

Montana Housing Application Workshop

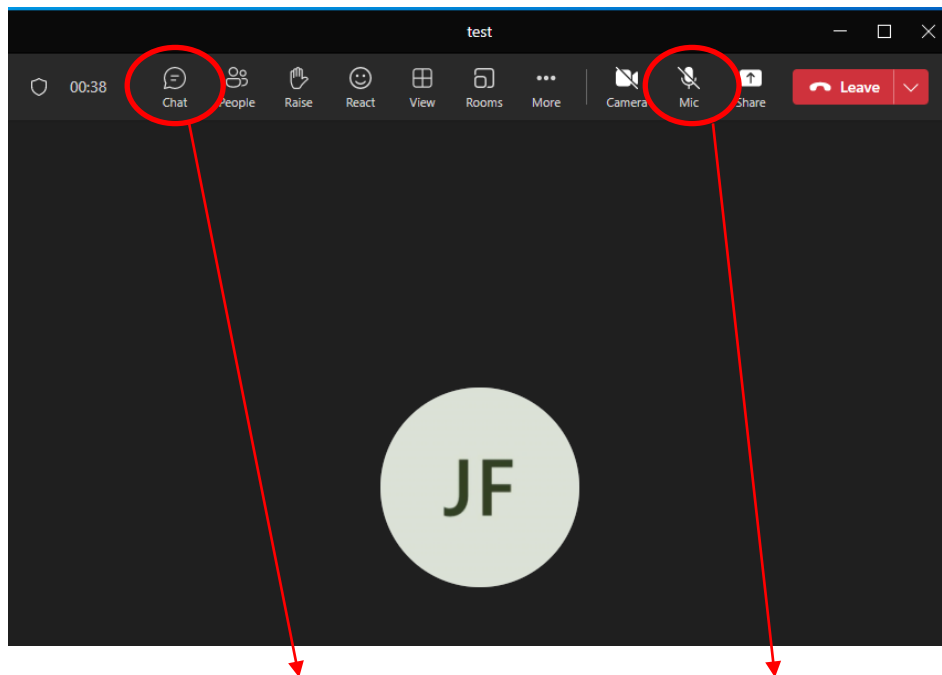
HOME Investment Partnerships Program American Rescue Plan

June 27, 2023

We will get started shortly.

In the Chat, please enter your:

- Name
- Organization
- Location



Access the CHAT here

Please make sure you are on MUTE





Applications

- Eligible project applications are due OCTOBER 31, 2023
- Application guidelines and HOME-ARP Allocation Plan are available online:
 - <https://housing.mt.gov/Community-Housing/HOME-ARP>
- Commerce's allocation = \$11,459,768
 - 10% for administrative costs
 - Just over \$10M for projects





HOME-ARP Program Overview

- HOME Investment Partnerships Program - American Rescue Plan
- One-time federal block grant from the US Department of Housing and Urban Development (HUD) administered through the Montana Department of Commerce (Commerce)
- Provides funding to reduce homelessness and increase housing stability for qualifying populations (QP)
 - Must meet the definition of one or more QP rather than meet the income requirements of regular HOME





Qualifying Populations (QP)

1. Homeless

- As defined in [24 CFR 91.5](#);

2. At-risk of homelessness

- As defined in [24 CFR 91.5](#);

3. Fleeing or attempting to flee domestic violence, dating violence, sexual assault, stalking, or human trafficking

- As defined by HUD in the [CPD Notice](#);

4. Other populations where providing supportive services or assistance under section 212(a) of the Act ([42 U.S.C. 12742\(a\)](#)) would prevent homelessness or would serve those with the greatest risk of housing instability

- Includes temporary assistance like Montana Emergency Rental Assistance (MERA) program



Qualifying Populations

Projects 100% occupied by QPs are a priority for Commerce and will be awarded more points

- ‘No less than 70%’ of units must be occupied by a QP
 - ‘No more than 30%’ can be restricted for otherwise low-income households
 - Other funding sources are available for projects targeting income-eligible households
 - Can include some unrestricted/market rate units but that will impact points awarded



Questions?





Eligible Activities

New units are a priority for Commerce and will be awarded more points

- Construction of new units
- Rehabilitation of existing units
- Purchase, rehabilitation, or construction of non-congregate shelter
 - Private units or rooms as temporary shelter for individuals/families and do not require a lease
 - HOME-ARP cannot be used to convert shelters to permanent housing



House Bill 5

- Pending State rule-making processes
- Applications will be due with HOME-ARP
 - October 31, 2023
- \$5M to provide temporary shelter for the homeless in general, or for specific populations of the homeless, and which does not require a lease
- \$750k limit per county
- Stay tuned for more!



Eligible Costs

- Development hard costs
 - Construction, remediation, site work
- Related soft costs
 - Architecture and engineering fees
 - Environmental review/compliance fees
 - Appraisal, title, recording, legal fees
- Acquisition
 - Vacant land or existing buildings
- Supportive services





Supportive Services

- Child care
- Education services
- Employment assistance/job training
- Housing counseling
- Legal services
- Life skills training
- Mental health services
- Case management





Supportive Services

Applications for supportive services not associated with another eligible activity will not be considered

Supportive services are not required but projects including services will be awarded more points

- Draft supportive services plan must be included with application
 - Who will be the service provider?
 - What is the status of that agreement?
 - What services will be provided?
 - On-site or off-site?



Questions?





Needs Assessment

- Conduct a needs assessment or gaps analysis to justify the type of project, size, target population, etc.
- Helps you (and Commerce) understand:
 - Demographics of the 4 QPs in your area
 - Existing housing/shelter inventory and available services in your area
 - Establish your preferences and/or limitations to address the gaps (if applicable)
 - Establish your method of prioritization to address highest need (if applicable)





Preferences

- Establish the order in which applicants qualify for a HOME-ARP project
 - Ranks one QP higher than others
 - Ranks a subpopulation of a QP higher than others
- If no preference is set, all QPs must be eligible
- Examples:
 - Rental housing for those experiencing homelessness (Preference for QP1)
 - Rental housing for youth experiencing homelessness (Preference for youth as a subpopulation of QP1)





Limitations

- Limits the eligibility of a HOME-ARP project to certain QPs
- Only an option if a need/gap can't be addressed with a preference
- Example:
 - Non-congregate shelter for individuals and families fleeing domestic violence (limitation for QP3)



Method of Prioritization

- Establishes the order in which eligible households are admitted to a project
- Must be in chronological order if not otherwise specified
- Example: Rental housing for those experiencing homelessness
 - Preference for QP1, no limitations
 - Occupancy is prioritized based on the length of time they have been homeless





Referral Methods

- Expanded Coordinated Entry (CE)
 - Must include all 4 QPs and cover the same geographic service area as the project/activity
- Coordinated Entry (CE) with other referrals
 - If geographic area covered by CE alone is too small, doesn't include all 4 QPs, or lacks uniform referral process
- Project/activity-specific waitlist
 - Must be used in chronological order unless specified by preferences, limitations, etc.



Tenant Selection

- Give as much detail as possible in your application so we can determine eligibility and necessary next steps
- Commerce is required to amend the Allocation Plan to include any project-specific preferences and/or limitations
 - Will add several months to project timelines



Questions?





HOME-ARP Rent Limits

- Tenant rent + HUSM utilities cannot exceed the limits
- HOME-ARP uses the regular HOME program rent limits published by HUD
- 2023 Rent Limits
 - Use these to develop a proforma and project rental income/expenses
 - Actual rents may vary based on the households occupying the project



Requirements That Still Apply

- Period of Affordability
 - New construction: 15 years
 - Rehabilitation or acquisition: 10 years
- Procurement
 - Contractors, professional services, and supportive services must be chosen through competitive process
- Labor Standards
 - Section 3, DBE/MBE/WBE
 - Davis-Bacon wage rates



Requirements That Still Apply

- Environmental review
 - Level depends on the type of project
- Choice Limiting Actions
 - Any physical work or commitment of funds prior to completing the environmental review
- Uniform Relocation Act (URA)
 - Voluntary acquisition, temporary relocation
 - Please avoid permanent displacement



Resources

- Lots of resources available on Commerce's HOME program [website](#)
 - Template Management Plan
 - Template URA Plan
- HOME-ARP [Application Guidelines](#) also online
- HUD Webinars:
 - [Preferences and limitations](#)
 - [Referral methods](#)



Questions?



Contact Information

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For project-specific questions or HOME-ARP technical assistance, please contact Jen

