

HOME Investment Partnerships (HOME) American Rescue Plan (ARP) Allocation Plan

Draft – May 2022



DEPARTMENT OF COMMUNITY PLANNING, HOUSING & DEVELOPMENT

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HUD Guidance

- To receive its HOME-ARP allocation, a PJ must:
 - Engage in consultation with at least the required organizations;
 - Provide for public participation including a 15-day public comment period and one public hearing, at a minimum; and,
 - Develop a plan that meets the requirements in the HOME-ARP Notice.
- To submit: A PJ must upload a Microsoft Word or PDF version of the plan in IDIS as an attachment next to the “HOME-ARP allocation plan” option on either the AD-26 screen (for PJs whose FY 2021 annual action plan is a Year 2-5 annual action plan) or the AD-25 screen (for PJs whose FY 2021 annual action plan is a Year 1 annual action plan that is part of the 2021 consolidated plan).
- PJs must also submit an SF-424, SF 424B, and SF 424-D, and the following certifications as an attachment on either the Ad-26 or AD-25 screen, as applicable:
 - Affirmatively Furthering Fair Housing;
 - Uniform Relocation Assistance and Real Property Acquisition Policies Act and Anti-displacement and Relocation Assistance Plan;
 - Anti-Lobbying;
 - Authority of Jurisdiction;
 - Section 3; and,
 - HOME-ARP specific certification.

Participating Jurisdiction: Arlington County, VA

Date: May 11, 2022

Consultation

Before developing its plan, a PJ must consult with the CoC(s) serving the jurisdiction’s geographic area, homeless and domestic violence service providers, veteran’s groups, public housing agencies (PHAs), public agencies that address the needs of the qualifying populations, and public or private organizations that address fair housing, civil rights, and the needs of persons with disabilities, at a minimum. State PJs are not required to consult with every PHA or CoC within the state’s boundaries, however, local PJs must consult with all PHAs (including statewide or regional PHAs) and CoCs serving the jurisdiction.

Summarize the consultation process:

County staff held a listening session to gather feedback on community needs related to the creation of its HOME Investment Partnerships Program-American Rescue Plan (HOME-ARP) Allocation Plan on Thursday, December 9, 2021. There were more than 50 participants from a wide range of community nonprofits that serve vulnerable Arlington residents. The purpose of the event was to better understand the needs of the HOME-ARP qualifying populations, identify gaps in service delivery system, develop priority needs, and determine potential uses for Arlington’s HOME-ARP funds.

List the organizations consulted, and summarize the feedback received from these entities.

Agency / Org Consulted	Type of Agency / Org	Method of Consultation and Feedback Received
AHC, Inc.	Affordable housing developer	Dec. 9 Listening Session <ul style="list-style-type: none"> - Highest need population is 30-40% below AMI, but most housing targets 60% or 80%. Generally seems very difficult to finance these higher need projects. More vouchers for these populations might be helpful - Most nonprofits in the County have strong eviction prevention programs so it’s important for those programs to continue to be funded.
Alliance for Housing Solutions	Affordable housing advocacy organization	Dec. 9 Listening Session <ul style="list-style-type: none"> - High demand for affordable housing but there is low inventory and current prices are out of reach for many clients. - High demand for family size units, 3+ bedrooms. - Not all families and individuals qualify for Housing Grant subsidies. Need more funding for Housing Grants and expansion of eligibility requirements. - Proposed HOME-ARP funding not best suited for TBRA since it is one-time funding. - Housing locators available via service providers provide valuable service in finding housing. - Streamline the waitlist and application process for CAFs; create centralized system.

<p>Arlington Commission on Aging</p>	<p>Advocacy for aging population</p>	<p>Dec. 9 Listening Session</p> <ul style="list-style-type: none"> - County should consider grants or loans to older adults on limited or fixed income for retrofitting costs so population can age-in-place. Many older adults are forced to sell and leave the County. - Affordable assisted living facilities is limited throughout county. - County should consider allowing rental assistance programs to support housing portion of assisted living. - In home care givers/case management support is needed to help aging community stay in their homes.
<p>Arlington Neighborhood Village</p>	<p>Advocacy and services for aging population</p>	<p>Dec. 9 Listening Session</p> <ul style="list-style-type: none"> - Landlords do not support renters in the way other services do to complete eviction prevention measures. County should consider connect people to eviction prevention strategies and making information easier to obtain. - It's hard for certain populations to get online information since there is a lack of computer access or technology literacy.
<p>Arlington Partnership for Affordable Housing (APAH)</p>	<p>Affordable housing developer</p>	<p>Dec. 9 Listening Session</p> <ul style="list-style-type: none"> - The County should consider targeting resources to support households that are doubled-up because rent is so expensive. - Additional case management support is needed to assist households in navigating rental assistance process.
<p>Arlington Thrive</p>	<p>Emergency services for eviction prevention</p>	<p>Dec. 9 Listening Session</p> <ul style="list-style-type: none"> - At risk of homelessness households are often overlooked in appropriation of resources, but it is a very large category of people. - Often seeing that households are struggling to meet necessary overhead because of high rent costs and limited supply of units for which they income qualify. - There is a growing aging population (not yet 65 and don't qualify for HG) that have limited employment options (due to health and education) and therefore limited income to support existing housing costs.
<p>Capital Youth Employment Program</p>	<p>Services for disenfranchised families</p>	<p>Dec. 9 Listening Session</p> <ul style="list-style-type: none"> - Many formerly incarcerated fathers have difficulty finding housing. Many are couch-surfing, but some rely on shelters and even then it's hard to find available beds. Also difficult for them to find the necessary information. - More outreach with the most vulnerable communities is needed so they're aware of available services.

		<ul style="list-style-type: none"> - Employment training, skill development through apprenticeship programs are good examples to address unemployment.
Doorways for Women and Families	Domestic Violence survivor services	<p>Dec. 9 Listening Session</p> <ul style="list-style-type: none"> - There is concern that County resources are not available to those recently released from jail/prison or psychiatric institutions. These households often have to become homeless in order to access assistance. - Homeless services facilities should be rethought to ensure that we can keep people safe in instances such as communicable disease, physical, auditory changes. - Safety upgrades are also needed for older apartments that pose a safety threat for domestic violence clients. - Support such as assistance completing applications for housing and rental assistance is needed for DV clients. Need to create units for DV clients near schools, public transit, etc. - There is an increased need for non-congregate shelter as a result of COVID, particularly for families.
Friends of Guest House	Homeless services provider	<p>Dec. 9 Listening Session</p> <ul style="list-style-type: none"> - People with co-occurring challenges (substance abuse and mental illness) are particularly vulnerable. Many people in this category don't do well in congregate settings.
La Cocina VA	Employment services	<p>Dec. 9 Listening Session</p> <ul style="list-style-type: none"> - Mental Health services needs expansion, additional staffing needed. Mental health issues must be severe to qualify for assistance. -
Latino Economic Development Corp.	Housing services	<p>Dec. 9 Listening Session</p> <ul style="list-style-type: none"> - LEDC gets many calls from people looking for affordable rental housing-constantly trying to refer people, but there isn't inventory. - Seeing an increase in households that are trying to purchase homes because their rent is becoming more and more unaffordable. These households also traditionally have bad credit and are not necessarily poor, but don't qualify for County assistance. - Increased funding for home improvement so households can afford to repair their houses is needed.
Legal Aid Justice Center	Immigration legal services organization	<p>Dec. 9 Listening Session</p> <ul style="list-style-type: none"> - Need to focus on educating tenants on their rights leading to empowerment.

		<ul style="list-style-type: none"> - Assist in the formation of resident associations to provide peer-to-peer training.
NAACP Arlington	Advocacy for persons of color	<p>Dec. 9 Listening Session</p> <ul style="list-style-type: none"> - County is behind on meeting master plan goals and particularly is not meeting goals associated with affordable homeownership. - There is a strong need for affordable housing for lowest income households (30% of AMI and below) as well as large families (3+ BR units). - County should consider allowing single individuals to be eligible for local Housing Grants program. - Single, homeless households struggle with next step housing because they often don't qualify for ongoing support. - There is a gap in the system related to formerly incarcerated individuals. Many times these individuals have poor credit, little to no income, and experience discrimination in the housing system. Without specific supports, many times these individuals have to access the homeless system. - Additional advertising, marketing, and outreach resources is needed because many households don't know they are eligible for assistance. - Sex offenders and formally violent offenders need shelter. Not having such supports puts a burden on the system as the options are limited.
Wesley Housing Development Corp.	Affordable housing developer	<p>Dec. 9 Listening Session</p> <ul style="list-style-type: none"> - Resident services/ case management are a large part of housing programs and we need to think how these services will combine. - County should consider buying down affordability up front for CAFs
Ethiopian Community Development Council, Inc.	Refugee resettlement agency	Dec. 9 Listening Session
Gilbane, Co.	Affordable housing developer	Dec. 9 Listening Session
Just Neighbors	Immigration legal services organization	Dec. 9 Listening Session
National Housing Trust	Affordable housing developer	Dec. 9 Listening Session
New Hope Housing	Homeless services provider	Dec. 9 Listening Session

PathForward (A-SPAN)	Homeless services provider	Dec. 9 Listening Session
Rebuilding Together	Housing rehab services for aging and disable population	Dec. 9 Listening Session
Shooshan Companies	Affordable housing developer	Dec. 9 Listening Session
Stratford Capital Group Development	Affordable housing developer	Dec. 9 Listening Session

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Public Participation

PJs must provide for and encourage citizen participation in the development of the HOME-ARP allocation plan. Before submission of the plan, PJs must provide residents with reasonable notice and an opportunity to comment on the proposed HOME-ARP allocation plan of **no less than 15 calendar days**. The PJ must follow its adopted requirements for “reasonable notice and an opportunity for comment” for plan amendments in its current citizen participation plan. In addition, PJs must hold **at least one public hearing** during the development of the HOME-ARP allocation plan and prior to submission.

For the purpose of HOME-ARP, PJs are required to make the following information available to the public.

- The amount of HOME-ARP the PJ will receive,
- The range of activities the PJ may undertake.

Describe the public participation process, including information about and the dates of the public comment period and public hearing(s) held during the development of the plan:

- ***Public comment period:*** April 28, 2022 – May 27, 2022
- ***Public hearing date:*** December 9, 2021, and May 12, 2022

Narrative response:

The format for both the December 9, 2021, and May 12, 2022 meetings are described below.

December 9, 2021 HOME-ARP Listening Session:

County staff held a listening session on December 9 with more than 40 community nonprofits and stakeholders to gather feedback on community needs for the qualifying populations. The session began with a presentation of Continuum of Care (CoC) accomplishments over the last fiscal year, an overview of HOME-ARP fund eligible activities and qualifying populations. The session then concluded with splitting out into four separate breakout groups to ask participants a series of questions related to the needs of qualifying populations related to the various eligible activities. The questions asked of each group were as follows:

1. Are the County's current efforts related to production or preservation of affordable housing meeting the needs of the populations that qualify for HOME ARP? What are the gaps?
2. Are additional tenant-based rental assistance resources needed to support populations that qualify for HOME ARP? Do certain populations have greater rental assistance needs?
3. What additional supportive services are needed to ensure that qualifying populations are able to avoid homelessness? i.e., anything that would help HH stay in their home
4. Is there enough non-congregate shelter availability for qualifying populations? Are these populations able to access these resources? Are there different shelter needs for various qualifying populations? How can the County improve?
5. What are the greatest gaps in the resources that are currently available to assist qualifying populations?

May 12, 2022 HOME-ARP Allocation Plan Feedback Session: County staff will hold a session to gather feedback of the draft HOME-ARP Allocation Plan on May 12, 2022. The session will involve an overview of the HOME-ARP program and funding guidelines, a review of the draft HOME-ARP Allocation Plan, and targeted questions to prompt feedback on how the County should go about implementing the HOME-ARP program. Additional details about the feedback session will be added once the session has occurred.

Describe any efforts to broaden public participation:

As required by the County’s Citizen Participation Plan, the County held two public hearings and issued a 30-day public comment period to gather feedback in the development and review of the HOME-ARP Allocation Plan. In addition, the County took considerable steps to broaden public participation, including the following:

- Significant interdepartmental collaboration and planning with County staff to ensure that all aspects of affordable housing were incorporated, including the Department of Human Services and Department of Community Planning, Housing and Development.
- Consultation with Arlington County’s Continuum of Care partners, including participation in public hearings and at regularly scheduled Executive Committee and Housing sub-committee meetings.
- Consultation with Arlington County’s Safety Net Partners working group, which includes over 20 non-profit organizations that support the various qualifying populations.
- Expanded outreach efforts to organizations that support specific qualifying populations that are not typically involved in the Consolidated Planning process. This includes Doorways for Women and Families (supports domestic violence survivors) and regional Department of Veterans Affairs service providers group (supports veterans).
- Expanded outreach efforts to Arlington Public Schools to ensure its stakeholders were aware of the planning process.
- Development of a web-based comment form where the County could accept comments on the draft HOME-ARP Allocation Plan electronically.

A PJ must consider any comments or views of residents received in writing, or orally at a public hearing, when preparing the HOME-ARP allocation plan.

Summarize the comments and recommendations received through the public participation process:

December 9, 2021 HOME-ARP Listening Session: The feedback indicated that the following areas are the highest priority for the target populations under this scope:

- Affordable Housing:
 - Rental units with deeper affordability (50% AMI and below)
 - Larger, family-sized units
 - Retrofits for homes of older populations
- Supportive Services:
 - Case management support for individuals who might not have it elsewhere, specifically for older adults and persons returning from incarceration or psychiatric facilities

- Marketing and outreach to ensure hard-to-reach populations know of available County resources
- Employment training and opportunities and soft skills training
- Services or supports for aging individuals who don't qualify for County assistance.

Summarize any comments or recommendations not accepted and state the reasons why:

There were no comments or recommendations that were not accepted in the draft HOME-ARP Allocation Plan.

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Needs and Gap Analysis

PJs must evaluate the size and demographic composition of qualifying populations within its boundaries and assess the unmet needs of those populations. In addition, a PJ must identify any gaps within its current shelter and housing inventory as well as the service delivery system. A PJ should use current data, including point in time count, housing inventory count, or other data available through CoCs, and consultations with service providers to quantify the individuals and families in the qualifying populations and their need for additional housing, shelter, or services. The PJ may use the optional tables provided below and/or attach additional data tables to this template.

Describe the size of demographic composition of qualifying populations within the PJs boundaries:

Individuals and Families At-Risk of Homelessness: Due to the COVID-19 pandemic beginning in spring 2020, the County has experienced a substantial growth of households and individuals at risk of homelessness. Approximately 1,550 households were assisted in County FY 2020 (federal FY 2019) and 1,586 were assisted in County FY 2021 (federal FY 2020) to avoid eviction or receive emergency rental assistance funding. This previous year's increase is largely due to the COVID-19 pandemic and impacts on working families with children due to closed schools and childcare, underemployment and unemployment.

The community's increased emphasis on efforts to prevent homelessness and support families at-risk of homelessness, coupled with significant new and added resources to our efforts, was extensive and garnered the following successes:

- Increases in permanent housing exits from single adult emergency shelters and Rapid Rehousing, as well as sustained performance in family emergency shelters;
- Reduced "length of stay" among shelter guest (by number of months) in family shelters and Rapid Rehousing programs.
- Reduction of unsheltered homelessness by 26% in the 2022 annual Point-in-Time (PIT) Count conducted by the CoC (from 27 people counted in 2021 to 20 people in 2022);
- And while overall homelessness in the 2022 PIT Count increased by 6% in 2022 (driven by increased shelter utilization (increase of 13%)), this year's count still represents a downward trend as compared to 2020's PIT Count from 199 people in 2020 to 182 people counted in 2022.

Despite these gains, the CoC also sees far greater number of people in its programs that cannot be accounted for by the Point-in-Time Count and demonstrates the ongoing and pervasive needs of people experiencing homelessness in Arlington County.

- **Individuals or Families Experiencing Homelessness:** While Point-in-Time Counts continue to decrease year to year, it represents a small portion of those served in the CoC in any given year.
 - In 2021, the CoC served 1,146 people throughout the CoC.
 - People of color are largely overrepresented in the homeless population, representing 9% of the Arlington County population, but as high as 75% of the population served in

family emergency shelter, 58% of single adult shelters, 72% of those served in Rapid Rehousing, and 64% of those served in Permanent Supportive Housing.

- The number of people experiencing chronic homelessness also increased in the 2021 PIT (by 75% or 15 people).
- **Individuals fleeing or attempting to flee domestic violence:** The number of survivors of domestic violence increased in the 2021 PIT (by 113% or 48 people).
- **Veterans:** While the PIT count of Veterans increased by 33%, this represents 1 additional person for a total of 4 Veterans counted in 2021.

Describe the unmet housing and service needs of qualifying populations, including but not limited to:

- ***Sheltered and unsheltered homeless populations;***
- ***Those currently housed populations at risk of homelessness;***
- ***Other families requiring services or housing assistance or to prevent homelessness;***
and,
- ***Those at greatest risk of housing instability or in unstable housing situations:***

Individuals or Families Experiencing Homelessness: While a subset of households experiencing homelessness will need Permanent Supportive Housing (persons who experience chronic episodes of homelessness and live with severe and persistent disabilities), many people experiencing homelessness require less intensive interventions because their episodes of homelessness are driven by affordability issues. Housing remains out of reach for many people in emergency shelters whose incomes fall well below the area median income. Between 30% and 40% of families and single adults leave shelters with no cash income. Rapid Rehousing is an intervention that provides households with short-to-medium term rental assistance and supportive services to stabilize them in permanent housing, typically rental units where the client is the leaseholder.

Individuals or Families at-risk of Homelessness: Rental housing for very low-income (<60% AMI) and extremely low income (<30% AMI) households is needed to close the current housing gap and meet future needs. This group of individuals and families includes many workers who serve the Arlington community and economy, and the lower-wage jobs they work in will comprise a larger share of the region's overall employment in the years to come. This group of households faces the most stress associated with rent increases, and the supply of housing that is affordable to this group has declined sharply over the past decade.

Families with children will need homes with two, three or more bedrooms. Families with children make up a growing segment of the Arlington community. They are also more likely than other types of households to face affordability challenges and to find housing that meets their families' needs. (A subset of large families is especially challenged in finding affordable housing in Arlington with limited three+ bedroom units.)

Senior households will have a variety of needs, but many will need new housing options to be able to remain in Arlington or will need assistance—either with physical modifications or financial assistance—to age in place in their homes. Many long-term residents of Arlington will be entering retirement and may want to remain in their community.

The growing number of persons with disabilities will need housing to enable them to live independently in the community. Among the most vulnerable populations in Arlington are low-income people with disabilities.

Victims of Domestic Violence: In FY 2021, Doorways, the sole domestic violence shelter operator in Arlington, served 80 people in its confidential shelter. This is 10 additional people as compared to FY 2019 and FY 2020. Due to the pandemic, Doorways was able to increase shelter capacity by providing shelter services in “Safe Apartments” which functioned as confidential, non-congregate shelter. While the number of hotline calls did not change substantially from previous years, Doorways noted that the level of risk and lethality was substantially higher than in years past.

Veterans: In 2015, Arlington County formally committed to ending veteran homelessness by the end of the year. Twelve months later, and since then, Arlington has met and sustained that goal. While in 2021 the CoC did see a slight, month-over-month increase in veterans served (from 0 in January 2021 to 4 in December 2021), overall numbers remain nominal given the concerted work done across the CoC to both assess and prioritize veterans for housing in partnership with the Department of Veterans Affairs.

Identify and consider the current resources available to assist qualifying populations, including congregate and non-congregate shelter units, supportive services, TBRA, and affordable and permanent supportive rental housing:

Congregate and Non-Congregate Shelter: Arlington largely relies on congregate shelter for individuals and families. (Three of the five emergency shelters are owned by the County, and four of the five are congregate settings by design.) Given current prevention and diversion efforts, Arlington’s CoC has been able to provide immediate access to emergency shelter for people who need shelter, because they cannot find alternative housing options. That said, a tipping point may occur when that is no longer possible, as eviction proceedings increase and resources decline after the surge of financial assistance from COVID-19 responses. Shelter capacity also depends on the extent to which households are able to exit to safe and affordable housing options. The more housing options and re-housing resources that exist, the shorter shelter stays are and the more people can be served each year. Non-congregate shelter has primarily been used to assist people who are experiencing COVID-19 through a contractual relationship with a local hotel. Stays are handled largely on a case-by-case basis and are prioritized for the isolation and quarantine period needed prior to safely returning to a congregate setting.

Permanent Housing Options: Arlington County relies on several permanent housing options for people experiencing homelessness:

- Short-term rental assistance aimed to prevent homelessness and assist households in stabilizing housing.
- Rapid Rehousing, which pairs housing in the market with short-to-medium term rental assistance and supportive services. Households typically compete for housing in the market and look for long-term affordable options which they can sustain after their rent assistance ends. For some households, they may transition to other available subsidies or more intensive services if appropriate.
- Permanent Supportive Housing for people experiencing chronic homelessness and living with a disability. Housing is deeply affordable through a combination of unit underwriting and local or

Federal assistance to assist people with very low to no incomes. The majority of PSH units are scattered site, utilize tenant based rental assistance and rely on formal and informal relationships between CoC and PSH providers and housing developers.

- Housing Grants is a local subsidy program that offsets the cost of housing for working families or households living with a disability.
- Housing Choice Vouchers (formerly Section 8) are Federal subsidies that offset the cost of housing for low income renters, and are often limited by the low turnover and limited supply of new vouchers in the program.

Supportive Services: Residential services are available in a number of local affordable housing developments, but not all. Some tenants receive other supportive services through the community. For example, Arlington County provides an array of economic, family and behavioral health resources for children, adults and seniors. Other tenants receive supportive services through homeless housing programs (if experiencing homelessness).

Identify any gaps within the current shelter and housing inventory as well as the service delivery system:

In Arlington, housing characteristics linked with instability and an increased risk of homelessness are:

- **Rent burdened:** a household paying more than 30% of income on housing is at increased risk of homelessness.
- **Overcrowding:** a household living in a doubled-up situation is at high risk of homelessness. If the household is not on the lease or a welcome guest, the household could be asked to leave at any time.
- **Under housed:** a household living in a unit not properly sized due to affordability. Being under housed creates stress on a household and is unhealthy for children, can result in instability and put a household at increased risk of homelessness.
- **High-cost housing market:** High rents in Arlington make it difficult to serve low-income households.

Identify priority needs for qualifying populations:

Priority needs for qualifying populations include both the following targeted groups and their subsequent needs:

- **Individuals or families experiencing sheltered or unsheltered homelessness:** Affordable housing that provides short, long or permanent services and permanent affordability are high-priority needs. Available housing must also accommodate flexible screening practices to account for existing rental barriers.
- **Individuals or families at risk of homelessness:** Two sub-populations have been identified as being particularly at-risk of homelessness:
 - **Aging populations:** Persons experiencing chronic homelessness and/or other low-income elderly persons require greater assistance and coordination to be able to attain or maintain safe, accessible housing where they can age in place. This includes assistance with accessing food, medical care, home health, activities of daily living, and transportation.

- Large or multi-member households: In addition to unit affordability, larger units or single-family rentals are in short supply, limiting options for larger and multigenerational families.
- **Individuals fleeing or attempting to flee domestic violence:** Immediate access to safety planning and behavioral health supports for trauma associated with domestic violence are needs, along with short to long-term service and affordability needs.
- **Veterans:** Quick access to Veterans Affairs assistance, including health care, behavioral health care supports, and housing assistance that focuses on quick attainment and long-term stability of permanent housing are important to meet this population's needs.

Explain how the level of need and gaps in its shelter and housing inventory and service delivery systems based on the data presented in the plan were determined:

Housing gaps were identified by utilizing annual CoC data to include Point-In-Time shelter and outreach capacity (HIC), as well as current (FY 2021) and targeted performance standards for length of homeless episodes and rates of permanent housing exit. This provided information to understand the current capacity to re-house persons experiencing homelessness and housing needed to improve system performance. In addition, County staff utilized information regarding availability of committed affordable housing units (CAFs) and future needs obtained through a recent Housing Needs Assessment, which was completed as part of a review of the County's Affordable Housing Master Plan.

Service gaps largely reflect qualitative analysis conducted with the CoC and community stakeholders in weekly case conferencing meetings focused on housing options for people experiencing homelessness, as well as community listening sessions.

HOME-ARP Activities

Describe the method for soliciting applications for funding and/or selecting developers, service providers, subrecipients and/or contractors and whether the PJ will administer eligible activities directly:

Arlington will utilize a portion of HOME-ARP funding to create committed affordable units (CAFs) that can be set aside for qualifying populations or individuals referred through the County's Continuum of Care (CoC) Centralized Access System (CAS). The remainder of the funds will be used to provide supportive services for the individuals and families that occupy these CAF units.

The method for determining a project will be twofold. First, Arlington County staff will identify a multifamily project in the County's current pipeline to utilize the HOME-ARP funds, specifically a new construction or infill development to ensure that no displacement of existing households occurs. If an existing building is renovated for these units, we will ensure the units are integrated without displacement of existing residents. Once a multifamily project is identified, staff will issue a Notice of Funding Availability to solicit a nonprofit organization to provide supportive services to clients who will reside in the HOME-ARP units.

The community and interested stakeholders will have another opportunity to provide input once a specific project has been identified.

If any portion of the PJ's HOME-ARP administrative funds were provided to a subrecipient or contractor prior to HUD's acceptance of the HOME-ARP allocation plan because the subrecipient or contractor is responsible for the administration of the PJ's entire HOME-ARP grant, identify the subrecipient or contractor and describe its role and responsibilities in administering all of the PJ's HOME-ARP program:

Arlington County did not provide any HOME-ARP administrative funds prior to HUD's acceptance of the HOME-ARP allocation plan.

PJs must indicate the amount of HOME-ARP funding that is planned for each eligible HOME-ARP activity and demonstrate that any planned funding for nonprofit organization operating assistance, nonprofit capacity building, and administrative costs is within HOME-ARP limits. The following table may be used to meet this requirement.

Use of HOME-ARP Funding

	Funding Amount	Percent of the Grant	Statutory Limit
Supportive Services	\$325,000		
Acquisition and Development of Non-Congregate Shelters	\$0		
Tenant-Based Rental Assistance (TBRA)	\$0		
Development of Affordable Rental Housing	\$2,203,564		
Non-Profit Operating	\$0	0%	5%
Non-Profit Capacity Building	\$0	0%	5%
Administration and Planning	\$100,000	3.8%	15%
Total HOME-ARP Allocation	\$2,628,564		

Additional narrative, if applicable:

Arlington County intends to use \$2,203,564 in HOME-ARP funding to deepen affordability of committed affordable (CAF) units to support individuals or households in the qualifying populations. Arlington’s goal is to target 100% of these units to households earning 30% of AMI or below. However, given the amount of available funding, the County might need to increase the income limit for these units to 40% of AMI to maximize the number of available units. The units will be available to individuals and households that have barriers to traditional rental leasing options. These units will be set aside specifically for referrals from Continuum of Care (CoC) partners through the Centralized Access System (CAS) to ensure individuals are in the qualifying populations that include those experiencing homelessness, survivors of domestic violence, veterans, individuals and families at risk of homelessness, and others.

In order to ensure that the individuals and families that will be occupying these units have the resources they need to maintain their housing, the County will competitively bid \$325,000 in HOME-ARP funds to ensure that there are supportive services connected to these units. Services could potentially include case management, one-on-one support, emergency health services, and more.

Describe how the characteristics of the shelter and housing inventory, service delivery system, and the needs identified in the gap analysis provided a rationale for the plan to fund eligible activities:

Arlington County tracks annual CoC data, shelter and outreach capacity (HIC), length of homeless episodes, and rates of permanent housing exit. Often, the ability for the County to identify appropriate housing for CoC clients is impacted by new shelter entries, the rates of permanent housing exit, and availability of affordable housing. An estimated 500 additional permanent housing options would be required to keep pace with increased performance and new shelter entries.

In addition, many individuals and families experiencing homelessness in Arlington require less intensive interventions than Permanent Supportive Housing, with episodes of homelessness driven primarily by affordability issues. In fact, between 30% and 40% of families and single adults leave shelters with no cash income. Because Rapid Rehousing provides households with short-to-medium term rental

assistance, there is a gap in service delivery and available housing for households in Arlington needing less intensive support.

HOME-ARP Production Housing Goals

Estimate the number of affordable rental housing units for qualifying populations that the PJ will produce or support with its HOME-ARP allocation:

Arlington estimates that there will be approximately \$2.2 million in HOME-ARP funds to set aside for the production of HOME-ARP affordable rental housing units. Given that the maximum per-unit subsidy limit for HOME-ARP funds is suspended, Arlington is estimating an average of approximately \$180,000 in subsidy per unit, based on average costs for 1-bedroom, 2-bedroom, and 3-bedroom units. Using these assumptions, Arlington anticipates being able to support approximately 10-15 HOME-ARP units. The exact number of units will be determined based on the unit types being proposed and specific characteristics of the selected project.

Describe the specific affordable rental housing production goal that the PJ hopes to achieve and describe how it will address the PJ's priority needs:

The specific affordable rental housing production goal that Arlington hopes to achieve is creating units that have deeper affordability for eligible qualifying populations. Because episodes of homelessness for many families in Arlington are driven by affordability challenges, Arlington's goal is to add additional units that are affordable to households earning 30% of area median income (AMI) and below. These units will provide additional permanent housing options for families accessing CoC services that might not need intensive support.

Preferences

Identify whether the PJ intends to give preference to one or more qualifying populations or a subpopulation within one or more of the qualifying populations for any eligible activity or project:

Arlington County will not provide a specific preference to one qualifying population, as there is need for units with deeper affordability across all populations. However, Arlington intends to utilize the Continuum of Care's Coordinated Entry System or Centralized Access System (CAS) in order to provide an established prioritization policy for HOME-ARP qualifying populations. The CAS is inclusive of veterans, people with disabilities, transition aged youth, victims of domestic violence, families, etc. so the prioritization for HOME-ARP units will follow this same structure.

Arlington's CoC CAS prioritizes Rapid Re-housing (RRH) for veterans, chronically homeless needing a bridge to permanent supportive housing, domestic violence survivors at imminent safety risk and

households without income, all with higher SPDAT¹ scores who would not otherwise be able to resolve their homelessness. In addition, Arlington's CoC prioritizes Permanent Supportive Housing (PSH) in accordance with HUD Notice CPD 16-11 for chronically homeless, veterans, or households with a disability, episodic homelessness and severe service needs (i.e., based on SPDAT score, length of homelessness, and level of functioning). PSH placements include state and local subsidies that mirror behavioral health assessment tools (such as DLA-20) to determine the severity of need for prioritized homeless populations with disabilities. Additional details on permanent housing prioritization can be found in the [CoC CAS Policies and Procedures Manual](#).

Prioritization for qualifying populations to access HOME-ARP units will be similar to the CAS permanent housing prioritization methodology. The CAS will prioritize chronically homeless, veterans, or households with a disability, episodic homelessness and severe service needs, and domestic violence survivors at imminent safety risk. Once prioritization for these qualifying populations has been exhausted and if it is determined that there are no appropriate referrals for an available HOME-ARP unit, the CoC CAS will identify applicants from Targeted Prevention for any other individuals or tenants at-risk of homelessness.

While individuals and families are not specifically prioritized through the CAS, the CoC offers the following interventions to ensure that homelessness does not occur for individuals and families at-risk of homelessness: prevention, diversion, and emergency shelter placement services:

Prevention Prioritization: Homelessness prevention services seek to help households at-risk of homelessness to maintain their existing housing and/or access alternative housing, prioritizing those for whom homelessness would occur but for the emergency assistance available to them. When applicants seek to maintain their existing housing, the CAS process assesses the household and determines the appropriate level of service provided.

Emergency Shelter Placement Prioritization: Diversion has been adopted as a systemwide strategy to prevent homelessness for people seeking emergency shelter by helping them identify immediate alternate housing arrangements and, if necessary, connecting them with services and financial assistance to help them return to or keep their existing permanent housing. Any household seeking access to emergency shelter has a problem-solving conversation with CAS clinicians to determine if the household can be diverted from shelter. The County views emergency shelter as an emergency resource of last resort, prioritizing and utilizing shelter only for persons who experience literal homelessness and have no other option to resolve their situation.

If a preference was identified, explain how the use of a preference or method of prioritization will address the unmet need or gap in benefits and services received by individuals and families in the qualifying population or category of qualifying population, consistent with the PJ's needs assessment and gap analysis:

¹ SPDAT stands for Service Prioritization Decision Assistance Tool. The Arlington County Continuum of Care uses the SPDAT Series of assessment tools developed by Org Code. The assessment tools are used by people working with clients experiencing homelessness to make determinations of how to prioritize clients for assistance.

Arlington County will utilize prioritization methodology outlined by the County's CoC Centralized Access System (CAS). The CoC developed the prioritization policy described above based on a few factors:

1. The CoC worked to align prioritization practices with the Federal Strategic Plan to End Homelessness.
2. The CoC also participated in Community Solutions, Built for Zero Campaign to reach "Functional Zero" for homelessness based on the priority groups: Veterans, Chronic Homelessness, Families, and Transition Aged Youth.
3. The policy was based on vulnerability and risk factors associated with each of these sub-populations.

Fortunately, and due to the concerted and effective efforts of the CoC, Arlington has reached functional zero for Veterans and is working to end homelessness for other population groups as well. And while the overall numbers within some of these sub-population groups remain nominal, the CoC has maintained its commitment to prioritizing resources for these groups based on risk, vulnerability, and alignment with nationwide best practices and when resources are not sufficient to meet the full community's needs.

If a preference was identified, describe how the PJ will use HOME-ARP funds to address the unmet needs or gaps in benefits and services of the other qualifying populations that are not included in the preference.

Arlington County will utilize prioritization methodology outlined by the County's CoC Centralized Access System (CAS) and will not exclude any of the qualifying populations from accessing HOME-ARP units or services provided. However, the available HOME-ARP funds are not adequate to meet the needs of all people in Arlington, Virginia who are at-risk of or are experiencing homelessness. Therefore, the prioritization of these limited resources allows the County to maximize available resources and connect people to the most appropriate housing solution based on their unique needs and strengths.

That said, the prioritization and referral practices outlined above will allow the County to ensure housing opportunities are available for those experiencing homelessness and other qualifying populations that are most vulnerable. Should the County effectively find housing for all qualifying populations that come through the CoC, (over 1,100 people expected to be served in 2022), the County will review potential referrals among those who are most at-risk of experiencing homelessness, beginning with those for whom RRH was not sufficient in stabilizing their housing needs long-term, and then more broadly to those who have requested prevention assistance through the CoC's CAS.

Arlington also has a number of other resources available to assist people in maintaining their housing, whether through the Federally funded Housing Choice Voucher Program or locally funded Housing Grant Program. Local and state funding is also leveraged to assist people most at-risk of homelessness to maximize available homeless funding for people experiencing literal homelessness.

HOME-ARP Refinancing Guidelines

If the PJ intends to use the HOME-ARP funds to refinance existing debt secured by multifamily rental housing that is being rehabilitated with HOME-ARP funds, the PJ must state its HOME-ARP refinancing guidelines in accordance with 24 CFR 92.206(b). The guidelines must describe the conditions under which the PJ will refinance existing debt for a HOME-ARP rental project, including:

Establishing a minimum level of rehabilitation per unit or a required ratio between rehabilitation and refinancing to demonstrate that rehabilitation of HOME-ARP rental housing is the primary eligible activity.

Arlington County staff plans to identify a multifamily affordable housing project in the County's current pipeline to utilize a portion of the HOME-ARP funds to create committed affordable units (CAFs) that can be set aside for qualifying populations. Staff intends to carefully identify an upcoming development project that will have the least impact to existing residents, ensuring that existing households are not displaced. Therefore, since the County intends to identify a new development project to utilize the HOME-ARP funds, staff does not anticipate that there will be a refinancing component to the financial transaction. However, in the event that the County decides to refinance debt at an existing project using HOME-ARP funds, the HOME-ARP allocation plan will be amended to include refinancing guidelines.

Require a review of management practices to demonstrate that disinvestment in the property has not occurred; that the long-term needs of the project can be met; and that the feasibility of serving qualified populations for the minimum compliance period can be demonstrated.

Not Applicable, see above explanation.

State whether the new investment is being made to maintain current affordable units, create additional affordable units, or both.

Not Applicable, see above explanation.

Specify the required compliance period, whether it is the minimum 15 years or longer.

Not Applicable, see above explanation.

State that HOME-ARP funds cannot be used to refinance multifamily loans made or insured by any federal program, including CDBG.

Not Applicable, see above explanation.

Other requirements in the PJs guidelines, if applicable.

Not Applicable, see above explanation.

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