

Questions from HOME-ARP RFP Pre-Conference – 9/14/2023

1. Will HOME Subsidy Limits apply to projects?

HOME-ARP does not have per-unit subsidy limits and can pay up to the full amount of eligible costs (CPD 21-10, 3)

2. Is there a timeline for reimbursement for supportive services / non-profit capacity building?

There is no timeline for funding draw down on supportive services / non-profit capacity building. These items must be directed toward the participating applicants/tenants of the HOME-ARP units. HOME-ARP Fact Sheet for supportive services also states no duplication of services: “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.”

3. Are group homes allowed?

The HOME-ARP Program Fact Sheet: Rental Housing states:

“HOME-ARP rental housing may include single family or multifamily housing, transitional or permanent housing, group homes, single room occupancy (SRO) units, and manufactured housing.”

Our Consortium Allocation Plan states this: *“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.”* Other than this, our plan didn’t specifically address group homes.

4. Difference in Veteran Income?

I believe the reference to veterans as a qualifying population was listed for cases in which PJs were using preferences. We did not make allowances for preferences in our Allocation Plan, as the intent of the project is a first come-first serve basis regardless of which qualifying population category they are under.

5. Scope of Entire Project?

Please note that if your HOME-ARP proposed project is part of a larger overall project, the entire scope of the larger project will need to be presented, not just HOME-ARP. Per the HUD CPD Notice 21-10, states:

“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.

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.”

CDP 21-10 Notice can be found here -

<https://www.hud.gov/sites/dfiles/OCHCO/documents/2021-10cpdn.pdf>.