFH) in accordance with 24 CFR 5.151 and the PJ's certification as required under this Notice and 24 CFR 5.152. The AFFH definition in HUD's Interim Final Rule entitled, "Restoring Affirmatively Furthering Fair Housing Definitions and Certifications" (86 FR 30779, June 10, 2021), as amended, at 24 CFR 5.151, and the AFFH certification requirement, at 24 CFR 5.152, available at <https://www.federalregister.gov/documents/2021/06/10/2021-12114/restoring-affirmatively-furthering-fair-housing-definitions-and-certifications>.
 5. Indirect costs may be charged to the HOME-ARP program under a cost allocation plan prepared in accordance with [2 CFR part 200, subpart E](#), as amended.
 6. Preparation of the HOME-ARP allocation plan as required in this Notice. Preparation includes the costs of public hearing, consultations, and publications.
 7. Costs of complying with the applicable Federal requirements in [24 CFR part 92, subpart H](#). Project-specific environmental review costs may be charged as administrative or project costs in accordance with [24 CFR 92.206\(d\)\(8\)](#) and is at the discretion of the PJ.

Funds available under the HOME-ARP appropriation for administration and planning may not be used to pay costs attributable to the regular HOME Program.

PJs may provide all or a portion of its HOME-ARP administrative funds to subrecipients and contractors that are administering activities on behalf of the PJ (e.g., CoC entity, other non-Federal entity), in accordance with the requirements in this Notice. However, from the obligation date of the HOME-ARP funds in the HOME-ARP Grant Agreement and prior to HUD's acceptance of the PJ's HOME-ARP allocation plan, a subrecipient or contractor to the PJ may only incur and expend HOME-ARP funds for eligible administrative and planning costs if the subrecipient or contractor is responsible for the use of the PJ's entire HOME-ARP award and has executed a HOME-ARP written agreement that complies with [24 CFR 92.504](#) and this [Notice](#). The PJ must also identify the subrecipient or contractor administering the PJ's entire HOME-ARP award and describe the subrecipient or contractor's responsibilities in the PJ's HOME-ARP allocation plan.

All costs must comply with the Cost Principles contained in subpart E of the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards at [2 CFR part 200](#), as amended (Uniform Administrative Requirements).

Once HUD obligates the HOME-ARP funds, as described in [Section VIII.C.2](#) of this Notice, the PJ may incur and expend up to 5 percent of its HOME-ARP allocation on eligible administrative and planning costs, as described in this section and [24 CFR 92.207](#). Before HUD's acceptance of the PJ's HOME-ARP allocation plan, the PJ is only permitted to incur and expend HOME-ARP funds on eligible administrative and planning costs.

If the PJ does not submit a HOME-ARP allocation plan or if the PJ's plan is not accepted within a reasonable period of time, as determined by HUD, all HOME-ARP administrative and planning costs incurred by the PJ will be ineligible costs and any HOME-ARP funds expended by the PJ must be repaid to the PJ's HOME Investment Trust Fund Treasury account, in accordance with guidance issued by HUD. Moreover, if the PJ's HOME-ARP allocation plan does not identify or include a description of the responsibilities of the subrecipient or contractor that is responsible for the PJ's entire HOME-ARP award, if applicable, the administrative and planning costs incurred or expended by the subrecipient or contractor will also be ineligible and any HOME-ARP funds expended by the PJ's subrecipient or contractor must be repaid to the PJ's HOME Investment Trust Fund Treasury account, in accordance with guidance from HUD.

B. HOME-ARP Rental Housing

HOME-ARP funds may be used to acquire, rehabilitate, or construct affordable rental housing primarily for occupancy by households of individuals and families that meet the definition of one or more of the qualifying populations described in [Section IV.A](#) of this Notice (“**qualifying households**”). Unlike the regular HOME Program, which targets HOME-assisted rental units based on tenant income, 70 percent of all HOME-ARP units will admit households based only upon their status as qualifying households. This complicates the underwriting and operation of projects that include HOME-ARP units. As a result, the requirements for HOME-ARP rental housing provide significant flexibilities to enable HOME-ARP rental projects to remain

financially viable and affordable for the qualifying populations throughout the minimum compliance period.

Eligible HOME-ARP rental housing includes “housing” as defined at [24 CFR 92.2](#), including but not limited to manufactured housing, single room occupancy (SRO) units, and permanent supportive housing. Emergency shelters, hotels, and motels (including those currently operating as non-congregate shelter), facilities such as nursing homes, residential treatment facilities, correctional facilities, halfway houses, and housing for students or dormitories do not constitute housing in the HOME-ARP program. However, HOME-ARP funds may be used to acquire and rehabilitate such structures into HOME-ARP rental housing.

Developing financially feasible rental housing for qualifying households is challenging in the absence of project-based rental assistance. Most HOME-assisted rental projects rely on tenant rents to cover all or a portion of the debt service and project operating costs. Most HOME-ARP qualifying households will be unable to pay a rent that covers allocated debt service or operating costs, requiring PJs to use other techniques to determine that HOME-ARP units are affordable and that projects containing HOME-ARP units are sustainable throughout the minimum compliance period. PJs are encouraged to work with local PHAs and other state or local agencies to obtain project-based rental assistance for units funded with HOME-ARP. In the absence of such project-based rental assistance, the HOME-ARP units for qualifying households may require substantial capital investment through HOME-ARP and other Federal, state, local, or private sources to eliminate debt service on the units. ARP suspended the maximum per-unit subsidy limit for HOME-ARP units, enabling HOME-ARP funds to pay the entire cost to acquire, rehabilitate and/or construct the HOME-ARP rental units, eliminating the need for the HOME-ARP units to support debt. In mixed-income developments, revenue from market rate or higher income-restricted units may also provide an internal subsidy to cover a portion of the operating costs of HOME-ARP units.

To address these challenges and maintain affordability, HUD is using its HOME-ARP statutory authority to:

- Establish alternative rent requirements to [24 CFR 92.252\(b\)](#) and extend an owner’s ability to charge the maximum rent permissible under a rental assistance program (to units occupied by recipients of tenant-based rental assistance (e.g., Housing Choice Vouchers, HOME TBRA, HOME-ARP TBRA).
- Establish a minimum compliance period of 15 years for all HOME-ARP rental units irrespective of the amount of subsidy per unit or whether the units are acquired, rehabilitated, and/or newly constructed.
- Permit the use of HOME-ARP funds to provide ongoing operating cost assistance or capitalize a project operating cost assistance reserve to address operating deficits of the HOME-ARP units restricted for qualifying households during the compliance period.
- Allow not more than 30 percent of the total number of rental units assisted with HOME-ARP funds by the PJ to be restricted to households that are low-income as defined in [24 CFR 92.2](#) (“low-income households”). These units may only be located in projects containing HOME-ARP units restricted for qualifying households. The HOME-ARP rental units occupied by low-income households must operate under the regulations applicable to HOME rental units at [24 CFR 92.252](#) (i.e., be occupied by low-income

households and bearing a rent not greater than the lesser of a. the Fair Market Rent for existing housing for comparable units in the area, as established by HUD, or b. a rent equal to 30 percent of the adjusted income of a family with annual income at 65 percent of median income for the area, as determined by HUD, with adjustments for the number of bedrooms in the unit).

1. **Targeting and Occupancy Requirements:** ARP requires HOME-ARP activities to primarily benefit households in the qualifying populations. To improve the feasibility and maintain the long-term viability of projects with HOME-ARP rental units for qualifying households, a PJ may invest HOME-ARP funds in units that are not restricted for occupancy solely for qualifying populations as described in this section. Specifically, participating jurisdictions must comply with the following requirements:
 - a. **Targeting:** HOME-ARP funds can only be invested in units restricted for qualifying households or low-income households as follows:
 - i. Not less than 70 percent of the total number of rental units assisted with HOME-ARP funds by the PJ must be restricted for occupancy by households that are qualifying households at the time of the household's initial occupancy; and,
 - ii. Not more than 30 percent of the total number of rental units assisted with HOME-ARP funds by the PJ may be restricted to low-income households. These rental units do not have to be restricted for occupancy by qualifying households, however rental units restricted to low-income households are only permitted in projects that include HOME-ARP units for qualifying households.
 - b. **Occupancy Requirements:**
 - i. **Qualifying Households.** Units restricted for occupancy by qualifying households must be occupied by households that meet the definition of a qualifying population at the time of admission to the HOME-ARP unit. A qualifying household after admission retains its eligibility to occupy a HOME-ARP rental unit restricted for qualifying populations, irrespective of the qualifying household's changes in income or whether the household continues to meet the definition of a qualifying population. As such, a unit restricted for a qualifying household remains in compliance with the HOME-ARP unit restriction as long as the unit is occupied by a qualifying household that met the definition of a qualifying population at the time of admission.
 - ii. **Low-Income Households.** At initial occupancy, units restricted for low-income households must be occupied by households that meet the definition of low-income in [24 CFR 92.2](#). If a tenant's income increases above the applicable low-income limit during the compliance period, the unit will be considered temporarily out of compliance. Noncompliance requires the PJ to take action in accordance with the rent and unit mix requirements in [Sections VI.B.15](#) and [VI.B.17](#) of this Notice, respectively.

2. **Eligible Activities:** A PJ may use HOME-ARP funds for acquisition, construction, and rehabilitation, including reconstruction as defined in [24 CFR 92.2](#), of affordable rental housing for qualifying and low-income households. Acquisition of vacant land or demolition must be undertaken only with respect to a particular housing project intended to provide HOME-ARP rental housing within the timeframes provided in [Section VI.B.](#) of this Notice. A HOME-ARP rental project must meet the definition of *project* in [24 CFR 92.2](#).

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 may be charged to the HOME-ARP program. Cost allocation in accordance with [24 CFR 92.205\(d\)\(1\)](#) is required if the assisted and non-assisted units are not comparable. After project completion, the number of HOME-ARP units in a project cannot be reduced. During the HOME-ARP minimum compliance period and prior to the end of the HOME-ARP budget period, a PJ may invest additional HOME-ARP funds to provide operating cost assistance but is prohibited from investing additional HOME-ARP funds for capital costs except within the 12 months after project completion. A qualifying household admitted to a HOME-ARP rental unit may still receive HOME-ARP supportive services or TBRA in accordance with the requirements in this Notice.

3. **Forms of Assistance:** The PJ may invest HOME-ARP funds in accordance with the eligible forms of assistance described in [24 CFR 92.205\(b\)](#). Each PJ has the right to establish the terms of assistance, subject to the HOME-ARP requirements described in this Notice.
4. **Minimum Amount of Assistance:** The minimum amount of HOME-ARP funds that must be invested in a rental housing project is \$1,000 times the number of HOME-ARP-assisted units in the project as established in [24 CFR 92.205\(c\)](#).
5. **Eligible Costs:** HOME-ARP funds may be used to pay for up to 100% of the following eligible costs associated with the acquisition, development, and operation of HOME-ARP rental units:
 - a. *Development hard costs* – defined in [24 CFR 92.206\(a\)](#).
 - b. *Refinancing* – the cost to refinance existing debt secured by a rental project that is being rehabilitated with HOME-ARP funds in accordance with [24 CFR 92.206\(b\)\(2\)](#) and the PJ's HOME-ARP refinancing guidelines, as stated in their HOME-ARP Allocation Plan.
 - c. *Acquisition* – the costs of acquiring improved or unimproved real property.
 - d. *Related soft costs* – defined in [24 CFR 92.206\(d\)](#).
 - e. *Relocation costs* – as defined in [24 CFR 92.206\(f\)](#), [24 CFR 92.353](#), and described in this Notice.
 - f. *Costs relating to payment of loans* – If the HOME-ARP funds are not used to directly pay a cost specified in this HOME-ARP rental housing section, but are used to pay off a

construction loan, bridge financing loan, or guaranteed loan, the payment of principal and interest for such loan is an eligible cost only if: (1) the loan was used for eligible costs specified in this HOME-ARP rental housing section, and (2) the HOME-ARP funds are part of the original financing for the project and the project meets the requirements of this Notice.

- g. *Operating Cost Assistance* – A PJ may pay ongoing operating cost assistance or capitalize an operating cost assistance reserve for HOME-ARP-assisted units restricted for occupancy by qualifying populations in a project where the PJ determines in its underwriting that the reserve is necessary to maintain the HOME-ARP units’ long-term operational feasibility. However, HOME-ARP funds cannot be used for both a capitalized operating cost assistance reserve and ongoing payments for operating cost assistance during the minimum compliance period. The allowable amount of the reserve shall not exceed the amount determined by the PJ to be necessary to provide operating cost assistance for HOME-ARP units restricted for occupancy by qualifying populations for the 15-year HOME-ARP minimum compliance period.

The operating cost assistance reserve for HOME-ARP units for qualifying households must be held by the project owner in a separate interest-bearing account and sized, based on an analysis of projected deficits remaining after the expected payments toward rent by qualifying households are applied to the units’ share of operating costs. Funds in a capitalized operating cost assistance reserve can only be drawn to address operating deficits associated with HOME-ARP units restricted for occupancy by the qualifying populations. A PJ must use the definition of operating costs in this Notice in its calculation of operating deficits to determine the amount of HOME-ARP funds needed for an operating cost assistance reserve or when providing operating cost assistance. Unexpended operating cost assistance reserve amounts remaining at the end of the minimum compliance period must be returned in accordance with [Section VI.B.24](#) of this Notice.

A PJ may provide operating cost assistance to a HOME-ARP rental project to cover an operating deficit associated with HOME-ARP units restricted for occupancy by qualifying households except for when an operating cost assistance reserve is already established for the project. Operating cost assistance committed to a project cannot be provided beyond the HOME-ARP budget period, as described in [Section VIII.C.4](#) of this Notice.

Operating costs include costs for administrative expenses, property management fees, insurance, utilities, property taxes, and maintenance of a unit that is designated as a HOME-ARP-assisted unit and required to be occupied by a qualifying household. . Operating costs must be reasonable and appropriate for the area, size, population(s) served, and type of project.

Project administrative expenses include payroll costs, which are gross salaries and wages paid to employees assigned to the property, including payroll taxes, employee compensation, and employee benefits; employee education, training, and travel; advertising; and general administrative costs which are costs for goods and services

required for administration of the housing, including rental or purchase of equipment, supplies, legal charges, bank charges, utilities, telephone/internet services, insurance, and other administrative costs that are reasonable and customary for the general administration of a rental unit occupied by qualifying populations. HOME-ARP permits the pro-rated staffing costs of a Resident Services Coordinator to be included in the operating costs allocated to a HOME-ARP unit for low-income or qualifying households if such costs are not already paid by another source. Typically, the role of a Resident Services Coordinator is to arrange community activities for residents and link residents to outside service agencies as needed.

A property management fee includes the total fee paid to a management agent by the owner for the day-to-day management of a HOME-ARP rental unit restricted for occupancy by qualifying populations. A management agent must cover its costs of supervising and overseeing operations of a HOME-ARP unit out of the fee they receive.

A reserve for replacement must be based on the useful life of each major system and expected replacement cost in a 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 of the HOME-ARP units. 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.

Supportive services costs are not eligible operating costs of HOME-ARP units, however, qualifying households occupying HOME-ARP rental units may receive supportive services through the HOME-ARP supportive services eligible activity.

6. **Prohibited Activities and Fees:** HOME-ARP may not be used for any of the prohibited activities, costs or fees in [24 CFR 92.214](#), as revised by the Appendix to this Notice.
7. **HOME-ARP Funds and Public Housing:** HOME-ARP funds must be used in accordance with the requirements in [24 CFR 92.213\(a\)-\(c\)](#).
8. **Commitment:** The affordable housing requirements in the definition of *Commitment* in [24 CFR 92.2](#), including the provisions in (2) *Commit to a specific local project*, apply to rental housing units assisted with HOME-ARP funds. This includes but is not limited to the requirements that the PJ and project owner have an executed legally binding written agreement under which HOME-ARP assistance will be provided to the owner for an identifiable project for which all necessary financing has been secured, a budget and schedule have been established, and underwriting has been completed and under which construction is scheduled to start within 12 months of the agreement date.
9. **Maximum Per-Unit Subsidy and Limitations on Costs:** The maximum per-unit subsidy established in NAHA does not apply to HOME-ARP units. PJs may pay up to 100 percent of the eligible and reasonable HOME-ARP costs allocated to a HOME-ARP unit, including

operating cost assistance associated with units restricted for occupancy by qualifying households. All costs paid by HOME-ARP funds must comply with the requirements of this Notice and the Cost Principles at [2 CFR part 200](#), subpart E of the Uniform Administrative Requirements, as amended.

- 10. Underwriting, Subsidy Layering:** Before the PJ can commit HOME-ARP funds to a project, it must evaluate the project to determine the amount of HOME-ARP capital subsidy and operating cost assistance necessary to provide quality affordable housing that meets the requirements of this Notice and is financially viable throughout the minimum 15-year HOME-ARP compliance period. The PJ must evaluate the project in accordance with underwriting and subsidy layering guidelines it has developed for HOME-ARP projects.

The PJ's project underwriting must include an in-depth review of underlying project assumptions, development sources and uses, and projected operating income and expenses, and the project's long-term financial viability to determine the project's need for HOME-ARP assistance while preventing over-subsidization of the project. HUD anticipates that project developers will rely on Low-Income Housing Tax Credit (LIHTC) financing, HOME funds, Housing Trust Fund grants, project-based vouchers, project-based rental assistance, operating cost reserves, state or local sources, or a combination of these and other resources to create a feasible HOME-ARP project and maintain compliance with HOME-ARP requirements. HOME-ARP units for qualifying households that do not receive a commitment of project-based vouchers or project-based rental assistance may require both deep capital subsidy and operating cost assistance to remain financially sustainable for the minimum 15-year HOME-ARP compliance period. However, the PJ, through its underwriting, must also determine that the HOME-ARP capital and operating subsidies do not result in over-subsidization of the project.

To secure HOME-ARP rental units for qualifying households, HOME-ARP funds may be invested in different types of projects, including permanent supportive housing, mixed-finance affordable housing, and market-rate projects. While the viability of the HOME-ARP units is the PJ's primary concern, it must not limit its underwriting analysis to the HOME-ARP units. The long-term viability of HOME-ARP units is contingent upon the financial health of the entire project. PJs must therefore take a holistic approach to underwriting that examines the overall feasibility of the entire project to determine that the property will be financially sustainable for the duration of the 15-year HOME-ARP compliance period.

For projects that will receive operating cost assistance through a capitalized operating cost assistance reserve or on-going operating cost assistance for a specific period, the on-going operating cost assistance or operating cost assistance reserve must be included in the underwriting. Unless placed into an operating cost assistance reserve, operating cost assistance committed to a project for a specific period cannot be provided beyond the budget period, as described in [Section VIII.C.4.](#) of this Notice. HOME-ARP units that have commitments for a form of project-based rental assistance must be underwritten with the projected rental assistance and not with operating cost assistance. An operating cost assistance reserve must be sized based on an analysis of projected operating deficits

remaining after the expected payments toward rent by qualifying households are applied to the HOME-ARP unit's share of operating costs. While a PJ may offer on-going project operating cost assistance instead of providing an operating cost assistance reserve, it may find this approach makes it more difficult to develop HOME-ARP units.

- a. *Underwriting and Subsidy Layering Guidelines*: PJs must develop standardized underwriting guidelines for HOME-ARP rental projects. These guidelines must provide for underwriting that accommodates and is appropriate for different types of projects. For example, a standard market analysis does not provide the necessary data for a project where 100% of the units are restricted as permanent supportive housing for qualifying populations. In contrast, if a mixed-income property relies on rental income from market-rate units to subsidize the operating costs of permanent supportive housing units for which little or no tenant-paid rental income is projected, then a market study confirming that the proposed market rents are achievable is needed to demonstrate the long-term financial viability of the project.

PJs with existing HOME rental underwriting standards may use these standards as the foundation for their HOME-ARP underwriting guidelines, but all PJs are required to develop and implement standardized underwriting guidelines for HOME-ARP that require the following:

- i. An examination of the sources and uses of funds for the project and a determination that costs are necessary and reasonable. In examining a project's proposed sources and uses, a PJ must determine the amount of HOME-ARP development subsidy required to fill the gap between other committed funding sources and the cost to develop the project.

A developer fee is a permitted development cost under the HOME-ARP program, but the PJ must review the fee and determine that it is reasonable. A PJ may set limits on the developer fee and other fees (e.g., asset management fee, property management fee) to be paid by HOME-ARP funds that differ from other funding sources (e.g., LIHTC underwriting standards).

- ii. An assessment of the current market demand for the proposed project.
 - (1) For HOME-ARP units for qualifying households, a market assessment is not required. Rather, the PJ can demonstrate that there is unmet need among qualifying populations for the type of housing proposed through their gap analysis, CoC data, public housing and affordable housing waiting lists, point-in-time surveys, housing inventory count, or other relevant data on the need for permanent housing for the qualifying populations.
 - (2) For projects containing units restricted for occupancy by low-income households or market-rate households, the PJ must conduct a market assessment in accordance with [24 CFR 92.250\(b\)\(2\)](#). A third-party market assessment completed by the developer or another funder meets this requirement, but the PJ must review the assessment and provide a written, dated acknowledgement that it accepts the assessment's findings and conclusions. The market assessment and the PJ's written, dated

acknowledgement must be retained for recordkeeping purposes.

- iii. Review of and determination that the developer's experience and financial capacity are satisfactory based on the size and complexity of the project. When assessing the developer, the PJ must review, at minimum, prior experience with similar projects and the current capacity to develop the proposed project. When determining whether the developer has the financial capacity to undertake the project, the PJ should examine financial statements and audits to determine the developer's net worth, portfolio risk, pre-development funding, and liquidity.
- iv. Firm written financial commitments for the project.
- v. A careful review of the project's operating budget, including the basis for assumptions, projections of a project's net operating income, and reasonably expected changes in revenue and expenses during the minimum compliance period, to determine if any HOME-ARP-funded operating cost assistance is necessary and if applicable, an operating cost assistance reserve is sized appropriately. Operating income of the project must be sufficient to cover operating expenses throughout the minimum compliance period. For HOME-ARP units for qualifying households, the proforma or budget projections should include any anticipated ongoing operating cost assistance or draws from an operating cost assistance reserve, if applicable, that will offset operating deficits associated with those units to demonstrate sufficient operating support.
 - (1) If project-based vouchers or project-based rental assistance is or will be awarded, this analysis must include that rental assistance revenue because operating cost assistance cannot be used for units for qualifying households with project-based vouchers or project-based rental assistance.
 - (2) A PJ's underwriting standards may permit projects to generate reasonable net operating income throughout the minimum compliance period. However, HOME-ARP operating cost assistance may only be used to offset operating deficits, in accordance with the requirements of this Notice. Net operating income resulting from HOME-ARP operating cost assistance is not permitted and must be prohibited in the written agreement between the participating jurisdiction and the owner.
- vi. An assessment of the project's overall viability through the minimum compliance period based on the households (i.e., qualifying households, low-income households, market-rate households) it will serve.

11. Property Standards: HOME-ARP rental units must comply with all property standards applicable to rental projects required in [24 CFR 92.251](#) paragraphs (a) new construction, (b) rehabilitation projects, (c)(1) and (2) acquisition of standard housing, (e) manufactured housing, and (f) on-going property condition standards.

12. Determining Household Income: The PJ must require all HOME-ARP units to be restricted for eligible households (i.e., either qualifying or low-income households)

throughout the minimum compliance period. Qualifying households are eligible for admission to HOME-ARP rental units solely by meeting the definition of one of the qualifying populations (i.e., HOME-ARP does not impose income restrictions on units restricted for qualifying populations). If there is no income requirement in the qualifying population's definition, a PJ is not required to perform an initial determination of household income except as necessary to determine an affordable rental contribution by the qualifying household or to establish eligibility for another funding source in the unit that imposes income restrictions (e.g., LIHTC). Each subsequent year during the compliance period, starting 1 year after initial occupancy, the PJ must use the definition of annual income as defined in [24 CFR 5.609](#) to examine the income of qualifying households to determine the household's contribution to rent. For low-income households, the PJ must use the definition of annual income as defined in [24 CFR 5.609](#) to examine the household's income at initial occupancy and each subsequent year during the compliance period to determine the household's ongoing income eligibility and applicable rental contribution.

- a. *Qualifying populations*: For purposes of establishing the qualifying household's rental contribution after initial occupancy, a PJ must examine a HOME-ARP qualifying household's income using [24 CFR 92.203\(a\)\(1\)\(i\) or \(iii\)](#), starting 1 year after initial occupancy. Each year during the minimum compliance period, the owner must examine the household's annual income in accordance with any one of the options in [24 CFR 92.203\(a\)\(1\)](#) specified by the PJ. A project owner who re-examines household income through a statement and certification in accordance with [24 CFR 92.203\(a\)\(1\)\(ii\)](#), must examine the income of each household, in accordance with [24 CFR 92.203\(a\)\(1\)\(i\)](#), every sixth year of the compliance period. Otherwise, an owner who accepts the household's statement and certification in accordance with [24 CFR 92.203\(a\)\(1\)\(ii\)](#) is not required to examine the household's income unless there is evidence that the household's written statement failed to completely and accurately state information about the household's size or income.
- b. *Low-income Households*: In accordance with [24 CFR 92.252\(h\)](#), the income of each low-income household must be determined initially in accordance with [24 CFR 92.203\(a\)\(1\)\(i\)](#), and each year following the initial determination during the minimum compliance period in accordance with any one of the options in [24 CFR 92.203\(a\)\(1\)](#) specified by the PJ. An owner who re-examines household income through a statement and certification in accordance with [24 CFR 92.203\(a\)\(1\)\(ii\)](#), must examine the income of each household, in accordance with [24 CFR 92.203\(a\)\(1\)\(i\)](#), every sixth year of the minimum compliance period. Otherwise, an owner who accepts the household's statement and certification in accordance with [24 CFR 92.203\(a\)\(1\)\(ii\)](#) is not required to examine the household's income unless there is evidence that the household's written statement failed to completely and accurately state information about the household's size or income.
- c. *Households Assisted by Other Programs*: Notwithstanding paragraphs (a) and (b), if a family is applying for or living in a HOME-ARP-assisted rental unit, and the unit is assisted by a Federal or State project based rental subsidy then a PJ must accept a public housing agency, section 8 project owner, or CoC recipient or subrecipient's

determination of the family's annual income and adjusted income under that program's rules and does not need to obtain source documentation in accordance with [24 CFR 92.203\(a\)\(1\)](#) or calculate the annual income of the family. If a family is applying for or living in a HOME-ARP rental unit, and the family is assisted by a Federal tenant-based rental assistance program (e.g. housing choice vouchers) then a PJ may choose to accept the rental assistance provider's determination of the family's annual and adjusted income under that program's rules without need for review under [24 CFR 92.203\(a\)\(1\)](#).

13. Rent limitations: This Notice establishes rent limits for HOME-ARP units restricted for qualifying populations and for units that may be restricted for low-income households.

- a. *Units Restricted for Occupancy by Qualifying Households:* In no case can the HOME-ARP rents exceed 30% of the adjusted income of a household whose annual income is equal to or less than 50% of the median income for the area, as determined by HUD, with adjustments for number of bedrooms in the unit. HUD will publish the HOME-ARP rent limits on an annual basis.

Notwithstanding the foregoing, a unit that receives a Federal or state project-based rental subsidy and is occupied by a qualifying household that pays as a contribution to rent no more than 30 percent of the household's adjusted income, may charge the rent allowable under the Federal or state project-based rental subsidy program (i.e., the tenant rental contribution plus the rental subsidy allowable under that program). If a household receives tenant-based rental assistance, 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).

The rent limits for HOME-ARP units for qualifying households include the rent plus the utility allowance established pursuant to [Section VI.B.13.d](#) of this Notice.

- b. *Rent limitations – low-income households:* HOME-ARP rental units occupied by low-income households must comply with the rent limitations in [24 CFR 92.252\(a\)](#) (i.e., the lesser of the Fair Market Rent for existing housing for comparable units in the area, as established by HUD, or a rent equal to 30 percent of the income of a family at 65 percent of median income for the area, as determined by HUD, with adjustments for number of bedrooms in the unit). Notwithstanding the foregoing, when a household receives a form of Federal tenant-based rental assistance (e.g., housing choice vouchers), the rent is the rent permissible under the applicable rental assistance program (i.e., the tenant rental contribution plus the rent subsidy allowable under the rental assistance program). The rent limits for low-income households apply to the rent plus the utility allowance established pursuant to [Section VI.B.13.d](#) of this Notice.
- c. *Rent limitations – Single Room Occupancy (SRO) Units:* A HOME-ARP rental project may consist of SRO units. For the purposes of HOME-ARP rental, a SRO unit is defined as a unit that is the primary residence of the occupant(s) and must at least contain sanitary facilities but may also contain food preparation facilities. A project's

designation as a SRO cannot be inconsistent with the building's zoning and building code classification.

If the SRO units have both sanitary *and* food preparation facilities, the maximum HOME-ARP rent is based on the zero-bedroom fair market rent. If the SRO unit has only sanitary facilities, the maximum HOME-ARP rent is based on 75 percent of the zero-bedroom fair market rent. The rent limits for SRO units must also include the utility allowance established pursuant to [Section VI.B.13.d](#) of this Notice.

- d. *Initial Rent Schedule and Utility Allowance*: The PJ must establish maximum allowances for utilities and services and update the allowances annually. The PJ may adopt the utility allowance schedule of the PHA.

The PJ must review and approve the HOME-ARP rents proposed by the owner, subject to the HOME-ARP rent limitations. For HOME-ARP units where the tenant is paying utilities and services (e.g., trash collection), the PJ must determine that the rent for the unit does not exceed the maximum rent minus the monthly allowance for utilities and services.

- 14. Tenant Contribution to Rent – Qualifying Households**: The PJ must determine that the qualifying household's contribution to rent is affordable to the qualifying household based on a determination of the household's income. If the household is receiving project-based or tenant-based rental assistance, the household cannot be required to contribute more towards rent than the amount permitted by the requirements of the applicable rental assistance program (See [Section VI.B.13.a](#) of this Notice). If a qualifying household is not receiving project-based or tenant-based rental assistance and cannot contribute any income toward rent, or the contribution is insufficient to cover the unit rent, the project owner may draw from the project's operating cost assistance reserve if projected rental revenue minus the operating costs of the unit results in a deficit. If an operating cost assistance reserve was not capitalized at project completion:

- The PJ may provide ongoing HOME-ARP operating cost assistance to cover the operating deficits associated with units occupied by qualifying households, subject to the requirements in this Notice.
- The qualifying household may receive HOME-ARP TBRA to remain housed in the HOME-ARP rental unit or the PJ may offer, in conjunction with a qualifying household's admittance into a HOME-ARP rental unit, a simultaneous award of supportive services to the qualifying household in accordance with [Section VI.D](#) of this Notice. Any provision of supportive services must comply with all requirements of [Section VI.D](#) of the Notice and the PJ's policies and procedures.
- Operating cost assistance, HOME-ARP TBRA, and supportive services funds committed to a project cannot be provided beyond the budget period for the HOME-ARP funds, as described in [Section VIII.C.4](#) of this Notice.

- 15. Changes in Income and Over-income Households**:

A household that met the definition of one of the HOME-ARP qualifying populations at initial occupancy and whose annual income at the time of income re-certification is above

50 percent of median income for the area but at or below 80 percent of the median income for the area must pay the rent specified in [24 CFR 92.252\(a\)](#).

HOME-ARP-assisted units restricted for low-income households continue to qualify as HOME-ARP rental housing despite a temporary noncompliance caused by increases in the incomes of existing households if actions satisfactory to HUD are taken so that all vacancies are filled in accordance with HOME-ARP requirements until the noncompliance is corrected.

A qualifying or low-income household that is not low-income at the time of income recertification (i.e., whose income is above 80 percent of the median income for the area) must pay rent that complies with the over income regulatory requirements at [24 CFR 92.252\(i\)\(2\)](#), which includes requirements applicable to HOME units that also have LIHTC restrictions.

- 16. Unit Designation:** The PJ must determine the number of HOME-ARP units in the project restricted for qualifying households and low-income households, respectively, and whether the units are fixed or floating units at the time of project commitment. The total number of HOME-ARP rental units restricted for occupancy by qualifying households and the total number of HOME-ARP rental units restricted for low-income households must be identified as separate totals in the written agreement. In a project containing HOME-ARP and other units, the PJ must designate fixed or floating HOME-ARP units in accordance with [24 CFR 92.252\(j\)](#). The PJ must maintain this unit mix throughout the compliance period.
- 17. Maintaining Unit Mix:** At the time of admission to a HOME-ARP rental unit, a household must meet the definition for at least one qualifying population or be determined to be a low-income household, depending on the applicable HOME-ARP restriction on the rental unit to which it is being admitted and in accordance with the written agreement.

For HOME-ARP rental units restricted for occupancy by qualifying populations, a household that meets the definition of a qualifying population at the time of admission retains its eligibility to occupy a HOME-ARP rental unit restricted for occupancy by qualifying populations, irrespective of changes in income or whether the household continues to meet the definition of a qualifying population after initial occupancy. As an example, a household that qualifies as “Homeless” at admission does not meet the Homeless definition once the household occupies a HOME-ARP unit but remains a qualifying household and is eligible to remain in a HOME-ARP rental unit restricted for qualifying populations. Income determinations for qualifying households are therefore only for purposes of establishing a qualifying household’s rental contribution as described in [Section VI.B.15](#) of this Notice and not for maintaining continued eligibility in the HOME-ARP program. In a project with floating units, PJs are encouraged but not required to shift the HOME-ARP qualifying population designation to another unit to serve another qualifying household if the household’s income subsequently is certified to be at or above 80 percent AMI and the household no longer meets the definition of any qualifying population.

For HOME-ARP rental units restricted for occupancy by low-income households, units will be considered temporarily out of compliance if the household's income increases above 80 percent of area median income. The requirements for correcting any noncompliance using vacancies or redesignation of units depends on whether the HOME-ARP rental units are fixed or floating and whether other funding sources (e.g., LIHTC) impose income or other restrictions on the units. Please note, in accordance with the requirements in 24 CFR 92.253 and in [Section VI.B.19.c](#), an increase in a tenant's income does not constitute good cause to evict or refuse to renew a tenant's lease, regardless of program requirements associated with other funding sources such as LIHTC. In addition, compliance with unit restrictions for low-income households requires adjustment of rents as described in [Section VI.B.15](#) of this Notice.

- 18. Minimum Compliance Period:** HOME-ARP-assisted units must comply with the requirements of this Notice for a minimum period of 15 years, irrespective of the amount of HOME-ARP funds invested in the project or the activity being undertaken. A PJ may impose a longer compliance period but should plan for the project's financial feasibility for the longer period without HOME-ARP funds. The PJ may not use HOME-ARP funds to provide operating cost assistance, including a capitalized operating cost assistance reserve, to cover deficits during a PJ's extended compliance period.

If a project-based rental assistance Housing Assistance Payments (HAP) contract is awarded to a HOME-ARP rental project, a PJ must impose a minimum compliance period that is the greater of 15 years or the term of the HAP contract. PJs are also encouraged to extend restrictions for occupancy of the HOME-ARP units in accordance with the requirements in this section to match the term of eligible HAP contract renewals.

The provisions at [24 CFR 92.252\(e\)\(1\)-\(4\)](#) apply, including the requirement that the PJ must impose the HOME-ARP rental requirements through a deed restriction, covenant running with the land, legally binding agreement restricting the use of the property and recorded on the property in accordance with State recordation laws, or other mechanisms approved by HUD. The chart providing minimum affordability periods based on rental housing activity that is contained in 24 CFR 92.252(e) does not apply. The enforceable restriction must provide that units assisted with HOME-ARP comply with the requirements of this Notice throughout the minimum 15-year compliance period, including:

- a. Units restricted for qualifying populations must be occupied by households that met the definition of a qualifying population at the time of initial occupancy. The household's contribution toward rent during this period must be affordable in accordance with [Section VI.B.14](#) of this Notice. The rents for these units must comply with the rent limitations established in this Notice, including the rent provisions specified in [24 CFR 92.252\(i\)\(2\)](#) for households whose income increases above 80 percent of area median income and whose contribution to rent complies with the requirements in [Section VI.B.15](#).
- b. Units available for low-income households must be continuously occupied by households who are income eligible. The rents for these units must comply with the rent

limitations established in this Notice, including the rent provisions specified in [24 CFR 92.252\(i\)\(2\)](#) for households whose income increases above 80 percent of area median income.

- c. The units must comply with the ongoing property condition standards of [24 CFR 92.251\(f\)](#) 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 thereafter as required by [24 CFR 92.504](#).
- d. Each household that occupies a HOME-ARP unit has an executed lease that complies with the tenant protections required in [Section VI.B.19](#) of this Notice.

19. Tenant Protections: PJs must verify that each household that occupies a HOME-ARP assisted unit has an executed lease that complies with the tenant protection requirements of this Notice. The lease must be either be between the project owner and the household or between the project owner and a HOME-ARP sponsor with a sublease between the qualifying household and HOME-ARP sponsor. A HOME-ARP sponsor is a nonprofit organization that provides housing or supportive services to qualifying households and facilitates the leasing of a HOME-ARP rental unit to a qualifying household or the use and maintenance of HOME-ARP TBRA by a qualifying household. PJs may permit a HOME-ARP sponsor to lease a HOME-ARP unit from an owner or execute a master lease with the owner of a HOME-ARP project for HOME-ARP units restricted for occupancy by qualifying households. The HOME-ARP sponsor may then sublease the HOME-ARP rental unit to the qualifying household. The sublease between the HOME-ARP sponsor and the qualifying household must comply with the rent limitations and tenant protection requirements of this Notice.

- a. *Lease Requirement:* There must be a lease between the qualifying household or the low-income household and the owner of the HOME-ARP-assisted project in accordance with [24 CFR 92.253\(a\)](#), except that a sublease is permitted if a HOME-ARP sponsor has executed a master lease or lease with the project owner for the leasing of the units restricted for occupancy by qualifying households.
- b. *Prohibited Lease Terms:* The lease between the low-income household, qualifying household, or HOME-ARP sponsor and the HOME-ARP project owner or the sublease between the HOME-ARP sponsor and a qualifying household may not contain any of the prohibited lease terms specified in [24 CFR 92.253\(b\)](#).
- c. *Termination of tenancy:* An owner may not terminate the tenancy or refuse to renew the lease of a tenant of a HOME-ARP unit or of a HOME-ARP sponsor with a sublease with a qualifying household 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. Similarly, a HOME-ARP sponsor may not refuse to renew a sublease with a qualifying household except for serious or repeated violation of the terms and conditions of the sublease; for violation of applicable Federal, State, or local laws; or for

other good cause. An increase in the tenant's or sublessee's income does not constitute good cause.

In addition, if HOME-ARP funds were or are used to capitalize an operating cost assistance reserve or there is a current contract for the PJ to provide operating cost assistance to the project, an 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 minimum compliance period. A qualifying household's inability to pay rent shall mean that the qualifying household cannot pay more than 30 percent of the qualifying household's income toward rent, based on an income determination made by the PJ in the last 30 days.

Where there is no capitalized operating reserve or other operating cost assistance to cover the operating deficit for a HOME-ARP unit occupied by a qualifying household, the PJ may assist the qualifying household with HOME-ARP TBRA or supportive services in accordance with the requirements of this Notice.

The above tenant protections are necessary as HOME-ARP requires the PJ to perform underwriting that reviews the operating feasibility of units occupied by qualifying households for the 15-year compliance period to determine how HOME-ARP funds may address the potential for qualifying households to have little to no income to contribute toward rent.

To terminate or refuse to renew tenancy for any household occupying a HOME-ARP unit, the owner must serve written notice upon the tenant (and the HOME-ARP sponsor if the lease is between an owner and HOME-ARP sponsor) at least 30 days before termination of tenancy, specifying the grounds for the action. In the case of a sublease, to terminate or refuse to renew tenancy of a qualifying household, the HOME-ARP sponsor, in accordance with the policy established by the PJ, must notify the PJ in advance of serving written notice to the qualifying household and must serve written notice upon the qualifying household at least 30 days before termination of tenancy, specifying the grounds for the action.

20. Coordinated Entry and Project-Specific Waitlists: In accordance with [Section IV.C](#) of this Notice, PJs must determine whether an owner may use a CoC's CE, a CoC's CE and other referral sources, or a project-specific waitlist, to select qualifying households for HOME-ARP units restricted for occupancy by qualifying populations. PJs will make this determination on a project-by-project basis. Regardless of which method is selected, in all cases, the PJ must use a project-specific waitlist when selecting households to occupy units restricted for occupancy by low-income households. Any preferences among qualifying households must be disclosed in the HOME-ARP allocation plan through the PJ's public participation process in accordance with [Section V.C](#). of this Notice. The written agreement between the PJ and the project owner must specify the method the owner must use for selecting qualifying households for admission to HOME-ARP units.

- a. The owner of a HOME-ARP rental project must adopt and follow written tenant selection policies and criteria for HOME-ARP units that:

- i. Limits eligibility to households that meet one of the HOME-ARP qualifying populations definitions or low-income households in accordance with HOME-ARP requirements; Preferences for households in one or more of the HOME-ARP qualifying populations must comply with the PJ's preferences and the PJ's policies and procedures for applying those preferences, if any, and must not violate nondiscrimination requirements in [24 CFR 92.350](#).
 - ii. Do not exclude an applicant with a voucher under the section 8 Housing Choice Voucher Program ([24 CFR 982](#)), or an applicant participating in HOME, HOME-ARP or other Federal, state or local tenant-based rental assistance program because of the status of the prospective tenant as a holder of such a certificate, voucher, or comparable tenant-based assistance document;
 - iii. Limits eligibility or gives a preference to a particular qualifying population or segment of the qualifying population if permitted in its written agreement with the participating jurisdiction (and only if the limitation or preference is described in the participating jurisdiction's HOME-ARP allocation plan). A preference for households in one or more of the HOME-ARP qualifying populations must comply with the PJ's determined preference(s) and the PJ's policies and procedures for applying the preference(s), if any;
 - iv. Any limitation or preference must not violate nondiscrimination requirements in [24 CFR 92.350](#). If the PJ requires the use of a project-specific waitlist to select qualifying households and/or low-income households for occupancy of HOME-ARP units, provide for the selection of households from a written waiting list in the chronological order of their application, insofar as is practicable;
 - v. Gives prompt written notification to any rejected applicant of the grounds for any rejection; and,
 - vi. Complies with the VAWA requirements as described in [24 CFR 92.359](#).
- b. *Project-Specific Waitlist – Low-Income Households*: A project owner must use a project-specific waitlist to select households to occupy units restricted for occupancy by low-income households in accordance with the tenant selection requirements of [24 CFR 92.253\(d\)](#).

21. Project Completion and Occupancy: HOME-ARP rental projects must meet the definition of project completion at [24 CFR 92.2](#). If the PJ fails to complete a project within 4 years of project commitment, it must comply with the terminated project requirements at [24 CFR 92.205\(e\)\(2\)](#). If the HOME-ARP units are not occupied by eligible qualifying households or low-income households within six months following project completion, the PJ, as applicable, must submit to HUD information on its efforts to coordinate with a CoC, homeless service providers, social service, and other public agencies to fill units for qualifying households or must submit marketing information and, if appropriate, a marketing plan to fill units for low-income households. The PJ must repay any HOME-ARP funds invested in units that are not rented to eligible qualifying or low-income households within 12 months of project completion.

22. Penalties for Noncompliance: The PJ must repay HOME-ARP funds invested in rental housing that is terminated before completion or otherwise does not comply with initial or ongoing requirements of this Notice during the compliance period, as follows:

- a. If the noncompliance or termination occurs within the first 10 years of the compliance period, the PJ must repay the entire amount of HOME-ARP funds invested in the project.
- b. If the noncompliance or termination occurs in years 11 through 15, the repayment amount will be reduced by 20 percent for each year beyond the initial 10-years during which time the project was compliant.

Repayment of the HOME-ARP funds is not required if the project owner sells or transfers, either voluntarily or involuntarily, the HOME-ARP project during the compliance period if (1) the HOME-ARP restrictions remain, (2) the project and new project owner continues to comply with all HOME-ARP requirements, and (3) any HOME-ARP funds remaining in a project's operating cost assistance reserve or reserve for replacement remain with the project and convey upon sale or transfer of the project as a restricted operating cost assistance reserve or reserve for replacement subject to HOME-ARP Notice requirements.

23. Operating Cost Assistance Reserve - Management and Oversight: The PJ must require that any HOME-ARP funds expended for project operating cost assistance reserves are held by the project owner in a separate interest-bearing account. The PJ must require the project owner to request written approval from the PJ prior to disbursing funds from the project operating cost assistance reserve. The PJ must review each requested distribution from the operating cost assistance reserve, including supporting documentation, to determine that the distribution is reasonable and necessary to cover the operating deficit associated with HOME-ARP units occupied by qualifying households. The PJ must, no less than annually, review the operating cost assistance reserve account to determine that the account is appropriately sized based on the projected operating deficits of HOME-ARP units restricted for occupancy by qualifying households. The PJ may require the project owner to enter into a deposit account control agreement for the operating cost assistance reserve where the PJ must approve disbursements from the account.

24. End of Compliance Period and Return of Operating Cost Assistance Reserve: Any unexpended operating cost assistance reserve remaining at the end of the compliance period must be returned as follows:

- a. If the HOME-ARP rental project will continue to operate in accordance with the HOME-ARP requirements and serve qualifying households beyond the HOME-ARP 15-year compliance period as demonstrated by enforceable restrictions imposed by the PJ, the project can retain the operating cost assistance reserve amount to address any operating deficits associated with the HOME-ARP units occupied by qualifying households.
- b. If the HOME-ARP project will not continue to operate in accordance with the HOME-ARP requirements and serve qualifying households beyond the 15-year HOME-ARP compliance period and the HOME-ARP grant has expired or is closed out, the remaining operating cost assistance reserve funds must be deposited in the PJ's local HOME

account and recorded as HOME program income receipt in the Integrated Disbursement and Information System (IDIS) and used for eligible costs under [24 CFR part 92](#).

C. Tenant-Based Rental Assistance (TBRA)

HOME-ARP funds may be used to provide tenant-based rental assistance to qualifying households (“**HOME-ARP TBRA**”). In HOME-ARP TBRA, the PJ assists a qualifying household with payments to cover the entire or insufficient amounts that the qualifying household cannot pay for housing and housing-related costs, such as rental assistance, security deposits, and utility deposits. HOME-ARP TBRA assisted households may choose to rent a unit in a HOME-ARP rental project or any other eligible rental unit. HOME-ARP TBRA is a form of rental assistance that is attached to the household and not a particular rental unit. Therefore, the HOME-ARP TBRA assisted household may choose to move to another unit with continued HOME-ARP TBRA as long as the new unit meets the applicable property standards of this Notice. If a HOME-ARP TBRA assisted household chooses to move, the rental assistance contract terminates and a new rental assistance contract for the new unit will be executed according to HOME-ARP TBRA requirements. The HOME-ARP TBRA assisted household must notify the PJ before moving in order to receive continued HOME-ARP TBRA.

- 1. Tenant Selection:** Only individuals and families in the qualifying populations are eligible to receive HOME-ARP TBRA assistance. PJs must perform tenant selection in accordance with [Section IV.C](#) of this Notice. The PJ must select qualifying households for HOME-ARP TBRA in accordance with written tenant selection policies and criteria that are based on local housing needs established in the HOME-ARP allocation plan. The PJ must follow written tenant selection policies and criteria that:
 - a. Limit eligibility to households that meet one of the HOME-ARP qualifying populations definitions in accordance with HOME-ARP requirements. Preferences for households in one or more of the HOME-ARP qualifying populations, if any, must comply with the preferences and/or method of prioritization in the PJ’s HOME-ARP allocation plan and the PJ’s policies and procedures for applying such preferences, if any, and must not violate nondiscrimination requirements in [24 CFR 92.350](#).
 - b. If the PJ selects HOME-ARP TBRA applicants off a waiting list, it must provide for the selection of qualifying households from a written waiting list in accordance with the PJ’s preferences or method of prioritization in the chronological order of their application, insofar as is practicable.
 - c. Give prompt written notification to any rejected applicant of the grounds for any rejection, and
 - d. Comply with the VAWA requirements as described in [24 CFR 92.359](#).

Finally, the PJ may offer, in conjunction with HOME-ARP TBRA assistance, a simultaneous award of services in accordance with [Section VI.D](#) of this Notice, and also provide particular types of other nonmandatory services that may be most appropriate for persons with a special need or a particular disability. Any provision of supportive services must comply with all requirements of [Section VI.D](#) of the Notice and the PJ’s policies and procedures.

2. **Tenant Protections:** PJs must require and verify that there is an executed lease between the qualifying household that receives HOME-ARP TBRA and the owner of the rental unit or between the owner of the rental unit and a HOME-ARP sponsor with a sublease between the qualifying households and the HOME-ARP sponsor, in accordance with [24 CFR 92.253\(a\)](#). A HOME-ARP sponsor is a nonprofit organization that provides housing or supportive services to qualifying households and facilitates the leasing of a rental unit to a qualifying household or the use and maintenance of HOME-ARP TBRA by a qualifying household. PJs may permit a HOME-ARP sponsor, as defined in [Section VI.B.19](#), to execute a lease or master lease with a project owner. The HOME-ARP sponsor must then sublease a unit to a qualifying household. The lease between the qualifying household and the rental unit owner or the sublease between the HOME-ARP sponsor and the qualifying household cannot contain any of the prohibited lease terms specified in [24 CFR 92.253\(b\)](#).
3. **Eligible Costs:** Eligible costs under HOME-ARP TBRA include rental assistance, security deposit payments, and utility deposit assistance to qualifying households. HOME-ARP funds may be used to pay for up to 100% of these eligible costs. A PJ may use HOME-ARP TBRA funds to provide loans or grants to qualifying households for security deposits for rental units regardless of whether the PJ provides any other HOME-ARP TBRA assistance. The amount of funds that may be provided for a security deposit may not exceed the equivalent of two months' rent for the unit. Utility deposit assistance is an eligible cost only if rental assistance or a security deposit payment is provided. Costs of inspecting the housing are also eligible as costs of HOME-ARP TBRA. Administration of HOME-ARP TBRA is an eligible cost only if executed in accordance with general management oversight and coordination at [24 CFR 92.207\(a\)](#), except that the costs of inspecting the housing and determining the income eligibility of the family are eligible project costs under HOME-ARP TBRA.
4. **Ineligible Costs:** HOME-ARP TBRA may not be used to pay for the homebuyer program as defined at [24 CFR 92.209\(c\)\(2\)\(iv\)](#).
5. **Portability of Assistance:** A PJ may require the HOME-ARP TBRA assisted household to use HOME-ARP TBRA within the PJ's boundaries or may permit the household to use the assistance outside its boundaries pursuant to [24 CFR 92.209\(d\)](#).
6. **Term of Rental Assistance Contract:** The requirements at [24 CFR 92.209\(e\)](#) defining the term of the rental assistance contract for providing assistance with HOME funds are waived for HOME-ARP TBRA. The PJ must determine the maximum term of the rental assistance contract. The rental assistance contract continues until the end of the rental assistance contract term, as determined by the PJ, or until the lease or sublease is terminated, whichever occurs first. The term of the rental assistance contract may be renewed, subject to the availability of HOME-ARP funds. The term of the rental assistance contract must begin on the first day of the term of the lease or sublease. HOME-ARP TBRA funds cannot be used after the end of the budget period.
7. **Maximum Subsidy:** The PJ must establish policies for the allowable maximum subsidy, which may differ from the maximum subsidy requirements at [24 CFR 92.209\(h\)](#). PJs may

provide up to 100 percent subsidy for rent, security deposit payments, and utility bills. The PJ must also establish policies for determining any household contribution to rent based on a determination of the qualifying household's income.

8. **Rent Standard:** Consistent with [24 CFR 92.209\(h\)\(3\)](#), PJs must also establish a rent standard for HOME-ARP TBRA by unit size that is based upon local market conditions or the section 8 Housing Choice Voucher program under [24 CFR part 982](#). The PJ must determine whether the rent for a HOME-ARP TBRA household complies with the rent standard established by the PJ for the HOME-ARP program and must disapprove a lease if the rent does not meet the PJ's rent standard for HOME-ARP TBRA.
9. **Housing Quality Standards:** Housing occupied by a household receiving HOME-ARP TBRA must comply with all housing quality standards required in [24 CFR 982.401](#) (or successor inspection standards issued by HUD) unless the tenant is residing in a HOME or HOME-ARP unit, in which case the PJ may defer to initial and ongoing inspection standards.
10. **Program Operation:** The PJ may operate HOME-ARP TBRA itself or may contract with a PHA or other entity with the capacity to operate a rental assistance program. In either case, the PJ or entity operating the program must approve the lease. HOME-ARP TBRA may be provided through an assistance contract with (1) an owner that leases a unit to a qualifying household; (2) the qualifying household, or (3) an owner and the qualifying household in a tri-party contract. In the case of HOME-ARP TBRA provided in coordination with a HOME-ARP sponsor, as described below, the PJ may require that payments be made directly to the HOME-ARP sponsor that will make rental payments to the owner on behalf of the qualifying household or require payments directly to the owner of the unit.
11. **HOME-ARP TBRA with a HOME-ARP Sponsor:** HOME-ARP TBRA may be provided in coordination with a HOME-ARP sponsor. As defined in [Section VI.B.19](#), a HOME-ARP sponsor is a nonprofit organization that provides housing or supportive services to qualifying households and facilitates the leasing of a HOME-ARP rental unit to a qualifying household or the use and maintenance of HOME-ARP TBRA by a qualifying household. A HOME-ARP sponsor may make rental subsidy payments and a security deposit payment on behalf of a qualifying household. Under HOME-ARP TBRA, a qualifying household may reside in housing leased by a HOME-ARP sponsor if there is a sublease that complies with HOME-ARP lease requirements between the HOME-ARP sponsor and the qualifying household.
 - a. **Rental Assistance Contract:** There must be a rental assistance contract between the PJ and at least one of the following:
 - HOME-ARP sponsor;
 - Qualifying household; or
 - Owner of the housing.

Rental subsidy payments are made on behalf of the HOME-ARP TBRA household pursuant to a rental assistance contract. The rental assistance contract continues until the

lease is terminated or the term of the rental assistance contract expires (and is not renewed). Regardless of the role of the HOME-ARP sponsor, the HOME-ARP TBRA household has the right to continued HOME-ARP TBRA assistance if the household chooses to move from the unit. HOME-ARP TBRA funds cannot be used beyond the end of the HOME-ARP budget period.

The HOME-ARP sponsor may only receive the TBRA subsidy directly from the PJ on behalf of the qualifying household if the rental assistance contract is between the HOME-ARP sponsor and the PJ or the HOME-ARP sponsor and the PJ have entered into a written agreement as outlined below. The HOME-ARP sponsor must make rental subsidy payments to the owner on behalf of the qualifying household per the terms and conditions of the HOME-ARP TBRA contract or written agreement with the PJ. When the HOME-ARP TBRA assisted household moves to a new unit, the HOME-ARP sponsor is not required to continue its sponsor relationship with the HOME-ARP TBRA assisted household for the new rental unit but may do so with the consent of the HOME-ARP TBRA household.

The PJ must establish policies and procedures regarding termination of HOME-ARP TBRA assistance for qualifying households who are absent from the rental unit for a minimum of 60 days and where a HOME-ARP sponsor is leasing the rental unit and subleasing to the qualifying household or providing HOME-ARP TBRA rental subsidy payments on behalf of the household.

- b. *Lease and Sublease*: PJs must require and verify that each household that receives HOME-ARP TBRA assistance has an executed lease that complies with the tenant protection requirements of this Notice. The lease agreement may be between the project owner and the HOME-ARP TBRA household, or PJs may permit a HOME-ARP sponsor to execute a lease with an owner for an individual unit or a master lease for more than one unit restricted for occupancy by HOME-ARP TBRA households. If the lease agreement is between the HOME-ARP sponsor and owner, the HOME-ARP sponsor must execute a sublease agreement with a HOME-ARP TBRA household. The sublease between the HOME-ARP sponsor and the HOME-ARP TBRA household must meet the tenant protection requirements of this Notice.
- c. *Written Agreement with HOME-ARP Sponsor*: The PJ must enter into a written agreement with the HOME-ARP sponsor if the HOME-ARP TBRA rental assistance contract is not with the HOME-ARP sponsor and the HOME-ARP sponsor will receive the HOME-ARP TBRA subsidy directly from the PJ. The written agreement must specify the requirements for the HOME-ARP sponsor receiving the HOME-ARP TBRA subsidy on behalf of the qualifying household and the HOME-ARP sponsor's obligation to provide the HOME-ARP TBRA payment to the owner for the unit's required rent.

12. Project Completion: Project completion for a HOME-ARP TBRA project means the final drawdown has been disbursed for the project.

D. Supportive Services

HOME-ARP funds may be used to provide a broad range of supportive services to qualifying individuals or families as a separate activity or in combination with other HOME-ARP activities. Supportive services include: a) services listed in section 401(29) of the McKinney-Vento Homeless Assistance Act (“**McKinney-Vento Supportive Services**”)¹ (42 U.S.C. 11360(29)); b) homelessness prevention services, as described in [Section VI.D.3.](#) and [D.4](#) below; and c) housing counseling services.

1. **Eligible Program Participants**: Supportive services may be provided to individuals and families who meet the definition of a qualifying population under [Section IV.A](#) of this Notice and who are not already receiving these services through another program. Program participants in other HOME-ARP activities are eligible for supportive services under this Notice in accordance with policies and procedures developed by the PJ. These policies and procedures should identify the length of time that program participants may be served by HOME-ARP TBRA and/or HOME ARP rental housing before they will no longer be eligible as a qualifying population for purposes of this section.
2. **Client Selection**: HOME-ARP funds may only be used to provide supportive services to individuals or families that meet the definition of a qualifying population in [Section IV.A](#) of this Notice. PJs must develop policies and procedures for the selection of program participants for services under this section of the Notice that comply with [Section IV.C](#) and this section of this Notice.
3. **Eligible Supportive Services under HOME-ARP**: There are three categories specifically included as supportive services under HOME-ARP:
 - a. *McKinney-Vento Supportive Services*: McKinney-Vento Supportive Services under HOME-ARP are adapted from the services listed in section 401(29) of McKinney-Vento.
 - b. *Homelessness Prevention Services*: HOME-ARP Homelessness Prevention Services are adapted from eligible homelessness prevention services under the regulations at [24 CFR 576.102](#), [24 CFR 576.103](#), [24 CFR 576.105](#), and [24 CFR 576.106](#), and are revised, supplemented, and streamlined in [Section VI.D.4.c.i](#) below.
 - c. *Housing Counseling Services*: Housing counseling services under HOME-ARP are those consistent with the definition of housing counseling and housing counseling services defined at [24 CFR 5.100](#) and [5.111](#), respectively, except where otherwise noted. The requirements at [24 CFR 5.111](#) state that any housing counseling, as defined in [24 CFR 5.100](#), required under or provided in connection with any program administered by HUD shall be provided only by organizations and counselors certified by the Secretary under [24 CFR part 214](#) to provide housing counseling, consistent with [12 U.S.C. 1701x](#).

¹ The Consolidated Appropriations Act, 2021 (P.L. 116-260) enacted changes that renumbered section 401(27) to (29) of McKinney-Vento.

HUD-approved Housing Counseling Agencies can be found on HUD’s website at:
http://portal.hud.gov/hudportal/HUD?src=/program_offices/housing/sfh/hcc.

Program requirements and administration under [24 CFR part 214](#) apply to the provision of HOME-ARP Housing Counseling supportive services except those provisions related to current homeowners do not apply. Eligible HOME-ARP topics under Housing Counseling include but are not limited to the following examples:

Rental Housing Counseling Topics (24 CFR 214.300(e)(4))	Pre-Purchase Homebuying Topics (24 CFR 214.300(e)(1))	Homeless Services Topics (24 CFR 214.300(e)(5))
HUD rental and rent subsidy programs	Advice regarding readiness and preparation	Homeless assistance information regarding emergency shelter
Other federal, state, or local assistance	Federal Housing Administration insured financing	Other emergency services
Fair housing	Housing selection and mobility	Transitional housing
Rental search assistance	Housing search assistance	Referral to local, state, and federal resources (24 CFR 214.300(b)(2))
Landlord tenant laws	Fair housing and predatory lending	
Lease terms	Budgeting and credit	
Rent delinquency	Loan product comparison	
Referrals to local, state, and federal resources	Purchase procedures and closing costs	
	Referrals to local, state, and federal resources	

Housing Counseling surrounding the following topics are **ineligible** under HOME-ARP:

- Resolving or preventing mortgage delinquency, including, but not limited to default and foreclosure, loss mitigation, budgeting, and credit;
- Home maintenance and financial management for homeowners, including, but not limited to: Escrow funds, budgeting, refinancing, home equity, home improvement, utility costs, energy efficiency, rights and responsibilities of homeowners, and reverse mortgages.

In accordance with [24 CFR 214.300\(a\)\(2\)](#), housing counselors must establish an action plan for each participating qualifying individual or family. Additionally, as per [24 CFR](#)

[214.300\(c\)](#), housing counselors must also make reasonable efforts to have follow-up communications with participating qualifying individuals, when possible, to assure that the individual or family is progressing toward the housing goal established in the plan, to modify or terminate housing counseling, and to learn and report outcomes.

- 4. Eligible Costs of Supportive Services for Qualifying Individuals and Families:** HOME-ARP funds may be used to pay eligible costs associated with the HOME-ARP supportive services activity in accordance with the requirements in this Notice. Eligible costs that may be paid using HOME-ARP funds are limited to only those identified in [Section VI.D.4.c](#) below. Any ineligible costs paid using HOME-ARP funds must be repaid in accordance with the requirements of this Notice.

HUD has used its discretion in ARP to include eligible costs for supportive services that are necessary to assist the qualifying populations, prevent homelessness, or to enable qualifying households to obtain and maintain housing. The list of eligible costs associated with McKinney-Vento Supportive Services and Homelessness Prevention Services is in [Section VI.D.4.c.i](#) of this Notice.

While all qualifying households are eligible to receive supportive services under this activity, the PJ must establish requirements for documenting eligible costs for an individual or family in a qualifying population (as defined in [Section IV.A](#) of this Notice) as McKinney-Vento supportive services, homelessness prevention services, or Housing Counseling.

If a person is homeless, then the person is eligible to be provided the supportive services as McKinney-Vento supportive services for the costs allowable in [Section VI.D.4.c](#) below. If a person is housed and the supportive services are intended to help the program participant regain stability in the program participant's current permanent housing or move into other permanent housing to achieve stability in that housing then the person is eligible for homelessness prevention services for the costs allowable in [Section VI.D.4.c.i](#) below. Housing Counseling services may be provided regardless of whether a person is homeless or currently housed.

PJs must document in their files which types of supportive services they wish to offer program participants. If PJs are using a supportive services provider, PJs must document in their written agreements with supportive service providers whether they are authorizing McKinney-Vento supportive services, homelessness prevention services, Housing Counseling services or some combination of the three. Only the supportive services that are authorized in the written agreement with the supportive service provider may be provided to program participants by that supportive service provider and only program participants that are eligible for those supportive services may be served. As such, supportive services providers must demonstrate through their documentation that the individuals served were eligible to receive the supportive services that were authorized under the written agreement in order for those costs to be eligible.

Consistent with the requirements in this section, the PJ may set a maximum dollar amount that a program participant may receive for each type of service described in [Section VLD.4.c.](#) below and may also set a maximum period for which a program participant may receive any of the types of assistance or services.

- a. Oversight of Eligible Costs: All supportive service costs paid for by HOME-ARP must comply with the requirements of this Notice, including requirements in [2 CFR part 200](#), subpart E, Cost Principles that require costs be necessary and reasonable. If a qualifying household is already receiving the same eligible supportive service or has been approved to receive the same service through another program or provider, the program participant does not have a need for the HOME-ARP service and the costs related to the service do not comply with the Cost Principles. The PJ is responsible for establishing requirements that allow a program participant to receive only the HOME-ARP services needed so there is no duplication of services or assistance in the use of HOME-ARP funds for supportive services. This may include the use of systems such as Homeless Management Information Systems in coordination with local supportive service providers, CoCs, and other nonprofit organizations.
- b. Direct provision of services: PJs contracting with service providers engaged directly in the provision of services under the HOME-ARP eligible supportive services categories, shall have written agreements or contracts that comply with the requirements of this Notice and, to the extent practicable, enter into agreements or contracts in amounts that cover the actual total program costs and administrative overhead to provide the services contracted.

If the services outlined in paragraph c. below are being directly delivered by the PJ or a subrecipient, the following costs are eligible project delivery costs for those services:

- the costs of labor or supplies and materials incurred by the PJ or subrecipient in directly providing supportive services to program participants.
- the salary and benefit packages of the PJ and subrecipient staff who directly deliver the services.

These project delivery costs must be attributable to the identifiable objective of the service delivered, otherwise they are administrative costs of the PJ or subrecipient.

- c. Eligible Costs:
 - i. Eligible Costs for McKinney Vento Supportive Services and Homelessness Prevention Services: Eligible costs for supportive services under either of these two categories include costs associated with the following services:
 - (A) Child care: The costs of child care for program participants, including providing meals and snacks, and comprehensive and coordinated developmental activities, are eligible. The child care center must be licensed by the jurisdiction in which it operates in order for its costs to be eligible. The following conditions also apply:

- Children must be under the age of 13 unless the children have a disability.
 - Children with a disability must be under the age of 18.
- (B) Education services: The costs of improving knowledge and basic educational skills are eligible costs including:
- Instruction or training in consumer education, health education, substance abuse prevention, literacy, English as a Second Language, and General Educational Development (GED).
 - Screening, assessment, and testing; individual or group instruction; tutoring; provision of books, supplies, and instructional material; counseling; and referral to community resources.
- (C) Employment assistance and job training: The costs of establishing and/or operating employment assistance and job training programs are eligible, including classroom, online and/or computer instruction, on-the-job instruction, services that assist individuals in securing employment, acquiring learning skills, and/or increasing earning potential. The cost of providing reasonable stipends to program participants in employment assistance and job training programs is also an eligible cost.
- Learning skills include those skills that can be used to secure and retain a job, including the acquisition of vocational licenses and/or certificates.
 - Services that assist individuals in securing employment consist of:
 - Employment screening, assessment, or testing;
 - Structured job skills and job-seeking skills;
 - Special training and tutoring, including literacy training and pre-vocational training;
 - Books and instructional material;
 - Counseling or job coaching; and
 - Referral to community resources.
- (D) Food: The cost of providing meals or groceries to program participants is eligible.
- (E) Housing search and counseling services: Costs of assisting eligible program participants to locate, obtain, and retain suitable housing are eligible. Services are:
- Development of an action plan for locating housing;
 - Housing search;
 - Tenant counseling;
 - Securing utilities;
 - Making moving arrangements;
 - Outreach to and negotiation with owners;
 - Assistance submitting rental applications and understanding leases;
 - Assessment of housing for compliance with HOME-ARP requirements for TBRA assistance in [Section VI.C](#) of this Notice and financial

assistance for short-term and medium-term rental payments provided under [Section VI.D.4.c.i.\(R\)](#) below;

- Assistance obtaining utilities; and
- Tenant counseling;
- Mediation with property owners and landlords on behalf of eligible program participants;
- Credit counseling, accessing a free personal credit report, and resolving personal credit issues; and
- Payment of rental application fees;
- Other Housing counseling costs, as defined in [24 CFR 5.100](#), funded with or provided in connection with grant funds must be carried out in accordance with [24 CFR 5.111](#).

Please Note: When PJs or subrecipients provide housing services to eligible persons that are incidental to a larger set of holistic case management services, these services do not meet the definition of Housing counseling, as defined in [24 CFR 5.100](#), and therefore are not required to be carried out in accordance with the certification requirements of [24 CFR 5.111](#).

- (F) Legal services: Eligible costs are the fees charged by licensed attorneys and by person(s) under the supervision of licensed attorneys, for advice and representation in matters that interfere with a qualifying individual or family's ability to obtain and retain housing.
- Eligible subject matters are child support; guardianship; paternity; emancipation; legal separation; orders of protection and other legal remedies for victims of domestic violence, dating violence, sexual assault, human trafficking, and stalking; appeal of veterans and public benefit claim denials; landlord-tenant disputes; and the resolution of outstanding criminal warrants; landlord/tenant matters, provided that the services must be necessary to resolve a legal problem that prohibits the program participant from obtaining permanent housing or will likely result in the program participant losing the permanent housing in which the program participant currently resides.
 - Legal services for immigration and citizenship matters and for issues related to mortgages and homeownership are ineligible. Retainer fee arrangements and contingency fee arrangements are prohibited.
 - Services may include client intake, receiving and preparing cases for trial, provision of legal advice, representation at hearings, and counseling.
 - Fees based on the actual service performed (i.e., fee for service) are also eligible, but only if the cost would be less than the cost of hourly fees. Filing fees and other necessary court costs are also eligible. If the subrecipient is a legal services provider and performs the services itself, the eligible costs are the subrecipient's employees' salaries and other costs necessary to perform the services.

- (G) Life skills training: The costs of 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 are eligible. These services must be necessary to assist the program participant to function independently in the community. Life skills training includes:
- the budgeting of resources and money management, household management, conflict management, shopping for food and other needed items, nutrition, the use of public transportation, and parent training.
- (H) Mental health services: Eligible costs are the direct outpatient treatment of mental health conditions that are provided by licensed professionals.
- Mental health services are the application of 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. Problem areas may include family and marital relationships, parent-child problems, or symptom management.
 - Services are crisis interventions; counseling; individual, family, or group therapy sessions; the prescription of psychotropic medications or explanations about the use and management of medications; and combinations of therapeutic approaches to address multiple problems.
- (I) Outpatient health services: Eligible costs are the direct outpatient treatment of medical conditions when provided by licensed medical professionals including:
- Providing an analysis or assessment of a program participant's health problems and the development of a treatment plan;
 - Assisting program participants to understand their health needs;
 - Providing directly or assisting program participants to obtain and utilize appropriate medical treatment;
 - Preventive medical care and health maintenance services, including in-home health services and emergency medical services;
 - Provision of appropriate medication;
 - Providing follow-up services; and
 - Preventive and non-cosmetic dental care.
- (J) Outreach services: The costs of activities to engage qualified populations for the purpose of providing immediate support and intervention, as well as identifying potential program participants, are eligible.
- Eligible costs include the outreach worker's transportation costs and a cell phone to be used by the individual performing the outreach.
 - Costs associated with the following services are eligible: initial assessment; crisis counseling; addressing urgent physical needs, such as providing meals, blankets, clothes, or toiletries; actively connecting and providing people with information and referrals to homeless and

mainstream programs; and publicizing the availability of the housing and/or services provided within the PJ's geographic area.

- (K) Substance abuse treatment services: Eligible substance abuse treatment services are designed to prevent, reduce, eliminate, or deter relapse of substance abuse or addictive behaviors and are provided by licensed or certified professionals. The costs include:
- Program participant intake and assessment;
 - Outpatient treatment;
 - Group and individual counseling
 - Drug testing;
 - Inpatient detoxification and other inpatient drug or alcohol treatment are ineligible.
- (L) Transportation: Eligible costs are:
- The costs of program participant's travel on public transportation or in a vehicle provided by the PJ or subrecipient to and from medical care, employment, childcare, or other services eligible under this Notice;
 - Mileage allowance for service workers to visit program participants and to carry out housing inspections;
 - The cost of purchasing or leasing a vehicle in which staff transports program participants and/or staff serving program participants;
 - The cost of gas, insurance, taxes, and maintenance for the vehicle;
 - The costs of PJ or subrecipient staff to accompany or assist program participants to utilize public transportation; and
 - If public transportation options are not sufficient within the area, the PJ may make a one-time payment on behalf of a program participant needing car repairs or maintenance required to operate a personal vehicle, subject to the following:
 - Payments for car repairs or maintenance on behalf of the program participant may not exceed 10 percent of the Blue Book value of the vehicle (Blue Book refers to the guidebook that compiles and quotes prices for new and used automobiles and other vehicles of all makes, models, and types);
 - Payments for car repairs or maintenance must be paid by the PJ or subrecipient directly to the third party that repairs or maintains the car; and
 - PJs or subrecipients may require program participants to share in the cost of car repairs or maintenance as a condition of receiving assistance with car repairs or maintenance.
 - The PJ must establish policies and procedures surrounding payments for the cost of gas, insurance, taxes, the one-time payment for car repairs or maintenance described above, and maintenance for vehicles of program participants. Such costs must be limited to program participants with the inability to pay for such costs and who, without such assistance, would not be able to participate in eligible services under this [Section VI.D.4.c.i.](#)

- (M) Case management: The costs of assessing, arranging, coordinating, and monitoring the delivery of individualized services to meet the needs of the program participant(s) are eligible costs. PJs and subrecipients providing these supportive services must have written standards for providing the assistance. Eligible costs are those associated with the following services and activities:
- Conducting the initial evaluation, including verifying and documenting eligibility, for individuals and families applying for supportive services;
 - Counseling;
 - Developing, securing, and coordinating services;
 - Using a centralized or coordinated assessment system that complies with the requirements of [Section IV.C](#) of the Notice;
 - Obtaining federal, State, and local benefits;
 - Monitoring and evaluating program participant progress;
 - Providing information and referrals to other providers;
 - Providing ongoing risk assessment and safety planning with victims of domestic violence, dating violence, sexual assault, stalking, and human trafficking;
 - Developing an individualized housing and service plan, including planning a path to permanent housing stability; and
 - Conducting re-evaluations of the program participant's eligibility and the types and amounts of assistance the program participant needs.
- (N) Mediation: HOME-ARP funds may pay for mediation between the program participant and the owner or person(s) with whom the program participant is living, provided that the mediation is necessary to prevent the program participant from losing permanent housing in which the program participant currently resides.
- (O) Credit repair: HOME-ARP funds may pay for 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.
- (P) Landlord/Tenant Liaison: Costs of liaison services between property managers/owners and program participants are eligible HOME-ARP costs and may include:
- Landlord outreach;
 - Physical inspections and rent reasonable studies as needed to secure units;
 - Rental application fees and security deposits for clients, in accordance with the financial assistance costs requirements in [\(R\)](#);
 - Mediation services in [\(N\)](#) for housing issues that may arise between owner, property manager, or other residents and clients;

- Coordination or assistance with the provision of other HOME-ARP eligible services to assist clients to maintain permanent housing.
- (Q) Services for special populations: HOME-ARP funds may be used to provide services for special populations, such as victim services, so long as the costs of providing these services are eligible under this section. The term victim services means services that assist program participants who are victims of domestic violence, dating violence, sexual assault, stalking, or human trafficking including services offered by rape crisis centers and domestic violence shelters, and other organizations with a documented history of effective work concerning domestic violence, dating violence, sexual assault, stalking, or human trafficking.
- (R) Financial assistance costs: HOME-ARP funds may be used to pay housing owners, utility companies, and other third parties for the following costs, as applicable:
- Rental application fees: Rental housing application fee that is charged by the owner to all applicants.
 - Security deposits: A security deposit that is equal to no more than 2 months' rent. This assistance is separate and distinct from the provision of financial assistance for First and Last Month's rent provided under this section and cannot be used to duplicate those costs.
 - Utility deposits: HOME-ARP funds may pay for a standard utility deposit or initiation fee required by the utility company or owner (if owner-paid utilities are provided) for all program participants for the following utilities:
 - Gas
 - Electric
 - Water
 - Sewer
 - Utility payments: HOME-ARP funds may pay for up to 24 months of utility payments per program participant, per service, including up to 6 months of utility payments in arrears, per service. A partial payment of a utility bill counts as one month. This assistance may only be provided if the program participant or a member of the same household has an account in his or her name with a utility company or proof of responsibility to make utility payments. Eligible utility services are gas, electric, water, and sewage. No program participant shall receive more than 24 months of utility assistance within any 3-year period.
 - Moving costs: HOME-ARP funds may pay for moving costs, such as truck rental or hiring a moving company. This assistance may include payment of temporary storage fees for up to 3 months, provided that the fees are accrued after the date the program participant begins receiving assistance under this section of the Notice and before the program participant moves into permanent housing. Payment of temporary storage fees in arrears is not eligible.

- First and Last month's rent: If necessary to obtain housing for a program participant, HOME-ARP funds may be used to make a pre-payment of the first and last month's rent under a new lease to the owner at the time the owner is paid the security deposit for the program participant's tenancy in the housing. This assistance must not exceed two month's rent and must be tracked for purposes of determining the total short- and medium-term financial assistance for rent that the program participant may receive. This assistance is separate and distinct from financial assistance for Security Deposits provided under this section and cannot be used to duplicate those costs.
 - Payment of rental arrears: HOME-ARP funds may be used for a one-time payment for up to 6 months of rent in arrears, including any late fees or charges on those arrears, if necessary for the household to maintain their existing housing or, for those without housing, if necessary to remove a demonstrated barrier to obtaining housing.
- (S) Short-term and medium-term financial assistance for rent: Subject to the following conditions, a PJ may provide a program participant with short-term or medium-term financial assistance for rent, provided that the total financial assistance provided, including any pre-payment of first and last month's rent as described above, does not exceed 24 months of rental payments over any 3-year period.
- Short-term means up to 3 months.
 - Medium-term means more than 3 months but not more than 24 months.
 - The PJ may make rental payments only to an owner with whom the PJ has entered into a financial assistance agreement for rental payment. The financial assistance agreement must set forth the terms under which rental payments will be provided, including the requirements that apply under this Notice. The financial assistance agreement must provide that, during the term of the agreement, the owner must give the PJ a copy of any notice to the program participant to vacate the housing unit or any complaint used under State or local law to commence an eviction action against the program participant. The owner must serve written notice upon the program participant at least 30 days before termination of tenancy specifying the grounds for the action. Each financial assistance agreement that is executed or renewed must comply with the requirements in [24 CFR 92.359](#).
 - The PJ must make timely payments to each owner in accordance with the financial assistance agreement. The financial assistance agreement must contain the same payment due date, grace period, and late payment penalty requirements as the program participant's lease. The PJ is solely responsible for paying late payment penalties that it incurs with non-HOME-ARP funds.
 - Rental payments cannot be provided unless the rent does not exceed the Fair Market Rent established by HUD, as provided under [24 CFR](#)

[part 888](#), and complies with HUD's standard of rent reasonableness, as established under [24 CFR 982.507](#).

- Each program participant receiving financial assistance for rental payments must have a legally binding, written lease for the rental unit, unless the assistance is solely for rental arrears. The lease must be between the owner and the program participant. Where the financial assistance is solely for rental arrears, an oral agreement may be accepted in place of a written lease, if the agreement gives the program participant an enforceable leasehold interest under state law and the agreement and rent owed are sufficiently documented by the owner's financial records, rent ledgers, or canceled checks. New leases must have an initial term of 1 year unless a shorter period is agreed upon by the program participant and owner. The lease requirements in [24 CFR 92.359](#) apply to this financial assistance.
- PJs must establish requirements to prevent the provision of short- or medium-term financial assistance for rent for the same period for which a program participant is receiving rental assistance or living in housing provided with ongoing assistance (such as project-based rental assistance or operating subsidies).
- If a program participant receiving financial assistance for short- or medium-term rental payments under this section meets the conditions for an emergency transfer under [24 CFR 5.2005\(e\)](#), HOME-ARP funds may be used to pay amounts owed for breaking a lease to effectuate an emergency transfer. These costs are not subject to the 24-month limit on rental payments.

Ineligible costs - Financial assistance cannot be provided to a program participant who is receiving the same type of assistance through other public sources. Financial assistance also cannot be provided to a program participant who has been provided with replacement housing payments under the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (42 USC 4601 et seq.) and its implementing regulations at [49 CFR part 24](#), or Section 104(d) of the Housing and Community Development Act of 1974 (42 USC 5304(d) and its implementing regulations at [24 CFR part 42](#), during the period of time covered by the replacement housing payments.

- ii. *Eligible Costs Associated with Housing Counseling under 24 CFR 5.100 and 5.111*: Costs associated with housing counseling services as defined at [24 CFR 5.100](#) and [5.111](#) are eligible under HOME-ARP. As homeowner assistance and related services are not eligible HOME-ARP activities, costs for the provision of services related to mortgages and homeownership to existing homeowners are also not eligible under HOME-ARP. If a program participant is a candidate for homeownership, costs associated with pre-purchase homebuying counseling, education and outreach are eligible under HOME-ARP. Eligible costs are those costs associated with the services listed in [24 CFR part 214](#) and include, but are not limited to:

- (A) Staff salaries and overhead costs of HUD-certified housing counseling agencies related to directly providing eligible housing counseling services to HOME-ARP program participants;
- (B) Development of a housing counseling workplan;
- (C) Marketing and outreach;
- (D) Intake;
- (E) Financial and housing affordability analysis;
- (F) 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);
- (G) Follow-up communication with program participants.

5. Termination of assistance to program participants:

- a. *Termination of assistance:* The PJ may terminate assistance to a program participant who violates program requirements or conditions of occupancy or no longer needs the services as determined by the PJ. Termination under this section does not bar the PJ from providing further assistance at a later date to the same individual or family under this Notice.
- b. *Due process:* The PJ must establish policies and procedures for termination of assistance to program participants. In terminating assistance to a program participant, the PJ must provide a formal process that recognizes the rights of individuals receiving assistance under the due process of law. This process, at a minimum, must consist of:
 - i. Providing the program participant with a written copy of the program rules and the termination process before the participant begins to receive assistance;
 - ii. Written notice to the program participant containing a clear statement of the reasons for termination;
 - iii. A review of the decision, in which the program participant is given the opportunity to present written or oral objections before a person other than the person (or a subordinate of that person) who made or approved the termination decision; and
 - iv. Prompt written notice of the final decision to the program participant.

During this process, the PJ must provide effective communication and accessibility for individuals with disabilities, including the provision of reasonable accommodations. Similarly, the PJ must provide meaningful access to persons with LEP.

- 6. Commitment:** For supportive services, commitment means that before disbursing any HOME-ARP funds to any entity, the PJ executed a legally binding written agreement that complies with HOME-ARP requirements with the contractor or subrecipient providing the supportive service (that includes the date of the signature of each person signing the agreement).
- 7. Policies and Procedures:** PJs must establish the following policies and procedures in compliance with this notice:

- a. Tenant selection procedures in accordance with [Section IV.C.2](#) and this section;
 - b. Eligibility of program participants in other HOME-ARP activities for supportive services under [Section VI.D.4.c.i](#) above including the length of time that program participants may be served by HOME-ARP TBRA and/or HOME ARP rental housing before they will no longer be eligible as a qualifying population for purposes of this section;
 - c. If the PJ chooses to set maximum amounts and/or maximum periods for assistance or services, the maximum dollar amount that a program participant may receive for each type of service described in [Section VI.D.4.c.i](#) above and/or maximum periods for which a program participant may receive any of the types of assistance or services under this section;
 - d. Documentation of eligible costs;
 - e. Requirements that allow a program participant to receive only the HOME-ARP services needed so there is no duplication of services or assistance in the use of HOME-ARP funds for supportive services;
 - f. Payments for the cost of gas, insurance, taxes, the one-time payment for car repairs or maintenance described above, and maintenance for vehicles of program participants;
 - g. Financial assistance for short-term and medium-term rental payments under this Notice, including requirements to prevent a duplication of rental or financial assistance provided to a program participant;
 - h. Housing stability case management; and
 - i. Termination of assistance to program participants.
8. **Project Completion**: Project completion for a HOME-ARP Supportive Services project means the final drawdown has been disbursed for the project.

E. Acquisition and Development of Non-Congregate Shelter

A 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. HOME-ARP funds may be used to acquire and develop HOME-ARP NCS for individuals and families in qualifying populations. This activity may include but is not limited to the acquisition of land and construction of HOME-ARP NCS or acquisition and/or rehabilitation of existing structures such as motels, hotels, or other facilities to be used for HOME-ARP NCS. HOME-ARP funds may not be used to pay the operating costs of HOME-ARP NCS. Consequently, PJs must consider the availability of ongoing operating funds for the HOME-ARP NCS so that the HOME-ARP NCS can remain viable through the restricted use period specified in this Notice.

During the restricted use period, HOME-ARP NCS may:

- Remain as HOME-ARP NCS in compliance with the requirements of this Notice.
 - Be used as a non-congregate emergency shelter under the Emergency Solutions Grants (ESG) program (Subtitle B of title IV of the McKinney-Vento Homeless Assistance Act) (42 USC 11371 et seq.), in which case the non-congregate shelter must be operated in compliance with all requirements at [24 CFR part 576](#) that apply when ESG funds are provided for operating costs or essential services in the shelter. During any period for which ESG funds are provided, the applicable ESG requirements shall govern in the event of any conflict with HOME-ARP requirements.
 - Be converted to permanent affordable housing according to the requirements established in [Section VI.E.11](#) of this Notice.
 - Be converted to permanent housing as defined in Subtitle C of title IV of the McKinney-Vento Homeless Assistance Act (42 USC 11381 et seq.) according to requirements of this Notice and [24 CFR part 578](#).
1. **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 as defined in [Section IV.A.](#) of this Notice. Where applicable, occupancy of NCS units by qualifying populations must be in accordance with the requirements in [Section IV.C](#) of this Notice. The PJ must not allow qualifying populations to be charged occupancy fees or other charges to occupy a HOME-ARP NCS unit unless the PJ determines such fees and charges to be customary and reasonable and the charges comply with [24 CFR 578.77\(b\)](#).

To ensure that access to HOME-ARP NCS by qualifying populations is effectively integrated with other assistance and services, PJs are encouraged to incorporate each HOME-ARP NCS into the CE established by the CoC(s) for the area the NCS is funded to serve, provided that the CE is used in accordance with [Section IV.C](#) of this Notice. Whether or not packaged with NCS funding, HOME-ARP supportive services may also be provided as needed to qualifying individuals and families served by the HOME-ARP NCS in accordance with the requirements contained in [Section VI.D](#) of this Notice.

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.

2. **Eligible Activities:** HOME-ARP funds may be used to acquire and/or rehabilitate or construct HOME-ARP NCS units to serve qualifying populations. Acquisition of vacant land or demolition of existing structures may be undertaken only as part of a HOME-ARP NCS project. HOME-ARP NCS units acquired and/or developed with HOME-ARP funds must meet the requirements of this Notice, i.e., be used as HOME-ARP NCS or used as emergency shelter under ESG for the restricted use period established in [Section VI.E.9](#) of this Notice.
3. **Eligible Costs:** HOME-ARP funds may be used for actual costs of acquiring NCS or developing HOME-ARP NCS as follows:

- a. Acquisition Costs: Costs to acquire improved or unimproved real property.
- b. Demolition Costs: Costs of demolishing existing structures for the purpose of developing HOME-ARP NCS.
- c. Development Hard Costs: Costs identified in [24 CFR 92.206\(a\)](#) to rehabilitate or construct HOME-ARP NCS units, except costs must be for meeting the physical standards established in [Section VI.E.7](#) of this Notice.
- d. Site Improvements: Costs to make improvements to the project site, including installation of utilities or utility connections, and the construction or rehabilitation of laundry, community facilities, on-site management, or supportive service offices.
- e. Related Soft Costs: Reasonable and necessary costs incurred by the PJ and owner associated with the financing, acquisition, and development of HOME-ARP NCS projects, including costs identified in [24 CFR 92.206\(d\)](#) with the following exceptions:
 - i. Costs to provide information services such as affirmative marketing to prospective homeowners and tenants are not eligible.
 - ii. Costs of funding an initial operating deficit reserve are not eligible.
 - iii. Costs of project-specific assistance to community housing development organizations, including technical assistance and site control loans or seed money loans as specified in [24 CFR 92.301](#) are not eligible.
- f. Replacement Reserve: Costs to capitalize a 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. Major systems include structural support, roofing, cladding, and weatherproofing, plumbing, electrical and HVAC. The costs of replacing major systems must be determined through a Capital Needs Assessment or documented in writing after an inspection by the PJ or PJ-selected contractor to assess the remaining useful life of major systems expected upon completion of the HOME-ARP NCS project. The costs of a replacement reserve must be included in the project budget in the written agreement along with a list of major systems to be replaced with the reserve and projected replacement schedule during the restricted use period (i.e., reserve for replacement analysis). Rehabilitation planned to be completed with HOME-ARP NCS reserve funds at a later date must be included in IDIS as a rehabilitation activity at initial commitment.

4. Prohibited Costs: HOME-ARP funds **may not** be used to:

- a. Pay any operating costs of a HOME-ARP NCS project.
- b. Provide additional HOME-ARP investment in a HOME-ARP NCS project during the restricted use period, except that additional HOME-ARP funds can be invested in the project up to one year after project completion in IDIS for eligible costs.

- c. Pay costs of a conversion of HOME-ARP NCS as described in [Section VI.E.11](#) of this Notice.
 - d. Provide non-Federal matching contributions required under any other Federal program.
 - e. Provide assistance for uses authorized under section 9 of the U.S. Housing Act of 1937 (42 U.S.C. 1437g) (Public Housing Capital and Operating Funds).
 - f. Provide assistance to eligible low-income housing under [24 CFR part 248](#) (Prepayment of Low-Income Housing Mortgages).
 - g. Pay for the acquisition of property owned by the PJ, except for property acquired by the PJ with HOME-ARP NCS funds, or property acquired in anticipation of carrying out a HOME-ARP NCS project.
 - h. Pay delinquent taxes, fees, or charges on properties to be assisted with HOME-ARP NCS funds.
 - i. Pay for any cost that is not eligible under this Notice.
5. **Commitment:** PJs must commit HOME-ARP funds before disbursing funds for a HOME-ARP NCS project. HOME-ARP funds are committed to a HOME-ARP NCS project when the PJ executes a legally binding written agreement that meets the requirements in this Notice.

If the project is an acquisition-only activity, the PJ may commit HOME-ARP funds if it reasonably expects the project will be operated as HOME-ARP NCS within 6 months of the date of acquisition. Acquisition-only HOME-ARP NCS projects may be performed when the PJ reasonably determines that the units acquired will not require rehabilitation to meet the property standards in [Section VI.E.7](#) of this Notice. If the project is not in active use as HOME-ARP NCS within 6 months of the acquisition, HUD may require the PJ to submit a schedule for placing the project into operation within a period determined by HUD or may require the PJ to repay the funds to its HOME-ARP Treasury Account.

For projects that will involve rehabilitation or new construction with or without acquisition, the PJ may commit HOME-ARP funds if it reasonably expects development to begin within 12 months of the date of commitment.

6. **Project Development Due Diligence:** HOME-ARP NCS projects must meet the requirements of this Notice for the restricted use period. Consequently, before awarding HOME-ARP funds to a HOME-ARP NCS project, PJs must determine that acquisition and/or development is financially feasible. The PJ is responsible for maintaining continued operation of the NCS in accordance with this Notice throughout the restricted use period. Therefore, the PJ must consider whether the HOME-ARP NCS project has secured or has a high likelihood of securing operating funding because operating costs cannot be paid with HOME-ARP.

PJs must assess HOME-ARP NCS projects, including a review of information from the owner and/or developer that demonstrates the project's financial feasibility throughout the restricted use period. Before awarding funds for HOME-ARP NCS, the PJ must:

- Require that the developer submit evidence of appropriate skills and experience related to the development of shelters or similar facilities.
- Require the owner to submit evidence of prior experience with operating shelters.
- Require an acquisition or development budget, timeline, and sources and uses statement for the acquisition and/or development of the project be submitted for review.
- Require the owner to submit a proposed operating budget, including secured sources for operating costs and any operating gap that will require additional assistance. If there is a gap in the operating budget, the PJ should require the owner to submit a plan for securing additional private, local, state, or Federal funding sufficient for successful operation of the project.

Before committing funds, PJs should also determine whether the owner intends to continue operating the project as HOME-ARP NCS or emergency shelter NCS under ESG for the entire full restricted use period or plans to convert the HOME-ARP NCS to permanent affordable housing or CoC permanent housing during the restricted use period, once the minimum use period for HOME-ARP NCS established in this section is completed. If a HOME-ARP NCS project owner intends to convert the project to CoC permanent housing or permanent supportive housing during the restricted use period, the PJ is encouraged to pursue partnership and leveraging opportunities with the CoC early in the planning stage of a HOME-ARP NCS project. In such instances, the PJ should consider the physical design needs of an eventual conversion in its evaluation of the HOME-ARP NCS project.

7. **Property and Habitability Standards:** HOME-ARP NCS projects must meet the minimum HOME-ARP property standards prior to occupancy and the HOME-ARP NCS ongoing property standards throughout the restricted use period as described in this Notice. An “acquisition only” project must meet the HOME-ARP NCS minimum property standards described in paragraph a. below at the time of acquisition. If the project requires rehabilitation or repair to meet the minimum property standards, the project is considered acquisition and rehabilitation irrespective of the source of funds used for the rehabilitation or repair and must meet the NCS rehabilitation standards in paragraph b. below. In addition, PJs must meet the standards required in this Notice for rehabilitation or new construction, as applicable. The PJ must determine that construction contracts and documents describe the work to be completed in adequate detail to establish a basis for inspection to determine that all work was completed to contracted specifications and that the project met the HOME-ARP NCS property standards. Project classification as rehabilitation or new construction is determined by the PJs local code requirements based on specific work to be completed. PJs may also choose to adopt a standard that exceeds the minimum standards described here. The written agreement must impose the HOME-ARP NCS property standards or the PJ's locally developed standards and require that the PJ or its representatives have access to the property to perform inspections during development and throughout the restricted use period.

- a. Minimum HOME-ARP NCS Property Standards: All HOME-ARP NCS units and common areas must meet all applicable State and local codes, ordinances, and requirements and the applicable provisions of HUD's Lead Safe Housing Rules at [24 CFR Part 35](#). In addition, all HOME-ARP NCS projects must meet the following minimum safety, sanitation, accessibility, and privacy standards:
- i. Must be structurally sound to protect occupants from the elements and not pose any threat to health and safety of the occupants.
 - ii. Must be accessible in accordance with section 504 of the Rehabilitation Act ([29 U.S.C. 794](#)) and implementing regulations at [24 CFR part 8](#); the Fair Housing Act ([42 U.S.C. 3601 et seq.](#)) and implementing regulations at [24 CFR part 100](#); and Title II of the Americans with Disabilities Act ([42 U.S.C. 12131 et seq.](#)) and implementing regulations at [24 CFR part 35](#), all as applicable.
 - iii. Must provide each individual or family with an acceptable, individual room to sleep which includes adequate space and security for themselves and their belongings.
 - iv. Must 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.
 - v. Must have a water supply free of contamination.
 - vi. Must have in-unit sanitary facilities that are in proper operating condition and are adequate for personal cleanliness and the disposal of human waste.
 - vii. Must provide necessary heating/cooling facilities in proper operating condition.
 - viii. Must have adequate natural or artificial illumination to permit normal indoor activities and support health and safety. There must be sufficient electrical sources to permit the safe use of electrical appliances.
 - ix. Food preparation areas, if any, must contain suitable space and equipment to store, prepare, and serve food in a safe and sanitary manner.
 - x. Must 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. There must also be a second means of exiting the building in the event of fire or other emergency.

Minimum HOME-ARP NCS Rehabilitation Standards: HOME-ARP NCS rehabilitation projects must meet all applicable State and local codes, ordinances, and requirements, or in the absence of such codes, International Residential Code or the International Building Code (as applicable), and must comply with the Lead Safe Housing Rule at [24 CFR Part 35](#). Additionally, PJs must consider the remaining useful life of major systems. PJs are encouraged to use a Capital Needs Assessment to determine the reasonable and necessary investment of HOME-ARP funding in rehabilitation projects and expected cost of ongoing replacement needs during the restricted use period. If HOME-ARP funding will capitalize a replacement reserve, the PJ must determine the remaining useful life of major systems through a Capital Needs Assessment or other PJ inspection documented in writing, in accordance with requirements for capitalized replacement reserve costs in [V.I.E.3](#).

Minimum HOME-ARP NCS New Construction Standards: HOME-ARP NCS projects that are newly constructed must meet all applicable State and local codes, ordinances, and requirements, or in the absence of such codes, the International Residential Code or the International Building Code (as applicable to the type of structure). HOME-ARP funds cannot be used to fund a replacement reserve for newly constructed HOME-ARP NCS.

- b. *On-going Property Standards and Inspections:* PJs must develop ongoing inspection procedures to verify that HOME-ARP NCS projects meet the minimum HOME-ARP NCS property standards established in this Notice throughout the restricted use period. A PJ's inspection procedures must require annual inspections that are applied consistently to all HOME-ARP NCS projects. When deficiencies are identified, a follow-up inspection to verify that deficiencies are corrected must occur within 6 months. The PJ may establish a list of non-hazardous deficiencies for which correction can be verified by third party documentation (e.g., paid invoice or work order) rather than reinspection. If life-threatening deficiencies exist, the owner or operator of the HOME-ARP NCS must correct such deficiencies immediately. In such instances, the PJ must re-inspect to verify the deficiency has been corrected within 14 days.

8. Project Completion: Project Completion for HOME-ARP NCS means:

- All necessary title transfer requirements and construction work has been performed;
- The project complies with the requirements of this Notice, including the HOME-ARP NCS property standards as evidenced by a final inspection;
- The project is actively operating as a HOME-ARP NCS;
- Final drawdown of HOME-ARP funds has been disbursed; and
- Project completion information is entered into IDIS.

All HOME-ARP NCS projects must be completed within 4 years of the date of commitment of the HOME-ARP funds based on the date of the last signature on the written agreement. If the PJ fails to complete a project within 4 years of project completion, it must comply with the terminated project requirements at [24 CFR 92.205\(e\)\(2\)](#). HOME-ARP NCS rehabilitation and new construction projects must begin operating as active shelters within 6 months after the date of completion of the construction work. If the HOME-ARP NCS project is not in use within 6 months, HUD may require the PJ to submit a schedule for placing the project into operation as an active shelter within a period determined by HUD or may require the PJ to repay the HOME-ARP funds to its HOME-ARP Treasury Account.

- 9. Restricted Use Period:** HOME-ARP NCS projects must comply with the requirements of this Notice for not less than the restricted use period specified in this Notice. PJs must impose the HOME-ARP NCS requirements through a deed restriction, covenant running with the land, legally binding agreement restricting the use of the property and recorded on the property in accordance with State recordation laws, or other mechanism approved by HUD. The use restriction should not identify that the property is prioritized for victims of domestic violence, dating violence, sexual assault, stalking or human trafficking. This use restriction must require that the property is operated as HOME-ARP NCS or non-congregate emergency shelter under ESG for the required restricted use period except that HOME-ARP

NCS projects may be converted to permanent affordable housing or CoC permanent housing after being operated as HOME-ARP NCS for the applicable minimum use period prior to conversion as described in [Section VI.E.11](#). If the HOME-ARP NCS is converted, the PJ must amend its use restriction to reflect the change in requirements for the remainder of the restricted use period.

The restricted use period begins at project completion as defined in [Section VI.E.8](#) of this Notice and must be imposed for at least the following periods:

- a. *New Construction*: Newly constructed HOME-ARP NCS units must be operated as HOME-ARP NCS units for qualifying populations for a restricted use period of 15 years, regardless of the amount of HOME-ARP funds invested in the project.
- b. *Rehabilitation*: HOME-ARP NCS units which receive any amount of HOME-ARP funds for rehabilitation but are not designated as new construction by the PJ's state or local building code requirements must be operated as HOME-ARP NCS units for qualifying populations for a restricted use period of 10 years.
- c. *Acquisition Only*: Units acquired for use as HOME-ARP NCS that do not require rehabilitation for occupancy must serve the qualifying populations for a restricted use period of 10 years.
- d. PJs may impose longer restricted use periods but must require the project remain financially viable for the extended period.

10. Return of Replacement Reserve: HOME-ARP funds may capitalize a replacement reserve for HOME-ARP NCS projects performing rehabilitation as described in [Section VI.E.3](#) of this Notice. Any unexpended HOME-ARP funds remaining in a project's replacement reserve at the completion of the restricted use period or upon conversion must be used or returned as follows:

- a. If the HOME-ARP NCS project will continue to operate in accordance with the HOME-ARP NCS requirements and serve qualifying households beyond the HOME-ARP NCS restricted use period demonstrated by enforceable restrictions imposed by the PJ in accordance with [Section VI.E.9](#), the project can retain the replacement reserve to pay reasonable and necessary costs of replacing major systems and their components.
- b. If the HOME-ARP NCS project will not continue to operate in accordance with the HOME-ARP NCS requirements because the NCS is being converted to either CoC permanent housing or permanent affordable housing as described in [Section VI.E.11](#) of this Notice and the HOME-ARP grant is still open, the remaining HOME-ARP funds in the replacement reserve must be returned to the PJ's HOME Investment Trust Fund Treasury account.
- c. If the HOME-ARP NCS grant has expired or is closed out, any remaining HOME-ARP funds in the replacement reserve must be deposited in the PJ's local HOME account,

recorded as a program income receipt in IDIS and used for eligible costs under [24 CFR part 92](#).

11. Conversion of Non-Congregate Shelter to Rental Housing: The ARP authorizes the conversion of HOME-ARP NCS units into permanent housing under subtitle C of title IV of McKinney-Vento or permanent affordable housing as described in this section, during the restricted use period. No HOME-ARP funds may be used for conversion. The written agreement between the PJ and the owner of the HOME-ARP NCS project must describe conversion as a possible outcome of the HOME-ARP NCS project; specify the conditions under which conversion will be permitted; and require that the PJ approve any conversion in advance.

- a. *Minimum Use Period*: All HOME-ARP NCS projects must be operated as NCS for a minimum period of time prior to conversion. 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. If the HOME-ARP NCS project involves rehabilitation, the minimum use period prior to conversion is based on the total cost of the rehabilitation as a percentage of the total appraised value of the improved property. A larger investment for rehabilitation will require operation as HOME-ARP NCS for a longer minimum use period prior to conversion.
 - i. Acquisition Only: HOME-ARP NCS activities not requiring rehabilitation for occupancy must be operated as HOME-ARP NCS for no less than 3 years from project completion prior to conversion.
 - ii. Moderate Rehabilitation: Occurs when an NCS HOME-ARP project requires rehabilitation and the total rehabilitation expenditure from all sources of less than 75 percent of the total appraised value of the improved property. HOME-ARP NCS projects that receive moderate rehabilitation must be operated as HOME-ARP NCS for no less than 5 years from project completion prior to conversion.
 - iii. Substantial Rehabilitation: Occurs when an NCS HOME-ARP project requires rehabilitation and the total rehabilitation expenditure from all sources exceeds 75 percent of the total appraised value of the improved property. HOME-ARP NCS projects that receive substantial rehabilitation must be operated as HOME-ARP NCS for no less than 10 years from project completion before conversion.
 - iv. New Construction: Any HOME-ARP NCS project defined by the PJ's state or local code requirements as new construction must be operated as HOME-ARP NCS for no less than 10 years from project completion prior to conversion.

Requirements for conversions vary depending on the type of conversion, as follows:

- b. *Permanent Affordable Housing*: During the HOME-ARP NCS restricted use period but only after the HOME-ARP NCS minimum use period, a PJ may provide written approval to convert the project from HOME-ARP NCS to permanent affordable housing (e.g., affordable multifamily rental housing, transitional housing) in accordance with the requirements prescribed in the PJ's written agreement with the HOME-ARP NCS owner.

The converted permanent affordable housing project must meet the following requirements:

- i. Additional HOME-ARP Investment: The PJ is prohibited from investing additional HOME-ARP funds to pay for the cost of converting the project from HOME-ARP NCS to permanent affordable housing or to pay for operating the project as permanent affordable housing. However, the PJ must determine that adequate financial resources are committed to the project to bring it into compliance with the property standards of [Section VI.B.11](#) of this Notice and maintain the financial feasibility of the project to be operated as permanent affordable housing for the qualifying populations throughout the remaining restricted use period. If permitting conversion of HOME-ARP NCS into permanent affordable housing, a PJ must develop and evaluate the project in accordance with standardized underwriting guidelines for conversion. At minimum, the PJ's underwriting guidelines for conversion must include an examination of the sources and uses of funds for the conversion and a careful review of the project's operating budget, including the assumptions, projections, and reasonably expected increases in expenses throughout the minimum compliance period defined in the section below, to determine that the project will remain financially feasible to serve the qualifying populations for the remainder of the restricted use period.

The PJ may assist households living in affordable rental housing units in converted projects by providing HOME-ARP TBRA in accordance with [Section VI.C](#) of this Notice or financial assistance services in accordance with [Section VI.D.4.c.i.R.](#)

- ii. Minimum Compliance Period: The minimum compliance period for converted housing is the period that the housing must continue to comply with the requirements of this Notice and is equal to the balance of the HOME-ARP NCS restricted use period. A PJ may impose a longer compliance period but should plan for the project's financial feasibility for the longer period. The PJ may not use HOME-ARP funds to provide operating assistance, including a capitalized operating reserve, to cover deficits during the minimum or an extended compliance period.

The PJ must amend the use restriction for HOME-ARP NCS to reflect the conversion to permanent affordable housing. The provisions for imposing affordability requirements at [24 CFR 92.252\(e\)\(1\) through \(e\)\(4\)](#) apply to the amended use restriction. In addition, the amended use restriction for the permanent affordable housing must be enforceable to maintain compliance with the requirements of this Notice for the minimum compliance 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 must be occupied by households that meet the definition of a qualifying population at the time of initial occupancy of the permanent affordable housing. The household's contribution toward rent during this period must be affordable in accordance with [Section VI.E.11](#) of this Notice.

- (2) The units must comply with the ongoing property condition standards of [24 CFR 92.251\(f\)](#) throughout the minimum 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 thereafter as required by [24 CFR 92.504\(d\)\(ii\)](#).
 - (3) Each household that occupies a HOME-ARP assisted rental unit must have an executed lease that complies with the tenant protections required in [Section VI.B.18](#) of this Notice.
- iii. Property Standards: For the remaining restricted use period, the PJ must require that project owners maintain the housing as decent, safe and sanitary housing in good repair in accordance with the ongoing property condition standards of [24 CFR 92.251\(f\)](#) as demonstrated by an on-site inspection at least once every three years in accordance with [24 CFR 92.504\(d\)\(ii\)](#).
 - iv. Tenant Contribution to Rent: The PJ must confirm that the qualifying household's contribution to rent is affordable to the household 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 PJ may provide HOME-ARP TBRA or supportive services to assist the qualifying household but may not provide operating cost assistance or fund an operating cost assistance reserve.
 - v. Tenant Protections: Following conversion, each qualifying household that occupies a permanent affordable housing unit must have an executed lease or sublease that complies with the tenant protections requirements of this Notice.
 - (1) Lease Requirement: There must be a lease between the qualifying household and the owner of the permanent affordable housing project or, if there is a sublease with a qualifying household, a lease between a HOME-ARP sponsor and the owner in accordance with [24 CFR 92.253\(a\)](#).
 - (2) Prohibited Lease Terms: The lease between the qualifying household and the owner, lease between HOME-ARP sponsor and the owner, and sublease between a HOME-ARP sponsor and qualifying household may not contain any of the prohibited lease terms specified in [24 CFR 92.253\(b\)](#).
 - (3) Termination of tenancy: An owner may not terminate the tenancy or refuse to renew the lease of a qualifying household (or of a HOME-ARP sponsor with a sublease with a qualifying household) in a permanent affordable 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.

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. In the case of a sublease, to terminate or refuse to renew tenancy of a qualifying household, the HOME-ARP sponsor, in accordance with the policy established by the PJ, must notify the PJ in advance of serving written notice to the qualifying household and must serve written notice upon the qualifying household at least 30 days before termination of tenancy, specifying the grounds for the action.

- vi. Coordinated Entry and Project-Specific Waitlists: On a project-by-project basis, the PJ must use the method of tenant selection in [Section VI.B.19](#) of this Notice to select qualifying households for occupancy of permanent affordable housing.
 - vii. Penalties for Noncompliance: The PJ must repay HOME-ARP funds invested in HOME-ARP NCS that was converted to permanent affordable housing if the permanent affordable housing does not comply with initial or ongoing requirements of this Notice during the compliance period.
- c. CoC Permanent Housing: During the HOME-ARP NCS restricted use period but only after the HOME-ARP NCS minimum use period, a PJ may permit the conversion of a HOME-ARP NCS project to permanent housing or permanent supportive housing under [24 CFR 578.43](#) (acquisition) and/or [24 CFR 578.45](#) (rehabilitation) of the CoC program regulations. Conversions may only occur in accordance with the requirements prescribed in the PJ's written agreement with the HOME-ARP NCS owner. If conversion is approved by the PJ, the HOME-ARP NCS use restrictions must remain in place until the project is approved for CoC funding and the required CoC restrictions are imposed on the property.

Conversion to CoC permanent housing or permanent supportive housing may serve the following eligible households as defined in [24 CFR 578.3](#), subject to any further eligibility conditions that may apply to the use of CoC Program funds to provide rental assistance in the housing or otherwise support the project:

- Chronically homeless individuals
- Homeless individuals or families

PJs are prohibited from investing additional HOME-ARP funds to pay for the cost of converting the project to CoC permanent housing or permanent supportive housing. The CoC designates eligible applicants for grant funds under [24 CFR Part 578](#), which includes nonprofit organizations, States, local governments, and instrumentalities of State or local governments. For-profit entities are not eligible to apply for CoC grants or to be subrecipients of grant funds. Consequently, if a HOME-ARP NCS project owner intends to convert the project to CoC permanent housing or permanent supportive housing during the restricted use period, the PJ is encouraged to pursue partnership and leveraging opportunities with the CoC early in the planning stage of a HOME-ARP NCS

project. Additionally, PJs may provide supportive services or HOME-ARP TBRA to qualifying households that must move because of the conversion. (See [Section VII.F.4.b](#) for more information on relocations involving shelter occupants).

F. Nonprofit Operating and Capacity Building Assistance

A PJ may use up to 5 percent of its HOME-ARP allocation to pay operating expenses of CHDOs and other nonprofit organizations that will carry out activities with HOME-ARP funds. A PJ may also use up to an additional 5 percent of its allocation to pay eligible costs related to developing the capacity of eligible nonprofit organizations to successfully carry out HOME-ARP eligible activities.

PJs may award operating expense assistance or capacity building assistance to a nonprofit organization if it reasonably expects to provide HOME-ARP funds to the organization for any of the eligible HOME-ARP activities within 24 months of the award.

1. Eligible Costs

- a. *Operating Expense Assistance*: Operating expenses are defined as reasonable and necessary costs of operating the nonprofit organization. These costs include employee salaries, wages and other employee compensation and benefits; employee education, training, and travel; rent; utilities; communication costs; taxes; insurance; equipment, materials, and supplies.

HOME-ARP funds used for operating expenses must be used for the “**general operating costs**” of the nonprofit organization. These operating costs must not have a particular final cost objective, such as a project or activity, or must not be directly assignable to a HOME-ARP activity or project. For example, HOME-ARP funds for operating expenses may *not* be used for staffing costs to provide supportive services or develop HOME-ARP-rental housing (as operating costs to develop HOME-ARP rental housing are paid for by a developer fee which is a project delivery or soft cost). Because ARP does not permit any HOME-ARP funds to be used to operate a shelter, all costs related to operating a non-congregate shelter (e.g., allocable overhead and staffing costs, insurance, utilities) also cannot be paid with HOME-ARP funds.

The actual costs of implementing a specific activity or project, including staff costs to deliver supportive services or administer HOME-ARP TBRA, are considered HOME-ARP project delivery costs or project soft costs and are not eligible costs under Nonprofit Operating and Capacity Building Assistance. HOME-ARP project delivery costs are those allowable costs incurred for implementing and carrying out eligible HOME-ARP projects or activities, such as supportive services. All project delivery costs are allocable to a HOME-ARP project, including direct project and related delivery costs integral to developing the project or providing the activity. HOME-ARP project delivery costs may be paid, if eligible, by HOME-ARP funds provided under a written agreement for the activity or project and must not be paid with nonprofit operating expense or capacity building assistance.

- b. Capacity Building Assistance: Capacity building expenses are defined as reasonable and necessary general operating costs that will result in expansion or improvement of an organization's ability to successfully carry out eligible HOME-ARP activities. Eligible costs include salaries for new hires including wages and other employee compensation and benefits; costs related to employee training or other staff development that enhances an employee's skill set and expertise; equipment (e.g., computer software or programs that improve organizational processes), upgrades to materials and equipment, and supplies; and contracts for technical assistance or for consultants with expertise related to the HOME-ARP qualifying populations.
2. Limitations on Assistance: NAHA and the HOME regulations limit the amount of operating expense assistance that an organization can receive annually. ARP extends this limitation to the capacity building assistance paid with HOME-ARP funds.

In any fiscal year, operating assistance provided to a nonprofit organization may not exceed the greater of 50 percent of the general operating expenses of the organization, as described above, for that fiscal year or \$50,000.

In any fiscal year, capacity building assistance provided to a nonprofit organization may not exceed the greater of 50 percent of the general operating expenses of the organization, as described above, or \$50,000.

If an organization receives both operating assistance and capacity building assistance in any fiscal year, the aggregate total amount of assistance it may receive is the greater of 50 percent of the organization's total operating expenses for that fiscal year or \$75,000.

To implement the above limitations on assistance, HUD has established separate fund types in IDIS for operating expense assistance and capacity building assistance. This will facilitate accurate tracking and ensure that PJs do not exceed the limits established in NAHA and ARP.

3. Commitment of Operating Expense and Capacity Building Assistance: A PJ commits operating expense assistance or capacity building assistance when it enters into a legally binding agreement with the nonprofit organization to provide the assistance.

VII. OTHER FEDERAL REQUIREMENTS

HOME-ARP funds are federal financial assistance and, therefore, are subject to requirements applicable to such funds. PJs must comply with the following requirements: [24 CFR part 92, subpart H](#), 92.352 – Environmental review; 92.353 – Displacement, relocation, and acquisition; and 92.355 – Lead-based paint.

A. Other Federal Requirements and Nondiscrimination

The requirements in [24 CFR 92.350](#) apply to the HOME-ARP program. PJs must comply with the Federal requirements set forth in [24 CFR part 5, subpart A](#), including: nondiscrimination and equal opportunity; disclosure requirements; debarred, suspended or ineligible contractors; drug-free work; and housing counseling and the nondiscrimination requirements at section 282 of NAHA. The requirements in section 282 of NAHA are waived in connection with the use of HOME-ARP funds on lands set aside under the Hawaiian Homes Commission Act, 1920 (42 Stat. 108). PJs must also comply with the Violence Against Women Act (VAWA) requirements set forth in 24 CFR 92.359.

B. Affirmative Marketing and Minority Outreach

The requirements in [24 CFR 92.351](#) apply to HOME-ARP activities.

C. National Environmental Policy Act of 1969 (NEPA) (42 U.S.C. 4321) and Related Laws

The environmental requirements in [24 CFR 92.352](#) apply to eligible activities under this Notice. The environmental effects of each activity carried out with HOME-ARP funds must be assessed in accordance with the provisions of NEPA and the related authorities listed in HUD's implementing regulations at [24 CFR part 58](#). The applicability of the provisions of [24 CFR part 58](#) is based on the HOME-ARP project as a whole (i.e., all individual project activities, such as acquisition and rehabilitation, aggregated according to the requirements at [24 CFR 58.32](#)), not on the type of the cost paid with HOME-ARP funds. In accordance with the provisions in [24 CFR part 58](#), activities undertaken with HOME-ARP funds are subject to environmental review by a PJ or State recipient. The PJ or State recipient (referred to as the "Responsible Entity" or "RE") must assume responsibility for environmental review, decision making, and action for each activity that it carries out with HOME-ARP funds, in accordance with the requirements at [24 CFR Part 58](#). A state PJ must assume responsibility for approval of Requests for Release of Funds and Certification (RROF/C) submitted by State recipients.

No funds may be committed to a HOME-ARP activity or project before the completion of the environmental review and approval of the RROF/C, as applicable. Neither a HOME-ARP recipient nor any participant in the development process, including public or private nonprofit or for-profit entities, or any of their contractors, may commit HUD assistance on an activity or project until the environmental review has been completed and HUD or the state has approved the recipient's RROF/C from the RE as applicable. In addition, until the RROF/C have been approved, neither a HOME-ARP recipient nor any participant in the development process may commit non-HUD funds on or undertake a HOME-ARP activity or project if the activity or project would have an adverse environmental impact or limit the choice of reasonable alternatives. Therefore, it is important for REs to begin and complete any required environmental reviews as soon as possible.

1. HOME-ARP TBRA and Supportive Services

HOME-ARP TBRA and supportive services as defined at [24 CFR 58.35\(b\)](#) are categorically excluded, not subject to the Federal laws and authorities at [24 CFR 58.5](#) (CENST) or exempt from review under NEPA. A RE may complete a single CENST review categorized under [24 CFR 58.35\(b\)](#) for their supportive services program or their HOME-ARP TBRA program where participants choose their own unit and are not restricted to units within a pre-determined specific project site or sites. There is no need to complete reviews for every unit selected by participants.

2. HOME-ARP Rental Housing

Acquisition of a structure to be used as HOME-ARP rental housing is categorically excluded, subject to the Federal laws and authorities referenced at [24 CFR 58.5](#) (CEST) under [24 CFR 58.35\(a\)\(5\)](#) (with the possibility of converting to exempt under [24 CFR 58.34\(a\)\(12\)](#)) if the structure acquired will be retained for the same use (e.g., residential). Rehabilitation of buildings for residential use with one to four units for HOME-ARP rental housing is CEST under [24 CFR 58.35\(a\)\(3\)\(i\)](#), if the density is not increased beyond four units, and the land use is not changed. Rehabilitation of buildings for use as HOME-ARP multifamily rental housing is CEST [under 24 CFR 58.35\(a\)\(3\)\(ii\)](#) only if:

1. the unit density is not changed more than 20 percent;
2. the project does not involve changes in land use from residential to non-residential; and
3. the estimated cost of rehabilitation is less than 75 percent of the total estimated cost of replacement after rehabilitation.

Rehabilitation for HOME-ARP rental housing that does not meet the thresholds for multifamily residential buildings listed above requires completion of an Environmental Assessment in accordance with [24 CFR Part 58, Subpart E](#). An Environmental Assessment is also required for new construction, demolition, acquisition of vacant land for new construction, and acquisition of non-residential structures for demolition and new construction.

3. HOME-ARP NCS

HOME-ARP NCS activities are subject to environmental review by the RE under [24 CFR part 58](#). Acquisition of a structure to be used as HOME-ARP NCS is CEST under [24 CFR 58.35\(a\)\(5\)](#) (with the possibility of converting to exempt under [24 CFR 58.34\(a\)\(12\)](#)) if the structure acquired will be retained for the same use (e.g., residential). Rehabilitation of a structure for HOME-ARP NCS is CEST if the project meets the thresholds listed at [24 CFR 58.35\(a\)\(3\)\(i\) or \(ii\)](#). Rehabilitation that does not meet these thresholds requires completion of an Environmental Assessment pursuant to [24 CFR part 58, subpart E](#). An Environmental Assessment is also required for new construction, demolition, acquisition of vacant land for new construction, and acquisition of non-residential structures for demolition and new construction.

HOME-ARP NCS projects which may convert to emergency shelter or permanent housing pursuant to Sec. 3204(a)(4)(B) or (C) of the ARP may complete a single environmental review that covers all proposed HUD funding sources and project activities. Conversion to a program using project-based rental assistance is CEST and requires completion of an environmental review. If conversion or other additional HUD funding sources are proposed after the

environmental review has been completed, a CENST review for supplemental assistance under [24 CFR 58.35\(b\)\(7\)](#) can be performed if the review is completed by the same RE that conducted the original review and if re-evaluation is not required by [24 CFR 58.47](#).

The PJ or subrecipient, or any contractor of the PJ or subrecipient, may not acquire, rehabilitate, convert, repair, dispose of, demolish, or construct property for a HOME-ARP NCS project, or commit or expend HUD or non-HUD funds for NCS under HOME-ARP, until the RE has completed an environmental review under [24 CFR part 58](#) and received HUD or state approval of the RROF/C, as applicable.

D. Labor Standards

The requirements in [24 CFR 92.354](#) apply to HOME-ARP activities.

E. Lead Hazard Control Requirements

The Lead-Based Paint Poisoning Prevention Act (42 U.S.C. 4821-4846), the Residential Lead-Based Paint Hazard Reduction Act of 1992 (42 U.S.C. 4851-4856), and implementing regulations at [24 CFR Part 35](#), subparts A, B, J, K, M, and R apply to HOME-ARP-assisted activities.

For HOME-ARP NCS, a project must comply with [24 CFR part 35, Subpart K](#) when the HOME-ARP activity is acquisition only. HOME-ARP NCS projects that involve rehabilitation of pre-1978 facilities, whether the rehabilitation is funded with HOME-ARP or other funds, must comply with the requirements of [24 CFR part 35, Subpart J](#).

F. Uniform Relocation Assistance and Real Property Acquisition Policies Act, Section 104(d), and HOME-ARP Displacement, Relocation and Acquisition Program Requirements

HOME-ARP funding is subject to the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 and section 104(d) of the Housing and Community Development Act of 1974, in addition to the Displacement, Relocation and Acquisition regulatory requirements of [24 CFR 92.353](#). This Notice also includes HOME-ARP program specific relocation requirements applicable to HOME-ARP-assisted projects. PJs must comply with all applicable requirements, as described in this section.

1. Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970:

Costs incurred to comply with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, (42 U.S.C. § 4601 *et seq.*) (URA) are eligible HOME-ARP project costs pursuant to this Notice and [24 CFR 92.206\(f\)](#). The URA establishes minimum requirements for the acquisition of real property and the displacement of persons from their homes, businesses, or farms as a direct result of acquisition, rehabilitation, or demolition for federally-assisted programs and projects. The URA implementing regulations at [49 CFR part 24](#) establish:

- Requirements for the provision of replacement housing assistance, advisory services, and moving costs to persons displaced as a result of a program or project that receives federal financial assistance;
- Requirements for acquisitions, including the payment of just compensation pursuant to [49 CFR part 24, subpart B](#), and provisions for voluntary acquisitions set forth in [49 CFR 24.101](#).
- Minimum requirements for temporary relocation of persons, businesses, or farms as a result of a project or program that receives federal financial assistance. These requirements are found in [Appendix A, Section 24.2\(a\)\(9\)\(ii\)\(D\)](#).

Additional HUD URA policy and guidance is available in [HUD Handbook 1378](#).

2. **Section 104(d) of the Housing and Community Development Act of 1974:** HOME-ARP is HOME funding and subject to the requirements in section 104(d) of the Housing and Community Development Act of 1974, as amended, (42 USC § 5304(d)), (“section 104(d)”) unless waived, as described in this section and Appendix. Costs incurred to comply with section 104(d) requirements are eligible HOME-ARP project costs under [24 CFR 92.206\(f\)](#). section 104(d) applies to the demolition or conversion, as defined in [24 CFR 42.305](#), of a lower-income dwelling unit in connection with a HOME or Community Development Block Grant Program (CDBG) assisted activity. section 104(d) includes the following requirements:

- A PJ must have a residential anti-displacement and relocation assistance plan (RARAP);
- A PJ must provide relocation assistance to displaced lower-income persons; and
- A PJ must perform one-for-one replacement of lower-income dwellings demolished or converted to a use other than a lower-income dwelling unit. A lower-income dwelling unit is defined in [24 CFR 42.305](#) as a dwelling unit with a market rent (including utility costs) that does not exceed the applicable Fair Market Rent (FMR) for existing housing, as defined by HUD.

Section 104(d) implementing federal regulations can be found at [24 CFR part 42 Subpart C](#).

HOME-ARP Section 104(d) Waiver / One-for-One Replacement Housing.

For purposes of , the one-for-one replacement housing requirements of section 104(d)(2)(A)(i) and (ii) and (d)(3) (42 U.S.C. 5304(d)(2)(A)(i) and (ii) and 42 U.S.C. 5304(d)(3)) and [24 CFR 42.375](#), lower-income dwelling units shall not include single-room occupancy (SRO) units or residential hotel or motel units in jurisdictions where those units are considered dwelling units under state or local law. All other section 104(d) requirements, including but not limited to the requirement that the PJ have and follow a RARAP, remain in effect. (See [24 CFR 92.353\(e\)](#) and [24 CFR part 42, subpart C](#)).

3. **HOME Program Displacement, Relocation and Acquisition Regulations:** In addition to the URA and section 104(d) requirement described above, the HOME program’s Displacement, Relocation and Acquisition regulations at [24 CFR 92.353](#) also apply to projects funded with HOME-ARP funds. Some of these requirements differ from those

of the URA and section 104(d), including but not limited to the expanded temporary relocation protections at [24 CFR 92.353\(b\) and \(c\)](#); optional relocation assistance policies in [24 CFR 92.353\(d\)](#); and the right to return to a building or complex, if feasible, upon completion of a HOME project, in accordance with [24 CFR 92.353\(a\)](#). PJs must follow these program-specific requirements in HOME-ARP assisted projects.

PJs are encouraged to develop optional relocation policies to address individuals that may not be eligible for URA or section 104(d) assistance due to their length of occupancy in a unit, ineligibility of their dwelling unit, or other factors beyond their control. Such policies must be in writing, applied consistently, and must not violate any other federal law or regulation. Costs incurred to comply with [24 CFR 92.353](#), including optional relocation policies, are eligible HOME-ARP project costs under [24 CFR 92.206\(f\)](#).

4. Additional HOME-ARP Program Relocation Related Requirements: The following additional HOME-ARP program relocation requirements apply:

- a. *Acquisition and/or rehabilitation of hotels, motels and other non-residential property:* In states where hotels and motels are not considered dwelling units or residential property, the acquisition of non-residential property such as hotels and motels for the production of HOME-ARP NCS units or HOME-ARP rental housing will not make a person occupying those properties eligible for relocation assistance under the URA, section 104(d) or [24 CFR 92.353](#). HOME PJs may provide HOME-ARP assistance, as defined by this Notice, including the provision of HOME-ARP supportive services, HOME-ARP TBRA, the ability to stay in HOME-ARP NCS units, or the ability to rent a HOME-ARP rental unit, if the individuals or families can demonstrate that—
- i. they have been in continuous residence at the property for 30 or more calendar days, and
 - ii. they are a qualifying household, as defined by this Notice.

Any assistance provided pursuant to this section may be provided without regard to any preferences, project-specific waiting lists, or any other form of prioritization the PJ has developed pursuant to this Notice. For purposes of HOME-ARP, costs associated with activities under this provision of the Notice may be charged as either project delivery costs or relocation costs eligible under [24 CFR 92.206\(f\)](#).

- b. *Conversion of HOME-ARP NCS:* If HOME-ARP NCS units are occupied and converted to either permanent housing under CoC or permanent affordable housing as described in [Section VI.E.11](#) of this Notice, persons occupying the shelter would not normally be eligible for relocation assistance under the URA, section 104(d) or [24 CFR 92.353](#) because they are not displaced from a dwelling unit. However, since the individuals or families occupying such shelter units are already qualifying households under HOME-ARP, HOME PJs may immediately provide such occupants with HOME-ARP assistance, as defined by this Notice, including the provision of HOME-ARP supportive services, HOME-ARP TBRA, the ability to stay in other HOME-ARP

NCS units, or the ability to rent a HOME-ARP rental unit. Additionally, the PJ may provide the occupants with assistance for moving costs or advisory services, as appropriate, as HOME-ARP administrative costs or under the HOME-ARP supportive services activity in [Section VI.D](#) of this Notice. Any assistance provided pursuant to this section may be provided without regard to any preferences, project-specific waiting lists, or any other form of prioritization the PJ has developed pursuant to this Notice, as the persons occupying the NCS units were already determined to be qualifying households under the HOME-ARP.

5. **Persons Ineligible for HOME-ARP Assistance and Ineligible for URA, Section 104(d), or assistance pursuant to 24 CFR 92.353:** If a person is required to move as a direct result of a HOME-ARP project and is determined ineligible for HOME-ARP housing assistance under the preceding [Section VII.F.4](#) and also determined ineligible as a displaced person under the URA, section 104(d) or HOME program rules, the PJ may provide such persons advisory services as an eligible HOME-ARP administrative cost, as the PJ determines to be reasonable and necessary.

G. Section 3 Economic Opportunities for Low- and Very Low-Income Persons

Section 3 requirements established at [24 CFR Part 75](#) apply to HOME-ARP-assisted projects.

H. Conflicts of Interest

HOME-ARP is subject to the following conflicts of interest requirements:

1. **Conflicts of Interest:** PJs, State recipients, and subrecipients engaging in any of the activities defined this Notice shall be subject to the conflicts of interest provisions at [24 CFR 92.356](#), including but not limited to the conflicts of interest exception process defined in [24 CFR 92.356\(d\)-\(e\)](#). Owners and developers of HOME-ARP NCS and HOME-ARP rental housing shall be subject to [24 CFR 92.356\(f\)](#).
2. **Organizational Conflicts of Interest:** The provision of any type or amount of HOME-ARP TBRA or supportive services may not be conditioned on an individual's or family's acceptance or occupancy of a shelter or housing unit owned by the PJ; State recipients; the subrecipient; or a parent, affiliate, or subsidiary of the subrecipient. No subrecipient may, with respect to individuals or families occupying housing owned by the subrecipient, or any parent, affiliate, or subsidiary of the subrecipient, administer financial assistance that includes rental payments, utility deposits, security deposits, or first and last month's rent provided pursuant to this Notice. All contractors of the PJ, State recipients, or subrecipient must comply with the same requirements that apply to subrecipients under this section.
3. **Written Standards of Conduct:** PJs, State recipients, and subrecipients must maintain written standards of conduct covering the conflicts of interest and organizational conflicts of interest requirements under this Notice and [2 CFR 200.318](#). The written standards of conduct must also provide for internal controls and procedures to require a fair and open selection process for awarding HOME-ARP funds pursuant to this Notice. These standards

must include provisions on if and how Continuum of Care board members may participate in and/or influence discussions or resulting decisions concerning the competition or selection of an award or other financial benefits made pursuant to the HOME-ARP Notice, including internal controls on when funds may be awarded to the organization that the member represents.

4. **Requesting Exceptions to Organizational Conflicts of Interest:** Any request for an exception to the organizational conflicts of interest provisions in this Notice shall be in writing and shall be considered by HUD only after the PJ or State recipient has provided the following:
 - a. A written disclosure of the nature of the conflict, accompanied by an assurance that there has been public disclosure of the conflict and a description of how the public disclosure was made; and
 - b. An opinion of the PJ's or State recipient's attorney that the interest for which the exception is sought would not violate State or local law.

5. **Granting Exceptions to Organizational Conflicts of Interest:** HUD shall determine whether to grant an exception to the organizational conflicts of interest on a case-by-case basis when it determines that the exception will serve to further the purposes of HOME-ARP. HUD shall consider the following factors, as applicable, in determining whether to grant such an exception:
 - c. Whether the exception would provide a significant cost benefit or an essential degree of expertise to the program or project which would otherwise not be available
 - d. Whether undue hardship will result to the PJ, State recipient, subrecipient or the person affected when weighed against the public interest served by avoiding the prohibited conflict;
 - e. Whether conditioning approval on changes to the PJ, State recipient, or subrecipient's policies or procedures can adequately address the organizational conflict of interest; and
 - f. Any other factors relevant to HUD's determination, including the timing of the requested exception.

VIII. PROGRAM ADMINISTRATION

A. PJ Responsibilities

The PJ is responsible for managing the day-to-day operations of its HOME-ARP program, ensuring that HOME-ARP funds are used in accordance with all program requirements and written agreements, and taking appropriate action when performance problems arise. The use of State recipients, subrecipients, or contractors does not relieve the PJ of this responsibility.

B. Written Agreement Requirements

Before disbursing any HOME-ARP funds to any entity, the PJ must enter into a written agreement with that entity pursuant to [24 CFR 92.504](#). Similarly, before disbursing any HOME

funds to a State recipient, subrecipient, or contractor which is administering all or a part of the HOME-ARP program on behalf of the PJ, the PJ must also enter into a written agreement with that entity that complies with [24 CFR 92.504](#) and the requirements described below. A written agreement cannot commit to providing HOME-ARP funds after the end of the HOME-ARP budget period.

The written agreement must require compliance with the requirements of this Notice. The content of the written agreement will vary depending upon the role the entity is asked to assume or the type of project undertaken.

This section details basic requirements by activity and the minimum provisions, in addition to those at [24 CFR 92.504](#) that must be included in a written agreement. The written agreement provisions in [24 CFR 92.504](#) that reference the requirements of [24 CFR 92.350](#), [24 CFR 92.351](#), and [24 CFR 92.359](#) are not waived and apply for all HOME-ARP written agreements.

1. **Rental Housing:** The PJ must execute a written agreement with the project owner/developer prior to the expenditure of HOME-ARP funds. The written agreement must comply with [24 CFR 92.504](#) and contain the following additional provisions:
 - a. *Use of HOME-ARP funds for Rental Housing:* The agreement between the owner/developer must describe the address of the project or legal description of the property if a street address has not been assigned to the property, the use of the HOME-ARP funds and other funds for the project, including the tasks to be performed for the project, a schedule for completing the tasks and the project, and a complete budget, including any HOME-ARP funds used to capitalize an operating cost reserve for qualified HOME-ARP units. These items must be in sufficient detail to provide a sound basis for the PJ to effectively monitor performance under the agreement to achieve project completion and compliance with HOME-ARP requirements.
 - b. *Operating Cost Assistance:* If the PJ will provide HOME-ARP funds for operating cost assistance, the agreement must specify whether the PJ will provide assistance through periodic payments or capitalize the operating cost assistance reserve based on the operating deficit projected for the 15-year compliance period. If the PJ is providing ongoing assistance, the amount of assistance must be based on the actual operating deficit associated with the HOME-ARP units restricted for occupancy by qualifying households. The written agreement must specify the frequency of operating assistance payments made to the owner (e.g., monthly, quarterly, etc.) and state that the amount of assistance will be equal to the deficit demonstrated and/or incurred. The written agreement may only provide for HOME-ARP funds to be used for operating assistance payments during the budget period defined in [Section VIII.C.4](#) below. If operating cost assistance will be required beyond the budget period, the PJ should capitalize an operating reserve before the expiration of the budget period for HOME-ARP funds in accordance with [Section VI.B.23](#). If the PJ is capitalizing the operating reserve for the 15-year HOME-ARP compliance period, the amount of assistance must be based on the project's underwriting and the total anticipated operating deficit associated with the HOME-ARP units restricted for occupancy by qualifying households. The written

agreement must specify the amount of the capitalized reserve and the restrictions on its use during the minimum compliance period in [Section VI.B.18](#). Net operating income resulting from HOME-ARP operating cost assistance is not permitted and must be prohibited in the written agreement between the participating jurisdiction and the owner.

- c. *Sublease/Master Lease of HOME-ARP Units*: If the PJ will permit a project owner to execute a sublease or master lease with a nonprofit organization for HOME-ARP units restricted for occupancy by qualifying households, the agreement must specify the duration of the sublease or master lease, applicable rents, lease requirements and tenant protections.
- d. *On-going compliance*: The agreement must require rental housing assisted with HOME-ARP funds to comply with the on-going requirements of [Section VI.B](#) of this Notice or require repayment in accordance with [Section VI.B.22](#).
- e. *Property Standards*: The agreement must require the housing to meet the property standards required in [24 CFR 92.251](#) paragraphs (a) new construction, (b) rehabilitation projects, (c)(1) and (2) acquisition of standard housing and (f) on-going property condition standards.
- f. *Records and reports*: The agreement must specify the particular records that must be maintained and the information or reports that must be submitted to assist the PJ in meeting its recordkeeping and reporting requirements. The owner/developer of rental housing must annually provide the PJ with information on rents and occupancy of HOME-ARP assisted units to demonstrate compliance with this Notice. If the rental project has floating HOME-ARP units, the project owner/developer must provide the PJ with information regarding unit substitution and filling vacancies so that the project remains in compliance with the HOME-ARP occupancy requirements. The agreement must specify the reporting requirements, (including copies of financial statements) to enable the PJ to determine the financial condition and continued financial viability of the project.
- g. *Enforcement of the agreement*: The agreement must provide for a means for the PJ to enforce compliance with HOME-ARP requirements. This means of enforcement may include liens, deed restrictions, covenants running with the land, use restriction, or other mechanism approved by HUD under which the PJ has the right to require specific performance. In addition, the agreement must specify remedies for breach of the provisions of the agreement.
- h. *Request for disbursement of funds*: The agreement must specify that the owner/developer may not request disbursement of funds under the agreement until the funds are needed for payment of eligible costs. The owner/developer may request capitalization of a project operating cost assistance reserve for the qualifying units once all necessary title transfer requirements and construction work have been performed. The amount of each request must be limited to eligible costs in the amount needed, as described in [Section VI.B.5.g](#).

- i. *Duration of the agreement*: The agreement must be in effect for at least the 15-year HOME-ARP minimum compliance period.
 - j. *On-site Inspections and Financial Oversight*: The PJ must comply with the on-site inspections and financial oversight requirements of [24 CFR 92.504\(d\)\(1\) and \(2\)](#). In addition, if the PJ will permit the capitalization of a project operating cost assistance reserve, the PJ must, no less than annually, oversee the administration of the operating cost assistance reserve account to verify that the account is appropriately sized and draws from the account are used to cover any deficits associated with units occupied by qualifying households.
 - k. *Tenant Selection*: The written agreement must contain provisions explaining the method of tenant selection to be used in accordance with the requirements of [Section IV.C](#) and [VI.B.20](#) of this Notice. This section must be in sufficient detail to determine which method of tenant selection is being used for the qualifying population (i.e., use of CE, use of CE with other referral methods, or project-specific waiting list), the method of tenant selection for low-income households (See [Section VI.B.20.b](#) and [24 CFR 92.253\(d\)](#)), and any required policies and procedures around the use of a CE or project-specific waiting list. This section must also be in sufficient detail to determine compliance with the PJ's preferences and/or method of prioritization, if any, as well as all applicable fair housing, civil rights, and nondiscrimination requirements, including but not limited to those requirements listed in [24 CFR 5.105\(a\)](#).
2. **TBRA (subrecipient or contractor)**: The requirements at [24 CFR 92.504](#), apply to the use of HOME-ARP funds for TBRA. The written agreement provisions in 24 CFR 92.504 that reference the requirements of [24 CFR 92.350](#), [24 CFR 92.351](#), and [24 CFR 92.359](#) are not waived and still apply for HOME-ARP written agreements. The written agreement must contain the following provisions:
- a. *Use of HOME ARP funds*: At a minimum, the written agreement must describe the amount and use of the HOME-ARP funds, the tasks to be performed, or services to be provided. HOME-ARP funds cannot be provided after the end of the HOME-ARP budget period.
 - b. *Records and reports*: The agreement must specify the particular records that must be maintained and the information or reports that must be submitted to assist the PJ in meeting its recordkeeping and reporting requirements.
 - c. *Duration of agreement and disbursement of funds*: The agreement must specify the duration of the agreement and state that disbursement of funds under the agreement may not be requested until the funds are needed.
 - d. *Compliance with HOME-ARP program requirements*: The written agreement must require compliance with HOME-ARP program requirements for the HOME-ARP TBRA activity as outlined in [Section VI.C](#) of this Notice.

- e. *Rental assistance contract*: There must be a rental assistance contract between the PJ and either the HOME-ARP sponsor, the HOME-ARP TBRA assisted household, or the property owner. The PJ must determine the terms of the rental assistance contract. The rental assistance contract continues until the lease is terminated. If the rental assistance is being provided through a HOME-ARP sponsor, the PJ must determine the term of the rental assistance contract between the PJ and HOME-ARP sponsor.

If HOME-ARP TBRA is provided in coordination with a HOME-ARP sponsor, the PJ must enter into a written agreement with the HOME-ARP sponsor if the HOME-ARP TBRA rental assistance contract is not with the HOME-ARP sponsor and the HOME-ARP sponsor will be receiving the HOME-ARP TBRA subsidy directly from the PJ. The written agreement must specify the requirements for the HOME-ARP sponsor receiving the TBRA subsidy on behalf of the HOME-ARP TBRA household and the HOME-ARP sponsor's obligation to use the HOME-ARP TBRA payment to pay rent for the unit to the property owner or management agent. If HOME-ARP TBRA is provided in coordination with a HOME-ARP sponsor, the sponsor must enter into a sublease with the HOME-ARP TBRA assisted household that must specify the duration of the sublease, applicable rents, lease requirements and tenant protections, all in accordance with the requirements of this Notice.

- f. *Tenant Selection*: The written agreement must require the owner to comply with the method of tenant selection determined by the PJ and applicable requirements of [Section IV.C](#) and [VI.C.1](#) of this Notice. The written agreement must include a description of the required method of tenant selection for the qualifying populations (i.e., use of CE, use of CE with other referral methods, project-specific waiting list), the method of tenant selection for low-income households (See [Section VI.B.20.b](#) and [24 CFR 92.253\(d\)](#)), and any required policies and procedures around the use of a CE or project-specific waiting list. This section of the written agreement must be in sufficient detail to determine compliance with the PJ's preferences and/or method of prioritization, if any, as well as all applicable fair housing, civil rights, and nondiscrimination requirements, including but not limited to those requirements listed in [24 CFR 5.105\(a\)](#).
3. **Supportive Services (subrecipient or contractor)**: The requirements at [24 CFR 92.504](#), apply to the use of HOME-ARP funds for supportive services. The provisions of the written agreement will depend on the role the entity is asked to assume. At a minimum, the written agreement must contain the following provisions:
- a. *Use of HOME funds*: The written agreement must describe the amount and uses of the HOME-ARP funds, the tasks to be performed, the services to be provided, and include a budget. The written agreement cannot agree to provide HOME-ARP funds after the end of the HOME-ARP budget period.
 - b. *Records and Reports*: The agreement must specify the particular records that must be maintained and the information or reports that must be submitted in order to assist the PJ in meeting its recordkeeping and reporting requirements as required under [Section VIII.F](#) of this Notice.

- c. *Duration of the agreement and Disbursement of Funds*: The agreement must specify the duration of the agreement, and state that disbursement of funds under the agreement may not be requested until the funds are needed.
 - d. *Compliance with HOME-ARP Program Requirements*: The written agreement must also require compliance with HOME-ARP program requirements for the HOME-ARP supportive services activity as described in [Section VI.D](#) of this Notice.
4. **HOME-ARP Non-Congregate Shelter (owner/developer)**: Written agreements must be executed between the PJ and the owner for all HOME-ARP NCS projects. A legally binding HOME-ARP NCS written agreement must include the date of the signature of each person signing the agreement. PJs are responsible for entering into written agreements before disbursing HOME-ARP funding. Contents of written agreements can vary based on specific needs of the PJ, the owner, and the project. Agreements for the acquisition, development, and rehabilitation of HOME-ARP NCS units must contain the following provisions:
- a. *Use of HOME-ARP funds*: The agreement between the PJ and owner must include the address of the project or legal description of the property if a street address has not been assigned to the property, the use of the HOME-ARP NCS funds and other funds for the project, including the tasks to be performed for the project, a schedule for completing the tasks and the project, and a complete budget. These items must be in sufficient detail to provide a sound basis for the PJ to effectively monitor performance under the agreement to achieve project completion and compliance with HOME-ARP requirements. The written agreement cannot agree to provide HOME-ARP funds after the end of the HOME-ARP budget period.
 - b. *Habitability and Property Standards*: The agreement must require the HOME-ARP NCS project to meet the habitability and property standards as described in [Section VI.E.7](#) of this Notice based on the type of project completed.
 - c. *Project Requirements*: The agreement must require the HOME-ARP NCS project to meet the project requirements as described in this Notice.
 - d. *Other program requirements*: The agreement must require the PJ and owner to carry out the project in compliance with the other Federal requirements of [24 CFR 92 subpart H](#) and [24 CFR 92.505](#).
 - e. *Records and reports*: The agreement must specify the particular records that must be maintained and the information or reports that must be submitted to assist the PJ in meeting its recordkeeping and reporting requirements.
 - f. *Restricted Use Period*: The agreement must require the project to meet the Restricted Use Period as described in [Section VI.E.9](#) of this Notice based on project type.
 - g. *Enforcement of the agreement*: The agreement must provide for a means for the PJ to enforce compliance with HOME-ARP requirements. This means of enforcement may include liens, deed restrictions, covenants running with the land, use restriction, or other

mechanism approved by HUD under which the PJ has the right to require specific performance. In addition, the agreement must specify remedies for breach of the provisions of the agreement.

- h. *Plan of Conversion*: PJs that intend to allow conversion of HOME-ARP NCS projects to other permanent affordable housing as permitted in this Notice must describe conversion as a possible outcome of the HOME-ARP NCS project; specify the conditions under which conversion will be permitted; and require that the PJ approve the terms and conditions of any conversion before the conversion occurs.
 - i. *Additional PJ Conditions and Requirements*: PJs may include additional program and project requirements as determined necessary.
5. **Non-Profit Operating and Capacity Building**: The requirements at [24 CFR 92.504\(c\)\(6\)](#), apply to the use of HOME-ARP funds for non-profit operating and capacity building assistance. The written agreement must describe the amounts and uses of HOME-ARP funds for operating expenses or capacity building. If the non-profit organization is not also receiving HOME-ARP funds to carry out a HOME-ARP project, the agreement must provide 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 and must specify the terms and conditions upon which this expectation is based and the consequences of failure to receive funding for a project.

When a PJ provides both operating assistance and capacity building assistance to an organization, it must enter into either one written agreement for both types of assistance or separate written agreements for operating expense assistance and capacity building assistance. If a PJ chooses to enter into one written agreement, the PJ must separately identify the scope of assistance, eligible uses and costs, and a budget for each type of funds.

C. Grants Management

1. **HOME-ARP Grant Agreement**: HUD will make HOME-ARP funds available to the PJ pursuant to a HOME-ARP Grant Agreement, consistent with [Section VIII.C.2](#) below. Subject to the provisions of the grant agreement and requirements in this Notice, HUD will obligate HOME-ARP funds to the PJ upon execution of the agreement by both parties. In the grant agreement, the PJ agrees that funds invested in affordable housing under this Notice are repayable if the housing no longer meets the requirements of this Notice during the compliance period or the NCS no longer meets the requirements of this Notice during the restricted use period. The PJ also agrees to assume all responsibility for environmental review, decision making, and actions, as specified and required in regulation at [24 CFR 92.352](#) and [24 CFR Part 58](#). The PJ agrees to comply with [24 CFR 92.505](#) and applicable Uniform Administrative Requirements at [2 CFR part 200](#), as amended. The PJ agrees to comply with requirements established by the Office of Management and Budget (OMB) concerning the unique entity identifier and System for Award Management (SAM) requirements in [Appendix I](#) to 2 CFR part 200, as amended, and the Federal Funding Accountability and Transparency Act (FFATA) in [Appendix A](#) to 2 CFR part 170. The PJ

agrees to comply with the federal nondiscrimination and equal opportunity requirements at [24 CFR 92.350](#) and affirmative marketing requirements in [24 CFR 92.351](#) and the VAWA requirements set forth in [24 CFR 92.359](#). The HOME-ARP grant is obligated when the HUD Authorized Official signs the memorandum obligating HOME-ARP grants. The HOME-ARP Grant Agreement must be signed by the CPD Field Office Director and counter-signed by the PJ's authorized signatory. Once the CPD division in the local field office receives the fully executed HOME-ARP Grant Agreement, it will send the agreement to HUD's CFO Accounting Office for processing. As described in [Section VIII.C.2](#) of this Notice, funds will become available to the PJ in IDIS once HUD's CFO Accounting Office processes the grant.

2. **Access to Administrative Set-aside Funds:** Upon issuance of this Notice, HUD will obligate all HOME-ARP grants to PJs through the signing of the HOME-ARP obligating memorandum, after which each HOME-ARP Grant Agreement must be signed by both parties. After obligation, HUD will permit the PJ to use 5 percent of its award for eligible administrative and planning costs under [Section VI.A](#) of this Notice. **The PJ may not expend any funds for non-administrative and planning costs before the HOME-ARP allocation plan is accepted by HUD as described in [Section V.D.2 and 3](#) of this Notice.** HUD will make the remaining HOME-ARP grant funds available to the PJ once HUD accepts the HOME-ARP allocation plan. If the PJ does not submit a HOME-ARP allocation plan or if the PJ's plan is not accepted within a reasonable period of time, as determined by HUD, any costs incurred or HOME-ARP funds expended by the PJ will be considered ineligible costs and must be repaid with non-Federal funds in accordance with guidance from HUD.

3. **HOME-ARP Grant Number:** The PJ's HOME-ARP grant number is similar to its HOME grant number with the exception of the source type code. All HOME-ARP grants have the program identifier "M" and the source year of the grant "21." The different source type codes are identified in the table below.

Source Type Description	HOME Source Type Code	HOME-ARP Source Type Code
HOME Consortium	DC	DP
Metropolitan City	MC	MP
State	SG	SP
Insular Area	ST	IP
Urban County	UC	UP

The unique grantee identifier portion of the grant number will be the same for HOME-ARP grants as it is for HOME grants. See examples of HOME-ARP grant numbers with the different source type codes in the table below.

Participating Jurisdiction	HOME Grant Number	HOME-ARP Grant Number
Maryland	M21SG240100	M21SP240100
Baltimore	M21MC240200	M21MP240200

4. **Budget Period:** The budget period for HOME-ARP grants begins on the Federal Award Date, which is the date of the HUD Authorized Official’s signature specified on the HOME-ARP Grant Agreement. The budget period for HOME-ARP grants ends on September 30, 2030. The PJ may not expend any HOME-ARP funds after September 30, 2030. After September 30, 2030, any HOME-ARP funds remaining in the PJ’s HOME Investment Trust Fund Treasury account will be cancelled and not available for obligation or expenditure for any purpose (per [31 U.S.C. 1552](#)).
5. **Period of Performance:** The period of performance for HOME-ARP grants begins on the Federal Award Date, which is the date of the HUD Authorized Official’s signature specified on the HOME-ARP Grant Agreement. The period of performance for HOME-ARP grants ends on September 30, 2030.
6. **Audit:** Audits of the PJ, State recipients, and subrecipients must be conducted in accordance with [2 CFR part 200, subpart F](#).
7. **Closeout:** HOME-ARP funds will be closed out in accordance with [2 CFR part 200, subpart D](#). The PJ will use HUD’s data system to closeout HOME-ARP grants once all HOME-ARP funds have been expended, all HOME-ARP activities are completed in accordance with the requirements of this Notice, and the proper beneficiary data has been entered. In order to closeout its HOME-ARP grants, the PJ must not have any open CPD monitoring findings or audits related the HOME-ARP funds. HUD will provide closeout guidance and instructions at a later date.

D. Applicability of Uniform Administrative Requirements.

The requirements of [2 CFR part 200](#), as amended apply to PJs, State recipients, and subrecipients receiving HOME-ARP funds, except for the following provisions: [2 CFR 200.306](#), [200.307](#), [200.308](#) (not applicable to participating jurisdictions), [200.311](#) (except as provided in [24 CFR 92.257](#)), [200.312](#), [200.329](#), [200.333](#), and [200.334](#). The provisions of [2 CFR 200.305](#) apply as modified by [24 CFR 92.502\(c\)](#) and this Notice. If there is a conflict between definitions in [2 CFR part 200](#) and [24 CFR part 92](#), the definitions in [24 CFR part 92](#), govern. Moreover, if there is a conflict between the provisions of [2 CFR part 200](#) and the provisions of this Notice, the provisions of this Notice govern.

Where regulations in [24 CFR part 92](#) refer to specific regulations of [2 CFR part 200](#) that were or are renumbered or revised by amendments to [2 CFR part 200](#), the requirements that apply to the

use of HOME-ARP funds are the applicable requirements in [2 CFR part 200](#), as amended, notwithstanding the renumbered regulatory reference.

E. Financial Management

- 1. The HOME Investment Trust Fund:** HUD will establish a HOME-ARP Investment Trust Fund Treasury account (Treasury account) for a PJ's HOME-ARP funds. The Treasury account includes all HOME-ARP funds allocated to the PJ by formula and any HOME-ARP funds repaid by the PJ.

The PJ must establish a HOME-ARP Investment Trust Fund local account (local account) as described in [24 CFR 92.500](#). The PJ may use either a separate local account or, a subsidiary account within its general fund (or other appropriate fund) as the local account. The PJ may not use the same local account for HOME-ARP that it uses for its HOME local account. The local account includes deposits of HOME-ARP funds disbursed from the Treasury account. The local account must be interest-bearing.

HUD will reduce or recapture any HOME-ARP funds that are in the Treasury account that are not expended (drawn down) by September 30, 2030. Due to end-of-year financial system closeouts that begin before this date and prevent electronic access to the payment system, requests to draw down the funds must be made at least 7 full business days before this date so that the funds still can be drawn from the Treasury account through IDIS.

- 2. Program Income:** Program Income means gross income received by the PJ generated from the use of HOME-ARP funds during the grant period of performance. This includes, but is not limited to, principal and interest payments from a loan made with HOME-ARP funds, or other income or fees received from project owners in connection with HOME-ARP funds, and interest earned by the PJ on program income before its disposition.

Program income earned as a result of the use of HOME-ARP funds is HOME program income and must be used in accordance with the requirements of [24 CFR part 92](#). All program income must be recorded in IDIS. Program income must be deposited in the PJ's HOME-ARP local account (unless the PJ allows a State recipient or subrecipient to retain the program income for additional HOME projects pursuant to such terms and conditions in the written agreement and this Notice). The PJ must enter HOME-ARP program income retained by the State recipient or subrecipient as a HOME program income receipt in IDIS and subgrant the program income to the State recipient or subrecipient that retained the program income. The PJ is responsible to report on the use of its program income in IDIS, including program income it allowed a State recipient or subrecipient to retain.

- 3. Repayments:** Any HOME-ARP funds used for costs that are not eligible under this Notice, funds invested in a project that is terminated before completion, either voluntarily or otherwise, or funds invested in HOME-ARP rental housing and NCS that does not meet the requirements in this Notice for the applicable period specified in this Notice must be repaid by the PJ to its Treasury account. If the funds are repaid after September 30, 2030, they will be recaptured by the U.S. Department of Treasury and the PJ will not be able to re-use the

funds for eligible HOME-ARP activities. HOME-ARP funds may not be repaid to the PJ's local account.

4. **Integrated Disbursement and Information System (IDIS)**: The PJ will use IDIS to administer its HOME-ARP funds. The PJ will request disbursements of HOME-ARP funds from its Treasury account and collect and report information on the use of HOME-ARP funds through IDIS. (For purposes of reporting in IDIS, a HOME-ARP project is an activity.) The PJ must report all program income in IDIS.

The requirements of [24 CFR 92.502\(c\)\(3\)](#) do not apply to HOME-ARP funds.

In accordance with this Notice, a HOME-ARP written agreement providing HOME-ARP funds to a project or the CHDO/nonprofit must be signed and dated by:

- a. the PJ and project owner for HOME-ARP rental and HOME-ARP NCS;
- b. the PJ and service provider for HOME-ARP supportive services;
- c. the PJ and landlord, tenant, and/or HOME-ARP sponsor, as applicable, for HOME-ARP TBRA; and,
- d. the PJ and CHDO/nonprofit organization for HOME-ARP Operating Expenses and Capacity Building Assistance.

This must occur before any HOME-ARP funds are disbursed. Federal funds cannot be drawn from the Treasury account in advance of the need to pay an eligible cost. Consequently, HOME-ARP funds cannot be drawn from the U.S. Treasury and placed in escrow or advanced in lump sums to State recipients, subrecipients, project owners, service providers, or landlords or tenants, except funds drawn down for a HOME-ARP rental project for an operating cost assistance reserve or reserve for replacement pursuant to [Section VI.B.5.g.](#) of this Notice or a HOME-ARP NCS project for a replacement reserve pursuant to [Section VI.E.](#)

Once funds are drawn from the PJ's Treasury account, they must be expended for an eligible HOME-ARP cost within 15 days. Any interest earned within the 15-day period may be retained by the PJ as HOME program income and recorded in IDIS as a program income receipt. Any funds that are drawn down and not expended for eligible costs within 15 days of the disbursement must be returned to HUD for deposit in the PJ's Treasury account. Interest earned after 15 days belongs to the United States and must be remitted to the United States as provided in [2 CFR 200.305\(b\)\(9\)](#), except interest amounts up to \$500 per year may be retained for the PJ's administrative expenses.

Additional HOME-ARP funds may be committed to a project up to one year after project completion.

HUD will govern access to IDIS by other entities participating in the HOME program (e.g., State recipients). Only PJs and State recipients (if permitted by the State) may request disbursement.

F. Recordkeeping

Each PJ must establish and maintain sufficient records to enable HUD to determine whether the PJ has met the requirements of this Notice. At a minimum, the following records are needed:

1. Program Records:

- a. Records evidencing that all HOME-ARP funds used by a PJ for TBRA, supportive services, and acquisition and development of non-congregate shelter units benefit individuals and families in qualifying populations.
- b. Records evidencing that not less than 70 percent of affordable rental housing units acquired, rehabilitated, and/or constructed with HOME funds by a PJ are restricted for occupancy by households in the qualifying populations.
- c. Records documenting compliance with the 15 percent limitation on administrative and planning costs.
- d. Records documenting compliance with the 5 percent limitation on CHDO and non-profit operating and capacity building costs.
- e. The underwriting and subsidy layering guidelines adopted in accordance with [Section VI.B.10](#) of this Notice that support the PJ's HOME-ARP allocation plan certification.
- f. If existing debt is refinanced for multifamily rehabilitation projects, the HOME-ARP refinancing guidelines established in the HOME-ARP in the HOME-ARP Allocation Plan.
- g. If HOME-ARP funds are used for TBRA, records supporting the PJ's written selection policies and criteria; supporting documentation for preferences for specific categories of qualifying individuals; and records supporting the rent standard and minimum tenant contribution established in accordance with [Section VI.C.7 and 8](#) of this Notice.
- h. Confidentiality.
 - i. The PJ's written policies and procedures for maintaining confidentiality of qualifying households as individuals or families fleeing, or attempting to flee domestic violence, dating violence, sexual assault, stalking, or human trafficking in accordance with [Section VIII.H](#).
 - ii. The PJ's written policies and procedures for maintaining confidentiality in compliance with the VAWA protections contained in [24 CFR Part 5, Subpart L](#).

- 2. Project Records:** PJs are required to retain the following records for HOME-ARP-assisted projects, as specified by activity type.
- a. A full description of each project assisted with HOME-ARP funds, including the location (address of project), form of HOME-ARP assistance, and the units, families, or qualifying households assisted with HOME-ARP funds, subject to confidentiality requirements in this Notice.
 - b. The source and application of funds for each project, including supporting documentation in accordance with [2 CFR 200.302](#); and records to document the eligibility and permissibility of the project costs, including the documentation of the actual HOME-ARP-eligible development costs of each HOME-ARP-assisted unit as defined in this Notice.
 - c. Records (i.e., written agreements) demonstrating compliance with the written agreement requirements in [Section VIII.B](#) of this Notice.
 - d. Records (e.g., inspection reports) demonstrating that each HOME-ARP rental project meets the property standards in [Section VI.B.11](#) of this Notice at project completion and through the applicable minimum compliance period. In addition, during a HOME-ARP rental project's minimum compliance period, records demonstrating compliance with the property standards and financial oversight pursuant to [24 CFR 92.504\(d\)](#) and the operating cost assistance reserve management and oversight required by [Section VI.B.23](#) of this Notice.
 - e. Records (e.g., inspection reports) demonstrating that each unit occupied by a qualifying household receiving HOME-ARP TBRA, meets the housing quality standards of [Section VI.C.9](#) of this Notice at initial occupancy and throughout the household's term of assistance.
 - f. Records (e.g., inspection reports) demonstrating that each NCS project meets the property and habitability standards of [Section VI.E.7](#) of this Notice at project completion and throughout the applicable restricted use period.
 - g. Records demonstrating that each qualifying household is eligible for HOME-ARP assistance based on the requirements of the ARP and [Section IV](#) of this Notice.
 - h. Records demonstrating that each household qualifying as homeless, records that meet the requirements in [24 CFR 576.500\(b\)\(1\), \(2\), \(3\), or \(4\)](#), as applicable (except that youth aged 24 and under must 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).
 - i. Records demonstrating that each household qualifying as "at risk of homelessness," records that meet the requirements in [24 CFR 576.500\(c\)\(1\) or \(2\)](#), as applicable, and include the following documentation of annual income:

- i. Income evaluation form containing the minimum requirements specified by HUD and completed by the recipient or subrecipient; and
 - ii. 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);
 - iii. 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
 - iv. 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.
- j. Records demonstrating compliance with the household income requirements in accordance with [Section VI.B.12](#) of this Notice for each HOME-ARP rental project.
 - k. Records demonstrating that each HOME-ARP rental and NCS project meets the minimum compliance period or restricted use period described in [Sections VI.B.18](#) and [VI.E.9](#) respectively, of this Notice.
 - l. Records demonstrating that for each HOME-ARP rental housing unit or for each household receiving HOME-ARP TBRA, compliance with the tenant protection requirements of [Sections VI.B.19](#) and [VI.C.2](#), respectively, of this Notice. For HOME-ARP TBRA or rental projects under a master lease, the PJ must retain records demonstrating that a master lease for housing leased by a HOME-ARP sponsor and each sublease between a qualifying household and HOME-ARP sponsor complies with the tenant and participant protections of [24 CFR 92.253](#) and this Notice. Records must be kept for each household.
 - m. Records demonstrating compliance with the return of the HOME-ARP rental capitalized operating cost assistance reserve and/or the NCS replacement reserve at the end of the compliance or restricted use period in accordance with [Sections VI.B.24](#) and [VI.E.10](#) respectively, of this Notice.
 - n. Records demonstrating that each HOME-ARP rental and each NCS project meets the underwriting and subsidy layering or due diligence requirements of [Section VI.B.10](#) or [VI.E.6](#) of this Notice.
 - o. Records demonstrating that each HOME-ARP rental housing project meets the rent limitations of [Sections VI.B.13](#) and [VI.B.15](#) of this Notice for the 15-year minimum compliance period. Records must be kept for each household assisted.

- p. Records demonstrating that each multifamily HOME-ARP rental housing project involving rehabilitation with refinancing complies with the refinancing guidelines established in accordance with [24 CFR 92.206\(b\)](#).
- q. Records demonstrating that a site and neighborhood standards review was conducted for each HOME-ARP rental housing project involving new construction under [Section VI.B](#) of this Notice to determine that the site meets the requirements of [24 CFR 983.57\(e\)\(2\) and \(e\)\(3\)](#), in accordance with [24 CFR 92.202](#).
- r. Records demonstrating that any conversion of HOME-ARP NCS complies with the requirements established by [Section VI.E](#) of this Notice, including that conversion of NCS only occurred after the end of the applicable minimum use period defined in [Section VI.E.11](#).
- s. For all HOME-ARP NCS projects the following documents must be maintained, as applicable:
 - i. Purchase contract, closing documents, settlement statement and title work for acquisitions.
 - ii. Appraisal or other estimation of value to justify acquisition expenditure.
 - iii. Architectural and engineering contracts and completed designs, plans, and specifications for rehabilitation and new construction activities.
 - iv. Invoices, pay requests, and proof of payment for all project expenditures.
 - v. Proof of insurance.
 - vi. Project and program audits.
- t. For all HOME-ARP Supportive Services projects pursuant to McKinney-Vento or Homelessness Prevention Supportive Services:
 - i. Records, where applicable, demonstrating compliance with the termination of assistance requirement as described in [Section VI.D.5](#) of this Notice.
 - ii. Records of all solicitations of and agreements with subrecipients and contractors, records of all payment requests by and dates of payments made to subrecipients, and documentation of all monitoring and sanctions of subrecipients, as applicable including any findings and corrective actions required.
 - iii. Records of all procurement contracts and documentation of compliance with the procurement requirements in [2 CFR part 200, subpart D](#), as revised by [Section VIII.D](#) of this Notice.
 - iv. Records evidencing the use of the written procedures required under [Section VI.D.2](#) and records evidencing compliance with [Section IV.C.2](#) of this Notice.

- v. Records of all leases, subleases, and financial assistance agreements for the provision of rental payments, documentation of payments made by the PJ to owners, HOME-ARP sponsor, or qualifying households for the provision of financial assistance for rental payments, and supporting documentation for these payments, including dates of occupancy by qualifying individuals and families.
- vi. Records that document the monthly allowance for utilities (excluding telephone) used to determine compliance with the rent restriction.
- vii. Records of the types of services provided under the PJ's program and the amounts spent on these services.
- viii. Records demonstrating subrecipient compliance with the recordkeeping requirements in [Section VIII.F](#) of this Notice.
- u. For all HOME-ARP Housing Counseling Services projects as defined in [24 CFR part 5](#), each participating housing counseling agency must maintain a recordkeeping and reporting system in accordance with [24 CFR 214.315](#) and [24 CFR 214.317](#). The system must permit HUD to easily access all information needed for a performance review.
- v. For all HOME-ARP-assisted nonprofit operating expense and capacity building assistance activities:
 - i. Records concerning the use of funds for nonprofit operating expense and capacity building assistance must be maintained to enable HUD to determine whether the PJ has met the requirements of [Section VI.F](#) of this Notice.
 - ii. Written agreements between the PJ and the nonprofit organization providing nonprofit operating expense assistance or capacity building assistance must be retained for five years after the agreement terminates.

3. Financial records:

- a. Records, in accordance with [2 CFR 200.302](#), identifying the source and application of HOME-ARP funds. Identification must include, as applicable, the Assistance Listing program title and number (formerly Catalogue of Federal Domestic Assistance), Federal award identification number and year, name of the Federal agency, and name of the pass-through entity, if any.
- b. Records concerning the HOME-ARP Investment Trust Fund Treasury account and local account required to be established and maintained by this Notice, including deposits, disbursements, balances, supporting documentation and any other information required by IDIS.
- c. Records identifying the source and application of program income and repayments.
- d. Records demonstrating adequate budget control and other records required by [2 CFR 200.302](#), including evidence of periodic account reconciliations.

4. Program administration records:

- a. Records demonstrating compliance with the written agreements required by [Section VIII.B](#) of this Notice.
- b. Records demonstrating compliance with the applicable uniform administrative requirements required by [Section VIII.D](#) of this Notice.
- c. Records documenting required inspections, monitoring reviews and audits, and the resolution of any findings or concerns.

5. Records concerning other Federal requirements:

- a. Equal opportunity and fair housing records.
 - i. 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, any program or activity funded in whole or in part with HOME-ARP funds.
 - ii. Documentation that the PJ submitted a certification that it will affirmatively further fair housing consistent with HUD's Interim Final Rule entitled Restoring Affirmatively Furthering Fair Housing Definitions and Certifications (86 FR 30779, June 10, 2021) (codified at 24 CFR 5.151 and 5.152;), [available at https://www.federalregister.gov/documents/2021/06/10/2021-12114/restoring-affirmatively-furthering-fair-housing-definitions-and-certifications](https://www.federalregister.gov/documents/2021/06/10/2021-12114/restoring-affirmatively-furthering-fair-housing-definitions-and-certifications).
 - iii. Records demonstrating compliance with the nondiscrimination and equal opportunity requirements of [24 CFR 92, Subpart H](#).
- b. Affirmative marketing and MBE/WBE records.
 - i. Records demonstrating compliance with the affirmative marketing procedures and requirements of [24 CFR 92.351](#) and this Notice.
 - ii. Documentation and data on the steps taken to implement the jurisdiction's outreach programs to minority-owned (MBE) and female-owned (WBE) businesses including 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; the amount of the contract or subcontract, and documentation of participating jurisdiction's affirmative steps to assure that minority business and women's business enterprises have an equal opportunity to obtain or compete for contracts and subcontracts as sources of supplies, equipment, construction, and services.
- c. Records demonstrating compliance with the environmental review requirements of [24 CFR 92.352](#), [24 CFR part 58](#), and this Notice including flood insurance requirements.

- d. Records demonstrating compliance with the requirements of [24 CFR 92.353](#) and the provisions of [Section VII.F](#) of this Notice regarding displacement, relocation, and real property acquisition, including but not limited to:
 - i. project occupancy lists identifying the name and address of all persons occupying the real property on the date described in [24 CFR 92.353\(c\)\(2\)\(i\)\(A\)](#), moving into the property on or after the date described in [24 CFR 92.353\(c\)\(2\)\(i\)\(A\)](#), and occupying the property upon completion of the project;
 - ii. 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 under this Notice as members of a qualifying population, as well as records indicating whether such persons were assisted by the HOME-ARP program by the PJ following the closure of the nonresidential properties because of HOME-ARP activities
 - iii. lists of all individuals or families occupying HOME-ARP NCS that were converted during the required use period that qualify for assistance under this Notice, as well as 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 in [Section VI.D](#) of this Notice, and records indicating whether such persons were assisted by the HOME-ARP program by the PJ following the conversion of the HOME-ARP NCS units.
 - iv. Documentation that the PJ has and followed a RARAP in accordance with [24 CFR 92.353](#) and [24 CFR 42.325](#).
- e. Records demonstrating compliance with the labor requirements of [24 CFR 92.354](#), including contract provisions and payroll records.
- f. Records demonstrating compliance with the lead-based paint requirements of [24 CFR part 35](#), subparts A, B, J, K, M and R, as applicable.
- g. Records supporting compliance with conflict of interest requirements in [24 CFR 92.356](#), as revised by [Section VII.H](#) of this Notice, as well as documentation of any exceptions granted by HUD or a state PJ, as applicable, to the conflict of interest provisions in [24 CFR 92.356](#), as revised by [Section VII.H](#) of this Notice.
- h. Records demonstrating compliance with debarment and suspension requirements in [24 CFR part 2424](#).
- i. Records concerning intergovernmental review, as required by [24 CFR 92.357](#).
- j. Records of emergency transfers requested under [24 CFR 5.2005\(e\)](#) and [24 CFR 92.359](#) pertaining to victims of domestic violence, dating violence, sexual assault, or stalking, including data on the outcomes of those requests.

- k. Documentation of actions undertaken to meet the requirements of [24 CFR part 75](#) which implements section 3 of the Housing Development Act of 1968, as amended (12 U.S.C. 1701u).
6. **State Recipients and Subrecipients:** A PJ that distributes HOME-ARP funds to State recipients or subrecipients must require the State recipients or subrecipients to keep the records required by paragraphs 1. program records, 2. project records, 3. financial records, 4. program administration records, and 5. records concerning other federal requirements of [Section VIII.F](#) of this Notice, and such other records as the PJ determines to be necessary to enable the PJ to carry out its responsibilities under this Notice. The PJ need not duplicate the records kept by the State recipients or subrecipients. The PJ must keep records concerning its annual review of the performance and compliance of each State recipient and subrecipient as required under [24 CFR 92.504\(a\)](#).
7. **Period of record retention:** All records pertaining to HOME-ARP funds must be retained for five years, except as provided below.
- a. For HOME-ARP rental housing projects, records may be retained for five years after the project completion date; except that 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 affordability period terminates.
 - b. For HOME-ARP TBRA projects, records must be retained for five years after the period of rental assistance terminates.
 - c. Written agreements must be retained for five years after the agreement terminates.
 - d. 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 in accordance with [24 CFR 92.353](#).
 - e. If any litigation, claim, negotiation, audit, monitoring, inspection, or other action has been 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.
8. **Access to records:** The PJ must provide citizens, public agencies, and other interested parties 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.

The PJ, subrecipient, contractor, or owner 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 below requirement.

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.

G. Reporting and Performance Reports.

The PJ must submit reports in a format and at such time as prescribed by HUD. In addition, HUD and Office of the Inspector General (OIG) staff must be given access, upon reasonable notice, to all information related to the selection, award, and use of HOME-ARP funds.

Each PJ must enter the required HOME-ARP data elements timely in IDIS.

1. For HOME-ARP rental activities under [Section VI.B](#) of this Notice, the PJ must enter complete project completion information when it completes the activity in IDIS, except the assisted units can be marked vacant until they are occupied by eligible households.
2. For HOME-ARP NCS activities under [Section VI.E](#) of this Notice, the PJ must enter complete project completion information when it completes the activity in IDIS. In addition, the PJ must report the disposition of any HOME-ARP-assisted NCS activity that is converted to another eligible use at the time of conversion.
3. For HOME-ARP TBRA activities under [Section VI.C](#) of this Notice, the PJ must report beneficiary information in IDIS at the time assistance is provided.
4. For HOME-ARP Supportive Services activities under [Section VI.D](#) of this Notice, the PJ must report in IDIS quarterly, by the 30th day after the end of each calendar quarter, on the number of homeless and not homeless households assisted with supportive services and housing counseling, including the race and ethnicity, household size, and household type of the households assisted.

HUD will issue guidance about reporting on HOME-ARP activities in the PJ's consolidated annual performance and evaluation report (CAPER) required under [24 CFR 91.520](#), at a later date.

H. Confidentiality Requirements

1. All entities assisted by HOME-ARP funds must develop, implement, and maintain written procedures to require that –

- a. 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;
 - b. 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, when necessary to record use restrictions or restrictive covenants in accordance with [Section VI.B](#) or [VI.E](#), or with written authorization of the person or entity responsible for the operation of the NCS or HOME-ARP rental housing; and
 - c. 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, except as provided under a privacy policy of the PJ consistent with state and local laws and any other grant conditions from other federal grant programs regarding privacy and obligations of confidentiality.
2. Documenting status of a qualifying population that is fleeing or attempting to flee domestic violence, dating violence, stalking, sexual assault, or human trafficking:
- a. 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. An oral statement may be documented by either –
 - i. a written certification by the individual or head of household; or
 - ii. 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.

IX. PERFORMANCE REVIEWS

HUD will review the performance of each PJ in carrying out its responsibilities for the use of HOME-ARP funds and its compliance with the requirements of this Notice. Such reviews may take the form of remote or on-site monitoring, review of IDIS data or reports, assessment of documents requested from the PJ, subrecipient, or other entity carrying out HOME-ARP activities, and inquiries resulting from external audit reports, media reports, citizen complaints,

or other sources of relevant information. HUD may also review a PJ's timely use of HOME-ARP funds for eligible activities, including the progress of expenditures for individual projects or activities, the requirement to place a project in service in accordance with requirements in this Notice, and compliance of HOME-ARP rental housing and NCS with the 4-year deadline for completing projects.

If HUD preliminarily determines that a PJ has not met a requirement of this Notice or an applicable requirement of the HOME regulations at [24 CFR Part 92](#), HUD will communicate its determination in writing and provide the PJ with the opportunity to demonstrate, based on substantial facts, documentation, and data, that it has done so. HUD may extend any time period it provided to the PJ to demonstrate its compliance if upon request of the PJ, HUD determines that it is infeasible for the PJ to provide a full response within the prescribed period.

If the PJ fails to demonstrate to HUD's satisfaction that it has met the requirement, HUD will take corrective or remedial action in accordance with this section or [24 CFR 92.552](#).

A. Corrective and Remedial Actions

Corrective or remedial actions for a performance deficiency (e.g., failure to meet a provision of this Notice or an applicable provision of [24 CFR Part 92](#)) will be designed to prevent a continuation of the deficiency; mitigate, to the extent possible, its adverse effects or consequences; and prevent its recurrence. HUD may impose corrective or remedial actions including but not limited to the following:

1. HUD may instruct the PJ to submit and comply with proposals for action to correct, mitigate and prevent a performance deficiency, including:
 - a. Preparing and following a schedule of actions for carrying out the affected activities, consisting of schedules, timetables, and milestones necessary to implement the affected activities;
 - b. Establishing and following a management plan that assigns responsibilities for carrying out the remedial actions;
 - c. Canceling or revising activities likely to be affected by the performance deficiency, before expending HOME-ARP funds for the activities;
 - d. Reprogramming HOME-ARP funds that have not yet been expended from affected activities to other eligible activities;
 - e. Reimbursing its HOME-ARP grant in any amount not used in accordance with the requirements of this Notice;
 - f. Suspending disbursement of HOME-ARP funds for affected activities; and
 - g. Establishing procedures to ensure compliance with HOME-ARP requirements.

2. HUD may also:

- a. Change the method of payment from an advance to a reimbursement basis and may require supporting documentation to be submitted for HUD review for each payment request before payment is made;
- b. Determine the PJ to be high risk and impose special conditions or restrictions on the use of HOME-ARP funds in accordance with [2 CFR 200.208](#); and
- c. Take other remedies that may be legally available, including remedies under [2 CFR 200.339](#) and [200.340](#).

B. Sanctions

The requirements at [24 CFR 92.552](#) apply to HOME-ARP funds, except that the provision at [24 CFR 92.552\(a\)\(2\)\(iv\)](#) related to failure to comply with matching contribution requirements shall not apply.

X. FINDING OF NO SIGNIFICANT IMPACT

A Finding of No Significant Impact (FONSI) with respect to the environment has been made in accordance with HUD regulations at [24 CFR part 50](#), which implement section 102(2)(C) of the National Environmental Policy Act of 1969 (42 U.S.C. 4332(2)(C)). The FONSI is available for inspection at HUD's Funding Opportunities web page at: https://www.hud.gov/program_offices/spm/gmomgmt/grantsinfo/fundingopps.

GENERAL CONDITIONS

Unless otherwise modified in the Project's Special Conditions, the following General Conditions shall be part of the Contract:

GC – 01 – DEFINITIONS – The following words and expressions, or pronouns used in their stead, shall wherever they appear in the Contract the Contract Documents, be construed as follows:

“Addendum” or “Addenda” – shall mean the additional Contract provisions issued in writing, by the Engineer, prior to the receipt of bids.

“Bid” – shall mean the offer or proposal of the Bidder submitted on the prescribed form setting forth the prices for the Work to be performed.

“Bidder” – shall mean any person, firm, company, corporation or entity submitting a bid for the Work.

“Bonds” – shall mean bid, performance and payment bonds and other instruments of security, furnished by Contractor and his surety in accordance with the Contract Documents.

“City” – shall mean the city of Fort Lauderdale, Florida, a Florida municipal corporation. In the event the City exercises its regulatory authority as a government body, the exercise of such regulatory authority and the enforcement of any rules, regulations, codes, laws and ordinances shall be deemed to have occurred pursuant to City's authority as a governmental body and shall not be attributable in any manner to the City as a party to this Contract.

“Consultant” – shall mean a person, firm, company, corporation or other entity employed by the City to perform the professional services for the project.

“Contractor” – shall mean the successful Bidder who has been employed by the City to perform the construction and related services for the project.

“Contract Work” – shall mean everything expressed or implied to be required to be furnished and furnished by the Contractor by any one or more of the parts of the Contract Documents referred to in the Contract hereof. In the case of any inconsistency in or between any parts of this Contract, the Project Manager shall determine which shall prevail.

“Design Documents” – shall mean the construction plans and specifications included as part of a Bid/Proposal Solicitation prepared by the City or by the Consultant under a separate Agreement with the City.

“Engineer” – shall include the terms “professional engineer” and “licensed engineer” and means a person who is licensed to engage in the practice of engineering under Florida Statute, Chapter 471. An Engineer may be a City employee or a consultant hired by the City.

“Extra Work” – shall mean work other than that required by the Contract.

“Inspector” – shall mean an authorized representative of the City assigned to make necessary inspections of materials furnished by Contractor and of the Work performed by Contractor.

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GENERAL CONDITIONS (continued)

“Notice” – shall mean written notice sent by certified United States mail, return receipt requested, or sent by commercial express carrier with acknowledgement of delivery, or via fax or email, or by hand delivery with a request for a written receipt of acknowledgement of delivery and shall be served upon the Contractor either personally or to its place of business listed in the Bid.

“Owner” – shall mean the City of Fort Lauderdale.

“Project Manager” – shall mean a professional designated by the City to manage the Project under the supervision and direction of the Public Works Director or designee.

“Site” – shall mean the area upon or in which the Contractor’s operations are carried out and such other areas adjacent thereto as may be designated as such by the Project Manager.

“Sub-Contractor” – shall mean any person, firm, company, corporation or other entity, other than employees of the Contractor, who or which contracts with the contractor, to furnish, or actually furnishes labor and materials, or labor and equipment, or labor, materials and equipment at the site.

“Surety” – shall mean any corporation or entity that executes, as Surety, the Contractor’s performance and payment bond securing the performance of this Contract.

GC – 02 – SITE INVESTIGATION AND REPRESENTATION – The Contractor acknowledges that it has satisfied itself as to the nature and location of the Work under the Contract Documents, the general and local conditions of the Site, particularly those bearing upon availability of transportation, disposal, handling and storage of materials, availability of labor, water, electric power, and roads, field conditions, the type of equipment and facilities needed preliminary to and during the prosecution of the Work and all other matters which can in any way affect the Work or the cost thereof under the Contract Documents.

The Contractor acknowledges that it has conducted extensive tests, examinations and investigations and represents and warrants a thorough familiarization with the nature and extent of the Contract Documents, the Work, locality, soil conditions, moisture conditions and all year-round local weather and climate conditions (past and present), and, in reliance on such test, examination and investigations conducted by Contractor and the Contractor’s experts, has determined that no conditions exist that would in any manner affect the Bid Price and that the project can be completed for the Bid Price submitted.

Any failure by the Contractor to acquaint itself with all the Site conditions shall not relieve Contractor from responsibility for properly estimating the difficulty of cost thereof under the Contract Documents.

GC – 03 - SUBSTITUTIONS – If the Contractor desires to use materials and/or products of manufacturer’s names different from those specified in the Contract Documents, the Bidder requesting the substitution shall make written application as described herein. The burden of proving the equality of the proposed substitution rests on the Contractor making the request. To be acceptable, the proposed substitution shall meet or exceed all expressed requirements of the Contract Documents and shall be submitted upon the Contractor’s letterhead. The following requirements shall be met in order for the substitution to be considered.

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GENERAL CONDITIONS (continued)

1. Requests substitution shall be accompanied by such technical data, as the party making the request desires to submit. The Project Manager will consider reports from reputable independent testing laboratories, verified experience records from previous users and other written information valid in the circumstances; and
2. Requests for substitution shall completely and clearly indicate in what respects the materials and/or products differ from those indicated in the Contract Documents; and
3. Requests for substitution shall be accompanied by the manufacturer's printed recommendations clearly describing the installation, use and care, as applicable, or the proposed substitutions; and
4. Requests for substitution shall be accompanied by a complete schedule of changes in the Contract Documents, if any, which must be made to permit the use of the proposed substitution.

If a proposed substitution is approved by the Project Manager, an addendum will be issued to prospective bidders not less than three (3) working days prior to the date set for opening of bids. Unless substitutions are received and approved as described above, the successful Bidder shall be responsible for furnishing materials and products in strict accordance with the Contract Documents.

GC – 04 – CONSTRUCTION RESOURCES – Contract shall provide all labor and equipment necessary to complete the installation within a timely manner. Contractor shall provide details as to manpower and equipment to be dedicated to the project in its Work Plan. Contractor is responsible for making arrangements, obtaining and purchasing construction water services if required to complete the work.

GC – 05 – CONTROL OF THE WORK – The Project Manager shall have full control and direction of the Work in all respects. The Project Manager and/or his authorized designee(s) shall, at all times, have the right to inspect the Work and materials. The Contractor shall furnish all reasonable facilities for obtaining such information, as the Project Manager may desire respecting the quality of the Work and materials and the manner of conducting the Work. Should the Contractor be permitted to perform night Work, or to vary the period which work is ordinarily carried on in the daytime, he shall give ample notice to the Project Manager so that the proper and adequate inspection may be provided. Such Work shall be done only under such regulations as are furnished in writing by the Project Manager, and no extra compensation shall be allowed to the Contractor therefore. In the event of night work, the Contractor shall furnish such light, satisfactory to the Project Manager, as will ensure proper inspection. Nothing herein contained shall relieve the Contractor from compliance with any and all City ordinances relating to noise or Work during prohibited hours.

GC – 06 – SUB-CONTRACTOR – The Contractor shall not sublet, in whole or any part of the Work without the written consent and approval of the Project Manager. Within ten (10) days after official notification of starting date, the Contractor must submit in writing, to the Project Manager, a list of all Sub-contractors. No Work shall be done by any sub-contractor until such Sub-contractor has been officially approved by the Project Manager. A sub-contractor not appearing on the original list will not be approved without written request submitted to the Project Manager and approved by the Public Works Director. In all cases, the Contractor shall give his personal attention to the Work of the Sub-contractors and the Sub-contractor is liable to be discharged by the Contractor, at the direction of the Project Manager, for neglect of duty, incompetence or misconduct.

Acceptance of any sub-contractor, other person, or organization by the Project Manager shall not constitute a waiver of any right of Project Manager to reject defective Work or Work not in conformance with the Contract Documents.

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GENERAL CONDITIONS (continued)

Contractor shall be fully responsible for all acts and omissions of its Sub-contractors and of persons and organizations directly or indirectly employed by them and of persons and organizations for whose acts any of them may be liable to the same extent that he is responsible for the acts and omissions of persons directly employed by him. Nothing in the Contract Documents shall create any contractual relationship between City and any sub-contractor or other person or organization having a direct contract with Contractor, nor shall it create any obligation on the part of City to pay or to see to the payment of any moneys due to any sub-contractor or other person, or organization, except as may otherwise be required by law.

GC – 07 – QUANTITIES – Contractor recognizes and agrees that the quantities shown on plans and Bid/Price Schedule are estimates only and may vary during actual construction. No change shall be made involving any departure from the general scheme of the Work and that no such change involving a material change in cost, either to the City or Contractor, shall be made, except upon written permission of the City. However, the Project Manager shall have the right to make minor alterations in the line, grade, plan, form or materials of the Work herein contemplated any time before the completion of the same. That if such alterations shall diminish the quantity of the Work to be done, such alterations shall not constitute a claim for damages or anticipated profits. That if such alterations increase the amount of the Work to be done, such increase shall be paid for according to the quantity actually performed and at the unit price or prices stipulated therefore in the Contract. The City shall, in all cases of dispute, determine the amount or quantity of the several kinds of Work which are to be paid for under this Contract, and shall decide all questions relative to the execution of the same, and such estimates and decisions shall be final and binding.

Any Work not herein specified, which might be fairly implied as included in the Contract, of which the City shall judge, shall be done by the Contractor without extra charge. However, such cost increases shall be authorized either by the Public Works Director or designee, or the City Commission based upon the purchasing threshold amounts provided for in Chapter 2 of the City of Fort Lauderdale's Code of Ordinances.

GC – 08 – NO ORAL CHANGES – Except to the extent expressly set forth in the Contract, no change in, or modification, termination or discharge of the Contract in any form whatsoever, shall be valid or enforceable unless it is in writing and signed by the parties charged, therewith or their duly authorized representative.

GC – 09 – PERMITS AND PROTECTION OF PUBLIC – Permits on file with the City and/or those permits to be obtained by the Contractor shall be considered directive in nature, and will be considered a part of this Contract. A copy of all permits shall be given to the City and become part of the Contract Documents. Terms of permits shall be met prior to acceptance of the Work and release of the final payment.

Contractor shall secure all permits and licenses required for completing the Project. Contractor will obtain the necessary State, County, and City construction/work permits if required.

The Contractor shall comply with all applicable Codes, Standards, Specifications, etc. related to all aspects of the Project.

Where there are telephones, light or power poles, water mains, conduits, pipes or drains or other construction, either public or private, in or on the streets or alleys, the Work shall be so conducted that no interruption or delay will be caused in the operation or use of the same. Proper written notice shall be given to all affected parties prior to proceeding with the Work.

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GENERAL CONDITIONS (continued)

The Contractor shall not be permitted to interfere with public travel and convenience by grading or tearing up streets indiscriminately, but the Work of constructing the various items in this contract shall proceed in an orderly, systematic and progressive manner.

GC – 10 – DISEASE REGULATIONS – The Contractor shall enforce all sanitary regulations and take all precautions against infectious diseases as the Project Manager may deem necessary. Should any infectious or contagious diseases occur among his employees, he shall arrange for the immediate removal of the employee from the Site and isolation of all persons connected with the Work.

GC -11- CONTRACTOR TO CHECK PLANS, SPECIFICATIONS, AND DATA – The Contractor shall verify all dimensions, quantities, and details shown on the plans, supplementary drawings, schedules, and shall notify the Project Manager of all errors, omissions, conflicts and discrepancies found therein with three (3) working days of discovery. Failure to discover or correct errors, conflicts, or discrepancies shall not relieve the Contractor of full responsibility for unsatisfactory Work, faulty construction, or improper operation resulting therefrom nor from rectifying such condition at its own expense.

GC – 12 – MATERIALS AND WORKMANSHIP – All material shall be new and the workmanship shall, in every respect, be in conformity with approved modern practice and with prevailing standards of performance and quality. In the event of a dispute, the Project Manager's decision shall be final. Wherever the Plans, Specifications, Contract Documents, or the directions of the Project Manager are unclear as to what is permissible and/or fail to note the quality of any Work, that interpretation will be made by the Project Manager, which is in accordance with approved modern practice, to meet the particular requirements of the Contract.

GC – 13 – SAFEGUARDING MARKS - The Contractor shall safeguard all points, stakes, grade marks, monuments, and benchmarks made or established on the Work, bear the cost of re-establishing same if disturbed, or bear the entire expense of rectifying Work improperly installed due to not maintaining or protecting or for removing without authorization, such established points, stakes, and marks. The Contractor shall safeguard all existing and known property corners, monuments and marks not related to the Work and, if required, shall bear the cost of having them re-established by a licensed Professional surveyor registered in the State of Florida if disturbed or destroyed during the course of construction.

GC – 14 – RESTROOM FACILITIES – Contractor shall provide portable toilet facilities for employee's use at a location within the Work site to be determined by the City.

GC – 15 – PROGRESS MEETINGS – Weekly Status meetings will be conducted with representatives from the City and the Contractor. Contract shall budget time to participate in such meetings. A well-run Project should result in short meetings.

GC – 16 – ISSUE RESOLUTION – Should Contractor become engaged in a dispute with a resident or a City employee, the Contractor shall report the situation to the Project Manager immediately. It shall be mandatory that the City participate in any dispute resolution. Failure of Contractor personnel to notify the City shall obligate Contractor to replace the offending employee immediately if requested by the City.

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GENERAL CONDITIONS (continued)

GC – 17 – CITY SECURITY-CONTRACTOR AND SUBCONTRACTOR EMPLOYEE INFORMATION –

Prior to commencing work, Contractor shall provide to the City a list of all personnel and sub-contractors on site. The list will include the name, address, birth date and driver's license number for all personnel. All personnel and subcontractors on site will have on their person a company photo ID during all stages of the construction. Contractor shall provide standard required personal information per current City procedures.

GC – 18 – POST-CONSTRUCTION SURVEY – The Contractor shall provide as-built survey, sealed and signed by a registered surveyor in the State of Florida, as a condition of final payment.

GC – 19 – KEY PERSONNEL – Contractor shall provide as part of the Work Plan, resumes for all key project personnel providing supervision and project management functions. Resumes shall include work history and years of experience performing this type of work.

GC – 20 – EXISTING UTILITY SERVICE – All existing utility service shall be maintained with a minimum of interruption at the expense of the Contractor.

GC – 21 – JOB DESCRIPTION SIGNS – Contractor, at Contractor's expense, shall furnish, erect, and maintain suitable weatherproof signs on jobs over \$100,000 containing the following information:

1. City Seal (in colors)
2. Project or Improvement Number
3. Job Description
4. Estimated Cost
5. Completion Date

Minimum size of sign shall be four feet high, eight feet wide and shall be suitably anchored. The entire sign shall be painted and present a pleasing appearance. Exact location of signs will be determined in the field. Two (2) signs will be required, one at each end of the job. All costs of this work shall be included in other parts of the work.

GC – 22 – FLORIDA EAST COAST RIGHT-OF-WAY – Whenever a City contractor is constructing within the Florida East Coast Railway Company's Right-of-Way, it will be mandatory that the contractor carry bodily injury and property damage insurance in amounts satisfactory to the Florida East Coast Company. This insurance requirement shall be verified by the contractor with the Florida East Coast Company prior to commencing work, and maintained during the life of the Contract.

GC – 23 – ACCIDENTS – The Contractor shall provide such equipment and facilities as are necessary and/or required, in the case of accidents, for first aide services to be provided to a person who may be injured during the project duration. The Contractor shall also comply with the OSHA requirements as defined in the United States Labor Code 29 CFR 1926.50.

In addition, the Contractor must report immediately to the Project Manager every accident to persons or damage to property, and shall furnish in writing full information, including testimony of witnesses regarding any and all accidents.

GC – 24 – SAFETY PRECAUTIONS – Contractor must adhere to the applicable environmental protection guidelines for the duration of a project. If hazardous waste materials are used, detected or generated at any time, the Project Manager must be immediately notified of each and every occurrence. The Contractor shall comply with all codes, ordinance, rules, orders and other legal requirements of public authorities (including OSHA, EPA, DERM, the City, Broward County, State of Florida, and Florida Building Code), which bear on the performance of the Work.

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GENERAL CONDITIONS (continued)

The Contractor shall take the responsibility to ensure that all Work is performed using adequate safeguards, including but not limited to: proper safe rigging, safety nets, fencing, scaffolding, barricades, chain link fencing, railings, barricades, steel plates, safety lights, and ladders that are necessary for the protection of its employees, as well as the public and City employees. All riggings and scaffolding shall be constructed with good sound materials, of adequate dimensions for their intended use, and substantially braced, tied or secured to ensure absolute safety for those required to use it, as well as those in the vicinity. All riggings, scaffolding, platforms, equipment guards, trenching, shoring, ladders and similar actions or equipment shall be OSHA approved, as applicable, and in accordance with all Federal, State and local regulations.

GC - 25 – DUST PREVENTION – The Contractor shall, by means of a water spray, or temporary asphalt pavement, take all necessary precautions to prevent or abate a dust nuisance arising from dry weather or Work in an incomplete stage. All costs of this Work shall be included in the cost of other parts of the Work.

Should the Contractor fail to abate a dust nuisance the Project Manager may stop the Work until the issue is resolved to the City's satisfaction.

GC – 26 – SITE CLEANUP AND RESTORATION – The Contractor shall remove all debris and unused or discarded materials from the work site daily. Contractor shall clean the work site to remove all directional drilling "Driller's Mud" materials. No "Driller's Mud" residue shall be allowed to remain in the soil or on the surface of the land or vegetation. All debris and drilling materials must be disposed of offsite at an approved location. The Contractor shall promptly restore all areas disturbed that are outside the Project limits in equal or better condition at no additional cost to the City.

GC – 27 – COURTEOUS BEHAVIOR AND RESPECT FOR RESIDENTS AND PROPERTY – The Contractor and its employees, associates and sub-contractors shall maintain courteous behavior at all times and not engage in yelling, loud music, or other such activities. Contractor's employees shall not leave trash or other discarded items at the Work Site, especially on any private property. In the event complaints arise, Contractor shall immediately remove such offending employees from the project if requested to do so by the Project Manager. Contractor's employees shall not trespass on any private property unless necessary to complete the work but with prior permission from the owner.

Contractor shall notify and obtain permission from the residents 24 hours in advance when planning to work within the resident's property. In addition, Contractor shall notify the resident prior to entering their property to perform work or inspect/investigate the work site. Contractor shall not block residents' driveways unnecessarily. Contractor shall not park equipment on landscaped areas when the vehicle is not needed for the current construction activities. Contractor shall be responsible for repair and/or replacement of all damaged landscaping within 48 hours including repairing vehicle wheel impressions, irrigation systems, lighting systems, structures, or any other items of resident's property. Contractor shall not destroy, damage, remove, or otherwise negatively impact any landscaping within or outside the right-of-way without prior approval from the Project Manager.

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GENERAL CONDITIONS (continued)

GC – 28 – PLACING BARRICADES AND WARNING LIGHTS – The Contractor shall furnish and place, at Contractor's own expense, all barricades, warning lights, automatic blinker lights and such devices necessary to properly protect the work and vehicular and pedestrian traffic. Should the Contractor fail to erect or maintain such barricades, warning lights, etc., the Project Manager may, after 24 hours' notice to the Contractor, proceed to have such barricades and warning lights placed and maintained by City or other forces and all costs incurred thereof charged to the Contractor and may be retained by the City from any monies due, or to become due, to the Contractor.

GC – 29 – TRAFFIC CONTROL – The Contractor shall coordinate all Work and obtain, through the City's Transportation and Mobility Department, Broward County, Florida Department of Transportation, as applicable, any permits required to detour traffic or close any street before starting to work in the road.

All traffic control devices, flashing lights, signs and barricades shall be maintained in working condition at all times and conform to Manual of Uniform Traffic Control Devices (MUTCD), latest edition.

GC – 30 – COORDINATION – The Contractor shall notify all utilities, transportation department, etc., in writing, with a copy to the Project Manager before construction is started and shall coordinate its Work with them. The Contractor shall cooperate with the owners of any underground or overhead utility lines in their removal, construction and rearrangement operations in order that services rendered by these parties will not be unnecessarily interrupted.

The Contractor shall arrange its Work and dispose of its materials so as to not interfere with the operation of other contractors engaged upon adjacent work, and to join its Work to that of others in a proper manner, and to perform its Work in the proper sequence in relation to that of other contractors as may be directed by the Project Manager.

Each Contractor shall be responsible for any damage done by its agents to the work performed by another contractor.

GC – 31 – WATER – Bulk water used for construction, flushing pipelines, and testing shall be obtained from fire hydrants. Contractor shall make payment for hydrant meter at Treasury Billing Office, 1st Floor, City Hall, 100 N. Andrews Avenue. With the paid receipt, contractor can pick up hydrant meter at the utility location office. No connection shall be made to a fire hydrant without a meter connected.

GC – 32 – PROHIBITION AGAINST CONTRACTING WITH SCRUTINIZED COMPANIES – As to any contract for goods or services of \$1 million or more and as to the renewal of any contract for goods or services of \$1 million or more, subject *Odebrecht Construction, Inc., v. Prasad*, 876 F.Supp.2d 1305 (S.D. Fla. 2012), *affirmed*, *Odebrecht Construction, Inc., v. Secretary, Florida Department of Transportation*, 715 F.3d 1268 (11th Cir. 2013), with regard to the "Cuba Amendment," the Contractor certifies that it is not on the Scrutinized Companies with Activities in Sudan List or the Scrutinized Companies with Activities in the Iran Petroleum Energy Sector List, and that it does not have business operations in Cuba or Syria, as provided in Section 2877.135, Florida Statutes (2021), as may be amended or revised. As to any contract for goods or services of any amount and as to the renewal of any contract for goods or services of any amount, the Contractor certifies that it is not on the Scrutinized Companies that Boycott Israel List created pursuant to Section 215.4725, Florida Statutes (2021), as may be amended or revised, and that it is not engaged in a boycott of Israel. The City may terminate this Agreement at the City's option if the Contractor is found to have submitted a false certification as provided under subsection (5) of Section 287.135, Florida Statutes (2021), as may be amended or revised, or been placed on the Scrutinized Companies with Activities in Sudan List or the Scrutinized Companies with Activities in the Ira Petroleum Energy Sector List or the Scrutinized Companies that Boycott Israel List created pursuant to Section 215.4725, Florida Statutes (2021), as may be amended or revised, or is engaged in a boycott of Israel, or has been engaged in business operations in Cuba or Syria, as defined in Section 287.135, Florida Statutes (2021), as may be amended or revised.

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GENERAL CONDITIONS (continued)

GC – 33 – USE OF FLORIDA LUMBER TIMBER AND OTHER FOREST PRODUCTS – In accordance with Florida Statute 255.20 (3), the City specifies that lumber, timber, and other forest products used for this Project shall be produced and manufactured in the State of Florida if such products are available and their price, fitness, and quality are equal. This requirement does not apply to plywood specified for monolithic concrete forms, if the structural or service requirements for timber for a particular job cannot be supplied by native species, or if the construction is financed in whole or in part from federal funds with the requirement that there be no restrictions as to species or place of manufacture.

The Bidder affirms by submitting a response to this solicitation that they will comply with section 255.20 (3) Florida Statutes.

GC – 34 – PUBLIC RECORDS/TRADE SECRETS/COPYRIGHT: The Proposer's response to the Solicitation is a public record pursuant to Florida law, which is subject to disclosure by the City under the State of Florida Public Records Law, Florida Statutes Chapter 119.07 ("public Records Law"). The City shall permit public access to all documents, papers, letters or other material submitted in connection with this Solicitation and the Contract to be executed for this Solicitation, subject to the provisions of Chapter 119.07 of the Florida Statutes.

Any language contained in the Proposer's response to the Solicitation purporting to require confidentiality of any portion of the Proposer's response to the Solicitation, except to the extent that certain information is in the City's opinion a Trade Secret pursuant to Florida law, shall be void. If a Proposer submits any documents or other information to the City which the Proposer claims is Trade Secret information and exempt from Florida Statutes Chapter 119.07 ("Public Records Laws"), the Proposer shall clearly designate that it is a Trade Secret and that it is asserting that the document or information is exempt. The Proposer must specifically identify the exemption being claimed under Florida Statutes 119.07. The City shall be the final arbiter of whether any information contained in the Proposer's response to the Solicitation constitutes a Trade Secret. The City's determination of whether an exemption applies shall be final, and the proposer agrees to defend, indemnify, and hold harmless the City and the City's officers, employees, and agent, against any loss or damages incurred by any person or entity as a result of the City's treatment of records as public records. In addition, the proposer agrees to defend, indemnify and hold harmless the City and the City's officers, employees, and agents, against any loss or damages incurred by any person or entity as a result of the City's treatment of records as exempt from disclosure or confidential. Proposals purposing to be subject to copyright protection in full or in part will be rejected. The proposer authorizes the City to publish, copy and reproduce any and all documents submitted to the City bearing copyright symbols or otherwise purporting to be subject to copyright protection.

IF THE CONTRACTOR HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO THE CONTRACTOR'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS AGREEMENT, CONTACT THE CUSTODIAN OF PUBLIC RECORDS AT:

Telephone Number: (954) 828-5002

Mailing Address: City Clerk's Office
100 N. Andrews Avenue
Fort Lauderdale, Florida 33301-1016

E-mail: prrcontract@fortlauderdale.gov
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GENERAL CONDITIONS (continued)

Contractor shall:

1. Keep and maintain public records required by the City in order to perform the service.
2. Upon request from the City's custodian of public records, provide the City with a copy of the requested records or allow the records to be inspected or copied within a reasonable time at a cost that does not exceed the cost provided in Chapter 119, Florida Statutes (2021), as may be amended or revised, or as otherwise provided by law.
3. Ensure that public records that are exempt or confidential and exempt from public records disclosure requirements are not disclosed except as authorized by law from the duration of the contract term and following completion of this Agreement if the Contractor does not transfer the records to the City.
4. Upon completion of the Agreement, transfer, at no cost, to the City all public records in possession of the Contractor or keep and maintain public records required by the City to perform the service. If the Contractor transfers all public records to the City upon completion of this Agreement, the Contractor shall destroy any duplicate public records that are exempt or confidential and exempt from public records disclosure requirements. If the Contractor keeps and maintains public records upon completion of this Agreement, the Contractor shall meet all applicable requirements for retaining public records. All records stored electronically must be provided to the City, upon request from the City's custodian of public records, in a format that is compatible with the information technology systems of the City.

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rev. 12/2021

ATTACHMENT 1

Project Development Schedule

Attachment 1 ACTUAL OR EXPECTED ACTIVITY	MONTH/DAY/YEAR
Site	
Acquisition	
Environmental Review Completed	
Permits	
Conditional Use Permit	
Variance	
Plot Plan Review	
Site Plan Approval	
Grading Permit	
Building Permit	
Construction Financing:	
Loan Application	
Enforceable Commitment	
Closing and Disbursement	
Permanent Financing:	
Loan Application	
Enforceable Commitment	
Closing and Disbursement	
Other Loans and Grants:	
Type & Source:	
Application	
Closing & Award	
Type & Source:	
Application	
Closing & Award	
Type & Source	
Application	
Closing & Award	
Construction and Occupancy:	
Construction Start	
Construction Completion	
Placed In Service	
Occupancy of All Low-Income Units	

ATTACHMENT 2

**FINANCIAL ANALYSIS (PROJECT COSTS) – FIRST TIME HOMEBUYER
AND RENTALREHABILITATION PROJECTS**

Please see instructions (below) before completing. Complete one form for each single family project or one form for a multi-unit project.

SOURCES AND USES OF FUNDS

FUNDS AMOUNT	SOURCE	TERMS AND CONDITIONS
A.		
B.		
C.		
D.		

PROJECT COSTS					
Itemized Cost	Total Cost	HOME	Source A	Source B	Source C
A. Direct Client Subsidy					
B. Hard Costs - Construction					
C. Architect / Engineering Fees					
D. Project Soft Costs 1. Appraisal 2. Building Permits 3. Tap Fees 4. Soil Borings/Environmental Survey 5. Real Estate Attorney 6. Construction Loan Legal 7. Title and Recording 8. Other					
E. Interim Costs 1. Construction Insurance 2. Construction Interest 3. Construction Loan Origination Fee					

Attachment 3

PROJECT COSTS					
F. Financing Fees and Expenses 1. Credit Report 2. Origination Fee 3. Title and Recording 4. Counsel's Fee					
G.. Developer's Fee					
H. Project Administration/Management 1. Marketing/Management 2. Operating Expenses 3. Taxes 4. Insurance					
I. Project Reserves 1. Rent-Up Reserve (Rentals Projects) 2. Operating Reserve					
<u>Rental Projects</u>					
J. Tenant Relocation					
I. Audit Costs					
K. Staff Costs <u>as allowable</u>					
L. Total					

Line A

Amount of direct client subsidy (down payment assistance, buy down, rehab) for total project.

Line B

Total construction costs for project (list costs itemized in Line D separately). The amount estimated under this heading should cover materials and labor, the contractor's profit, and the cost of a performance bond or letter of credit provided by the contractor to insure that the project will be completed.

Probably the most realistic method of estimating construction costs is to obtain a preliminary cost from a contractor, even if one has not been formally selected. An alternative is to have your architect estimate the amount of the construction contract based on his or her experience with similar buildings.

In some cases, an architect or contractor may only wish to estimate the cost of "bricks and mortar" for actual construction. You can adjust that figure and estimate the total construction contract price by adding: (a) 3 - 4% for "general requirements"; (b) the estimated cost of a performance bond or letter of credit obtained from a bonding company or local lender; and (c) an allowance of 8 - 10% of the total of all preceding costs for the contractor's profit.

Line C

Architectural fees should be based on an estimate from the architect or on an actual agreement with the architect. These fees may be based on a certain percentage of the construction contract amount, a fee per dwelling unit, a flat fee for services, or some other basis. There will always be one fee for the design of the buildings and another for inspection and monitoring by the architect during construction. The design architect and the inspecting architect may or may not be the same.

Line D1

In buying land or real property it is almost always necessary to get an appraisal of the property. It is important to make sure that the appraiser you plan to use is acceptable to your lender. Lenders rely on the information in an appraisal firms. An Appraiser can easily provide you with a cost estimate for the services required.

Line D2

The local government responsible for enforcing area building codes generally will require a building or construction permit to be issued before construction can commence.

Line D3

Tap fees or connection fees often are required by the water and sewer governing body before a project can be connected into the utility system.

Line D4

If the architect for your project does not include the environmental survey as part of his/her contract, you will have to arrange for the survey and pay for it independently. You should get estimates from surveyors and weigh their bids.

Line D5-D6

Legal fees will be incurred for incorporation, contract negotiations, property acquisition, loan closings and other assorted parts of the development process. Unless your project is highly unusual, and will require inordinate legal attention, it is possible to get a ballpark estimate of legal fees by looking at similar projects. You can ask a attorney for such an estimate.

Line D7

These items are the costs of making sure that the sponsor/developer has clear title to the property before construction starts. Title insurance protects the lender, while recording the deed protects the title. The mortgage held by the lender must also be recorded. The sponsor's attorney or a title insurance company can estimate these costs, given a specific property and an estimate of development costs.

Line E1- E2

Predevelopment and construction interest is a cost that you are accruing during the early part of the project. You should include those costs in your budget as part of the holding costs.

Line E3

Loan fees and points are part of the cost of capital. These are the one-time fees, a percentage of the total loan which you pay to the lender. Once you know how much money you have to borrow, your lender will tell you what fees and loan points will be charged.

Line F1

A credit report will likely be required by a lender prior to issuing a commitment letter for permanent financing.

Line F2

A fee required by some lenders to process/originate the mortgage loan.

Line F3

Required by the County and most lenders to insure their interest to the property is protected from prior lien claims. Additionally, there is often a per page recording fee for all documents registered with the area Register of Deeds as well as charges for applicable tax stamps.

Line F4

Attorney's fees may be charged to prepare closing documents, perform title searches and ensure that all legal aspects of the transaction are handled properly.

Line G

This fee, usually paid after completion of the project, compensates the developer for project oversight from inception to completion.

Line H 1

Marketing figures should include the actual costs of advertising and staffing for application reviews.

Line H2

Operating expenses incurred should be included here. These may include utility costs, maintenance, overhead. Please note, that these costs are not HOME eligible unless pro rated to include only those expenses directly attributed to a HOME assisted client.

Line H3

Real estate taxes usually have to be paid on the property. The sponsor/developer should consult with local taxing authorities to determine the basis on which the property will be assessed based.

Line H4

The contractor will carry builder's risk and liability insurance. The sponsor/developer will probably need to carry hazard insurance against damage to the building during construction. You may also carry insurance against theft and liability for personal injury or property damage.

Reserves

Lines I 1 – I 2

Reserves are funds set aside from the construction financing to take care of possible losses or shortfalls in the cash flow. Operating reserves protect against any lag in project sale or rent up. Replacement reserves establish a fund for replacement of major building components which will occur over the life of the project.

Tenant Relocation

Line J

Relocation costs connected with acquiring occupied buildings.

Line K

The City requires an annual audit for agencies funded with \$5,000 or more. Unless an agency receives \$300,000 or more, these audits are not a HOME eligible expense.

Line L

List all staff costs associated with the project. Please note that HOME funds can only be used to reimburse those costs directly attributed to a HOME assisted client and all such tasks must be clearly demonstrated and considered to be reasonable and customary.

Line M

Total of costs from all sources and categories attributed to the Project.

ATTACHMENT 4

**Complete the Project Pro Forma for the Operating Statement
Provide a 10-year income and expense pro forma.**

OPERATING STATEMENT PRO FORMA

OPERATING INCOME		Annual Amount
1.	Gross rent potential	
2.	Vacancy allowance (__ % of Line 1)	
3.	Effective gross rent (Line 1 minus Line 2)	
4.	Other income	
5.	Reserve for Bad Debt	
6.	Effective Gross Income	
OPERATING EXPENSES		Annual Amount
7.	Management fee	
8.	Management staff costs	
9.	Legal fees	
10.	Accounting/audit fees	
11.	Advertising/marketing	
12.	Telephone	
13.	Office supplies	
14.	Other administrative Expenses (Subtotal)	
MAINTENANCE		
15.	Maintenance staff costs	
16.	Elevator (if any)	
17.	Other mechanical equipment (specify)	
18.	Decorating (specify)	
19.	Routine repairs and supplies	
20.	Exterminating	
21.	Lawn and landscaping	
22.	Garbage/trash removal	
23.	Other (specify)	
24.	Subtotal	
UTILITIES		

25.	Electricity	
25.A	Residential	
25.B	Commercial areas	
25.C	Common areas	
26.	Heat and hot water (specify fuel)	
26.A	Residential	
26.B	Commercial areas	
26.C	Common areas	
27.	Sewer and water	
	Subtotal	
TAXES/INSURANCE RESERVE		
28.	Property insurance	
29.	Real estate taxes (estimated value of \$ _____ times projected tax rate of \$ _____/\$1,000)	
30.	Reserve for replacement	
31.	Operating deficit reserve Subtotal	
32.	Total Operating Expenses (Lines 7 through 31)	
INCOME AVAILABLE FOR DEBT SERVICE		
	Effective Gross Income (Line 6)	
	Minus Total Operating Expenses (Line 32)	
33.	Net Operating Income	
34.	Debt Service Coverage Ratio Required by Lender	

Notes: Assumption should be clearly stated such as rent levels (including utility allowances), vacancy/collection loss rates, projected annual income and expense percentage increases, etc.). See Instructions below.

OPERATING INCOME

Line 1

"Gross rent potential" is the total annual amount collectable in rent *if* all units were occupied continuously and all tenants paid their rent. A common error (or deliberate exaggeration) in a pro forma is to assume that gross potential is the number of units times the proposed rent schedule. The error overstates gross potential because it ignores the fact that, aside from tenants renting month to month rent schedules and increases take time to implement. This is a very important consideration when evaluating a new construction or substantial rehabilitation proposal, especially if the owner claims immediate results from the rent schedule or rent increases following construction. The lease-up period can take months, if not years for a larger project, and the implementation of rent increases requires a year if one year leases are in place. In short, gross potential is not static, it changes each month as tenants move in and out. A miscalculation of the market leading to slow leasing will result in immediate and substantial cash demands on the owner.

Line 2

The "**vacancy allowance**" is a percentage of gross rent to allow for income lost, while dwelling units are vacant because of normal turnover in occupancy. Recall, however, that a 5% vacancy does not mean that gross potential reduced by 5%: in projects with different sized units, the rent of those vacant units can comprise more or less than 5% of the rents. The vacancy allowance must estimate economic vacancies, and also account for units taken from the market for renovations.

Line 3

"**Effective gross rent**" is the gross rent potential less the vacancy allowance.

Line 4

"**Other income**" includes any charges the sponsor realistically expects to make for use of the buildings or property, **other than** charges to the tenants for rent or services. Such income could be, for example, a charge for use of a community room as a meeting place by an outside organization, or a rental fee for parking spaces paid by residents or non-residents.

Line 5

The "**reserve for bad debt**" assumes that some rents owed will not be paid. A reasonable reserve for bad debt equals 1.2% of gross rents. Investors should be concerned if the reserve exceeds 2%, as this suggests that the owner has sacrificed tenant reliability for occupancy.

Line 6

Effective Gross income equals the total of effective gross rent plus other income less reserve for bad debt.

OPERATING EXPENSES

Line 7

The "**management fee**" is an annual payment to a contracted management firm or agent for whatever scope of services is negotiated between the project sponsor and the management agent. Typically, the fee is set as a percentage of gross rent collected, ranging from 5% - 9%.

Line 8

The personnel costs for any employees of the project who are involved in management, as opposed to employees of a contracted management agent are shown here. If the same person spends time on both management and maintenance responsibilities, the costs associated with that person should be shown here and on Line 14, on the basis of an estimated percentage of total working time in each activity. Payroll expenses include wages, fringe benefits and payroll taxes.

Line 9

Legal costs may be incurred in negotiating contracts with service providers, assisting the sponsor with legal disputes, and so forth. The proposed management agent, if one is used, should be helpful in estimating a reasonable allowance for those costs.

Line 10

An annual audit of the project accounts should be planned and budgeted.

Line 11

An amount should be budgeted for expenses in connection with advertising or other marketing efforts required to fully lease apartments or rooms which become vacant from time to time. Expenses for **initial** marketing, when the project is completed, are included in the development budget. The line will also include concessions - offers to tenants for a period of free or reduced rent in exchange for a lease.

Lines 12 - 14

The sponsor's "**overhead**" costs to operate a management office, or to perform that function whether or not a physical space is devoted to it, should be estimated here. These costs are separate from any similar expenses which may be included in the management fee.

MAINTENANCE

Line 15

Personnel costs for any project maintenance employees including wages, fringe benefits and withholding or other taxes should be included here.

Line 16 -24

Maintenance expense covers a board category of interior, exterior and grounds items, including an array of possible third party contractors. A key influence on maintenance costs is turnover, or the number of units that are vacated and reoccupied in a given period. The higher the turnover, the

higher the maintenance expense for cleaning, painting, exterminating and other such preparation activities. Turnover rates are a matter that can be learned from property managers when shopping properties. In addition, an existing property with an operating history can generate an estimate of turnover for when the rent falls from the prior year. Property managers normally can quickly determine or estimate the average unit preparation cost, exclusive of replacing carpet or appliances. Typically, this cost is from \$300 to \$500.

Another element of the maintenance budget is the cost of general building repairs and cleaning, including maintenance of mechanical systems, plumbing and fixtures, and grounds upkeep. These activities are handled by some combination of hired contractors and employed staff. Underwriters should encourage owners to plan and budget properly for these expenses, including costs for maintenance staff (line 15) and contractors. The underwriter should observe and inquire about special maintenance situations such as extensive grounds, swimming pools, flat roofs, poor drainage, stucco finish and aluminum siding.

UTILITIES

Lines 25 - 27

Utility costs can be estimated by doing a utility comparison analysis with other buildings in the area of similar scope and design, or based on previous use levels. Be sure to take into account the type of utilities used in comparison buildings, and the level of energy efficiency of construction and appliances.

Sewer and water costs can be estimated by previous use levels, or if the building is new, by contacting the utility or public service provider for estimates. Properties with landlord-paid utilities (that is, heat, hot water, air or light) may need special attention. Efficient and environmentally sound operations demand that tenant's use of utilities be disciplined by costs, meaning utility users should pay utility bills. When feasible, conversion to tenant paid utilities should be encouraged.

TAXES/INSURANCE/RESERVES

Line 28

The estimated annual premium for hazard and liability insurance carried by the project owner should be included here. Policies should provide for rent loss protection and for restoration of the premises in the event of casualty.

Line 29

Annual real estate taxes should be estimated by consulting with the local tax assessor about the value at which the housing will be assessed, and likely tax rate. Since real estate taxes are a major component of operating costs they should be carefully and realistically estimated.

Line 30

An amount should be budgeted annually, and built into monthly occupancy charges, to allow for periodic major repairs or for replacement of parts of the buildings or mechanical equipment and systems. The amount which would be prudent may vary with individual projects, and may be different for new construction versus rehabilitation.

Line 31

The operating reserve, or "**operating deficit reserve**", as FHA calls it, is typically in an amount that assures coverage of debt service during the lease-up period, when it is most likely that expenses will grow faster than income.

Total Operating Expenses

Line 32

Costs for management, maintenance, utilities, taxes, insurance, and reserves are included.

Income Available for Debt Service

Line 33 - 34

Once you have estimated the project income and the costs of operating the project, you can determine net operating income, the amount of income available for debt service.

ATTACHMENT 5

COMPLETED PROJECTS				
Project Name	Location	Project Type	No. Of Units	Year Completed

Attachment 6

HOME INVESTMENT PARTNERSHIP GRANT-AMERICAN RESCUE PLAN NON-CONGREGATE SHELTER (HOME-ARP-NCS) PARTICIPATION AGREEMENT (FY 2023-2024)

THIS AGREEMENT (“Agreement”), is made and entered into by and between:

CITY OF FORT LAUDERDALE, a Florida municipal corporation (hereinafter referred to as “City”), and _____, a Florida non-profit corporation and a qualified developer under the rules and regulations of the United States Department of Housing and Urban Development (“HUD”) and the laws of Florida (hereinafter referred to as “Participant” or “Developer”).

WHEREAS, on _____, 2024, the City Commission of Fort Lauderdale approved Commission Agenda Memo (CAM) number _____ and authorized the proper City officials to execute this Agreement; and

WHEREAS, Congress appropriated a total of Five Billion Dollars (\$5,000,000) to the United States Department of Housing and Urban Development (“HUD”) pursuant to the HOME Investment Partnerships Program - American Rescue Plan Act (“HOME-ARP”) as set forth in HUD-CPD-21-10 to address the need for homeless assistance and supportive services; and

WHEREAS, the City of Fort Lauderdale has been designated by HUD as a participating jurisdiction and was allocated Two Million Five Hundred Eighty-Nine Thousand Nineteen Dollars (\$2,589,019.00) in HOME-ARP funds to address homeless assistance and supportive services in the City (“Total Allocation”); and

WHEREAS, Seven Hundred Fifty Thousand Dollars (\$750,000.00) of the Total Allocation has been awarded to the City for the acquisition or development of a Non-Congregate Shelter (NCS) units, which may be converted into permanent supportive affordable housing units or remain as non-congregate shelter units for individuals and families meeting one or more of the Qualifying Population (QP) as defined in HUD Notice: CPD 21-10; and

WHEREAS, in response to a HOME-ARP Non-Congregate Shelter Request for Proposal (RFP) number _____ issued by the City, the Participant submitted a response to develop and operate a Non-Congregate Shelter for individuals and families that meet the definition of HOME-ARP Qualifying Population; and

WHEREAS, the Participant, being a qualified developer pursuant to HUD rules and regulations, propose to acquire, rehabilitate or construct a non-congregate shelter units to provide temporary shelter to individuals and families in the Qualifying Population; and

WHEREAS, the City staff and Evaluation Committee recommended an award to the Participant to develop and operate non-congregate shelter units for the HOME-ARP Qualifying Population; and

NOW, THEREFORE, in consideration of the mutual promises and covenants and agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

ARTICLE I PURPOSE

The foregoing recitals are true and correct and incorporated herein by this reference. The purpose of this agreement is to outline the terms and conditions that govern the City's funding obligations, and the Participant's duty to acquire and/or develop one or more buildings in the City of Fort Lauderdale as Non-Congregate Shelter to temporarily house individuals and families that meet the HOME-ARP Qualifying Population.

As a condition to receiving funding under this Agreement, the Participant must execute a promissory note in the amount funded for, acquisition and rehabilitation, or construction of the units, mortgage, and restrictive covenant, in form and substance, acceptable to the City. The funding paid to Participant is in the form of a deferred loan, provided Participant complies with the terms and conditions of this Agreement. The City will secure all properties with a fifteen (15) years term mortgage and a restrictive covenant that runs with the land until all conditions have been satisfied or effectively waived by the City. The property(ies) will remain perpetually affordable, but the recorded mortgage will be satisfied at the end of the 15 years if the property continues to serve members of the Qualifying Population and complies with HOME-ARP guidelines as outlined in HUD Notice CPD-21-10.

ARTICLE II DEFINITIONS

The terms defined in Article II shall have the following meanings in this Participation Agreement, except as herein otherwise expressly provided:

“Agreement” means all documents signed and executed as part of this package, the Request for Proposal (RFP) and the Participant's RFP response for the purpose of fulfilling the responsibilities of a HOME-ARP-NCS qualified Developer.

“Carrying Costs” means landscape care and water, electric and sanitary services, all property maintenance costs, insurance on the property, and builders risk insurance required to protect the Property.

“CITY” means the City of Fort Lauderdale.

“Closing Costs” means usual buyer closing costs including documentary stamps, survey, title, lead based paint inspection, environmental checklist inspection, appraisal and recording fees, HOME-ARP inspection by licensed building or general contractor or a licensed HOME-ARP inspection company cost. Participant Closing Costs for purchase of the Identified Property (IP) are reimbursable with HOME-ARP funds as provided herein.

“**Effective Date**” means the date this Agreement was approved by the City Commission.

“**Qualifying Population**” means Individual or family who meets the criteria for HOME-ARP as defined in 24 CFR 91.5.

“**HCD**” means the Fort Lauderdale’s Housing and Community Development Division, a division of the City of Fort Lauderdale’s Development Services Department.

“**HCD Approval**” means the written approval of the Department Director or designee.

“**Director**” means the Development Services Department Director or designee.

“**HOME-ARP-NCS Property**” means property acquired, rehabilitated, or constructed with HOME-ARP funds pursuant to this Agreement.

“**HUD**” means the United States Department of Housing and Urban Development.

“**HUD Rules and/or Regulations**” means all existing and new regulations regarding the HOME-ARP -ARP Program that HUD may require.

“**Low Income**” or “**LI**” means persons/households whose annual income does not exceed eighty percent (80%) of the Area Median Income (AMI).

“**Minimum Amount of Assistance**” means funds must equal \$1,000 times the number of HOME-ARP assisted units in the project as established in 24-CFR 92.205(c).

“**Non-Congregate Shelter**” means one or more buildings that provide private units or rooms for temporary shelter and do not require occupants to sign a lease or occupancy.

“**Participant**” means the CHDO or Developer.

“**Development Hard Costs**” means the actual cost of constructing and rehabilitating housing to meet applicable property standards. Eligible development costs also include site improvements, utility connections, and costs to construct or rehabilitate laundry and community facilities located within the same building as the HOME-ARP-NCS housing.

“**Property Standards**” means HOME-ARP rental units must comply with all rental property standards required in 24 CFR 92.251 paragraphs (a), (b) (c)(1) and (2), (e), and (f).

“**Operating Costs**” means costs which may include those incurred for administrative expenses, property management fees, insurance, utilities, property taxes and maintenance of a unit that is designated as a HOME-ARP-NCS assisted unit and required to occupied by a qualifying household.

“**Project Administrative**” expenses mean payroll costs, payroll taxes, employees compensation and employee benefits, employee education, training and travel, advertising and

general administration costs which are costs for goods and services required for administration of the housing.

“**CHDO**” means Community Housing Development Organization.

“**Responsible Entity**” for the purpose of HUD funded projects this shall mean the City of Fort Lauderdale.

ARTICLE III FUNDING AND METHOD OF PAYMENT

The maximum deferred loan amount payable by the City under this Agreement shall not exceed a total amount of Seven Hundred Fifty and Zero Cents (**\$750,000.00**) HOME-ARP funds.

Participant may request construction funds from the City for payment of all eligible grant expenses on a reimbursement basis. In the case of real property acquisition, a direct payment to the title company will be made by the City. Participant may not request disbursement of funds under this Agreement until the appropriate documentation has been reviewed and verified by City for payment of eligible costs; said need must be verified in writing by HCD. A HUD Part 58 Environmental Review is required and proper notice be given to the public before any monies can be distributed to Participant or spent by Participant. Please refer to Environmental Review - HUD Exchange for details. The amount of each request must be accompanied by verifiable receipts and limited to the actual amount required to pay for an outstanding invoice submitted by a third party.

Participant shall ensure that any expenditure of HOME-ARP funds will comply with the requirements of HOME-ARP, 2 CFR 200, Davis Bacon Wage Act, Section 3 and acknowledges that HOME-ARP funds will only be provided as reimbursement for eligible costs incurred, including actual expenditures or invoices for work completed.

This is a conditional contract and subject to the “Removal of Grant Conditions” by HUD. Funds cannot be expended before the Request for Release of Funds (RROF) has been approved. Participant will not undertake or commit any funds to physical or choice-limiting actions, including, but not limited to, property acquisition, demolition, movement, rehabilitation, conversion, repair or construction prior to the environmental clearance, and acknowledges that a violation of this provision may result in denial of any funds under this Agreement.

This Agreement will be considered a Preliminary Award, until the Participant has provided the following rehab or acquisition documents to HCD for review and approval relating to the identified an eligible property(ies), *which shall include, but are not limited to::*

- Duly completed Site Specific Environmental Review
- Executed Purchase Agreement or Construction Agreement
- Scope of Work
- Project Budget (including sources and uses of all project funds)
- Project Pro-Forma (covering the 15-year affordability period)
- Project Financing / Subsidy Layering
- The appropriate Environmental documents

- Appraisal
- Proof of site control
- Project Timeline
- Commitment letters for other funding sources
- Proof of meeting replacement reserve requirements for all units
- Provide proof of an established operating reserve in separate account in a federally insured financial institution.
- Proof of sources for operating costs and any operating gap
- Provide Plan for securing any additional private, local, state, or Federal funding sufficient for successful operation of the project.
- Written statement of future intention to continue operating the NCS or will convert the project to permanent affordable housing during the restricted use period once the project meets the minimum use period.

Once the documentation is received, the City will review and underwrite each project and ensure the project is sustainable over the affordability period of fifteen (15) years.

HOME-ARP funding will not be paid until the City has received and approved the following items and conducted the underwriting process:

- Fully Executed Agreement between the City and Participant
- A correctly completed Environmental Review signed by the Responsible Entity
- Proof that all needed funding has been secured.
- Verifiable and Sustainable Budget and Construction Schedule

The City reserves the right to inspect records and project sites to determine that reimbursement and compensation requests are reasonable. The City also reserves the right to make payment until adequate documentation has been received, reviewed, and approved by the City.

Participant shall submit a final invoice upon completion. Final payment shall be made after the City has determined that all services have been rendered, files and documentation delivered, and units have been placed in service in full compliance with HOME-ARP regulations, including submission of completion reports and documentation of eligible occupancy, property standards and recording of restrictive covenants.

ARTICLE IV GRANT ACTIVITIES

Participant shall acquire, rehabilitate, and operate a Non-Congregate Shelter for occupancy by individuals and families that meet one of the Qualifying Populations defined in HUD Notice CPD-21-10.

Participant shall comply with all requirements of 24 CFR 92.350 and 24 CFR part 5, subpart A. including: nondiscrimination and equal opportunity; disclosure requirements; debarred, suspended or ineligible contractors; drug-free work; and housing counseling and the nondiscrimination requirements at Section 282 of NAHA with all applicable HOME-ARP Program regulations.

The Project must comply with applicable federal statutes and laws, including, but not limited to:

- HUD 24 CFR part 92
- Subpart H, 92.352-Environmental review
- Displacement, relocation, and acquisition-92.353
- Lead-based paint-92.355
- Section 104(d) of the Housing and Community Development Act of 1974
- Section 3 requirements established at 24 CFR Part 75
- Conflicts of Interest provisions at 24 CFR 9.356
- Davis Bacon and Related Acts. [Davis-Bacon and Related Acts | U.S. Department of Labor \(dol.gov\)](#)

HUD Rules/ Regulations are subject to change. The Participant should enroll with HUD mailing list ([HUD Mailing Lists | HUD.gov / U.S. Department of Housing and Urban Development \(HUD\)](#)) to keep abreast of changes to rules and regulations. The City shall, in good faith, provide the Participant with applicable changes as they become available.

The Participant must supply to HCD a completed site-specific environmental review form for each site identified for assistance. An environmental clearance notice must be obtained for the proposed Property from HCD staff.

Participant shall submit inspection and appraisal reports (*and all other items listed in Article 3.4 of this agreement*) for evidencing the property's qualification for the Program pursuant to the terms of this Agreement. The reports shall include an estimate of all costs, fees or both for the work required to bring the property to current federal, state and city code requirements. Inspection reports shall include, but not be limited to, lead-based paint, termite, roof, and structural repairs. All appraisals must be in accordance with HUD guidelines. The State of Florida licensed/approved contractors or subcontractors must complete all estimates and work.

Participant shall provide an itemized contractor's estimate for rehabilitation or construction of the proposed Property, ensuring that the costs are consistent with industry standards. In addition, a timeline within which rehabilitation work will be completed shall be submitted to HCD. Time for completion of rehabilitation/ must be in accordance with the fifty (50) business day HCD standard. Penalties / fines will apply for all rehabilitation projects that exceed the fifty (50) business day timeframe.

HCD must review and approve all rehabilitation scopes of work and all scopes of work must be consistent with City building standards.

Prior to closing, the Participant shall provide City an owner's title insurance commitment, together with legible copies of all exceptions to coverage reflected therein, issued by a title insurance company acceptable to City, agreeing to issue to the City at closing, an owner's title insurance policy in the amount of the allocated HOME-ARP funds, insuring the marketability of the fee title, subject only to the those exceptions to the title of the Property together with any other title matters that may be accepted in writing by the City ("Permitted Exceptions"). The cost of said title insurance commitment and title insurance policy and any premium therefore shall be borne by the Participant.

Prior to beginning the rehabilitation process, the Participant shall provide written contracts between contractor and Participant to complete repairs within 150 business days or a timeframe approved by HCD. The contract may include but not be limited to a contract with an architect and/or engineer to prepare construction documents required for permitting, contract with Participant for rehabilitation of the Property. Participant shall be responsible for and obtain all final certificates of occupancy.

When HCD approves Participant's submittals in writing, the following shall occur:

- The execution of a first mortgage and note naming the City as the Mortgagee in the full amount of the award.
- Execute for recordation a restrictive covenant running with land, imposing the affordability restrictions and re-sell requirements. The covenant shall be recorded superior to the mortgage lien to preserve perpetual affordability.
- If converted to permanent supportive housing, the property must remain as Affordable Housing in perpetuity.

FINANCIAL RESPONSIBILITIES

Participant will be required to provide a minimum of 10% of the project cost and demonstrate that additional funding has been secured to successfully complete the project. The City's contribution will not exceed the amount stated under Article III of this agreement.

Acquisition Cost

The maximum acquisition cost will be approved by the HCD office. Fund will be disbursed for acquisition at the time of closing in the form of a wire transfer.

Rehabilitation Cost

Rehabilitation costs will be approved by HCD office based on a written scope of work and cost estimate that will be furnished by Participant and reviewed by HCD's construction review specialist.

Construction Cost

All eligible construction costs associated with rehabilitation or full construction shall be issued on a reimbursement basis or paid directly to the Participant once the work has been inspected by the city's construction review specialist and has been deemed satisfactorily completed.

REHABILITATION OR CONSTRUCTION OF PROPERTY

Participant shall take those actions necessary to obtain the documents required for permitting. Participant will be responsible for obtaining all necessary permits for construction, hiring all contractors, supervising all construction, and ensuring that the HOME-ARPNCs Property meets requirements of the Florida Building Code, local codes, and federal regulations for housing quality

standards and those required to commence and complete construction of the rehabilitation of the HOME-ARP-NCS Property. Participant shall be responsible for all final certificates of occupancy.

Participant shall be responsible for obtaining all releases from contractors, subcontractors, and laborers prior to applying for a final certificate of occupancy.

HOME-ARP-NCS units must comply with all property standards applicable to Non-Congregate Shelter (NCS) projects required in 24 CFR 92.251 paragraphs (a) new construction, (b) rehabilitation projects (c)(1) and (2) acquisition of standard housing.

ARTICLE V RESTRICTIONS AND RESPONSIBILITY

A property purchased, constructed and or rehabilitated by the Participant using HOME-ARP funding shall remain as a HOME-ARP property and be restricted as affordable housing in perpetuity.

The property shall serve individuals and households that meet the definition of a HOME-ARP Qualified Population as defined in HUD Notice CPD-21-10. The definition of homelessness for this agreement is defined in the Code of Federal Regulation § 91.5.

HOME-ARP-NCS must meet the minimum HOME-ARP property standards prior to occupancy and throughout the restricted use period as described in HUD Notice CPD-21-10.

The HOME-ARP-NCS must meet all local building standards.

The HOME-ARP-NCS must have adequate property and flood insurance coverage during the restricted period.

The property must be made available for inspection by the City's inspector during construction and throughout the restricted period. Inspection will be done as needed but at minimum once every 12 months during the restricted period.

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 unless the PJ determines such fees and charges are customary and reasonable and the charges comply with 24 CFR 578.77(b).

Should the Participant choose to convert the units to Permanent Supportive Housing as allowed by the HOME-ARP rules, The units at that time must operated in compliance with 24 CFR § 578.37(a)(1)(i).

ARTICLE VI SCOPE OF SERVICES

For purposes of this Agreement, the Effective Date of this Agreement shall be _____. By _____ the Participant shall expend the contracted amount provided in Article III in accordance with the terms of this Agreement to acquire and develop an NCS for individuals and families that meet one of the Qualifying Populations. If the Participant fails to expend the contracted amount by _____, this Agreement with the City may terminate funding.

In the event the Participant is unable to meet the above schedule or complete the above services because of delays resulting from Acts of God, untimely review and approval by the City and other governmental authorities having jurisdiction over the project, or other delays that are not caused by the Participant, the HCD Manager may grant a reasonable extension of time for completion of the work. It shall be the responsibility of the Participant to notify the City promptly in writing whenever a work delay is anticipated or experienced, and to inform the City of all facts and details related to the delay.

Participant shall be solely responsible for completing all activities as provided in this Agreement using **Exhibit A (City HOME-ARP Policy)** as a guideline.

Participant, subject to the terms and conditions herein, shall be solely responsible for executing a Contract, (hereinafter "Construction Contract") between itself and any eligible contractor for performance of necessary construction work that meets all the terms and conditions of the HOME-ARP program regulations, found at 24 CFR 92.

Participant shall not award any grant funds for expenditures made in connection with this Agreement without HCD consent. HCD will ensure that all expenditures conform to the City's housing policies and guidelines as well as to applicable federal regulations and local housing ordinances.

Participant agrees to provide information as may be requested by HCD to document its continued compliance, including but not limited to, an annual board roster and certification of continued compliance. All assets acquired by Participant with HOME-ARP funds pursuant to this Agreement shall revert to the City upon the dissolution of Participant or upon Participant's failure to maintain its status as an eligible CHDO.

NCS assisted with HOME-ARP funds must meet the affordability requirements of 24 CFR 92. The City will require repayment of any funds from Participant used to assist housing not meeting the standards for the required affordability period.

Participant shall establish procurement procedures to ensure that materials and services are obtained in a cost-effective manner. When procuring for services to be provided under this Agreement, the Participant shall comply at a minimum with the nonprofit procurement standards at 24 CFR 84.40-48.

The Participant will have up to 3 months to acquire all projected properties and must start rehabilitation/construction within 12 months from the execution date of the written agreement.

Once the properties are acquired, the Participant will have up to twelve (12) months to complete the rehabilitation or construction on all units and an additional six (6) months to ensure all units are occupied.

ARTICLE VII

OTHER FEDERAL REQUIREMENTS

Participant must comply with the following requirements: 24 CFR § 92, subpart H 92.352-Environmental review; 92.353-Displacement, relocation, and acquisition; and 92.355-Lead-based paint.

Participant must comply with 24 CFR 92.350. and Federal requirements set forth in 24CFR § 5, subpart A, including: nondiscrimination and equal opportunity; disclosure requirements; debarred, suspended or ineligible contractors, drug-fee work; and housing counseling and the nondiscrimination requirements of section 282 of the National Affordable Housing Act (NAHA). The requirements in section 282 of NAHA are waived in connection with the use of HOME-ARP funds on lands set aside under the Hawaiian HOME-ARP Commission Act, 1920(42 Stat.108). Participant must also comply with the Violence Against Women Act (VAWA) requirements set forth in 24 CFR§ 92.359.

Affirmative Marketing and Minority Outreach- 24 CFR§92.352

Labor Standards as required - 24 CFR§ 92.354.

Section 3 requirements - 24 CFR § 75

Conflicts of Interest - 24 CFR § 92.356, (d)(e)(f)

Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, 2 CFR 200

And any other applicable Code or Ordinance as required by the Federal Government, State Government, County and City

ARTICLE VIII

MONITORING AND RECORD KEEPING

Participant must annually provide the City with information of occupancy of HOME-ARP to demonstrate compliance.

Participant shall comply with the applicable policies, guidelines, and requirements of OMB Circular Nos. A-87, A-102, and A-122 relative to the acceptance and use of HOME-ARP grant amounts by the Participant and any sub-recipients, as required by 24 CFR 92.

Participant shall ensure that all financial records, supporting documents, statistical records, and any other documents pertinent to this Agreement and the administration of the program under the regulations are preserved and made available as required.

The Participant shall collect and maintain project beneficiary information pertaining to household size, income levels, racial characteristics, and the presence of female headed households to determine low-income benefit in a cumulative and individual manner. Income documentation shall be in a form consistent with HOME-ARP requirements as stated in the HUD Technical Guide for Determining Income and Allowances under the HOME-ARP Program.

Audits must be conducted in accordance with 24 CFR 85 and OMB Circular A-133 now part of 2 CFR 200.

**ARTICLE IX
TERMINATION OF AGREEMENT**

In the event funds to finance the project set forth in this Agreement become unavailable, the obligations of each party hereunder may be terminated upon no less than twenty-four hours written notice to the other party.

If the Participant fails to perform any of the provisions or terms of this Agreement, the City may, by written notice of breach to the Participant, terminate all or any part of this Agreement.

Termination shall be upon no less than twenty-four hours' notice, in writing, delivered by certified mail, or in person.

No waiver by the City of any breach of any provision of this Agreement shall be deemed to be a waiver of any other provision or be construed to be a modification of the terms of this Agreement.

Any notice by either party under this Agreement should be deemed sufficient if given in writing and hand delivered or sent by registered or certified mail, postage prepaid and return receipt requested, to the appropriate parties indicated below:

(a) As to the City: Greg Chavarria, City Manager
City of Fort Lauderdale
100 North Andrews Avenue
Fort Lauderdale, Florida 33301

(b) With a Copy to: City Attorney
City of Fort Lauderdale
100 North Andrews Avenue
Fort Lauderdale, Florida 33301

(c) As to the Participant: _____

ARTICLE X INDEMNIFICATION CLAUSE

Participant shall indemnify and save harmless and defend City, its agents, servants, and employees from and against all claims, demands or causes of action of whatsoever kind or nature arising out of error, omission, negligent act, conduct or misconduct of Participant, its agents, servants, or employees in the performance of services under this Agreement.

ARTICLE XI INSURANCE REQUIREMENTS

As a condition precedent to the effectiveness of this Agreement, during the term of this Agreement and during any renewal or extension term of this Agreement, the Participant, at its sole expense, shall provide insurance of such types and with such terms and limits as noted below. Providing proof of and maintaining adequate insurance coverage are material obligations of the Participant. The Participant shall provide the City a certificate of insurance evidencing such coverage. The Participant's insurance coverage shall be primary insurance for all applicable policies. The limits of coverage under each policy maintained by the Participant shall not be interpreted as limiting the Participant's liability and obligations under this Agreement. All insurance policies shall be through insurers authorized or eligible to write policies in the State of Florida and possess an A.M. Best rating of A-, VII or better, subject to approval by the City's Risk Manager.

The coverages, limits, and/or endorsements required herein protect the interests of the City, and these coverages, limits, and/or endorsements shall in no way be required to be relied upon by the Participant for assessing the extent or determining appropriate types and limits of coverage to protect the Participant against any loss exposures, whether as a result of this Agreement or otherwise. The requirements contained herein, as well as the City's review or acknowledgement, are not intended to and shall not in any manner limit or qualify the liabilities and obligations assumed by the Participant under this Agreement.

The following insurance policies and coverages are required:

Commercial General Liability

Coverage must be afforded under a Commercial General Liability policy with limits not less than:

- \$1,000,000 each occurrence and \$2,000,000 aggregate for Bodily Injury, Property Damage, and Personal and Advertising Injury
- \$1,000,000 each occurrence and \$2,000,000 aggregate for Products and Completed Operations

Policy must include coverage for contractual liability and independent contractors.

The City, a Florida municipal corporation, its officials, employees, and volunteers are to be covered as an additional insured with a CG 20 26 04 13 Additional Insured – Designated Person or Organization Endorsement or similar endorsement providing equal or broader Additional Insured Coverage with respect to liability arising out of activities performed by or on behalf of the

Participant. The coverage shall contain no special limitation on the scope of protection afforded to the City, its officials, employees, and volunteers.

Business Automobile Liability

Coverage must be afforded for all Owned, Hired, Scheduled, and Non-Owned vehicles for Bodily Injury and Property Damage in an amount not less than \$1,000,000 combined single limit each accident.

If the Participant does not own vehicles, the Participant shall maintain coverage for Hired and Non-Owned Auto Liability, which may be satisfied by way of endorsement to the Commercial General Liability policy or separate Business Auto Liability policy.

Directors and Officers / Professional Liability

Coverage must be afforded for Wrongful Acts in an amount not less than \$1,000,000 each claim and \$2,000,000 aggregate.

Participant must keep insurance in force until the third anniversary of expiration of this Agreement or the third anniversary of acceptance of work by the City.

Property Coverage (Builder's Risk)

Coverage must be afforded in an amount not less than 100% of the total project cost, including soft costs, with a deductible of no more than \$25,000 for each claim. Coverage form shall include, but not be limited to:

- All Risk Coverage including Flood and Windstorm with no coinsurance clause.
- Guaranteed policy extension provision
- Waiver of Occupancy Clause Endorsement, which will enable the City to occupy the facility under construction/renovation during the activity.
- Storage and transport of materials, equipment, supplies of any kind whatsoever to be used on or incidental to the project.
- Equipment Breakdown for cold testing of all mechanized, pressurized, or electrical equipment

This policy shall insure the interests of the owner, Participant, and subcontractors in the property against all risk of physical loss and damage and name the City as a loss payee. This insurance shall remain in effect until the work is completed and the property has been accepted by the City.

Workers' Compensation and Employer's Liability

Coverage must be afforded per Chapter 440, Florida Statutes. Any person or entity performing work for or on behalf of the City must provide Workers' Compensation insurance. Exceptions and exemptions will be allowed by the City's Risk Manager, if they are in accordance with Florida Statute.

The Participant waives, and the Participant shall ensure that the Participant's insurance carrier waives, all subrogation rights against the City and the City's officers, employees, and volunteers for all losses or damages. The City requires the policy to be endorsed with WC 00 03 13 Waiver of our Right to Recover from Others or equivalent.

The Participant must be in compliance with all applicable State and federal workers' compensation laws, including the U.S. Longshore Harbor Workers' Act and the Jones Act, if applicable.

Insurance Certificate Requirements

- a. The Participant shall provide the City with valid Certificates of Insurance (binders are unacceptable) no later than thirty (30) days prior to the start of work contemplated in this Agreement.
- b. The Participant shall provide to the City a Certificate of Insurance having a thirty (30) day notice of cancellation; ten (10) days' notice if cancellation is for nonpayment of premium.
- c. In the event that the insurer is unable to accommodate the cancellation notice requirement, it shall be the responsibility of the Participant to provide the proper notice. Such notification will be in writing by registered mail, return receipt requested, and addressed to the certificate holder.
- d. In the event the Agreement term goes beyond the expiration date of the insurance policy, the Participant shall provide the City with an updated Certificate of Insurance no later than ten (10) days prior to the expiration of the insurance currently in effect. The City reserves the right to suspend the Agreement until this requirement is met.
- e. The Certificate of Insurance shall indicate whether coverage is provided under a claims-made or occurrence form. If any coverage is provided on a claims-made form, the Certificate of Insurance must show a retroactive date, which shall be the effective date of the initial contract or prior.
- f. The City shall be named as an Additional Insured on the Commercial General Liability and Directors and Officers / Professional Liability policies.
- g. The City shall be granted a Waiver of Subrogation on the Participant's Workers' Compensation insurance policy.
- h. The title of the Agreement, Bid/Contract number, event dates, or other identifying reference must be listed on the Certificate of Insurance.

The Certificate Holder should read as follows:

City of Fort Lauderdale
100 N. Andrews Avenue
Fort Lauderdale, FL 33301

The Participant has the sole responsibility for all insurance premiums and shall be fully and solely responsible for any costs or expenses as a result of a coverage deductible, co-insurance penalty, or self-insured retention; including any loss not covered because of the operation of such deductible, co-insurance penalty, self-insured retention, or coverage exclusion or limitation. Any costs for adding the City as an Additional Insured shall be at the Participant's expense.

If the Participant's primary insurance policy/policies do not meet the minimum requirements, as set forth in this Agreement, the Participant may provide evidence of an Umbrella/Excess insurance policy to comply with this requirement.

The Participant's insurance coverage shall be primary insurance as respects to the City, a Florida municipal corporation, its officials, employees, and volunteers. Any insurance or self-insurance maintained by the City, a Florida municipal corporation, its officials, employees, or volunteers shall be non-contributory.

Any exclusion or provision in any insurance policy maintained by the Participant that excludes coverage required in this Agreement shall be deemed unacceptable and shall be considered breach of contract.

All required insurance policies must be maintained until the contract work has been accepted by the City, or until this Agreement is terminated, whichever is later. Any lapse in coverage shall be considered breach of contract. In addition, Participant must provide to the City confirmation of coverage renewal via an updated certificate should any policies expire prior to the expiration of this Agreement. The City reserves the right to review, at any time, coverage forms and limits of Participant's insurance policies.

The Participant shall provide notice of any and all claims, accidents, and any other occurrences associated with this Agreement to the Participant's insurance company or companies and the City's Risk Management office, as soon as practical.

It is the Participant's responsibility to ensure that any and all of the Participant's independent contractors and subcontractors comply with these insurance requirements. All coverage for independent contractors and subcontractors shall be subject to all of the applicable requirements stated herein. Any and all deficiencies are the responsibility of the Participant.

ARTICLE XII LIMITATION OF LIABILITY

The City desires to enter into this Agreement only if in so doing the City can place a limit on the City's liability for any cause of action arising out of this Agreement, so that the City's liability for any breach never exceeds the sum of \$1,000. For other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Participant expresses its willingness to enter into this Agreement with the knowledge that the Participant's recovery from the City to any action or claim arising from the Agreement is limited to a maximum amount of \$1,000, which amount shall be reduced by the amount actually paid by the City to the Participant pursuant to this Agreement, for any action or claim arising out of this Agreement. Nothing contained in this paragraph or elsewhere in this Agreement is in any way intended either to be a waiver of the limitation placed upon the City's liability as set forth in Section 768.28, Florida Statutes (2022), as may be amended or revised, or to extend the City's liability beyond the limits established in said Section 768.28, Florida Statutes (2022), as may be amended or revised; and no claim or award against the City shall include attorney's fees, investigative costs, expert fees, suit costs or pre-judgment interest. This provision shall survive any early cancellation or termination of this Agreement.

ARTICLE XIII AMENDMENT

The parties reserve the right to modify, by mutual consent, terms, and conditions of this Agreement to successfully and fully complete the grant activities and services listed. Any such amendments must be reduced to writing and executed by the authorized City and Participant official.

**ARTICLE XIV
VENUE**

The Agreement shall be interpreted and construed in accordance with, and governed by, the laws of the state of Florida. The Parties agree that the exclusive venue for any lawsuit arising from, related to, or in connection with this Agreement shall be in the state courts of the Seventeenth Judicial Circuit in and for Broward County, Florida. If any claims arising from, related to, or in connection with this Agreement must be litigated in federal court, the Parties agree that the exclusive venue for any such lawsuit shall be in the United States District Court or United States Bankruptcy Court for the Southern District of Florida. **BY ENTERING INTO THIS AGREEMENT, THE PARTIES HEREBY EXPRESSLY WAIVE ANY AND ALL RIGHTS EITHER PARTY MIGHT HAVE TO A TRIAL BY JURY OF ANY ISSUES RELATED TO THIS AGREEMENT. IF A PARTY FAILS TO WITHDRAW A REQUEST FOR A JURY TRIAL IN A LAWSUIT ARISING OUT OF THIS AGREEMENT AFTER WRITTEN NOTICE BY THE OTHER PARTY OF VIOLATION OF THIS SECTION, THE PARTY MAKING THE REQUEST FOR JURY TRIAL SHALL BE LIABLE FOR THE REASONABLE ATTORNEYS' FEES AND COSTS OF THE OTHER PARTY IN CONTESTING THE REQUEST FOR JURY TRIAL, AND SUCH AMOUNTS SHALL BE AWARDED BY THE COURT IN ADJUDICATING THE MOTION.**

**ARTICLE XV
PUBLIC RECORDS**

IF THE PARTICIPANT HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO THE PARTICIPANT'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS AGREEMENT, CONTACT THE CUSTODIAN OF PUBLIC RECORDS AT PRRCONTRACT@FORTLAUDERDALE.GOV, 954-828-5002, CITY CLERK'S OFFICE, 100 N. ANDREWS AVENUE, FORT LAUDERDALE, FLORIDA 33301.

Participant shall comply with public records laws, and Participant shall:

1. Keep and maintain public records required by the City in order to perform the service.
2. Upon request from the City's custodian of public records, provide the City with a copy of the requested records or allow the records to be inspected or copied within a reasonable time at a cost that does not exceed the cost provided in Chapter 119, Florida Statutes (2022), as may be amended or revised, or as otherwise provided by law.
3. Ensure that public records that are exempt or confidential and exempt from public records disclosure requirements are not disclosed except as authorized by law for the duration of the contract term and following completion of this Agreement if the Participant does not transfer the records to the City.
4. Upon completion of the Agreement, transfer, at no cost, to the City all public records in possession of the Participant or keep and maintain public records required by the City to perform the service. If the Participant transfers all public records to the City upon completion of this

Agreement, the Participant shall destroy any duplicate public records that are exempt or confidential and exempt from public records disclosure requirements. If the Participant keeps and maintains public records upon completion of this Agreement, the Participant shall meet all applicable requirements for retaining public records. All records stored electronically must be provided to the City, upon request from the City's custodian of public records, in a format that is compatible with the information technology systems of the City.

ARTICLE XVI NON-DISCRIMINATION

The Participant shall not discriminate against its employees based on the employee's race, color, religion, gender, gender identity, gender expression, marital status, sexual orientation, national origin, age, disability, or any other protected classification as defined by applicable law.

1. The Participant certifies and represents that the Participant offers the same health benefits to the domestic partners of its employees as are offered its employees' spouses or offers its employees the cash equivalent of such health benefits because it is unable to provide health benefits to its employees' domestic partners, and that the Participant will comply with Section 2-187, Code of Ordinances of the City of Fort Lauderdale, Florida, (2022), as may be amended or revised, ("Section 2-187"), during the entire term of this Agreement.
2. The failure of the Participant to comply with Section 2-187 shall be deemed to be a material breach of this Agreement, entitling the City to pursue any remedy stated below or any remedy provided under applicable law.
3. The City may terminate this Agreement if the Participant fails to comply with Section 2- 187.
4. The City may retain all monies due or to become due until the Participant complies with Section 2-187.
5. The Participant may be subject to debarment or suspension proceedings. Such proceedings will be consistent with the procedures in section 2-183 of the Code of Ordinances of the City of Fort Lauderdale, Florida.

ARTICLE XVII E-VERIFY

As a condition precedent to the effectiveness of this Agreement, pursuant to Section 448.095, Florida Statutes (2023), as may be amended or revised, the Participant and its subcontractors shall register with and use the E-Verify system to electronically verify the employment eligibility of newly hired employees.

1. The Participant shall require each of its subcontractors, if any, to provide the Participant with an affidavit stating that the subcontractor does not employ, contract with, or subcontract with an unauthorized alien. The Participant shall maintain a copy of the subcontractor's affidavit for the

duration of this Agreement and in accordance with the public records requirements of this Agreement.

2. The City, the Participant, or any subcontractor who has a good faith belief that a person or entity with which it is contracting has knowingly violated Subsection 448.09(1), Florida Statutes (2022), as may be amended or revised, shall terminate the contract with the person or entity.

3. The City, upon good faith belief that a subcontractor knowingly violated the provisions of Subsection 448.095(5), Florida Statutes (2023), as may be amended or revised, but that the Participant otherwise complied with Subsection 448.095(5), as may be amended, or revised, shall promptly notify Participant and order the Participant to immediately terminate the contract with the subcontractor, and the Participant shall comply with such order.

4. A contract terminated under Subparagraph 448.095(5)(c)1. or 2., Florida Statutes (2023), as may be amended or revised, is not a breach of contract and may not be considered as such. If the City terminates this contract under Paragraph 448.095(5)(c), Florida Statutes (2023), as may be amended or revised, the Participant may not be awarded a public contract for at least one year after the date on which the contract was terminated. The Participant is liable for any additional costs incurred by the City as a result of termination of this Agreement.

5. Participant shall include in each of its subcontracts, if any, the requirements set forth in this Article, including this subparagraph, requiring any and all subcontractors, as defined in Subsection 448.095(1)(c), Florida Statutes (2023), as may be amended or revised, to include all of the requirements of this Article. in their subcontracts. Participant shall be responsible for compliance by any and all subcontractors, as defined in Subsection 448.095(1)(e), Florida Statutes (2023), as may be amended or revised, with the requirements of Section 448.095, Florida Statutes (2023), as may be amended or revised.

[THIS SPACE WAS INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties hereto have set their hands and seals the date first written above.

CITY

WITNESSES:

CITY OF FORT LAUDERDALE, a Florida
Municipal Corporation

Signature

BY: _____
Greg Chavarria, City Manager

[Witness print name]

Signature

[Witness print name]

ATTEST:

(CORPORATE SEAL)

David R. Solomon, City Clerk

APPROVED AS TO FORM AND CORRECTNESS:
Thomas J. Ansbro, City Attorney

Patricia SaintVil-Joseph
Assistant City Attorney

PARTICIPANT

_____, a Florida non-profit corporation

WITNESSES :

Signature

[Witness print name]

Signature

[Witness print name]

By: _____

Date: _____

Attest:

Secretary

(CORPORATE SEAL)

STATE OF FLORIDA:
COUNTY OF BROWARD:

The foregoing instrument was acknowledged before me of physical presence or online, this ____ day of _____ 2023, by (Signor) _____ as (Title) _____ for (Corporation), a Florida non-profit corporation, on behalf of the corporation. He/She, is personally known to me or have produced _____ as identification.

(NOTARY SEAL)

Notary Public, State of Florida (Signature of Notary taking Acknowledgment)

Name of Notary Typed, Printed or Stamped

My Commission Expires: _____

Commission Number: _____

CITY OF FORT LAUDERDALE BID/PROPOSAL CERTIFICATION

Please Note: It is the sole responsibility of the bidder/proposer to ensure that their response is submitted electronically through the [City's on-line strategic sourcing platform](#) prior to the bid opening date and time listed. Paper bid submittals will not be accepted. All fields below must be completed. If the field does not apply to you, please note N/A in that field.

If you are a foreign corporation, you may be required to obtain a certificate of authority from the department of state, in accordance with Florida Statute §607.1501 (visit <http://www.dos.state.fl.us/>).

Company: (Legal Registration) _____ EIN (Optional): _____

Address: _____

City: _____ State: _____ Zip: _____

Telephone No.: _____ FAX No.: _____ Email: _____

Delivery: Calendar days after receipt of Purchase Order (**section 1.02 of General Conditions**): _____

Total Bid Discount (**section 1.05 of General Conditions**): _____

Check box if your firm qualifies for DBE (**section 1.09 of General Conditions**):

ADDENDUM ACKNOWLEDGEMENT - Proposer acknowledges that the following addenda have been received and are included in the proposal:

Addendum No.	Date Issued	Addendum No.	Date Issued	Addendum No.	Date Issued	Addendum No.	Date Issued
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____

VARIANCES: If you take exception or have variances to any term, condition, specification, scope of service, or requirement in this competitive solicitation you must specify such exception or variance in the space provided below or reference in the space provided below all variances contained on other pages within your response. Additional pages may be attached if necessary. No exceptions or variances will be deemed to be part of the response submitted unless such is listed and contained in the space provided below. The City does not, by virtue of submitting a variance, necessarily accept any variances. If no statement is contained in the below space, it is hereby implied that your response is in full compliance with this competitive solicitation. If you do not have variances, simply mark N/A.

The below signatory hereby agrees to furnish the following article(s) or services at the price(s) and terms stated subject to all instructions, conditions, specifications addenda, legal advertisement, and conditions contained in the bid/proposal. I have read all attachments including the specifications and fully understand what is required. By submitting this signed proposal, I will accept a contract if approved by the City and such acceptance covers all terms, conditions, and specifications of this bid/proposal. The below signatory also hereby agrees, by virtue of submitting or attempting to submit a response, that in no event shall the City's liability for respondent's direct, indirect, incidental, consequential, special or exemplary damages, expenses, or lost profits arising out of this competitive solicitation process, including but not limited to public advertisement, bid conferences, site visits, evaluations, oral presentations, or award proceedings exceed the amount of Five Hundred Dollars (\$500.00). This limitation shall not apply to claims arising under any provision of indemnification or the City's protest ordinance contained in this competitive solicitation.

Submitted by:

Name (printed)

Signature

Date

Title



NON-COLLUSION STATEMENT

By signing this offer, the vendor/contractor certifies that this offer is made independently and *free* from collusion. Vendor shall disclose below any City of Fort Lauderdale, FL officer or employee, or any relative of any such officer or employee who is an officer or director of, or has a material interest in, the vendor's business, who is in a position to influence this procurement.

Any City of Fort Lauderdale, FL officer or employee who has any input into the writing of specifications or requirements, solicitation of offers, decision to award, evaluation of offers, or any other activity pertinent to this procurement is presumed, for purposes hereof, to be in a position to influence this procurement.

For purposes hereof, a person has a material interest if they directly or indirectly own more than 5 percent of the total assets or capital stock of any business entity, or if they otherwise stand to personally gain if the contract is awarded to this vendor.

In accordance with City of Fort Lauderdale, FL Policy and Standards Manual, 6.10.8.3,

3.3. City employees may not contract with the City through any corporation or business entity in which they or their immediate family members hold a controlling financial interest (e.g., ownership of five (5) percent or more).

3.4. Immediate family members (spouse, parents, and children) are also prohibited from contracting with the City subject to the same general rules.

Failure of a vendor to disclose any relationship described herein shall be reason for debarment in accordance with the provisions of the City Procurement Code.

<u>NAME</u>	<u>RELATIONSHIPS</u>
_____	_____
_____	_____

In the event the vendor does not indicate any names, the City shall interpret this to mean that the vendor has indicated that no such relationships exist.

Authorized Signature

Title

Name (Printed)

Date



**CONTRACTOR'S CERTIFICATE OF COMPLIANCE WITH
NON-DISCRIMINATION PROVISIONS OF THE CONTRACT**

The completed and signed form should be returned with the Contractor's submittal. If not provided with submittal, the Contractor must submit within three business days of City's request. Contractor may be deemed non-responsive for failure to fully comply within stated timeframes.

Pursuant to City Ordinance Sec. 2-17(a)(i)(ii), bidders must certify compliance with the Non-Discrimination provision of the ordinance.

- A. Contractors doing business with the City shall not discriminate against their employees based on the employee's race, color, religion, gender (including identity or expression), marital status, sexual orientation, national origin, age, disability, or any other protected classification as defined by applicable law.

Contracts. Every Contract exceeding \$100,000, or otherwise exempt from this section shall contain language that obligates the Contractor to comply with the applicable provisions of this section.

The Contract shall include provisions for the following:

- (i) The Contractor certifies and represents that it will comply with this section during the entire term of the contract.
- (ii) The failure of the Contractor to comply with this section shall be deemed to be a material breach of the contract, entitling the City to pursue any remedy stated below or any remedy provided under applicable law.

Authorized Signature

Print Name and Title

Date



E-VERIFY AFFIRMATION STATEMENT

Solicitation/Bid /Contract No: _____

Project Description:

Contractor/Proposer/Bidder acknowledges and agrees to utilize the U.S. Department of Homeland Security's E-Verify System to verify the employment eligibility of,

- A. all persons employed by Contractor/Proposer/Bidder to perform employment duties within Florida during the term of the Contract, and,
- B. all persons (including subcontractors/vendors) assigned by Contractor/Proposer/Bidder to perform work pursuant to the Contract.

The Contractor/Proposer/Bidder acknowledges and agrees that use of the U.S. Department of Homeland Security's E-Verify System during the term of the Contract is a condition of the Contract.

Contractor/Proposer/ Bidder Company Name: _____

Authorized Company Person's Signature: _____

Authorized Company Person's Title: _____

Date: _____

Executive Summary Report

of

Event: 235-3 - HOME-ARP Non-Congregate Shelters

Buyer: PAULETTE HEMMINGS TURNER

Date Range: 01/05/2024 04:00:00 PM - 03/29/2024
02:00:00 PM

**All Suppliers 1
Responding:**

Suppliers Responding

Supplier	Contact	Phone Number	E Mail	City	State Or Province	Total Bid Amount	Total Awarded	Response Attachments Exist
H.O.M.E.S, Inc.	Guy Kempe	563-5454	gtkempe@homesfl.org	Fort Lauderdale	FL	750,000.00	0.00	Yes

Event Lines And Responses

Item	Description	Unit of Measure	Quantity
HOME ARP NON-CONGREGATE SHELTER-	RFP for HOME ARP for Non-Congregate Shelters	LS	1.0000

Responses

Supplier	Bid Quantity	Unit of Measure	Unit Price	Award Amount
H.O.M.E.S, Inc.	1.0000	LS	750,000.00000000	0.00

Header Questions And Responses

QUESTION

Did you sign and attach Attachments 1-5

continued...

Question Responses

Supplier	Response	Has Attachment
H.O.M.E.S, Inc.	Yes	Yes

QUESTION

Did you sign and attach all the Required Forms?

Question Responses

Supplier	Response	Has Attachment
H.O.M.E.S, Inc.	Yes	Yes

Contacts

Name	Email
PAULETTE HEMMINGS TURNER	pturner@fortlauderdale.gov

Q And A

Supplier	Question	Answer
H.O.M.E.S, Inc.	This solicitation anticipates that a Developer will "blend" some number of public sources with HOME - ARP such as SHIP together with private foundation and a traditional mortgage. Is the more restrictive terms of another source acceptable?	If the terms of the funding sources are more restrictive than HOME-ARP, its acceptable as long as they serve the same target population.