

**Northeast Tennessee / Virginia HOME Consortium
HOME-ARP Allocation Plan
Template with Guidance
March 2023**

Intro

The Northeast Tennessee / Virginia HOME Consortium was created under Title I of the Housing and Community Development Act of 1974, as amended. This Consortium was initially funded in 2003 and was the first in the State of Tennessee. The Consortium includes Tennessee cities of Bluff City, Bristol, Johnson City and Kingsport, and the City of Bristol, Virginia. The Consortium also includes Washington and Sullivan Counties in Tennessee. The City of Bristol Tennessee serves as lead entity. The First Tennessee Development District serves as administrative agent and provides services in the completion of activities/projects.

Instructions: All guidance in this template, including questions and tables, reflect requirements for the HOME-ARP allocation plan, as described in Notice CPD-21-10: *Requirements of the Use of Funds in the HOME-American Rescue Plan Program*, unless noted as optional. As the requirements highlighted in this template are not exhaustive, please refer to the Notice for a full description of the allocation plan requirements as well as instructions for submitting the plan, the SF-424, SF-424B, SF-424D, and the certifications.

References to “the ARP” mean the HOME-ARP statute at section 3205 of the American Rescue Plan Act of 2021 (P.L. 117-2).

Consultation

In accordance with Section V.A of the Notice (page 13), before developing its HOME-ARP allocation plan, at a minimum, a PJ must consult with:

- CoC(s) serving the jurisdiction’s geographic area,
- homeless service providers,
- 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.

Template:

Describe the consultation process including methods used and dates of consultation:

The Northeast Tennessee / Virginia HOME Consortium, with its administering agent the First Tennessee Development District performed consultations with area agencies located within their jurisdiction. This initial consultation included an informational email on 12/9/2022, to 56 individuals from various agencies throughout the Consortium's service area. The email contained an explanation of the reason for the survey, a definition of the qualifying population and eligible activities for the HOME-ARP funds.

Several responses were received, however, a follow-up survey request was emailed on 1/5/2023 to those agencies who had not responded.

A follow-up request for the area's CoC, ARCH, was sent via email on 1/6/23 for additional information regarding housing inventory count, shelters, numbers of beds and units.

A public meeting for comment was held 1/10/2023 at 10:00 AM during the Northeast Tennessee / Virginia HOME Consortium Board Meeting. No comments were received.

The Consortium forwarded an email request on 1/10/2023 to the local real estate association for information on the area's housing market study, general housing vacancy rates, rental costs data, cost burden for families, changes in rental levels, etc.

Follow-up emails requesting additional information were sent on 1/11/2023 to the Bristol Housing Authority, Johnson City Housing Authority and Kingsport Housing and Redevelopment Agency.

In-person meetings were held with the CoC, ARCH and Grow Free, a domestic violence/human trafficking agency on 1/17/2023 to gather their input regarding issues within the region.

Emails were also forwarded on 1/23/2023 to the State of Virginia and Healing Hands Health Center with the survey questions asking for input.

A telephone conference was held with the other area CoC, People Incorporated of Virginia on 1/26/2023 to discuss survey responses and additional input regarding issues within the region.

An information request email was forwarded 1/30/2023 to the remaining area public housing agency, Bristol Virginia Housing Authority and responses were received.

List the organizations consulted:

| Agency/Org Consulted | Type of Agency/Org | Method of Consultation | Feedback |
|---|---|----------------------------|---|
| Appalachian Regional Coalition on Homelessness | Continuum of Care | Survey / In-Person Meeting | Lack of housing including transitional and rapid rehousing. Very limited rentals available due to cost or extenuating circumstances. Few landlords are willing to rent to populations with no income, criminal history, substance use, etc. |
| People Incorporated of Virginia | Continuum of Care | Survey / Phone Conference | Services or programs needed to help with co-occurring issues faced by many homeless individuals, such as mental health, substance abuse and transportation. Additionally, while funding available for vouchers, they are unable to find affordable rental house where they can be used. Rents are out of the affordability range dictated by funders or landlords will select households with a more stable income history. |
| Abuse Alternatives, Inc. | Domestic Violence Intervention Service Provider | Survey | Affordable rental property is not available for the majority of clients served. |
| Grow Free, TN | Domestic Violence / Human Trafficking Intervention Service Provider | In-Person Meeting | Case management and housing for those served. When notified of a new client, housing is sought from the agencies in the area, however, most are normally at capacity. Client may not be willing to relocate to their Knoxville facility for housing. Victims may also have criminal background due to charges stemming from their situation which makes finding rentals more difficult. |

| Agency/Org Consulted | Type of Agency/Org | Method of Consultation | Feedback |
|---|---|------------------------|---|
| Bristol City Health Department | Local Government | Survey | No Comments Provided |
| Bristol Public Library | Local Government that address the needs of the qualifying populations | Survey | Mental health and counseling assistance is needed to determine how they arrived in their current position, where they would like to be and someone to assist guiding them through the programs and services available. |
| Crossroads Medical Mission | Non-profit Faith Based Medical Services Provider that addresses the needs of the qualifying populations | Survey | Difficult to find rental property and agencies have exhausted their rental assistance funds. Many of the people served have broken the rules or stayed a maximum amount of time where they are housed. QP's need guidance in every step of the way to obtain and maintain housing. |
| Disabled American Veterans Chapter 39 | Veterans Group Services Provider | Survey | Prices for housing is high. Other barriers with renting occur when completing rental applications, areas such as employment/credit history for qualifying individuals are a challenge when you are helping someone get back on their feet. Veterans need help to follow through and a better job of utilizing services. |
| ETSU Health Johnson City Downtown Day Center | Health Services Provider that addresses the needs of the qualifying populations | Survey | Transitional housing is stated as priority need. Landlords are unwilling to work with individuals who do not have a stable income. |
| Family Promise of Bristol | Non-Profit Services Provider that addresses the needs of the qualifying populations | Survey | Lack of housing availability, in conjunction with rising rental prices and rental assistance programs with Fair Market Rent Values which are lower than rent for available units. More shelter beds and housing inventory is |

| Agency/Org Consulted | Type of Agency/Org | Method of Consultation | Feedback |
|--|---|------------------------|---|
| | | | needed. Increase of intensive case management services would also benefit clients. The need is great for permanent supportive housing. |
| Hope Haven Ministries | Non-Profit Services Provider that addresses the needs of the qualifying populations | Survey | Housing is priority. It is taking too long to be qualified for housing and then placed into housing. Application process and wait times are too long. Additionally, available housing is very slim. More low-income housing needs to be built. |
| United Way of Bristol TN / VA | Non-Profit Services Provider that addresses the needs of the qualifying populations | Survey | Need for housing, as there is a lack of affordable rentals, transitional housing and emergency housing. Landlords are selling property resulting in evictions of current tenants as new owners are doubling/tripling rents. Evictions due to rent increases are a barrier to obtaining new housing. There is an unmet need of emergency shelters for families, intensive case management to stabilize struggling families and agencies inability to financially assist at the previous level because of rent increases. |
| United Way of Greater Kingsport | Non-Profit Services Provider that addresses the needs of the qualifying populations | Survey | Transitional housing is greatest need as it currently takes 6 months to transition someone from homeless to housing. Additional funding for deposits and first month's rent is needed as it is taking those on fixed income longer to find housing. Case management for those in shelters is a must as the system is too complicated to navigate alone. |

| Agency/Org Consulted | Type of Agency/Org | Method of Consultation | Feedback |
|--|---|------------------------|--|
| Upper East Tennessee Human Development Agency | State Government Agency that addresses the needs of the qualifying populations | Survey | Agency has seen a huge housing shortage in the region for low-income families. Housing is not available and what is available is not affordable or in a safe and livable condition. Rent prices have sky-rocketed causing an increase in homelessness. There are some resources available but many cannot find affordable housing at this time. |
| Virginia Department of Health | State Government that addresses the needs of the qualifying populations | Survey | Priority needs are housing, access to care, case management, a coordinated service delivery model, substance use services and behavioral health services. There is a lack of affordable housing and a need for long-term sustainable housing. Housing services are needed to help individuals get back on their feet. Additionally, access to care and coordinated services to help with job skills and education. |
| Volunteers of America – Mid-States | Not-for-Profit Services Provider that addresses the needs of the qualifying populations | Survey | The priority need is affordable housing units. Landlords and property managers are hesitant to rent to those who are utilizing public assistance. The rental market is also very competitive at this time. Additionally, services for substance use treatment and mental health care are an unmet service need. |
| City of Bristol, TN Community Development/ CDBG | Local Government that addresses fair housing, civil rights, and the needs of persons with disabilities. | In-Person Meeting | The City of Bristol, TN has an aging housing stock and many of the existing homes are substandard. Area wages are not keeping up with inflation rates and |

| Agency/Org Consulted | Type of Agency/Org | Method of Consultation | Feedback |
|--|--|------------------------|--|
| | | | affordable housing is a concerning issue for the city. |
| City of Bristol, VA Community Development / CDBG | Local Government that addresses fair housing, civil rights, and the needs of persons with disabilities | Phone/Survey | The City of Bristol, VA has an aging housing stock and many of the existing homes are substandard. Affordable housing is an issue due to the lack of units available and the rising costs of rental units. |
| City of Johnson City Community Development / CDBG | Local Government that addresses fair housing, civil rights, and the needs of persons with disabilities | Phone/E-mail | The City of Johnson City has seen a drastic decline in affordable housing within the past few years. The price of homes that are being built far exceed what the average individual in this area can afford. Many of the existing homes in our stock are in desperate need of repair, but homeowners are financially unable to do so. Additional funding is essential to meet the housing needs of our region. |
| City of Kingsport Community Development / CDBG | Local Government that addresses fair housing, civil rights, and the needs of persons with disabilities | Phone/E-mail | The City of Kingsport is committed to ending homelessness in our city. In the current housing market, it is challenging to find affordable housing that is decent, safe and sanitary. |
| Bristol TN Housing Authority | Public Housing Agency | Survey | Priority need would be additional housing units. There are hundreds on the waiting list. Landlords found it difficult to operate under the recent eviction moratorium for non-paying tenants and no longer want to be in the business. Fair market rents established by HUD are much too low for current rental rates. |

| Agency/Org Consulted | Type of Agency/Org | Method of Consultation | Feedback |
|--|-----------------------|------------------------|--|
| Bristol VA Housing Authority | Public Housing Agency | Email | Lack of housing is a need. Home prices and rent prices have increased. Many rental units no longer qualify for vouchers. Additionally, case management is needed to help walk people through the process of obtaining documents in order to apply for disability or rental units. Ongoing case management to support and ensure decision making to keep the population housed. |
| Johnson City Housing Authority | Public Housing Agency | Survey | Need for one and two bedroom housing units and counseling to help retain housing stability. A barrier to rental assistance is current occupancy rates between 93-100% of capacity. Barriers to using HCV include the amount landlords are allowed to charge and that they are not reimbursed for damages. Unmet needs including more affordable units and social services to assist with retaining their home. |
| Kingsport Housing and Redevelopment Authority | Public Housing Agency | Survey | Emergency housing, either temporary or permanent, transportation, access to supportive services, ongoing case management for mental/behavioral health and life skills coaching is needed. Vouchers are underutilized due to lack of housing inventory, disinterest of landlords and rent amounts that rise above assistance levels. Landlords do not want to accept vouchers, rent amounts are high and substandard housing conditions are barriers to rental assistance. Safe emergency |

| Agency/Org Consulted | Type of Agency/Org | Method of Consultation | Feedback |
|---|-------------------------|------------------------|--|
| | | | housing for families with children is needed. One bedroom units that are affordable for those on fixed or low incomes are the greatest unmet need. Supportive services are also needed to ensure they are successful in maintaining their home. These services should also include counseling for mental health, behavioral health, crisis counseling, personal finance, job training and ongoing case management. |
| U.S. Dept. of Veterans Affairs Tiffany Higginbotham & Chelsey Collea | U.S. Government | Email and Phone | Discussed HUD VASH Vouchers and the need for affordable housing in region. Barriers for Veterans include the basics, such as transportation, pets, past felony charges, bad credit etc. |
| Core Data Don Fenley | Data Solutions Provider | Email and In-Person | Provided multiple area demographics for housing statistics. |

Summarize feedback received and results of upfront consultation with these entities:

Consortium area agencies work diligently with available resources to combat the region’s homelessness. Consultation feedback revealed the everyday struggles encountered by service agencies during this process. Agencies reported affordable housing availability and supportive services were unmet needs.

Most all listed affordable emergency, transitional and permanent supportive housing is lacking in the area. Shelters are serving at capacity and public housing agencies have extensive wait lists.

Various reasons were listed as barriers to rental housing. The most common item was the lack of available affordable rentals. The area has seen significant increases in rental costs which creates difficulty for initial acquisition of a residence and then a struggle to maintain a residence once obtained. Barriers to rentals include landowners not wanting to utilize voucher programs when current market rates are more than the limits allowed by the voucher programs. They attribute the increased rent prices to current owners selling and the new owners doubling or tripling rents. Additionally, if persons are evicted due to not being able to afford the raised rents, this eviction

record makes it difficult to obtain new housing. Difficulties also arise when acquiring housing for those with substance use, criminal records, mental health or behavioral health issues.

This leads to the second item most mentioned by area agencies, long-term case management / supportive services. Advocates for qualifying populations are needed in navigating the system to acquire services and address issues which keep them in the cycle of homelessness. Requests for long-term assistance such as life skills, medical assistance, job training, education, and mental/behavioral counseling. Providing these services along with affordable housing will increase the chance of success.

Public Participation

In accordance with Section V.B of the Notice (page 13), PJs must provide for and encourage citizen participation in the development of the HOME-ARP allocation plan. Before submission of the plan, 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 and prior to submission.

PJs are required to make the following information available to the public:

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

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.

Template:

Describe the public participation process, including information about and the dates of the public comment period and public hearing(s) held during the development of the plan:

- ***Date(s) of public notice:***
 - ***Public Hearing #1 - 12/22/2022***
 - ***Public Hearing #2 and Public Comment - 3/7/2023***
- ***Public comment period: start date - 2/20/2023 end date - 3/7/2023***
- ***Date(s) of public hearing:***
 - ***Public Hearing #1- 1/10/2023***

- ***Public Hearing #2- 3/7/2023***

Describe the public participation process:

The Consortium reached out to both public and private agencies within the footprint area to gather information regarding issues faced with housing the qualifying populations. After the initial survey, follow-up emails for additional information, phone calls and in-person meetings were scheduled.

The first public hearing was held on January 10, 2023 and the second on March 7, 2023. The public hearing notices were published in the region's three major publications, Bristol Herald Courier, Johnson City Press and Kingsport Times News on December 22, 2022 and February 17, 2023. Additionally, the notices were posted on the City of Bristol, Tennessee and the First Tennessee Development District websites. Details regarding the public hearing and how to submit comments were provided in the public notices. As with all public notices, information on how to request assistance for those needing special assistance or interpretation was included in the notices.

The draft allocation plan was made available for public comment beginning February 20, 2023, and ending March 7, 2023, per the 15-day requirements. During the public comment period, February 28, 2023, the Bristol, Tennessee, City Council had a work-session where the HOME-ARP Draft Allocation Plan was presented and discussed, this meeting was also open to the public. At the conclusion of the public comment period, the HOME-ARP Allocation Plan was presented at a called Northeast Tennessee/Virginia HOME Consortium Board meeting on March 7, 2023, a second public hearing was held, no comments from the public were received. The City of Bristol, Tennessee City Council as Lead Entity for the Northeast Tennessee / Virginia HOME Consortium approved submission of the HOME-ARP Allocation Plan on March 7, 2023. Submission to HUD is expected early March 2023.

Describe efforts to broaden public participation:

The City of Bristol, Tennessee, as lead entity for the Northeast Tennessee / Virginia Consortium, specifically dedicated a page to the HOME-ARP program on the Bristol, Tennessee city website. This website gives general information about the allocation amounts, proposed projects, draft allocation plan and the survey that was given to qualifying population service providers.

Multiple community meetings such as the ARCH Continuum of Care, Bristol Coalition, Kingsport Community Development Advisory Committee, and the Bristol, Tennessee Community Development Advisory Committee have played a role in broadening public participation. Additionally, the Northeast Tennessee / Virginia HOME Consortium Board members that is comprised of City/County Mayors or representatives appointed by the Mayors or City Managers have also been involved to help broaden public participation throughout the

Consortium footprint. Multiple agencies forwarded the survey out to their service provider organizations in order to get the most up-to-date information for the allocation plan.

The Bristol Herald Courier did an article on the HOME-ARP funding availability on December 8th, 2022 addressing upcoming work and general information about the grant.

Summarize the comments and recommendations received through the public participation process either in writing, or orally at a public hearing:

Comments received through public participation were very positive regarding the plan. There were no comments during either public hearing from the public.

Summarize any comments or recommendations not accepted and state the reasons why:

No comments or recommendations were not accepted.

Needs Assessment and Gaps Analysis

In accordance with Section V.C.1 of the Notice (page 14), a PJ must evaluate the size and demographic composition of **all four** of the qualifying populations within its boundaries and assess the unmet needs of each of those populations. If the PJ does not evaluate the needs of one of the qualifying populations, then the PJ has not completed their Needs Assessment and Gaps Analysis. 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.

Template:

OPTIONAL Homeless Needs Inventory and Gap Analysis Table (Needing Bristol VA CoC #s)

| Homeless | | | | | | | | | | | | | |
|------------------------------|-------------------|------------|-------------|------------|-----------|------------------------------|----------------------|------|---------------|--------------|------------|-------------|------------|
| | Current Inventory | | | | | Homeless Population | | | | Gap Analysis | | | |
| | Family | | Adults Only | | Vets | Family HH (at least 1 child) | Adult HH (w/o child) | Vets | Victims of DV | Family | | Adults Only | |
| | # of Beds | # of Units | # of Beds | # of Units | # of Beds | | | | | # of Beds | # of Units | # of Beds | # of Units |
| Emergency Shelter | 141 | 29 | 174 | 174 | 0 | | | | | | | | |
| Transitional Housing | 0 | 0 | 44 | 44 | 18 | | | | | | | | |
| Permanent Supportive Housing | 88 | 33 | 360 | 360 | 170 | | | | | | | | |
| Other Permanent Housing | N/A | N/A | N/A | N/A | N/A | | | | | | | | |

| | | | | | | | | | | | | | |
|----------------------|--|--|--|--|--|----|-----|----|----|---|----|-----|-----|
| Sheltered Homeless | | | | | | 31 | 385 | 31 | 10 | | | | |
| Unsheltered Homeless | | | | | | 0 | 162 | 6 | 14 | | | | |
| <i>Current Gap</i> | | | | | | | | | | # | 46 | 276 | 276 |

Suggested Data Sources: 1. Point in Time Count (PIT); 2. Continuum of Care Housing Inventory Count (HIC); 3. Consultation

The following is the ARCH CoC’s HMIS Manager’s gaps analysis.

Background data:

The average FMR for 1-bedroom unit in Sullivan and Washington Counties: \$676

The average FMR for 2-bedroom unit in Sullivan and Washington Counties: \$834

Following data points are derived from the CoC Coordinated Entry System project in HMIS. It represents all persons who were enrolled in the project on 2/6/23 and had a living situation as place not meant for human habitation or staying in an emergency shelter at the time of enrollment. These individuals are presumed to be still in a literal homeless living situation. Many persons were not included that may have also met the literally homeless definition, but additional analysis would have had to be completed to determine which category of homelessness they actually met.

Adult Only (AO) Households (HH)

There are 344 persons/276 households enrolled.

138 households have no income and 153 have \$0 to \$676: 59% of households have income below FMR for 1-bedroom unit.

235 of the persons report a disability (68%); 200 of the households have an adult with a disability (72%).

Adults and Children (AC) Households

There are 146 persons/46 households enrolled.

Of the 46 households, 28 have no income and 30 have \$0 to \$834: 65% of the households have income below FMR for 2-bedroom unit.

24 households have an adult reporting a disability (52%)

Missing data is households where adults did not report disability, but child does which would still qualify household for permanent supportive housing.

Gaps based on very basic data of income and disabilities

The jurisdiction has the following permanent housing unit gaps:

AO RRH (short term): 29 Units

AO RRH (medium term): 53 Units

AO PSH (long term): 194 Units

The jurisdiction has the following permanent housing unit gaps:

AC RRH (short term): 6 Units

AC RRH (medium term): 16 Units

AC PSH (long term): 24 Units

Total estimated gaps:

RRH: 104 Units

PSH: 218 Units

OPTIONAL Total Consortium Housing Needs Inventory and Gap Analysis Table – CHAS 2015-2019 Data

| Non-Homeless – Consortium Footprint Combined Totals | | | |
|---|--------------------------|----------------------|---------------------|
| | Current Inventory | Level of Need | Gap Analysis |
| | # of Units | # of Households | # of Households |
| Total Rental Units | 40,805 | | |
| Rental Units Affordable to HH at 30% AMI (At-Risk of Homelessness) | 10,500 | | |
| Rental Units Affordable to HH at 50% AMI (Other Populations) | 8,160 | | |
| 0%-30% AMI Renter HH w/ 1 or more severe housing problems (At-Risk of Homelessness) | | 7,225 | |
| 30%-50% AMI Renter HH w/ 1 or more severe housing problems (Other Populations) | | 5,685 | |
| <i>Current Gaps</i> | | | 12,910 |

Suggested Data Sources: 1. American Community Survey (ACS); 2. Comprehensive Housing Affordability Strategy (CHAS)

Individual Communities are broken out in the below tables. All information is from CHAS 2015-2019 Data

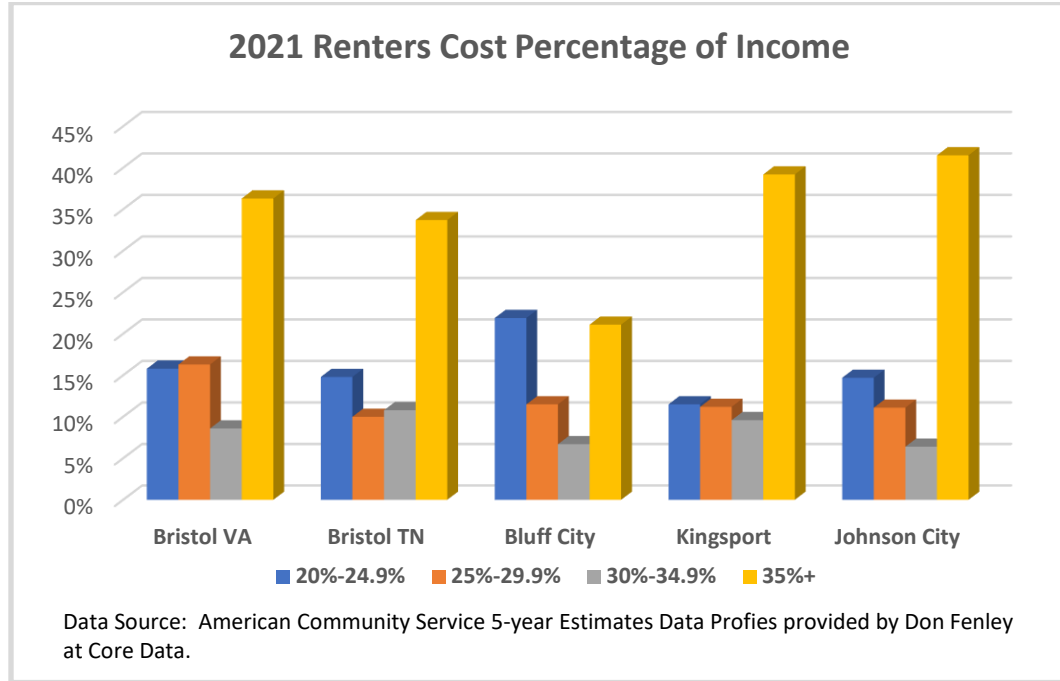
| Non-Homeless – City of Bristol, VA only | | | |
|--|--------------------------|----------------------|---------------------|
| | Current Inventory | Level of Need | Gap Analysis |
| | # of Units | # of Households | # of Households |

| | | | |
|---|-------|-----|-------|
| Total Rental Units | 2,905 | | |
| Rental Units Affordable to HH at 30% AMI (At-Risk of Homelessness) | 1,010 | | |
| Rental Units Affordable to HH at 50% AMI (Other Populations) | 660 | | |
| 0%-30% AMI Renter HH w/ 1 or more severe housing problems (At-Risk of Homelessness) | | 665 | |
| 30%-50% AMI Renter HH w/ 1 or more severe housing problems (Other Populations) | | 475 | |
| Current Gaps | | | 1,140 |

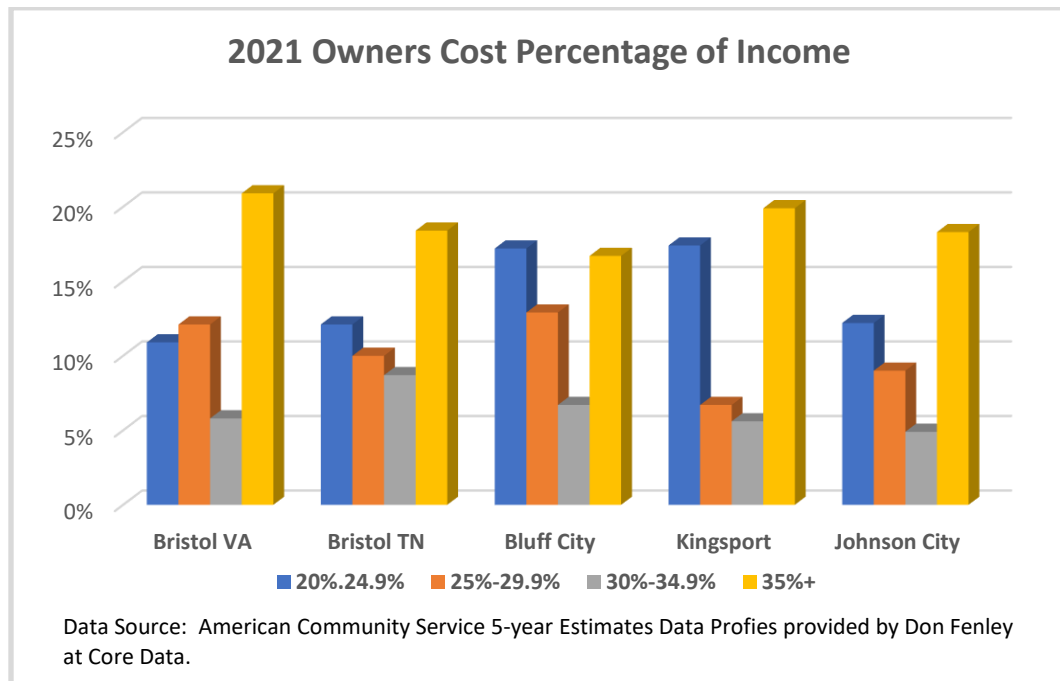
| Non-Homeless – Sullivan County, TN only | | | |
|---|--------------------------|----------------------|---------------------|
| | Current Inventory | Level of Need | Gap Analysis |
| | # of Units | # of Households | # of Households |
| Total Rental Units | 18,725 | | |
| Rental Units Affordable to HH at 30% AMI (At-Risk of Homelessness) | 4,890 | | |
| Rental Units Affordable to HH at 50% AMI (Other Populations) | 3,360 | | |
| 0%-30% AMI Renter HH w/ 1 or more severe housing problems (At-Risk of Homelessness) | | 3,140 | |
| 30%-50% AMI Renter HH w/ 1 or more severe housing problems (Other Populations) | | 2,465 | |
| Current Gaps | | | 5,605 |

| Non-Homeless – Washington County, TN only | | | |
|---|--------------------------|----------------------|---------------------|
| | Current Inventory | Level of Need | Gap Analysis |
| | # of Units | # of Households | # of Households |
| Total Rental Units | 19,175 | | |
| Rental Units Affordable to HH at 30% AMI (At-Risk of Homelessness) | 4,600 | | |
| Rental Units Affordable to HH at 50% AMI (Other Populations) | 3,810 | | |
| 0%-30% AMI Renter HH w/ 1 or more severe housing problems (At-Risk of Homelessness) | | 3,420 | |
| 30%-50% AMI Renter HH w/ 1 or more severe housing problems (Other Populations) | | 2,745 | |
| Current Gaps | | | 6,165 |

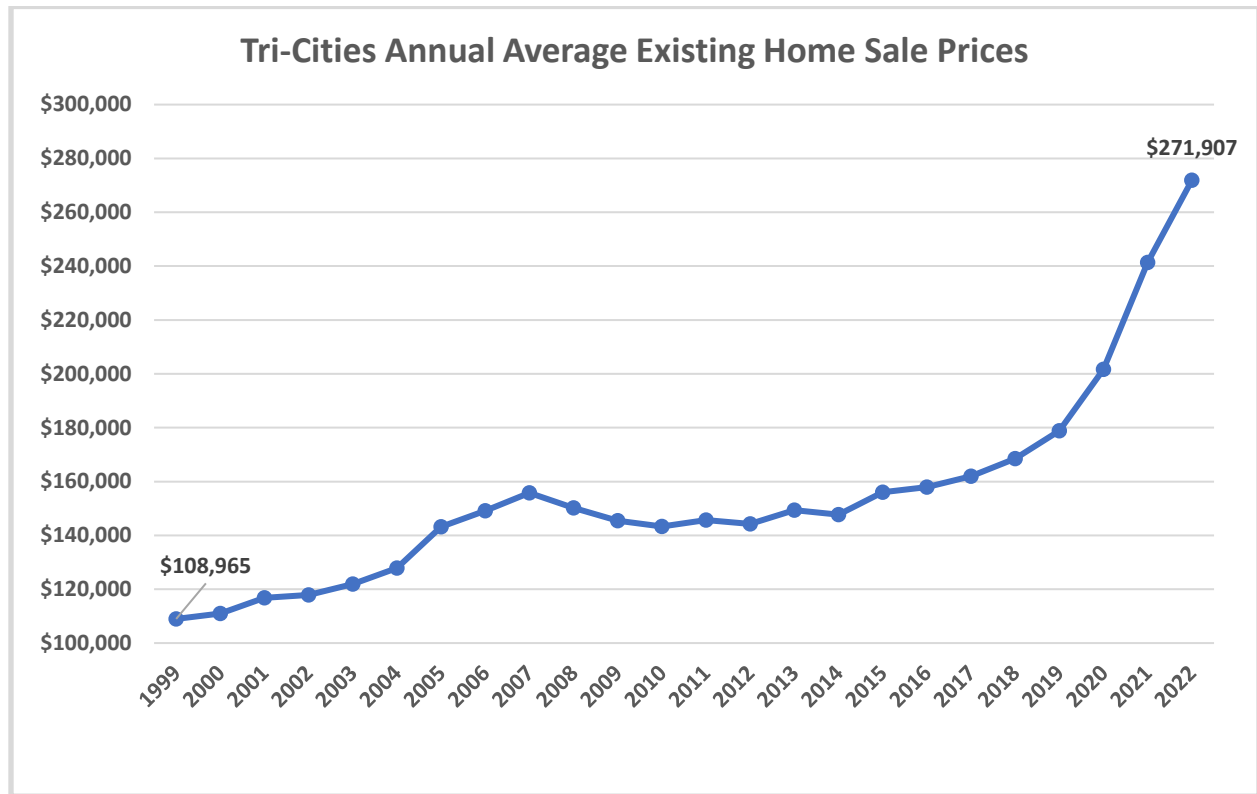
The need for affordable rental housing is further shown in the rent costs for individuals living in the HOME Consortium footprint. As the chart below reflects, the majority of renters in the area spend 35%+ of their income on rental costs.



Likewise, a significant number of homeowners spend 35%+ of their income in mortgage costs.



The average housing sales prices have increased approximately \$100,000 in the past five years making homeownership more difficult. The increased purchase prices leave more individuals in a rental status, thereby creating a greater demand for rental properties and driving up rental costs.



The area public housing authorities have provided us with the current wait list numbers for area residents. Please see below table:

| Public Housing Agency | Number on Wait List (Section 8 & Public Housing) |
|--|---|
| Bristol Tennessee Housing | 1,822 |
| Bristol Virginia Housing & Redevelopment Authority | 841 |
| Johnson City Housing Authority | 1,149 |
| Kingsport Housing & Redevelopment Authority | 8,223 |
| Total Wait List Number | 12,035 |

Describe the size and demographic composition of qualifying populations within the PJ's boundaries:

Homeless as defined in 24 CFR 91.5

The Consortium's coverage area consists of Sullivan and Washington Counties in Tennessee, and the city limits of Bristol, Virginia. An evaluation of both the sheltered and unsheltered homeless

within the Consortium area, indicates those experiencing homelessness are predominately white males. However, when comparing the homeless percentages to area population, 9.2% of the homeless identify as Black or African-American compared to 3.45% of the area population. This information was obtained by using the U.S. Census Quickfacts Data for 2020 Census. With regard to gender, 66.42% of homeless identify as male, compared to an area population of 48.55%. Hispanics are proportionally represented as 2.71% of homeless population, while comprising 2.97% of the area population. This information was obtained by using the 2022 Point-in-Time Homeless Count provided by ARCH.

According to the 2022 PIT Count, a total of 168 individuals were unsheltered which comprised 156 households. Of the individuals, 156 were adults over the age of 24, 10 were young adults between 18 and 24, and 2 were children. With regard to the unsheltered homeless subpopulations, 78 individuals suffered with serious mental illness, 58 had a substance use disorder and 14 were adult survivors of domestic violence. Please note these are ARCH CoC numbers only. Bristol, Virginia was only able to identify 12 homeless individuals during their most recent PIT count and were unable to give us demographics or subpopulations.

At Risk of Homelessness as defined in 24 CFR 91.5

With increased costs of rental housing in the Consortium area, those at greatest risk of homelessness are individuals who have an annual income below 30% of the median family income for the area. Based upon the U.S. Census Quickfacts Data for 2020, the average median income for the Consortium area is \$48,680, with an average per capita income in the past 12 months (2021) being \$30,465. Approximately 16.37%, or 50,472 individuals are living below poverty level. Below is a breakdown table to show how we averaged out the poverty level information for the Consortium footprint.

| Category | Sullivan Co, TN | Washington Co, TN | Bristol, VA | Average Area |
|--|------------------------|--------------------------|--------------------|---------------------|
| Median household income (in 2021 dollars), 2017-2021 | \$52,503 | \$49,661 | \$43,879 | \$48,681 |
| Per capita income in past 12 months (in 2021 dollars), 2017-2021 | \$32,225 | \$31,300 | \$27,869 | \$30,465 |
| Persons in poverty, percent | 14.30% | 17.10% | 17.70% | 16.37% |

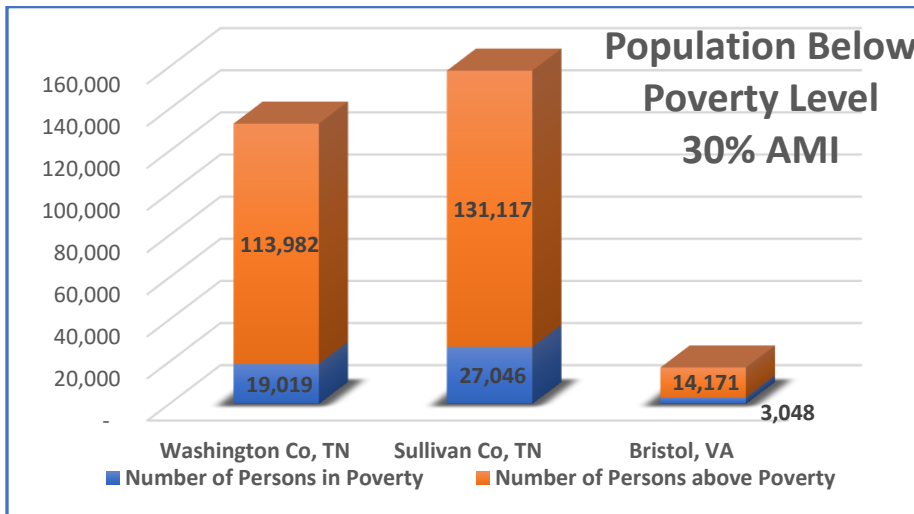
Source: U.S. Census Quickfacts Data, (2017-2021)

Fleeing, or Attempting to Flee, Domestic Violence, Dating Violence, Sexual Assault, Stalking, or Human Trafficking, as defined by HUD in the Notice

The 2022 PIT Count reported 24 or 14.28% of the total 168 homeless individuals were adult survivors of domestic violence. Additional consultation with a non-profit organization advised they assisted 42 individuals within Sullivan and Washington County, Tennessee. Of these 42 individuals, 35 were children who had been referred by the Department of Children of Services or educational facilities. The remaining 7 were adults. DCS provides assistance in housing the children through foster families or other relatives. For the adults, calls are made to various area shelters for availability. A housing need was noted for those aging out of the foster care system who have no place to go. In the Consortium area, it was noted trafficking most often occurs through familial or other relationships.

Other populations requiring services or housing assistance to prevent homelessness and other populations at greatest risk of housing instability, as defined by HUD in the Notice

As of June 15, 2022 HUD’s determined income limits are as follows: 30% AMI for single person household in Sullivan County/ Bristol Virginia was \$14,000, Washington County was \$14,150. As referenced by the U.S. Census Quick Facts shown in the following chart, 49,113 of area individuals fell below the poverty level. This is a significant number of individuals who could face housing instability, for which affordable housing is unavailable.



Source: US Census Bureau Quick Facts 2021

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 (Optional):

The Consortium reached out to 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 and below is what we found.

All the HOME-ARP eligible activities to assist qualifying populations, including congregate and non-congregate shelter units, supportive services, TBRA and affordable and permanent supportive rental housing are all needed activities in the Consortium footprint. We have learned this by speaking with the service providers for eligible QPs, public housing agencies, local United Ways, and area city governments. Unfortunately, funding is not available to address the amount of need in our region.

Congregate / Non-Congregate Shelter Units –

Within the Consortium’s footprint, there are approximately 20 emergency shelters, 3 transitional housing, 5 permanent supportive housing, and 8 rapid rehousing organizations identified through the CoC’s HIC. With regard to congregate and non-congregate shelters, the primary shelters in the area include Haven of Rest (Mission/Do Not Report in HMIS), Salvation Army within the three larger cities, Hunger First and Frontier Health as shown in the chart below.

| Organization Name | Total Beds |
|--------------------------------|-------------------|
| Haven of Rest | 38 |
| Salvation Army of Johnson City | 36 |
| Salvation Army of Kingsport | 35 |
| Salvation Army of Bristol | 32 |
| Hunger First | 29 |
| Frontier Health | 28 |

Supportive Services –

The Salvation Army in Bristol and Kingsport, Tennessee have day centers functioning inside throughout the week to help people with supportive services, finding housing, showers, and mail services. Downtown Johnson City has a day center that is part of the ETSU Clinics. The Johnson City Downtown Day Center Clinic also provides primary care and behavioral health care services to the community. Other supportive services include the local Family Promises in each of the three larger communities who help homeless and low income families try to achieve sustainable independence. Frontier Health and Ballard Health, the Consortium area’s main healthcare providers provide mental health services and intellectual and developmental challenge services. Tennessee has not expanded Medicaid which helps homeless and low income families receive services they need for medical and behavioral health. Organizations such as Friends in Need in Kingsport, Tennessee, Crossroads Medical Mission and Healing Hands in Bristol Virginia are non-profits that work hard to provide primary medical services for uninsured individuals meeting low income thresholds.

TBRA –

Tennessee Housing Development Agency (THDA) offers tenant based rental assistance as a voucher rental subsidy for low-to-moderate income families. Unfortunately, there are no HOME TBRA programs offered at this time.

Affordable and Permanent Supportive Rental Housing –

According to the 2022 HIC, permanent supporting housing organizations include the following:

| Organization | Type of PSH | Beds |
|---|--------------------------------|-------------|
| Johnson City Housing Authority | HUD-VASH | 160 |
| Kingsport Housing and Redevelopment Authority | CoC Grant PSH | 119 |
| Kingsport Housing and Redevelopment Authority | HOPWA | 76 |
| Fairview Housing Management Corporation | Appalachian Family Housing PSH | 30 |
| Fairview Housing Management Corporation | Manna House PSH | 21 |
| Appalachian Regional Coalition on Homelessness | ARCH PSH 2 | 18 |
| Appalachian Regional Coalition on Homelessness | ARCH PSH 1 | 14 |
| Bristol Tennessee Housing & Redevelopment Authority | HUD-VASH | 10 |

There are four public housing agencies, the Bristol Tennessee Housing Authority (Bristol Housing), Bristol Virginia Housing and Redevelopment Authority, the Johnson City Housing and Redevelopment Authority (JCHRA) and the Kingsport Housing and Redevelopment Authority (KHRA). The PHAs offer public housing assistance as well as the Section 8 Voucher Program. The KHRA’s non-profit arm called the Greater Kingsport Alliance for Development (GKAD), as well as the Johnson City Housing and Redevelopment Authority provides permanent supportive housing (PSH). All other PSH is done by non-profit and/or religious organizations, some of which do not participate in the area CoC and HMIS data sharing information system.

Describe the unmet housing and service needs of qualifying populations:

Homeless as defined in 24 CFR 91.5

While individuals experiencing homelessness in the Consortium area are not in the same community/city, most individuals experiencing homelessness do have access to specific services and shelter beds throughout the region. Throughout the consultation process stakeholders that service homelessness emphasize supportive services is a much needed goal for getting people housed and in better stable situations. Emergency shelters agree that a more permanent housing solution is needed, as they are just there on an emergency basis. The core problem we are now understanding, is basic affordable housing. Many of our emergency shelters are at capacity due to the lack of affordable housing. Shelters are full in part because individuals cannot find affordable housing in the region.

At Risk of Homelessness as defined in 24 CFR 91.5

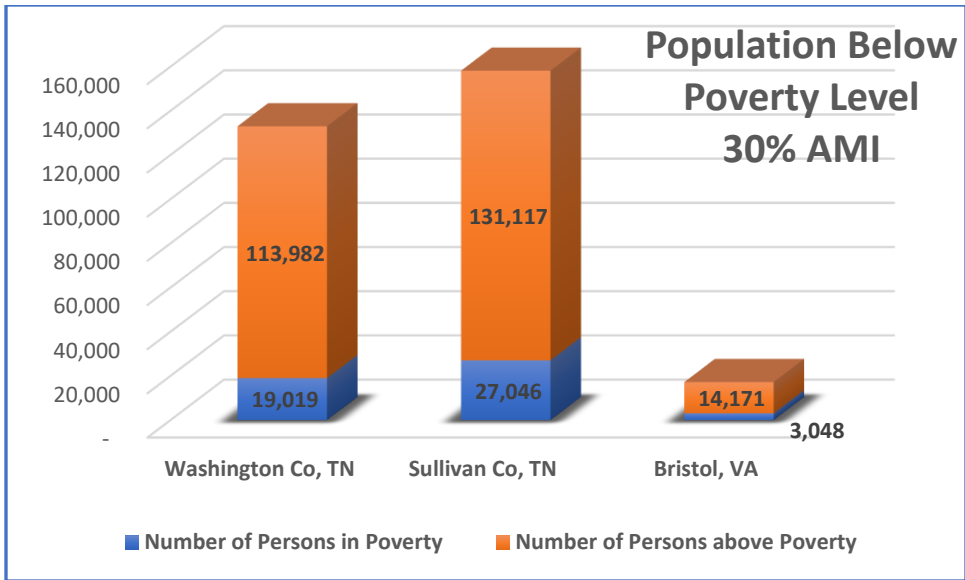
The population at greatest risk of homelessness include those at or below the 30% AMI and individuals who are not getting proper supportive services to teach them independent living skills. The rapid escalation of rents have placed a significant number of low income individuals in an unhealthy housing situation. According to US Census Bureau Quick Facts for the Consortium area, approximately 49,113 individuals or 16.37% of the population lives below the poverty level.

Fleeing, or Attempting to Flee, Domestic Violence, Dating Violence, Sexual Assault, Stalking, or Human Trafficking, as defined by HUD in the Notice

The Community Coalition against Human Trafficking also known as Grow Free Tennessee works in partnership with several area agencies who assist those fleeing, or attempting to flee, domestic violence, dating violence, sexual assault, stalking, or human trafficking. Recently Grow Free Tennessee was evaluated as number one in the country by Shared Hope International for their response to individuals experiencing human trafficking. During the consultation process we learned that Grow Free Tennessee has approximately 30 transitional housing beds available in the Tri-Cities through their partnerships. They currently have seven adult clients in this region and feel that gaps include capacity, a shelter of their own and additional transitional housing. Priority needs also include additional wrap-around services and continued collaboration. There are several other non-profit service providers with undisclosed locations to house those experiencing domestic violence, fleeing or attempting to flee, dating violence, sexual assault and stalking victims in the Consortium footprint. In our survey, Abuse Alternatives stated affordable rental property is not available for the population of the majority of clients served. At this time Bristol, Tennessee Housing Development has no apartments available to offer assistance to the clients we serve.

Other populations requiring services or housing assistance to prevent homelessness and other populations at greatest risk of housing instability as defined by HUD in the Notice

Within the consultation process we learned that the lack of supportive services has contributed to the homeless failing to maintain permanent housing. The lack of affordable housing units is an issue in our region.



Source: US Census Bureau Quick Facts 2021

Analysis for at Risk of Homelessness – calculation of 50% Rent Cost Max for those living at poverty level

| | |
|---|-----------------|
| HUD Average Poverty Limit for Consortium Area per 6-15-2022 posted limits | \$14,150 |
| Divide by months per year | 12 |
| Calculated Monthly Income | \$1,167 |
| % of rent cost for those at greatest risk | 50% |
| Max Rent for those considered at greatest risk | \$583.33 |

Data Source. American Community Survey 5-Year Estimates Data Profiles provided by Don Fenley at Core Data.

Current Gross Rent

| | 2021 | 2020 |
|--------------|-------|-------|
| Bristol VA | \$737 | \$712 |
| Bristol TN | \$702 | \$709 |
| Bluff City | \$854 | \$844 |
| Kingsport | \$720 | \$666 |
| Johnson City | \$824 | \$775 |

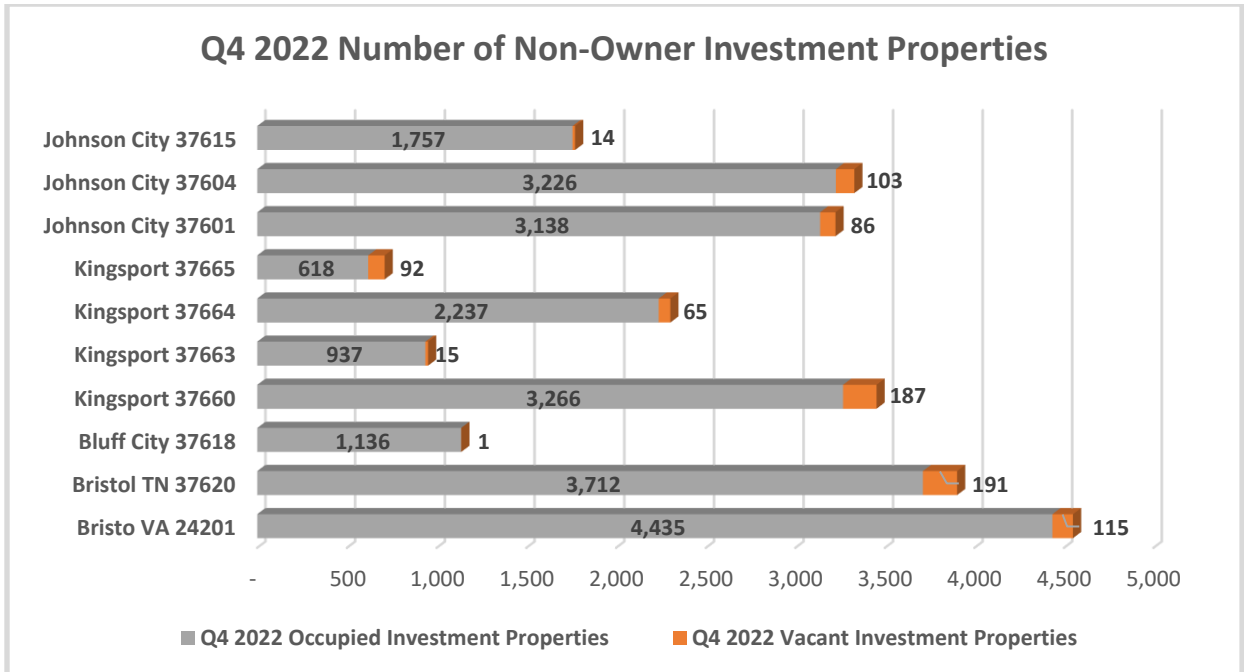
Data Source. American Community Survey 5-Year Estimates Data Profiles provided by Don Fenley at Core Data.

In evaluating HUD’s current income levels for 30% median income, and taking into consideration 50% of income going towards rent, looking at the current gross rent indicators from the U.S. Census Bureau, all those falling at or below 30% median income, if not currently homeless, would be at greatest risk of homelessness as rents for the area currently exceed this 50% amount. 49,113 of the area’s population would fall in this category. Non-profit organizations receiving Emergency Solution Grant have received funding for eviction

prevention programs, but funding is not sufficient. Family Promise of Bristol stated in their survey rapid rehousing and homeless prevention funding has drastically decreased since the COVID special funding and the needs continue to grow.

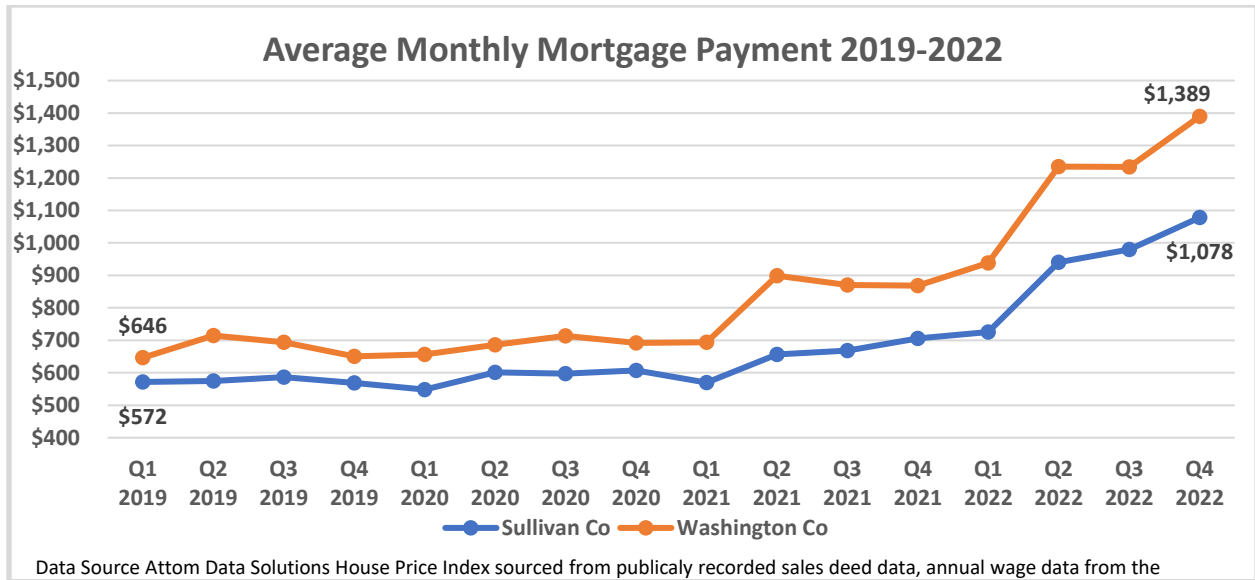
Identify any gaps within the current shelter and housing inventory as well as the service delivery system:

During consultation area agencies voiced their concern regarding the lack of affordable housing being a barrier to assisting those homeless or at risk of being homeless. This is pertinent to providing permanent housing for all the qualifying populations. Of the non-owner investment properties within the Consortium footprint, the following table reflects the 2022 4th Quarter Vacancy Rates. The average vacancy rate for the area 1.56%.



Source: **Data source: Attom Data Solution from county tax assessor data.** (provided by Don Fenley, owner of Core Data, Association of Realtors)

Affordability is a rising concern across the region as both rents and home prices have increased faster than wages. See below chart of average monthly mortgage payments from 2019 through 2022.



It is important to note that a worker making the average wage cannot qualify to purchase a medium price home in the Consortium footprint, therefore affordable rental units are our greatest need.

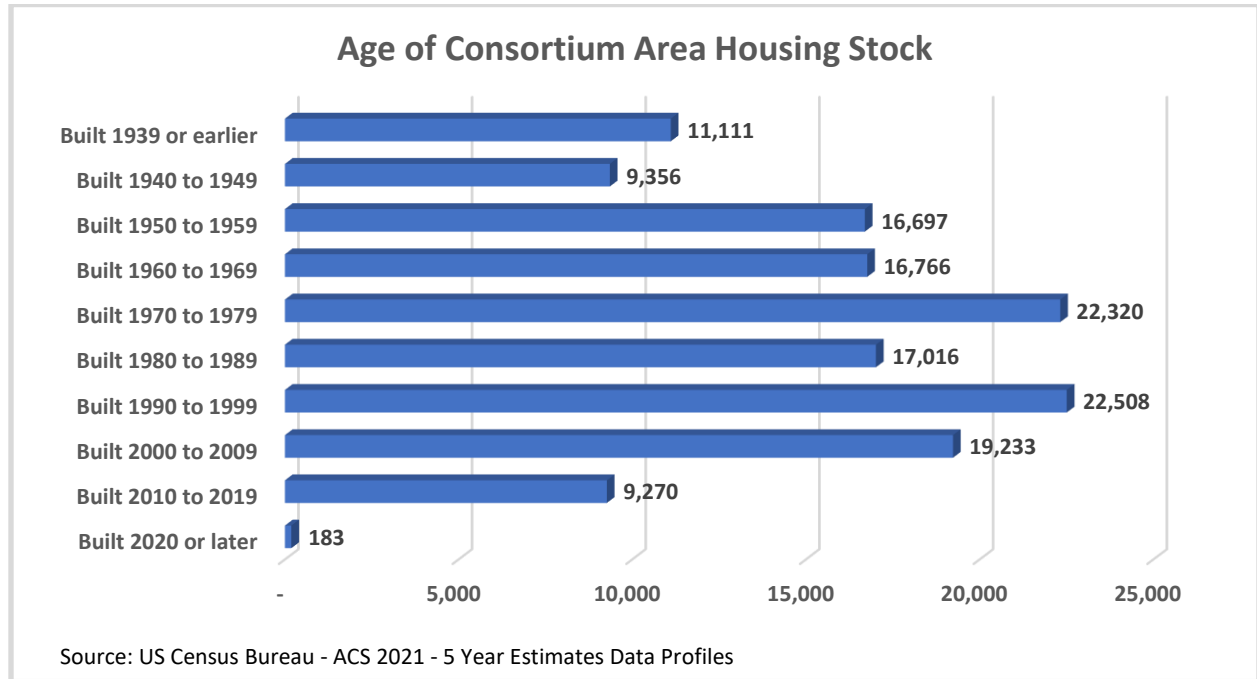
According to consultations, the second greatest need is supportive services. Supportive services are vital to support individuals and families experiencing homelessness. Services may include case management, housing navigation, and possible care coordination services. As Tennessee has not expanded their Medicaid program, other non-profit organizations will need to help fund the costs for these programs.

Under Section IV.4.2.ii.G of the HOME-ARP Notice, a PJ may provide additional characteristics associated with instability and increased risk of homelessness in their HOME-ARP allocation plan. These characteristics will further refine the definition of “other populations” that are “At Greatest Risk of Housing Instability,” as established in the HOME-ARP Notice. If including these characteristics, identify them here:

Based upon the 2020-2024 Consolidated Plan, please see below regarding additional characteristics associated with instability and increased risk of homelessness.

The Northeast Tennessee/Virginia HOME Consortium had 126,339 occupied housing units reported in the 2018 ACS 1-year estimates (most current data for Bristol, VA City, Sullivan and Washington County, TN). Of the 126,339 occupied units, approximately 82% percent are owner occupied and 18% are renter occupied. Each area of the Consortium has different housing characteristics, values and rental costs. Overall a significant amount of housing units were built before 1990 and are single-family dwellings. The U.S. Median Household Income is \$61,937 and in the Consortium area we are much lower as Sullivan County Median Household Income is

\$43,442, Washington County is \$46,752 and Bristol, VA City is \$35,368. The need for increased affordable housing is evident for those with low to moderate incomes throughout the Consortium area.



Excerpt from the Northeast Tennessee/Virginia HOME Consortium 2020-2024 Consolidated Plan:

Describe the characteristics and needs of Low-income individuals and families with children (especially extremely low-income) who are currently housed but are at imminent risk of either residing in shelters or becoming unsheltered 91.205(c)/91.305(c)). Also discuss the needs of formerly homeless families and individuals who are receiving rapid re-housing assistance and are nearing the termination of that assistance.

The Consortium’s low-income individuals and families with children, currently housed but are at imminent risk of either residing in shelters or becoming unsheltered include area and national challenges. Many of these people are suffering from either physical or mental disabilities and often times both. Persons returning from institutions have difficulty finding housing and work because of reference checks, bad or no credit, criminal records, etc. The housing many end up in are units owned by slum or absentee landlords and are substandard. When even the smallest amount of rent isn't paid, these landlords make the tenant leave, therefore becoming homeless. The same is true for families. Most need a case worker that can determine precise needs and assist them in receiving them. Rental and utility assistance are also high on the priority list for helping these individuals - even if temporarily - to get back on their feet and establish a permanent residence. Formerly homeless families and individuals who are receiving rapid re-

housing assistance need job placement and/or training assistance, support services including financial management, physical and mental healthcare, transportation to work, appointments, etc.

The demographics show that the population is predominantly white within the Consortium area. There is also a lack of educational attainment in some areas of the region as few go on to college because of poverty issues and social culture. There is also the prevalence of substance abuse, mental illness, and domestic violence, all of which can be exacerbated by poverty. Predatory lending is prevalent and very accessible which causes its own set of financial problems and instability to those who are mostly living paycheck to paycheck. While unemployment is low, there is still limited permanent, accessible, living wage jobs. Many of the available jobs are in the service industry which does not necessarily pay well or offer benefits. There is a limited number of permanent, safe, affordable, supportive housing.

Excerpt from the Northeast Tennessee/Virginia HOME Consortium 2020-2024 Consolidated Plan:

Specify particular housing characteristics that have been linked with instability and an increased risk of homelessness

- Substandard rental housing;
- Older houses that have had little or no upkeep;
- Houses situate in low-income neighborhoods - rental or owner occupied;
- Older houses that have been divided into "rooms" that are rented short-term with no hands on Management.

Identify priority needs for qualifying populations:

The production of affordable rental housing and supportive services for qualifying populations clearly emerged as our top priorities from participants in the consultation process. The Consortium area is under resourced for rental housing and supportive services. Affordable housing is a huge need across the country but given that the Consortium footprint has a lower median income, it makes it a higher priority for the region. The creation of new housing units through various outlets is paramount. Community Housing Development Organizations (CHDO's) and local Public Housing Authorities (PHA's) already have resources in place to make sustainable affordable housing for the Consortium footprint a reality.

Explain how the PJ determined the level of need and gaps in the PJ's shelter and housing inventory and service delivery systems based on the data presented in the plan:

Consultations and meetings with area service agencies provided information regarding the struggles they face to meet the needs of the qualifying populations in the area. While shelters operate at capacity, it is difficult to find more permanent housing solutions as the wait lists are extensive. Additionally, once housed, the agencies expressed a need for more long-term supportive services in order to assist the qualifying populations in successfully maintaining their housing status. Analyzing the area's median income along with housing costs, available housing

stock and wait lists of the public housing agencies reflect the significant lack of affordable housing.

HOME-ARP Activities

Template:

Describe the method(s) that will be used for soliciting applications for funding and/or selecting developers, service providers, subrecipients and/or contractors:

The Consortium proposes an open application/request for proposal process to area agencies and organizations. The request for proposals / application process will be publically advertised via local news publications, websites of the City of Bristol, Tennessee and the First Tennessee Development District, as well as through email notification of the organizations contacted for input during the plan process. A committee has been developed from the Consortium Board community representatives, and the applications will be provided to them for scoring. Applications will be scored based upon a scoring matrix and the highest scoring applications will be given priority.

Describe whether the PJ will administer eligible activities directly:

The Consortium will be responsible for administering the HOME-ARP funding. The awarded agencies will become subrecipients and will be responsible for providing the Consortium with regular progress reports and invoices arising from the day-to-day activities.

If any portion of the PJ's HOME-ARP administrative funds are provided to a subrecipient or contractor prior to HUD's acceptance of the HOME-ARP allocation plan because the subrecipient or contractor is responsible for the administration of the PJ's entire HOME-ARP grant, identify the subrecipient or contractor and describe its role and responsibilities in administering all of the PJ's HOME-ARP program:

The Consortium itself will be responsible for administration of the HOME-ARP grant.

In accordance with Section V.C.2. of the Notice (page 4), PJs must indicate the amount of HOME-ARP funding that is planned for each eligible HOME-ARP activity type and demonstrate that any planned funding for nonprofit organization operating assistance, nonprofit capacity building, and administrative costs is within HOME-ARP limits.

Template:

Use of HOME-ARP Funding

| | Funding Amount | Percent of the Grant | Statutory Limit |
|--|------------------------|-----------------------------|------------------------|
| Supportive Services | \$ 211,865.60 | | |
| Acquisition and Development of Non-Congregate Shelters | \$ 0 | | |
| Tenant Based Rental Assistance (TBRA) | \$ 0 | | |
| Development of Affordable Rental Housing | \$ 3,000,000.00 | | |
| Non-Profit Operating | \$ 0 | 0 % | 5% |
| Non-Profit Capacity Building | \$ 200,741.60 | 5 % | 5% |
| Administration and Planning | \$ 602,224.80 | 15 % | 15% |
| Total HOME ARP Allocation | \$ 4,014,832.00 | | |

The Consortium proposes to allocate the bulk, (74.7%) of its HOME-ARP allocation to the development of affordable and supportive housing. Approximately 10% total of the HOME-ARP allocation is proposed for supportive services and to provide non-profit capacity building to insure programs created under HOME-ARP are sustainable. Fifteen (15%) of the allocation is reserved for administrative costs as determined in the regulations.

Describe how the PJ will distribute HOME-ARP funds in accordance with its priority needs identified in its needs assessment and gap analysis:

The Consortium will conduct an application intake or request for proposal process for the development of rental units. A committee consisting of representatives from each member community of the HOME Consortium Board will score the submitted applications. The Consortium will be responsible for ranking the applications based upon those scores. The Consortium will also coordinate the availability of capacity funding and supportive services in order to support the development of the affordable housing units. The Consortium reserves the right to administer the housing development activities directly if there is a lack of interested or qualified development entities.

Describe how the characteristics of the shelter and housing inventory, service delivery system, and the needs identified in the gap analysis provided a rationale for the plan to fund eligible activities:

The gaps analysis was driven by the 2022 data gathered by the area CoC's. Much of the demographic information was obtained through the American Community Survey and Census Quick Facts Data. HOME-ARP staff consulted with Don Fenley, a local expert on housing needs who also works for the Tennessee Realtors Association. HOME-ARP staff also gained much information and feedback from the area service providers through the survey and consultation sessions. The HOME-ARP staff also discussed program objectives in multiple community meetings with all the qualifying population service providers. Lastly, the Appalachian Regional Coalition for Homelessness CoC Plan for Serving Individuals and

Families Experiencing Homelessness with Severe Service Needs, area housing studies, as well as, the Northeast Tennessee / Virginia HOME Consortium 2017-2022 Analysis of Impediments to Housing Choice were reviewed.

HOME-ARP Production Housing Goals

Template

Estimate the number of affordable rental housing units for qualifying populations that the PJ will produce or support with its HOME-ARP allocation:

According to the HOME-ARP Housing Production Goal Worksheet on the HUD Exchange, we estimate that 20 affordable rental housing units can be created in the Consortium footprint with the HOME-ARP funding allocation. We are also looking for partners and other funding sources to ensure this goal and the wrap-around services provided can be accomplished.

Describe the specific affordable rental housing production goal that the PJ hopes to achieve and describe how the production goal will address the PJ's priority needs:

According to the HOME-ARP Housing Production Goal Worksheet on the HUD Exchange, we estimate that 20 affordable rental housing units can be created in the Consortium footprint with the HOME-ARP funding allocation. We are also looking for partners and other funding sources to ensure this goal and the wrap-around services provided can be accomplished. Area needs are greater than funding availability, this grant is a starting point. Units may be in a single site, or in scattered sites, duplexes or quadplexes, depending upon the quality of the applications received through the application / request for proposal process.

Preferences

A preference provides a priority for the selection of applicants who fall into a specific QP or category (e.g., elderly or persons with disabilities) within a QP (i.e., subpopulation) to receive assistance. A *preference* permits an eligible applicant that qualifies for a PJ-adopted preference to be selected for HOME-ARP assistance before another eligible applicant that does not qualify for a preference. A *method of prioritization* is the process by which a PJ determines how two or more eligible applicants qualifying for the same or different preferences are selected for HOME-ARP assistance. For example, in a project with a preference for chronically homeless, all eligible QP applicants are selected in chronological order for a HOME-ARP rental project except that eligible QP applicants that qualify for the preference of chronically homeless are selected for occupancy based on length of time they have been homeless before eligible QP applicants who do not qualify for the preference of chronically homeless.

Please note that HUD has also described a method of prioritization in other HUD guidance. Section I.C.4 of Notice CPD-17-01 describes Prioritization in CoC CE as follows:

“Prioritization. In the context of the coordinated entry process, HUD uses the term “Prioritization” to refer to the coordinated entry-specific process by which all persons in need of assistance who use coordinated entry are ranked in order of priority. The coordinated entry prioritization policies are established by the CoC with input from all community stakeholders and must ensure that ESG projects are able to serve clients in accordance with written standards that are established under 24 CFR 576.400(e). In addition, the coordinated entry process must, to the maximum extent feasible, ensure that people with more severe service needs and levels of vulnerability are prioritized for housing and homeless assistance before those with less severe service needs and lower levels of vulnerability. Regardless of how prioritization decisions are implemented, the prioritization process must follow the requirements in Section II.B.3. and Section I.D. of this Notice.”

If a PJ is using a CE that has a method of prioritization described in CPD-17-01, then a PJ has preferences and a method of prioritizing those preferences. These must be described in the HOME-ARP allocation plan in order to comply with the requirements of Section IV.C.2 (page 10) of the HOME-ARP Notice.

In accordance with Section V.C.4 of the Notice (page 15), the HOME-ARP allocation plan must identify whether the PJ intends to give a preference to one or more qualifying populations or a subpopulation within one or more qualifying populations for any eligible activity or project.

- 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.

While PJs are not required to describe specific projects in its HOME-ARP allocation plan to which the preferences will apply, the PJ must describe the planned use of any preferences in its HOME-ARP allocation plan. This requirement also applies if the PJ intends to commit HOME-ARP funds to projects that will utilize preferences or limitations to comply with restrictive eligibility requirements of another project funding source.

If a PJ fails to describe preferences or limitations in its plan, it cannot commit HOME-ARP funds to a project that will implement a preference or limitation until the PJ amends its HOME-ARP allocation plan.

For HOME-ARP rental housing projects, Section VI.B.20.a.iii of the HOME-ARP Notice (page 36) states that owners may only limit eligibility or give a preference to a particular qualifying population or segment of the qualifying population if the limitation or preference is described in the PJ’s HOME-ARP allocation plan. Adding a preference or limitation not previously described in the plan requires a substantial amendment and a public comment period in accordance with Section V.C.6 of the Notice (page 16).

Template:

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:

The Consortium does not intend to give preferences. The proposed affordable housing rental units will be available to all qualifying populations on a first come first serve basis.

If a preference was identified, 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 subpopulation of qualifying population, consistent with the PJ's needs assessment and gap analysis:

There were many needs identified beyond what can be financed through the HOME-ARP funds. The HOME Consortium will continue to seek additional funding sources to address the unmet affordable housing and service needs in our footprint.

Referral Methods

PJs are not required to describe referral methods in the plan. However, if a PJ intends to use a coordinated entry (CE) process for referrals to a HOME-ARP project or activity, the PJ must ensure compliance with Section IV.C.2 of the Notice (page10).

A PJ may use only the CE for direct referrals to HOME-ARP projects and activities (as opposed to CE and other referral agencies or a waitlist) if the CE expands to accept all HOME-ARP qualifying populations and implements the preferences and prioritization established by the PJ in its HOME-ARP allocation plan. A direct referral is where the CE provides the eligible applicant directly to the PJ, subrecipient, or owner to receive HOME-ARP TBRA, supportive services, admittance to a HOME-ARP rental unit, or occupancy of a NCS unit. In comparison, an indirect referral is where a CE (or other referral source) refers an eligible applicant for placement to a project or activity waitlist. Eligible applicants are then selected for a HOME-ARP project or activity from the waitlist.

The PJ must require a project or activity to use CE along with other referral methods (as provided in Section IV.C.2.ii) or to use only a project/activity waiting list (as provided in Section IV.C.2.iii) 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

If a PJ uses a CE that prioritizes one or more qualifying populations or segments of qualifying populations (e.g., prioritizing assistance or units for chronically homeless individuals first, then

prioritizing homeless youth second, followed by any other individuals qualifying as homeless, etc.) then this constitutes the use of preferences and a method of prioritization. To implement a CE with these preferences and priorities, the PJ **must** include the preferences and method of prioritization that the CE will use in the preferences section of their HOME-ARP allocation plan. Use of a CE with embedded preferences or methods of prioritization that are not contained in the PJ's HOME-ARP allocation does not comply with Section IV.C.2 of the Notice (page10).

Template:

Identify the referral methods that the PJ intends to use for its HOME-ARP projects and activities. PJ's may use multiple referral methods in its HOME-ARP program. (Optional):

The Consortium's area CoC, ARCH, an established Coordinated Entry system and has agreed to adapt their Written Standards and processes for reporting/referring individuals to HOME-ARP projects. The ARCH CoC Coordinated Entry System is much larger than the Consortium footprint, incorporating several other counties and has already established preferences. The Consortium feels it appropriate to do a project/activity specific waiting list as a referral method instead of expanding the existing the Coordinated Entry system. Groups applying for funding will be encouraged to participate in the federal HMIS system for reporting purposes but will not be required.

If the PJ intends to use the coordinated entry (CE) process established by the CoC, describe whether all qualifying populations eligible for a project or activity will be included in the CE process, or the method by which all qualifying populations eligible for the project or activity will be covered. (Optional):

The Consortium's area CoC, ARCH, an established Coordinated Entry system and has agreed to adapt their Written Standards and processes for reporting/referring individuals to HOME-ARP projects. The ARCH CoC Coordinated Entry System is much larger than the Consortium footprint, incorporating several other counties and has already established preferences. The Consortium feels it appropriate to do a project/activity specific waiting list as a referral method instead of expanding the existing the Coordinated Entry system. Groups applying for funding will be encouraged to participate in the federal HMIS system for reporting purposes but will not be required.

All qualifying populations will be served on a first come first served basis. We are not establishing preferences, prioritizing certain qualifying populations or creating a limitation from eligibility for a project or activity.

If the PJ intends to use the CE process established by the CoC, describe the method of prioritization to be used by the CE. (Optional):

The Consortium's area CoC, ARCH, an established Coordinated Entry system and has agreed to adapt their Written Standards and processes for reporting/referring individuals to HOME-ARP projects. The ARCH CoC Coordinated Entry System is much larger than the Consortium

footprint, incorporating several other counties and established preferences. The Consortium feels it appropriate to do a project/activity specific waiting list as a referral method instead of expanding the existing the Coordinated Entry system. Groups applying for funding will be encouraged to participate in the federal HMIS system for reporting purposes but will not be required.

All qualifying populations will be served on a first come first served basis. We are not establishing preferences, prioritizing certain qualifying populations or creating a limitation from eligibility for a project or activity.

If the PJ intends to use both a CE process established by the CoC and another referral method for a project or activity, describe any method of prioritization between the two referral methods, if any. (Optional):

The Consortium will encourage groups applying for funding to participate in the federal HMIS system for reporting purposes, but it will not be a requirement as the referral method will be product/activity specific waiting list.

Limitations in a HOME-ARP rental housing or NCS project

Limiting eligibility for a HOME-ARP rental housing or NCS project is only permitted under certain circumstances.

- 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.
- A PJ may not exclude otherwise eligible qualifying populations from its overall HOME-ARP program.
- Within the qualifying populations, participation in a project or activity 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). A PJ must describe why such a limitation for a project or activity is necessary in its HOME-ARP allocation plan (based on the needs and gap identified by the PJ in its plan) to meet some greater need and to provide a specific benefit that cannot be provided through the provision of a preference.
- For HOME-ARP rental housing, section VI.B.20.a.iii of the Notice (page 36) states that owners may only limit eligibility to a particular qualifying population or segment of the qualifying population if the limitation is described in the PJ's HOME-ARP allocation plan.
- PJs may limit admission to HOME-ARP rental housing or NCS to households who need the specialized supportive services that are provided in such housing or NCS. 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.

Template

Describe whether the PJ intends to limit eligibility for a HOME-ARP rental housing or NCS project to a particular qualifying population or specific subpopulation of a qualifying population identified in section IV.A of the Notice:

The HOME Consortium does not intend to limit eligibility for HOME-ARP rental housing.

If a PJ intends to implement a limitation, explain why the use of a limitation is necessary to address the unmet need or gap in benefits and services received by individuals and families in the qualifying population or subpopulation of qualifying population, consistent with the PJ's needs assessment and gap analysis:

The HOME Consortium does not intend to limit eligibility for HOME-ARP rental housing.

If a limitation was identified, describe how the PJ will address the unmet needs or gaps in benefits and services of the other qualifying populations that are not included in the limitation through the use of HOME-ARP funds (i.e., through another of the PJ's HOME-ARP projects or activities):

The HOME Consortium does not intend to limit eligibility for HOME-ARP rental housing.

HOME-ARP Refinancing Guidelines

If the PJ intends to use HOME-ARP funds to refinance existing debt secured by multifamily rental housing that is being rehabilitated with HOME-ARP funds, the PJ must state its HOME-ARP refinancing guidelines in accordance with [24 CFR 92.206\(b\)](#). The guidelines must describe the conditions under which the PJ will refinance existing debt for a HOME-ARP rental project, including:

- ***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***

The HOME Consortium will not utilize HOME-ARP funds for refinancing of properties.

- ***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.***

The HOME Consortium will not utilize HOME-ARP funds for refinancing of properties.

- ***State whether the new investment is being made to maintain current affordable units, create additional affordable units, or both.***

The HOME Consortium will not utilize HOME-ARP funds for refinancing of properties.

- ***Specify the required compliance period, whether it is the minimum 15 years or longer.***

The HOME Consortium will not utilize HOME-ARP funds for refinancing of properties.

- ***State that HOME-ARP funds cannot be used to refinance multifamily loans made or insured by any federal program, including CDBG.***

The HOME Consortium will not utilize HOME-ARP funds for refinancing of properties.

- ***Other requirements in the PJ's guidelines, if applicable:***

The HOME Consortium will not utilize HOME-ARP funds for refinancing of properties.