



HOME American Rescue Plan (HOME-ARP)

2024

APPLICATION MANUAL

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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 State of Mississippi received an allocation of \$38,094,321 in HOME-ARP funding which will be administered by the Mississippi Home Corporation (MHC). To receive these funds, MHC must engage in consultation and public participation processes and develop a HOME-ARP allocation plan that meets the requirements established in HUD Notice CPD-21-10 and submit it to HUD as a substantial amendment to its Fiscal Year 2021 annual action plan. Upon HUD's approval of the HOME-ARP Allocation Plan, the funds will be available for expenditure until September 2030.

HUD provides general oversight of the regulatory guidance and directions the program should follow. This allows recipients to create their own rules required to implement a program if those rules do not violate the overall intent of the program. Mississippi Home Corporation has chosen to implement stricter regulations based on the funds allocated and the timeliness necessary for implementation of the program. **Organizations interested in applying for HOME-ARP funds must adhere to the directives that MHC has provided.**

Summary of the States HOME-ARP Allocation Plan

Activity	Funding Amount	Percent of Allocation	Statutory Limit
Supportive Services	\$5,714,149.00		
Development of Non-congregate Shelter	\$3,714,196.00		
Tenant-based Rental Assistance	\$7,714,100.00		
Development of Rental Housing	\$11,428,296.00		
Non-profit Operating	\$1,904,716.00	5%	5%
Non-profit Capacity Building	\$1,904,716.00	5%	5%
Administration and Planning	\$5,714,148.00	15%	15%
Total HOME-ARP Allocation	\$38,094,321.00		

MHC will allocate 30% of its funds for the development of affordable housing and 10% for the development of a Non-Congregate Shelter. To help subsidize the rent due to the high-cost burden in the State of Mississippi, 20% will be allocated to Tenant Based Rental Assistance (TBRA). An additional 15% will be allocated to supportive services which will focus on employment, case management, and other services needed to increase housing stability.

Funding Availability and Caps

HOME-ARP Supportive Services:

\$5,714,149

The anticipated annual award amount for Supportive Services is \$952,358.17.

HOME-ARP Tenant Based Rental Assistance (TBRA):

\$7,714,100

The anticipated annual award amount for TBRA is \$1,285,683.33.

Funding Caps

When applying for HOME-ARP funding, agencies can request between \$75,000 and \$300,000 for Supportive Services and \$100,000 to \$500,000 for Tenant Base Rental Assistance. However, it is important to note that the caps do not ensure that your agency will receive the exact amount requested. The final amount awarded depends on the available funds and the number of agencies receiving funding, and the agencies' financial capacity. As a result, it is possible for agencies to receive less than \$75,000 in their contract award.

Applications Terms

HOME-ARP is a one-time funding source with an expenditure deadline of September 30, 2030.

The HOME-ARP application for TBRA and Supportive Services is a one-time application that can be renewed annually by awarded agencies until September 30, 2029, based on their previous year's performance and funding availability. All awarded TBRA and Supportive Services grant funds must be expended by funded agencies by August 31, 2030, and projects must be fully closed (complete all closeout requirements) by September 23, 2030.

Awarded applicants must be in "good standing" to be eligible for program renewal each year.

Agencies are required to spend at minimum 60% of the grant expended on an annual basis to 2027. By grant year end of 2028, 90% of agencies funds must be expended, and by grant year end of 2029, agencies must be spending 100% of their funds on time to meet the expenditure deadline of August 31, 2030.

Grant Renewal and Grant Funding Probation

Agencies not able to meet the annual expenditure goals will be placed on a grant probation the following year. Agencies on grant funding probation may receive a renewal contract; however, they must meet the expenditure goal by the end of that grant term. If the agency on grant funding probation is unable to meet the expenditure goal by the end of the probation year, their contract will not be considered for renewal.

Agencies not meeting their expenditure goals by the end of the grant year 2027 will not be renewed and will be required to expend their remaining funds by the contract deadline. MHC reserves the right to award reduced contracts to agencies not meeting expenditure goals based on the community needs.

HOME-ARP Recaptured Funds

The Corporation may recapture funds previously awarded to a HOME-ARP recipient. The Corporation may reallocate any recaptured funds to agencies receiving HOME-ARP funds and providing like services. Requests for supplemental funds will be considered on a case- by-case basis with funds granted only in those instances where the Corporation can readily determine that additional funding is justified.

Application Submission Date

The HOME-ARP application submission date is **February 15th to April 1st, 2024**, no later than **4:00 p.m.** Applications must be submitted to Mississippi Home Corporation, Attn: Tamara Stewart, 735 Riverside Drive, Jackson, Mississippi 39202 and/or emailed to tamara.stewart@mshc.com and latoya.logan@mshc.com. No applications will be accepted after 4:00 p.m. MHC's time clock will be used for meeting the submission deadline.

Eligible Applicants

Eligible applicant organizations include private nonprofit organizations with a 501(c)(3) tax-exempt status.

Threshold Requirements

1. The applicant is an eligible applicant.
2. The applicant is registered with sam.gov and provides a unique entity identifier (UEI).
3. The application is fully complete.
4. Nonprofit must submit proof of good standing with the Secretary of State for Mississippi.
5. Applicants **must not have any unresolved audit or monitoring findings associated with the programs managed by MHC or HUD.**
6. Applicants **must disclose any loan or grant received from HUD or MHC for which HUD or MHC has issued a letter of findings** associated with the use of an MHC or HUD-operated program. Applicants must provide evidence that the finding(s) have been resolved. MHC may disqualify the applicant from consideration for funding based on this information. Findings may include, but are not limited to, failing to submit required reports and/or failing to expend funds by the contract deadline.
7. The applicant **must disclose all other grants and funding sources used to support activities and staff.**
8. The applicant must have experience in providing services to the qualified population.
9. Interested organizations must provide proof of financial viability. While this is an open solicitation, preference will be given to projects that exhibit a collaborative effort among different service providers.
10. The applicant must have program-specific audit if they expended \$750,000 or more in Federal awards during the last fiscal year (CFR §200.501).
11. The applicant must be able to provide their audits, financial statements, and tax forms (IRS 990) for the last three years.
12. Homeless participation. If a sub-recipient is unable to meet the participation of homeless individuals' requirement in section 416(d) of the McKinney-Vento Act, the sub-recipient need not obtain approval of a formal waiver so long as the sub-recipient develops a plan to consult with homeless or formerly homeless individuals in considering and making policies and decisions regarding any facilities, services or other assistance that receive HOME-ARP funding.
13. The applicant must disclose if they received any grants from MHC or HUD for which MHC or HUD has de-obligated part or all of the grant.
14. Current or potential partnership with Developers.

Eligible Cost TBRA:

Eligible Costs: HOME-ARP funds may be used to provide rental assistance, security deposit assistance, utility deposits, and utility payments to qualifying households. HOME-ARP may pay up to 100% of these costs for a qualifying household.

TBRA Project Requirements

Portability of Assistance: A PJ may require the HOME-ARP TBRA assisted household to use the assistance within the PJ's boundaries or may permit the household to use the assistance outside its boundaries as outlined at 24 CFR 92.209(d).

Term of Rental Assistance Contract: The PJ must determine the maximum term of HOME-ARP TBRA assistance contracts and whether contracts will be renewable.

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.

Rent Reasonableness: The PJ must determine whether the rent is reasonable in comparison to rent for other comparable unassisted units and must disapprove a lease if the rent is not reasonable.

Housing Quality Standards: Housing must comply with all housing quality standards required at 24 CFR 982.401 (or successor inspection standards issued by HUD) unless the 1 tenant is residing in a HOME or HOME-ARP unit, in which case the PJ may defer to initial and ongoing inspection standards for the housing.

Use of a HOME-ARP Sponsor: A HOME-ARP sponsor – a nonprofit organization that provides housing or supportive services to qualifying households – may facilitate the leasing of a HOME-ARP rental unit or the use and maintenance of HOME-ARP TBRA. A sponsor may make rental subsidy payments and a security deposit payment on behalf of a qualifying household.

Eligible Cost Support Services:

Eligible Supportive Services: There are three categories specifically included as supportive services under HOME-ARP:

- McKinney-Vento Supportive Services under HOME-ARP are adapted from the services listed in section 401(29) of the McKinney-Vento Homeless Assistance Act (“McKinney-Vento Supportive Services”) (42 U.S.C. 11360(29)).
- Homelessness Prevention Services: HOME-ARP Homelessness Prevention Services are adapted from certain eligible homelessness prevention services under the Emergency Services Grant (ESG) regulations at 24 CFR Part 576.
- 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 that homeowner assistance and related services are not eligible HOME-ARP activities.

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 of the Notice.

Eligible Costs Associated with McKinney-Vento and Homelessness Prevention Supportive Services:

- All qualifying households are eligible to receive supportive services under the HOME-ARP supportive services activity. Eligible costs associated with McKinney-Vento supportive services and homelessness prevention supportive services include:
 - Costs of child care;
 - Costs of improving knowledge and basic educational skills;
 - Costs of establishing and/or operating employment assistance and job training programs
 - Costs of providing meals or groceries
 - Costs of assisting eligible program participants to locate, obtain and retain housing
 - Costs of certain legal services
 - Costs of teaching critical life management skills
 - Outpatient services:
 - Mental health
 - Health
 - Substance abuse treatment

- Outreach services
- Transportation
- Case management
- Financial assistance costs, including:
 - Rental application fees
 - Security deposits
 - Utility deposits
 - Payment of rental arrears
 - Rent payment

**Please consult the Notice for a full list and description of eligible costs.

- The costs of homelessness prevention services are only eligible to the extent that the assistance is necessary to help program participants regain stability in their current permanent housing or move into other permanent housing to achieve stability in that housing.
- PJs must establish requirements documenting an eligible cost as McKinney-Vento supportive services to an individual or family in a qualifying population, homelessness prevention services, or Housing Counseling.

Eligible Costs Associated with Housing Counseling: Costs associated with housing counseling services as defined at 24 CFR 5.100 and 5.111 are eligible. Costs may only be paid under HOME-ARP if housing counseling services are provided by HUD-certified housing counselors and organizations.

- Eligible costs include:
 - Staff salaries and overhead costs of HUD-certified housing counseling agencies related to directly providing eligible housing counseling services to HOME- program participants.
 - Development of a housing counseling workplan
 - Marketing, outreach, and intake
 - Financial and housing affordability analysis
 - 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)
 - Follow-up communication with program participants
- Costs for the provision of services to existing homeowners related to homeownership and mortgages to existing homeowners are not eligible under HOME-ARP.
- If a program participant is a candidate for homeownership, costs associated with prepurchase homebuying counseling, education and outreach are eligible under HOME-ARP.

Oversight

The day-to-day management and oversight of the HOME-ARP funds usage is the responsibility of the Corporation. HOME-ARP program oversight includes but is not limited to the following:

- Oversight of Eligible Costs: All supportive service costs paid for by HOME-ARP must comply with the requirements of the Notice and Uniform Administrative Requirements at 2 CFR part 200, subpart E, Cost Principles that require **costs be necessary and reasonable**.
- No Duplication of Services: Agencies are required to ensure that program participants 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.
- Termination of Assistance: MSH will determine the terms of terminating assistance to a program participant who violates program requirements (determined by MHC) or conditions of occupancy.

Qualifying Populations

HOME-ARP funds can only be utilized to primarily benefit “qualifying populations”. HOME-ARP defines qualifying populations as individuals or families that meet one of the following criteria:

QP-1:	Homeless, as defined in section 103(a) of the McKinney-Vento Homeless Assistance Act;
QP-2:	At risk of homelessness, as defined in section 401 of the McKinney-Vento Homeless Assistance Act;
QP-3:	Fleeing, or attempting to flee domestic violence, dating violence, sexual assault, or stalking (as defined by HUD in 24 CFR 5.2003) or human trafficking (as outlined in the Trafficking Victims Protection Act of 2000 as amended [22 USC 7102]; and
QP-4:	Other populations, where providing supportive services or assistance under section 212(a) of the National Affordable Housing Act 42 USC 12472(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 meets the criteria for one of the qualifying populations described above are eligible to receive HOME-ARP assistance.

HOME-ARP Housing Production Goals

The overall goal is to partner with grantees to ensure the needs of the vulnerable populations are met in a coordinated way.

MHC HOME-ARP housing production goals is an estimated 80 (new and/or rehab) affordable rental units with HOME-ARP funds. Funds will not be restricted to new construction; however, rehabilitation development projects will also be considered. The type of development will be based on the community and available resources. Supportive services would provide a bridge to housing stability. Support will include unit operating funds and supportive services for qualifying populations. Because most qualifying populations are also extremely low-income, the HOME-ARP affordable rental units will be paired with Tenant Based Rental Assistance vouchers to ensure housing sustainability.

Ineligible Activities

HOME-ARP funds may not be used for any of the prohibited activities, costs, or fees in 24 CFR 92.214, as revised by the Appendix to Notice CPD-21-10.

Duplication of Services

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.

Service Prioritization

The State of Mississippi HOME-ARP funds do not provide a preference or prioritization for any population or subpopulation. Subrecipients must admit individuals and families from any qualifying population to rental housing or non-congregate shelter and provide TBRA or supportive services in chronological order based on a written waiting list insofar as is practicable. All qualifying individuals or families must have access to apply for placement on the waiting list for an activity or project.

Reporting Requirements

Subrecipients of HOME-ARP are required to report on accomplishments on a quarterly basis, beginning with the quarter in which the contract agreement was executed and after the agency's first draw. All reports are due to MHC on the **14 days after the end of the reporting quarter**. For example, if the contract was executed on April 1, 2024, the report will be from 4/1/2024 – 7/31/2024, and the report will be due 8/14/2024. See below table.

Supportive Services Homeless Households												
Total	New Household	Veteran	Hispanic	Race								
				White	Black	Asian	American Indian/Alaskan Native	Native Hawaiian/Pacific Islander	Other/Multi-Racial			
Household Size								Household Type				
1	2	3	4	5	6	7	8+	Single, non-elderly	Elderly	Single Parent	Two Parents	Other

Supportive Services Non-Homeless Households												
Total	New Household	Veteran	Hispanic	Race								
				White	Black	Asian	American Indian/Alaskan Native	Native Hawaiian/Pacific Islander	Other/Multi-Racial			
Household Size								Household Type				
1	2	3	4	5	6	7	8+	Single, non-elderly	Elderly	Single Parent	Two Parents	Other

TBRA Homeless Households												
Total	New Household	Veteran	Hispanic	Race								
				White	Black	Asian	American Indian/Alaskan Native	Native Hawaiian/Pacific Islander	Other/Multi-Racial			
Household Size								Household Type				
1	2	3	4	5	6	7	8+	Single, non-elderly	Elderly	Single Parent	Two Parents	Other

TBRA Non-Homeless Households												
Total	New Household	Veteran	Hispanic	Race								
				White	Black	Asian	American Indian/Alaskan Native	Native Hawaiian/Pacific Islander	Other/Multi-Racial			
Household Size								Household Type				
1	2	3	4	5	6	7	8+	Single, non-elderly	Elderly	Single Parent	Two Parents	Other

APPLICATION REVIEW PROCESS

A. Eligibility Prescreening Review

MHC will review applications to determine if all required documentation is included in the application packet. Failure to submit all required documentation by the deadline will result in elimination from consideration of funding.

B. Deficiencies

Applications that meet the prescreening eligibility requirements will be reviewed for completeness. Applicants may be contacted for clarification of the information presented in the application.

C. Ranking of Applications

Applications will be evaluated and scored based on the Grant Review Scoring Guide.

APPLICATION SCORING GUIDE

Factors	Max Score	
Capacity and Experience	15	HOME- ARP applicants' minimum points =
Need or Extent of Problem	15	
Collaboration Partnership	10	
Reporting Ability	5	
Program Plan and Narratives	30	
Program Goals	10	
Sound Budget	7	
Financial Controls	8	
Total	100	75

Capacity and Experience 15 points

In the application, points are given to agencies that have experience with administering federal grants. Max points can be obtained if the agency has five or more years of experience in administering federal grants, has experienced key staff overseeing their grants, has sufficient staff to operate the program, and has the financial capacity to operate a reimbursement grant.

Agencies can describe their capacity and experience on the “**Capacity and Experience**” and the “**Attachment A**” tab in the HOME-ARP application.

Need or Extent of Problem 15 points

In the application, points are given to agencies who have identified a need for services in their coverage area. Max points will be given to agencies that use appropriate data to describe the needs their proposed program will address clearly.

Agencies can describe the need and extent of the problem their proposed program will address on the “**Program Description**” and the “**Needs Analysis**” tab in the HOME-ARP application.

Program Description- In the application:

- Describe the proposed program.
- Identify the need and describe how the proposed program can provide resolution.
- Describe how the proposed program will operate in detail. The description should include how clients are referred and what types of services are provided from entry to exit of the proposed program.

Collaboration Partnership 10 points

In the application, points will be given to agencies who clearly describe and provide evidence of their community partnerships. Max points will be given to agencies with strategic and meaningful partnerships..

Agencies can provide **Memorandums of Understanding/Agreements and letters of support** from partnering agencies. Additionally, agencies can describe their strategic partnerships on the “**Project Info...**” tabs for Program Planning and Narratives in the HOME-ARP application.

Collaboration- In the application:

- Describe partnerships with developers and landlords.
- Describe any coordination of services with other homeless programs.
- Describe partnerships and collaborations established with other organizations, agencies, volunteer services, and funders to operate the proposed program effectively.
- Describe how the services provided through these partnerships help to meet the needs of the client and promote self-sufficiency.

Reporting Ability 5 points

In the application, points will be given to agencies based on their reporting and data collecting practices. Agencies can describe their current data collection and reporting systems.

- Describe, in detail, current data analysis reports conducted by the agency.
- Describe what processes are in place for tracking program outcomes.
- Describe how the proposed program outcomes and performance is/will be measured.

Program Plan and Narratives - 30 points

In the application, points will be given to agencies who have a well develop plan for providing services and transitioning applicants to housing stability and self-sustainability. Using the questions listed on the “Program Info SS”, “TBRA” tabs, agencies can describe their experience with homeless housing programs, their housing stability plans, their community partnerships, their housing outreach efforts, and their discharge strategies. Agencies can describe their program plans on the “**Program Description**” tab, and “**Project Info**” tab in the application.

Program Description (10 pts)- In the application:

- Describe the proposed program.
- Identify the need and describe how the proposed program can provide resolution.
- Describe how the proposed program will operate in detail. The description should include how clients are referred and what types of services are provided from entry to exit of the proposed program.

Project Info (20 pts (10 pts per tab))- In the application:

- Describe your experience with the QP.
- Describe how your requested services will be used to promote stability.
- Describe employment efforts (provided directly or through partnerships)
- Describe community coordination of services.
- Identify methods to recruit landlords. **Max points** if you have existing partnerships with Developers and Tax Credit properties.
- What are your case management and discharge practices?
- Describe how services will connect through HOME-ARP programs. Will you partner with HOME-ARP rental developers to provide support services and TBRA?

Program Goals – 10 points

In the application, points will be given to agencies whose program goals are clearly described and are in line with the state’s HOME-ARP allocation plan goals, MHC goals and ConPlan.

Agencies can describe their goals on the “**Proposed Goals**” tab, and “**Program Description**” tab in the application.

Program Description

- In the application, describe the impact that will result from the program being funded including, but not limited to, the following, as applicable:
 - Increased accessibility to affordable housing.
 - Overall reduction in the number of persons who experience homelessness and/or at risk of homelessness.
 - Reduction in returns to homelessness.
 - Increased employment and income growth for persons who are experiencing homelessness.
 - Other goals and objectives of your program

Proposed Goals

- In the application define your agency’s quarterly production goals for providing Supportive Services and/or TBRA assistance.

Sound Budget Financial Controls -15 points

In the application, agencies are marked on their financial controls and feasibility of managing the HOME-ARP reimbursement grant. Agencies can describe their financial controls on the “**Project Budget**” tab.

Financial Capacity – 8 pts

- In the application, provide a description of the draw and reimbursement process.
- In the application, describe the sources of funds that are available for the proposed program; describe matching funds; discuss how funding sources will be used if HOME-ARP is not funded.
- In the application, describe budgeting priorities/activities to stretch HOME-ARP funds through the grant period.

Sound Budget – 7 pts

- Agencies must provide a reasonable and appropriate budget.

SELECTION PROCESS

The HOME-ARP funds will be awarded based on the final points of the HOME-ARP Grant Review Scoring Guide. **Applicants must score at least 75% out of 100 points.** MHC reserves the right to adjust the amount awarded based on the amount of funds available and based on the demand created by the applications submitted. MHC will email all applicants a letter with the funding decision. In addition, proposed outputs, and outcomes, along with HOME-ARP outcome evaluation and performance standards, will be incorporated into contracts as performance outcome measurements for applicants selected as sub-recipients.

HOUSING STANDARDS

Pursuant to 24 CFR 576.403, HUD requires the following for lead-based paint and minimum standards:

Lead-based paint remediation and disclosure: 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 in 24 CFR part 35, subparts A, B, H, J, K, M and R apply to all shelters assisted under HOME-ARP program and all housing occupied by program participants.

SUPPORTIVE SERVICE ELIGIBLE COST

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:

Not allowable

(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 prevocational 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.**
- 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 approved 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 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 costs of subrecipient staff to accompany or assist program participants to utilize public transportation; and
- If public transportation options are not sufficient within the area, the subrecipient 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 subrecipient directly to the third party that repairs or maintains the car; and
- 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.
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(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. 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.

(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 onetime 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 subrecipients may provide a program participant with short-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 6 months.
- The subrecipient may make rental payments only to an owner with whom they have 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 subrecipient 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.

TBRA

Eligible Cost

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 Subrecipient may use HOME-ARP TBRA funds to provide loans or grants to qualifying households for security deposits for rental units regardless of whether the subrecipient 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.

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 Supportive Services with TBRA.

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).

The HOME American Rescue Plan is comprised of five (5) program components: emergency shelter, street outreach, homelessness prevention, rapid re-housing assistance and Homeless Management Information System (HMIS).

Term of Rental Assistance Contract:

The maximum term of the rental assistance contract is 12 months (one year) not to surpass the date September 30, 2030. The rental assistance contract continues until the end of the rental assistance contract term, 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 and program participation/compliance. With each contract renewal, a re-evaluation is required. The term of the rental assistance contract must begin on the first day of the term of the lease.

Maximum Subsidy:

The allowable maximum subsidy for the TBRA program is
=Rent Standard – 30% of monthly adjusted income.

. When calculating households' income and rental subsidy, subrecipients must use HUD's CPD Income Eligibility Calculator. Agencies may provide up to 100 percent subsidy for

rent, security deposit payments, and utility bills.

Termination:

HOME-ARP subrecipient 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.

Subrecipients must terminate TBRA assistance to any qualifying household who are absent from their TBRA unit for a minimum of 60 days.

REMEDIAL ACTIONS AND SANCTIONS

Remedial actions and sanctions for failure to meet the HOME-ARP program requirement will be designed to prevent a continuation of the deficiency; mitigate, to the extent possible, its adverse effects or consequences; and prevent its recurrence through the following actions:

- MHC may instruct the recipient to submit and comply with proposals for action to correct, mitigate, and prevent noncompliance with HOME-ARP requirements including:
 - ✓ Preparing and following a schedule of actions for carrying out activities affected by the noncompliance, including schedules, timetables, and milestones necessary to implement the affected activities.
 - ✓ Establishing and following a management plan that assigns responsibilities for carrying out the remedial actions.
 - ✓ Canceling or revising activities likely to be affected by the noncompliance, before expending HOME-ARP funds for the activities.
 - ✓ Reprogramming HOME-ARP funds that have not yet been expended from affected activities to other eligible activities.
 - ✓ Suspending disbursement of HOME-ARP funds for some or all activities.
 - ✓ Reducing or terminating the remaining grant of sub-recipient and reallocating those funds to other sub-recipients; and
- MHC may suspend payments to the extent HUD deems it necessary to preclude further expenditure of funds for affected activities.
- MHC may remove the recipient from participation in reallocations of funds.
- MHC may place conditions on future grants.
- MHC may take other remedies that are legally available.

GENERAL REQUIREMENTS

Sub-recipients are required to carry out their projects in accordance with the regulations for the Emergency Solutions Grants Program, McKinney-Vento/HEARTH Act, Title IV (42 U.S.C. 11371) and CPD-21-10.

The HOME-ARP program shall be governed by MHC's 2 application package; the Program Description; MHC's recommended policy and procedure manual, agencies policy and procedure manual, CPD-21-10 and any subsequent changes, additions, clarifications, requirements, or assurances issued by MHC or HUD that relate to the program.

Applicants are strongly encouraged to read MHC's HOME-ARP Policy and Procedures Manual which is available at <https://www.mshomecorp.com/federal-programs/homearp/>.

If questions or interpretation of any rule, requirement, or regulation arise, MHC's or HUD's decision shall be final.

During the review of the applications, MHC shall verify information for accuracy and determine feasibility and readiness of the project. This review may result in disqualification of an application.

During the review of the HOME-ARP application, MHC reserves the right to adjust the amount of the request. This adjustment will be based on verification of cost, availability of other funds and the availability of HOME-ARP funds.

A site visit does not imply that an applicant will be funded.

Exceptions to minimum and maximum grant amounts may be allowed by MHC.

Anyone receiving HOME-ARP funds must comply with 24 CFR Part 570, Equal Opportunity and Fair Housing, Affirmative Marketing and MBE/WBE requirements. In order to comply, the applicant must at a minimum meet the requirements set forth in the regulations and/or MHC's plan.

MHC may recapture funds previously awarded to a HOME-ARP recipient for reasons such as failure to satisfy timeliness of the implementation of the project, failure to comply with contractual conditions, or failure to complete project closeout. Recaptured or de-obligated HOME-ARP funds may be used to supplement Administration, supplement existing projects which may require additional funds, fund other eligible applicants, or fund HOME-ARP eligible activities.

In order to minimize displacement in accordance with 24 CFR Part 42, Displacement, Relocation and Acquisition, applications which include permanent displacement of any resident **will not** be accepted.

FEDERAL REQUIREMENTS

All sub-recipients will be required to comply with certain federal and state requirements. The following briefly describes major requirements that may apply:

McKinney-Vento Act, as amended by the HEARTH ACT: 24 CFR Parts 91 and 576

This Act authorized the HOME-ARP Program, all applicable provisions of the Act shall be adhered to by recipients. The HOME-ARP Program broadens existing emergency shelter and homelessness prevention activities and to add short- and medium-term rental assistance and services to rapidly re-house homeless people.

- HOME-ARP funds from each federal fiscal year (i.e. the allocation and any reallocated funds from the particular federal fiscal year appropriated) will be closed out when all program requirements have been met.
- Each applicant must establish and maintain sufficient records to enable MHC and HUD to determine whether the HOME-ARP requirements are being met in accordance with **the HOME-ARP CPD 2021-10 Notice Section VIII Program Administration and MHC regulations.**
- Applicants must comply with the requirements of **24 CFR Part 92.356, Conflict of Interest.** The conflict-of-interest provisions under this section apply to any person who is an employee, agent, consultant, officer, or elected or appointed official of the recipient or its sub-recipients. No person just mentioned who exercises or has exercised any functions or responsibilities with respect to activities assisted under the HOME-ARP program, or who is in a position to participate in a decision-making process or gain inside information with regard to activities assisted under the program, may obtain a financial interest or benefit from an assisted activity; have a financial interest in any contract, subcontract, or agreement with respect to an assisted activity; or have a financial interest in the proceeds derived from an assisted activity, either for him or herself or for those with whom he or she has family or business ties, during his or her tenure or during the one-year period following his or her tenure. **MHC has no waiver under the conflict of interest provision.**
- The federal requirements of **24 CFR Part 92.353, Displacement, Relocation, and Acquisition,** concerning relocation must be followed at all times when a unit to be rehabilitated is occupied prior to the beginning of construction of rehabilitating the unit.
- Affirmative outreach. The recipient or sub-recipient must make known that use of the facilities, assistance, and services are available to all on a nondiscriminatory basis. If it is unlikely that the procedures that the recipient or sub-recipient intends to use to make known the availability of the facilities, assistance, and services will be to reach persons of any particular race, color, religion, sex, age, national origin, familial status, or disability who may qualify for those facilities and services, the recipient or sub-recipient must establish additional procedures that

ensure that those persons are made aware of the facilities, assistance, and services. The recipient and its sub-recipients must take appropriate steps to ensure effective communication with persons with disabilities including, but not limited to, adopting procedures that will make available to interested persons. Consistent with **Title VI and Executive Order 13166**, recipients and sub-recipients are also required to take reasonable steps to ensure meaningful access to programs and activities for Limited English Proficiency (LEP) persons.

CPD-21-10 – 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.

The Civil Rights Act – This Act provides that no person in the United States shall on the grounds of race, color, or national origin, be excluded from participation, be denied the benefits of, or otherwise be subjected to discrimination under any program or activity for which the recipient receives federal financial assistance. The recipient shall also administer all programs and activities relating to housing and community development in a manner to affirmatively further fair housing.

Age Discrimination Act of 1975 – This Act states that no person on the basis of age shall be subject to discrimination, be excluded from participation in, or be denied the benefits of any program or activity for which the recipient receives federal funds.

Section 504 of the Rehabilitation Act of 1973 – This Act provides that no person shall be denied due to physical or mental handicap, be excluded from participation in, be denied the benefits of, or be subject to discrimination under any program or activity for which the recipient receives federal funds. **HUD’s regulations at 24 CFR part 8** apply to the HOME-ARP program accessibility requirements under Subpart C – Program Accessibility. Grantees are required to provide reasonable accommodations for persons with disabilities in order to enable program participants with a disability to have an equal opportunity to participate in the program or activity.

National Environmental Policy Act and 24 CFR Part 58 – This act provides for the identification of environmental impacts of proposed projects utilizing federal funds. This includes the preparation of environmental assessments and, where necessary, environmental impact statements.

Lead-Safe Housing Regulation – Under this Act the construction or rehabilitation of residential structures or non-dwelling facilities commonly used by children under seven years of age with federal assistance is subject to regulations contained in 24 CFR Part 58 and 24 CFR 92.355.

Government-Wide Restriction on Lobbying – This Act ensures that no federal funds will be paid for influencing or attempting to influence an office or employee of any agency or Member of Congress in conjunction with awarding of any federal contracts, grants, loans, etc.

Executive Order 11246 – This Order and the regulations issued pursuant to 24 CFR Part 130 and 41 CFR Chapter 60, provides that no person shall be discriminated against on the basis of race, color, religion, sex or national origin in all phases of employment during the performance of federal and federally assisted construction contracts.

Section 3 – Section 3 of the Housing and Urban Development Act of 1968, 12 U.S.C. 1701(u) and implementing regulations at 24 CFR part 135 apply, **except that homeless individuals have priority over other Section 3 residents in accordance with Section 576.405(c)**. To the maximum extent practicable, the recipient or sub-recipient **must** involve homeless individuals and families in constructing, renovating, maintaining, and operating facilities assisted under HOME-ARP, in providing services assisted under HOME-ARP, and in providing services for occupants of facilities assisted under HOME-ARP. This involvement may include employment or volunteer services.

Confidentiality – HOME-ARP CPD 2021-10 Notice Section VIII, F Recordkeeping 24 CFR 500(x)(i)(2) The recipient and its sub-recipients must development and implement written procedures to ensure:

- ✓ All records containing personally identifying information (as defined in HUD’s standards for participation, data collection, and reporting in a local HMIS) of any individual or family who applies for any/or receives HOME-ARP assistance will be kept secure and confidential.
 - ✓ The address or location of any domestic violence, dating violence, sexual assault, or stalking shelter project assisted under the HOME-ARP will not be made public, etc.
 - ✓ The address or location of any housing of a program participant will not be made public, etc.
 - ✓ The confidentiality procedures of the recipient and its sub-recipients must be in writing and must be maintained in accordance with this section.
- Period of record retention for each fiscal year of HOME-ARP funds is the greater of 5 years or as specified in this section 24 CFR 576.500(y)(1)(2)(3).**

Audit Requirements - The OMB’s Circular 2 CFR 200.501 requires that a state, local government or non-profit organization expending \$750,000 or more a year in total cumulative Federal funds must have a Single Audit made in accordance with the Single Audit Act. A copy of the audit report must be received by MHC no later than nine months following the end of the grant recipient’s fiscal year in which the Federal funds were expended.

If less than \$750,000 in total cumulative Federal funds were expended within the fiscal year, and any of the funds were received through MHC, an acceptable MHC Funding Certification Form (for that year only) shall be submitted. It must be received by MHC no later than nine months following the end of the grant recipient’s fiscal year in which the Federal funds were expended, and no sooner than the end of the same fiscal year.

Cost Principles - Subject to the cost principles in OMB Circulars 2 CFR 225 and 2 CFR 230 and other requirements in this part, employee compensation and other overhead costs directly related to carrying out emergency shelter, homelessness prevention, rapid re-housing and HMIS are eligible costs of these program components. These costs are not subject to the expenditure limit for administrative activities.

Procurement – 24 CFR 85 outlines the standards and guidelines for the procurement of supplies, equipment, construction, and services to ensure that they are obtained as economically as possible through an open and competitive process, and that contracts are managed with good administrative practices and sound business judgment.

Procurement of Recovered Materials – The recipient and its contractors must comply with Section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act.