

HOME-ARP Program Fact Sheet: Tenant-Based Rental Assistance

Overview:

HOME-ARP funds may be used to provide tenant-based rental assistance ("HOME-ARP TBRA") to individuals and families that meet one of the Qualifying Populations defined in the *CPD Notice: Requirements for the Use of Funds in the HOME-American Rescue Plan Program* ("the Notice"). A SUB-RECIPIENT may assist a qualifying household by providing payments towards housing and housing-related costs, such as rent, security deposits, utility deposits, and utility costs. Because HOME-ARP TBRA is attached to the qualifying household and not a particular rental unit, the household may choose to move to another unit with continued assistance as long as the new unit meets the applicable property standards. HOME-ARP TBRA may be provided in coordination with a non-profit HOME-ARP sponsor that facilitates a qualifying household's use of HOME-ARP TBRA. The HOME-ARP sponsor may make rental subsidy payments and a security deposit payment on behalf of a qualifying household or may sublease a unit to the qualifying household.

Eligible Costs:

• <u>Eligible Costs</u>: 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.

Project Requirements:

- <u>Portability of Assistance</u>: A SUB-RECIPIENT may require the HOME-ARP TBRA assisted household to use the assistance within the SUB-RECIPIENT's boundaries or may permit the household to use the assistance outside its boundaries as outlined at <u>24 CFR 92.209(d)</u>.
- <u>Term of Rental Assistance Contract</u>: The SUB-RECIPIENT must determine the maximum term of HOME- ARP TBRA assistance contracts and whether contracts will be renewable.
- <u>Maximum Subsidy</u>: The SUB-RECIPIENT must establish policies for the allowable maximum subsidy, which may differ from the maximum subsidy requirements at <u>24 CFR 92.209(h)</u>.
 SUB-RECIPIENTs may provide up to 100 percent subsidy for rent, security deposit payments, and utility bills. The SUB-RECIPIENT must also establish policies for determining any household contribution to rent.
- <u>Rent Reasonableness</u>: The SUB-RECIPIENT 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.





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

 <u>Use of a HOME-ARP Sponsor</u>: 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.

