Barnstable County Regional Government of Cape Cod 3195 Main Street | Barnstable, Massachusetts 02630

Mandi Speakman Deputy Director

Department of Human Services

Barnstable County HOME Consortium HOME-ARP Program Addendum

Introduction to the HOME-ARP Program

In 2021, United States Department of Housing and Urban Development ("HUD") approved \$5 billion in funding to HOME participating jurisdictions to invest in housing and assistance for people experiencing homelessness and other vulnerable populations. HUD awarded the Barnstable County HOME Consortium a one-time allocation of \$1,556,508. During the development of the HUD required HOME-ARP Allocation Plan, the Needs Assessment and Gaps Analysis indicated the substantial need for increasing the supply of affordable rental housing available to the HOME-ARP Qualifying Populations. Barnstable County HOME Consortium (the "Consortium") will make this funding available to affordable rental housing developments pursuant to, and in conjunction with, the application process outlined in the HOME and HOME-ARP Rental Housing Development Project Underwriting, Subsidy Layering, and Risk Analysis Evaluation Policies and Guidelines (the "Underwriting Guidelines").

The HOME-ARP Program is a one-time, time-limited funding source in which all funds must be fully expended by September 30, 2030.

Applicability

HOME-ARP Program funding is available for projects meeting the requirements of the HOME-ARP Program which is intended to serve homeless families and individuals, those at risk of homelessness, and other vulnerable populations defined as a Qualifying Population as hereinafter described. Applicants may express interest in HOME-ARP Program funds at the time of application to the Consortium. Barnstable County HOME staff will work with applicants to determine applicability of HOME-ARP Program funds. Applicants interested in HOME-ARP Program funding are encouraged to carefully review the Barnstable County HOME-ARP Allocation Plan and HOME-ARP Program regulations posted on the Barnstable County HOME-ARP webpage.

https://www.capecod.gov/departments/human-services/initiatives/housing-homelessness/homearp/

HOME-ARP Program funds are available as a standalone funding source to be used as an alternative funding source to HOME Program funds. HOME-ARP Program funds cannot be used in conjunction with HOME Program funds.

Leveraging

Due to the specific requirements of the HOME-ARP Program relative to meeting the needs of the Qualifying Population, Barnstable County HOME Consortium encourages applicants to leverage HOME-ARP Program funds into projects that are receiving Executive Office of Housing and Livable Communities ("EOHLC") HOME-ARP Program funds. Barnstable County HOME staff will collaborate with EOHLC on HOME-ARP Program project financing.

Available HOME-ARP Program Funding

Maximum Barnstable County HOME-ARP Program funding is up to \$662,000 per HOME-ARP Program project for a maximum of two projects located in Barnstable County. HOME-ARP Program funding is available on a first come first serve basis dependent on the rental project meeting the requirements of the Underwriting Guidelines and this Addendum herein.

Application and Review Process

Unless otherwise stated herein, the Application and Review Process is standardized in the Underwriting Guidelines. The primary distinction between the HOME Program and the HOME-ARP Program is that all HOME-ARP Program funds must be used to primarily benefit individuals or families from the defined "Qualifying Populations".

HOME-ARP Qualifying Population

HOME-ARP Program funds must be used to primarily benefit individuals or families from the following qualifying populations:

- Homeless, as defined in section 103(a) of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11302(a));
- At-risk of homelessness, as defined in section 401(1) of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11360(1));
- Fleeing, or attempting to flee, domestic violence, dating violence, sexual assault, stalking, or human trafficking, as defined by the Secretary;
- In other populations where providing supportive services or assistance under section 212(a) of the Act (42 U.S.C. 12742(a)) would prevent the family's homelessness or would serve those with the greatest risk of housing instability;
- Veterans and families that include a veteran family member that meet one of the preceding criteria.

Number of HOME-ARP Assisted Units Required

As stated in the Underwriting Guidelines, HOME-ARP Program funding requires eleven (11) HOME-ARP assisted units in the project. HOME-ARP assisted units also funded with EOHLC HOME-ARP Program funding will fund the same eleven HOME-ARP assisted units. The Consortium will consider a waiver request to reduce the number of HOME-ARP assisted units under special circumstances.

HOME-ARP Unit Composition

Not less than seventy (70%) percent of the total number of units assisted with HOME-ARP Program funds must be restricted to occupancy by households that are qualifying households at the time of the household's initial occupancy (the "HOME-ARP assisted units"). Unlike the regular HOME Program which targets HOME-assisted rental units based on tenant income, HOME-ARP assisted rental units will serve households based *only* upon their status as Qualifying Population households. A household that met the definition of one or more Qualifying Populations at initial occupancy remains a qualifying household throughout their period of occupancy irrespective of changes in income or whether they continue to meet a qualifying population definition (e.g., no longer qualify as homeless after being admitted to a HOME-ARP assisted unit).

The HOME-ARP Program rent for HOME-ARP assisted rental units many not exceed thirty (30%) percent of the adjusted income of a household whose annual income is equal to or less than fifty (50%) percent of the median income for Barnstable County as determined by HUD. A HOME-ARP assisted unit that receives Federal or state project-based rental subsidy may charge the rent allowable under the rental subsidy program wherein the tenant contribution toward rent shall be no more than thirty (30%) percent of the family's adjusted income.

Not more than thirty (30%) percent of the total number of rental units assisted with HOME-ARP Program funds may be restricted for occupancy by low-income households (the "Low-Income units"). Low-income for HOME-ARP Program purposes includes families and individuals whose annual incomes do not exceed eighty (80%) percent of the median income for Barnstable County, as determined by HUD. These Low-Income units shall operate under the regulations applicable to HOME-assisted units and shall bear a rent not greater than the lesser of (a) the Fair Market Rent for Barnstable County as established by HUD or (b) a rent equal to thirty (30%) percent of the adjusted income of a family with annual income at sixty-five (65%) of the AMI for Barnstable County as determined by HUD adjusted for the number of bedrooms in the unit. A Low-Income unit that receives Federal or state project-based rental subsidy may charge the rent allowable under the rental subsidy program wherein the tenant contribution toward rent shall be no more than thirty (30%) percent of the family's adjusted income.

Based upon the Number of HOME-ARP assisted units required and the HOME-ARP Program unit composition, a project would consist of a minimum of eight (8) HOME-ARP assisted units and a maximum of three (3) Low-Income units.

Period of Affordability

The affordability period of the HOME-ARP assisted units will be determined based on other funding sources and affordability restrictions on the eleven (11) HOME-ARP assisted units. The minimum affordability period for HOME-ARP assisted units will be fifteen (15) years. If the HOME-ARP assisted units and/or the Low-Income units fall under a project-based rental assistance Housing Assistance Payments ("HAP") contract, the minimum affordability period will be the greater of the fifteen (15) years or the term of the HAP contract.

Referral Methods

As HOME-ARP assisted units are restricted to the Qualifying Population a referral method is used to fill the occupancy of the HOME-ARP assisted units as opposed to the lottery method used to fill the occupancy of regular HOME-assisted units. Rental projects are allowed to select between (a) the Coordinated Entry (CE) system plus other referral methods or (b) project waitlist. For rental projects using CE + Other Referral Methods, supplemental referral agencies that will accept direct access to ensure that all Qualifying Populations have access to any waitlist. For Barnstable County, the Cape Cod and Islands Continuum of Care (CoC) administered by the Barnstable County Human Services Department is the administrator for the CE system. A referral method must be approved by the Consortium prior to the release of any HOME-ARP Program funds.

Preferences, Methods of Prioritization, and Limitations

At this time, the Barnstable County HOME-ARP Allocation Plan does not include any preferences, methods of prioritization, or limitations. However, the Consortium will consider funding that includes these referral methods determined by meeting all applicable Fair Housing Laws and regulations.