HOME-ARP METHOD OF DISTRIBUTION

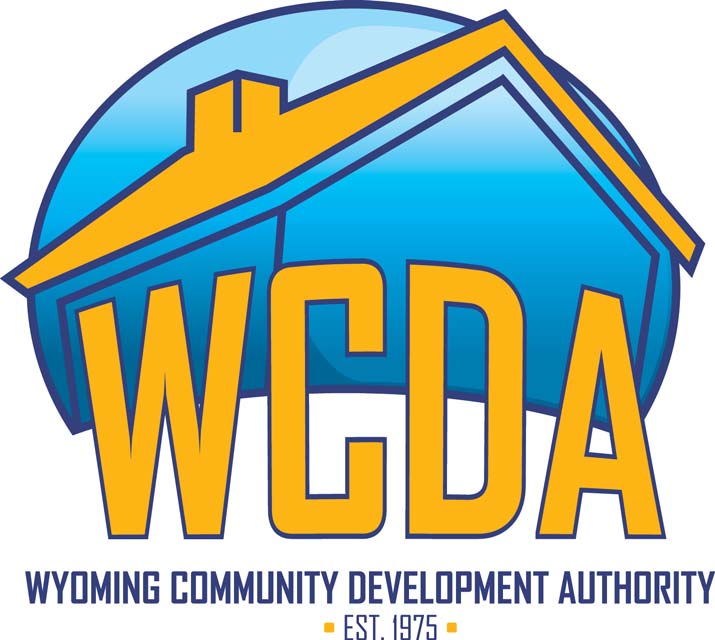


Table of Contents

1. **HOME-ARP Program Description** ................................................................................... 2
2. **WCDA Funding Opportunities** ....................................................................................... 4
3. **Non-Congregate Shelter** ................................................................................................ 4
4. **Supportive Services** ....................................................................................................... 5
5. **Nonprofit Capacity Building** .......................................................................................... 5
6. **Participant Eligibility: Qualifying Populations** .............................................................. 6
7. **Project Approval Process** .............................................................................................. 9
8. **Eligible Costs** ................................................................................................................. 10
9. **Ineligible Costs** .............................................................................................................. 10
10. **Commitment** ................................................................................................................. 11
11. **Monitoring** .................................................................................................................... 14
12. **Reporting** ....................................................................................................................... 22
13. **General Requirements** .................................................................................................. 24
14. **Record Keeping Requirements** ..................................................................................... 26
15. **Other Federal Requirements** ........................................................................................ 32

## HOME-ARP PROGRAM DESCRIPTION

**What is HOME-ARP?**

HOME-American Rescue Plan or “HOME-ARP” was implemented to provide homelessness assistance and supportive services to additional populations.

This manual summarizes HOME-ARP eligible activities, qualifying populations (QPs), examples of federal cross-cutting regulations and requirements, Wyoming Community Development Authority (WCDA) monitoring policies and procedures, and record keeping requirements. The full HOME-ARP guidance is found in HUD Notice CPD 21-10: Requirements for the use of funds in the HOME-ARP Program (Notice), and the Notice Appendix: Waivers and Alternative Requirements for Implementation of the HOME-ARP Program. Both documents are available on HUD Exchange:

<https://www.hudexchange.info/resource/6479/notice-cpd-2110-requirements-for-the-use-of-funds-in-the-home-arp-program/>

**Background**

On March 2021, former President Biden signed The American Rescue Plan (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 American Rescue Plan (ARP funds) to be administered through the HOME Investment Partnerships Program (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:

* development and support of affordable housing;
* tenant-based rental assistance (TBRA);
* provision of supportive services; and
* acquisition and development of non-congregate shelter (NCS) units.

ARP defines qualifying individuals or families as those that are:

* homeless, as defined in section 103(a) of the McKinney-Vento Homeless Assistance Act, as amended (42 U.S.C. 11302(a)) (McKinney-Vento);
* at risk of homelessness, as defined in section 401 of McKinney-Vento;
* fleeing, or attempting to flee domestic violence, dating violence, sexual assault, stalking, or human trafficking;
* part of other populations where providing supportive services or assistance would prevent a family’s homelessness or would serve those with the greatest risk of housing instability; or
* veterans and families that include a veteran family member that meet the criteria in one of the categories above.

ARP authorized HUD to allocate HOME-ARP funds to states, units of general local government, insular areas, and consortia of units of general local government that qualified for an allocation of HOME-ARP funds in Fiscal Year (FY) 2021, pursuant to section 217 of the Cranston-Gonzalez National Affordable Housing Act of 1990, as amended (42 U.S.C. 12701 et seq.) (NAHA). On April 8, 2021, HUD allocated HOME-ARP funds to 651 grantees using the HOME formula established at 24 CFR 92.50 and 92.60. The HOME-ARP allocation amounts can be found [here](https://www.hud.gov/sites/dfiles/CPD/documents/HOME-ARP.pdf).

After HUD’s issuance of HOME-ARP CPD Notice 21-10 on September 13, 2021, WCDA began to consult with external partners and stakeholders throughout the state for additional feedback, informed by HUD’s program guidance. WCDA provided several opportunities for consultation regarding the HOME-ARP Allocation Plan. In 2022, WCDA approved its original Allocation Plan in which WCDA did not specify preferences or limitations. In October 2024, WCDA submitted a Substantial Amendment to the original HOME-ARP Allocation Plan that advocated for reallocating the funds to provide increased supportive services and non-congregate shelter funding in response to the continued impact of the COVID-19 pandemic and feedback from statewide stakeholders. This amendment was approved on January 17th, 2025. The table below identifies the funded HOME-ARP activities and allocation amounts chosen in WCDA’s HOME-ARP Allocation Plan.

\*HUD altered the funding WCDA received after this amendment was approved. A link to the updated amendment will be provided after further approval.



**WCDA HOME-ARP FUNDING OPPORTUNITIES**

**Non-Congregate Shelter**

WCDA intends to award HOME-ARP funds to acquire and develop non-congregate shelter (NCS) for individuals and families that meet one of the Qualifying Populations defined in the CPD Notice. NCS provides private units or rooms as temporary shelter to individuals and families and does not require occupants to sign a lease or occupancy agreement. This activity may include the construction of new structures or the acquisition and/or rehabilitation of existing structures (such as motels, nursing homes, or other facilities) to be used as NCS.

* HOME-ARP funds will be used to acquire, rehabilitate, or construct NCS units to serve individuals and families with Qualifying Populations. Grantees must demonstrate their compliance with numerous federal laws, regulations, and Executive Orders as Recipients of a HOME-ARP award and in their general conduct of operating as a governmental entity
  + - * + Structure of assistance
      * Description of the parameters of financial assistance (grant terms, maximum and minimum award) must be described in the application.

There will be no financial cap—minimum/maximum award will be kept open. HOME-ARP awards will not be structured as a loan.

* + - * + Prohibited activities and fees
      * Operating costs of NCS;
      * Rehabilitation and construction costs to turn HOME-ARP developed NCS units into permanent housing
* Admission and Occupancy Requirements
* Establish rules and expectations among admission and occupancy;
* Need-based criteria or first-come first-served
  + - * + NCS occupants must:
* Not be charged occupancy fees or other charges to occupy a NCS unit unless WCDA determines such fees and charges to be customary and reasonable and the charges comply with 24 CFR 578.77(b).

## NCS Application and Evaluation Process

HOME-ARP funds may be used to acquire and develop NCS for individuals and families that meet one of the QPs defined in the Notice. NCS provides private units or rooms as temporary shelter to individuals and families and do not require occupants to sign a lease or occupancy agreement. This activity may include the construction of new structures or the acquisition and/or rehabilitation of existing structures (such as motels, nursing homes, or other facilities) to be for use as NCS.

Applicant Teams must include:

* A shelter operator or homeless service provider who currently serves one or more of the HOME-ARP QPs;
* A local or regional representative who can assist the NCS development with completing local requirements for the development and operation of the shelter;
* A team member with appropriate expertise to ensure the NCS development can complete all project finance and construction timelines (either through MOUs (Memorandum of Understanding) contracts, or non-profit participation).

Applications must include the previous experience of all Applicant Team members, including the Project Sponsor, General Contractor, Development and/or Federal Grant Consultant, Architect, NCS Shelter Director, and Service Provider. Applicant Teams must include a current list of all members of the Board of Directors. Applicant Teams must demonstrate financial capacity to support the proposed Project during construction and through the Restricted Use Period by submitting the following, as available:

* Demonstrate at least three (3) years of experience providing homeless shelter and/or emergency shelter-related services in the State of Wyoming;
* Proof of a minimum of three (3) years of experience assisting vulnerable individuals or families;
* If applying for Supportive Services in conjunction with NCS, proof that Applicant has no direct or indirect interest in the ownership of an entity that contracts with the NCS Applicant to provide land, goods, loans, financial support, or services for the project or where there is a financial, familial, or business relationship that permits less than arm’s length transactions;
* Standards of financial accountability that conform to 24 CFR 200, Standards of Financial Management Systems and the most recent audited financial statement with a Management Letter from a CPA firm.

**Supportive Services**

WCDA intends to award HOME-ARP funds to provide a broad range of supportive services to individuals and families who meet one of the Qualifying Populations as defined in the Notice. All individuals and families who meet the definition of a Qualifying Population must be able to apply for supportive services. Supportive services may be provided to individuals and families who are not already receiving the services outlined in the Notice through another program. Supportive services will be awarded based upon the waitlist of the grantee.

**Nonprofit Operating and Capacity Building**

WCDA may award up to 5 percent of its HOME-ARP allocation to pay operating expenses of other non-profit organizations that will carry out activities with HOME-ARP funds. WCDA may also award up to an additional 5 percent of its allocation to pay eligible costs related to developing the capacity of eligible non-profit organizations to successfully carry out HOME-ARP eligible activities. WCDA may award operating expense assistance or capacity building assistance to a nonprofit organization if it reasonably expects to provide HOME-ARP funds to the organization for any of the eligible HOME-ARP activities within 12 months of the award.

**Notice of Funding Availability**

A Notice of Funding Availability “NOFA” will be posted detailing entities who are eligible to apply and the nature of funding WCDA is offering. Other communication will be published detailing future training opportunities for potential Applicants.

Applicants considered eligible under this NOFA must be one of the following:

• A nonprofit with 501(c)(3) or 501(c)(4) tax-exempt status serving citizens; or

* A City or County government in Wyoming.

**Geographic eligibility**

HOME-ARP funds will be awarded only to projects and programs that serve residents of the State of Wyoming.

**Project Selection**

All Projects will be scored competitively and brought to the WCDA Board of Directors for recommendation before moving forward.

The items and requirements below will be taken into consideration when determining recommendations for funding and should be demonstrated and documented in the application documents.

**Participant Eligibility: Qualifying Populations**

HOME-ARP is designed to benefit five eligible populations, known as “QPs”. These QPs include:

* Individuals experiencing homelessness, as defined in 24 CFR 91.5.;
* Individuals at risk of homelessness, as defined in 24 CFR 91.5.;
* Persons fleeing or attempting to flee domestic violence, dating violence, sexual assault, stalking, or human trafficking, as defined by HUD.;
* Other populations where providing supportive services or assistance would prevent homelessness or would serve those at greatest risk of housing instability.;
* Veterans or families that include a veteran family member.

Detailed descriptions of the QPs can be found below:

1. **Homeless,** as defined in 24 CFR 91.5

* An individual or family who lacks a fixed, regular, and adequate night-time residence;
* An individual or family who will imminently lose their primary night-time residence and is likely to face homelessness;
* Unaccompanied youth under 25 years of age, or families with children and youth, who do not otherwise qualify as homeless under this definition, but who are defined by homeless in other federal programs and meet other certain requirements.

**2. At risk of Homelessness,** as defined in24 CFR 91.5

* An individual or family who has an annual income below 30% AMI, lacks support and meets other housing instability conditions;
* A child or youth who does not qualify as “homeless” under this section but qualifies as “homeless” under other federal programs.

**3. Fleeing, or Attempting to Flee, Domestic Violence, Dating Violence, Sexual Assault, Stalking, or Human Trafficking,** as defined by HUD.

* Any individual or family who is fleeing, or is attempting to flee, domestic violence (defined in 24 CFR 5.2003), dating violence (defined in 24 CFR 5.2003), sexual assault (defined in 24 CFR 5.2003), stalking (defined in 24 CFR 5.2003), or human trafficking (defined in the Trafficking Victims Protection Act of 2000 at 22 USC 7102). This includes cases where an individual or family reasonably believes that there is a threat of imminent harm from further violence due to dangerous or life-threatening conditions that have taken place within the primary night-time residence or has made the individual or family afraid to return or remain within the same dwelling unit.

**4. Other Populations**

Where providing supportive services or assistance under NAHA would prevent homelessness or serve those at greatest risk of housing instability. HUD defines these populations as households who do not qualify under QPs 1 – 3, but meet one of the following:

* Households who have previously been qualified as “homeless” as defined in 24 CFR 91.5, who are currently housed due to temporary or emergency assistance to become housed, and who need additional housing assistance or supportive services to avoid a return to homelessness.
* Households At Greatest Risk of Housing Instability who either:
* have income less than or equal to 30% AMI and are experiencing severe cost burden;
* have annual income less than or equal to 50% AMI AND meet one of the conditions from paragraph (iii) of the “At Risk of Homelessness” definition established at 24 CFR 91.5:
  + Have moved because of economic reasons two or more times during the 60 days immediately preceding the application for homelessness prevention assistance;
  + Are living in the home of another because of economic hardship;
  + Have been notified in writing that their right to occupy their current housing or living situation will be terminated within 21 days after the date of application for assistance;
  + Live in a hotel or motel and the cost of the hotel or motel stay is not paid by charitable organizations or by federal, state, or local government programs for low-income individuals;
  + Live in a single-room occupancy or efficiency apartment unit in which there reside more than two persons or live in a larger housing unit in which there reside more than 1.5 people per room, as defined by the U.S. Census Bureau;
  + Are exiting a publicly-funded institution, or system of care (such as a health-care facility, a mental health facility, foster care or other youth facility, or correction program or institution); or
  + Otherwise live in housing that has characteristics associated with instability and an increased risk of homelessness, as identified in the Recipient's approved consolidated plan.

**5.Veterans and Families that include a Veteran Family Member who** meet the criteria for one of the Qualifying Populations described above are eligible to receive HOME-ARP assistance.

**Preferences and Limitations**

WCDA currently has no preferences or limitations set for the eligible activities of either Supportive Services or Non-Congregate Shelter, which allows all QPs to apply. WCDA may potentially add a preference based on the requests received after conducting the application process. While there are needs among all HOME-ARP QPs, information from the consultation sessions, stakeholder surveys, and quantitative data analysis indicate that there are greater potential needs for three of the four HOME-ARP populations. In accordance with these findings, a preference may be provided for the following populations:

* Individuals experiencing homelessness, as defined in 24 CFR 91.5.;
* Individuals at risk of homelessness, as defined in 24 CFR 91.5.;
* Persons fleeing or attempting to flee domestic violence, dating violence, sexual assault, stalking, or human trafficking, as defined by HUD.

These potential preferences would allow organizations to prioritize affordable housing and supportive services for these populations. Including a preference for an NCS project would require a Substantial Amendment to the original HOME-ARP Allocation Plan.

**HOME-ARP Administration**

**Director of Housing and Neighborhood Development**

* + - Department Management
    - Long-term Strategic Planning
    - Resource Identification & Development
    - Expenditure/Commitment Deadlines
    - Relationships w/Outside Entities
    - Process Improvement
    - Staff Multi-Family Underwriting Committee
    - Activity set-up in HUD IDIS System
    - Approve and sign written agreements
    - Prolink software management

**HOME-ARP Specialist**

* + - HOME-ARP development and implementation
    - Lead Staff on Project Selection
    - Prepare written agreements
    - Project Scoring & Funding Recommendations
    - Davis Bacon/Cross-Cutting Reg Compliance
    - IDIS Drawdowns
    - Development of Policies and Procedures
    - Environmental Review preparation

**Project Approval Process and Execution of Agreements**

All applications that meet the threshold criteria will be rated and ranked competitively by a WCDA review committee, with final approval of funds determined by the WCDA Board of Directors.

Applicants will be given an opportunity to respond to clarifying questions from WCDA staff. Missing or incomplete documentation may result in the application being denied.

An environmental review process will be completed by WCDA staff prior to execution of a written agreement or any site-limiting actions (construction, acquisitions, rehabilitation).

**Planned Uses of Administration Funds**

WCDA plans to expend up to 15% of the allowable administration funds for payment of reasonable administrative and planning costs of the HOME-ARP Program.

Eligible uses of the funds are as follows:

* **Salaries, wages, and related costs of WCDA staff**. Program administration includes the following types of assignments:
  + Developing systems and schedules for ensuring compliance with program requirements;
  + Developing interagency agreements and agreements with entities receiving [HOME-ARP funds](https://www.law.cornell.edu/definitions/index.php?width=840&height=800&iframe=true&def_id=6337fbcecaaf4b96ab793fff2b0191cb&term_occur=999&term_src=Title:24:Subtitle:A:Part:92:Subpart:E:Subjgrp:64:92.207);
  + Monitoring HOME-ARP-assisted [housing](https://www.law.cornell.edu/definitions/index.php?width=840&height=800&iframe=true&def_id=b7d8dcc9e40d0e07d28e82a6199a5a7f&term_occur=999&term_src=Title:24:Subtitle:A:Part:92:Subpart:E:Subjgrp:64:92.207) for progress and compliance with program requirements;
  + Preparing reports and other documents related to the program for submission to HUD;
  + Coordinating the resolution of audit and monitoring findings;
  + Evaluating program results against [stated](https://www.law.cornell.edu/definitions/index.php?width=840&height=800&iframe=true&def_id=a26da8fce3b87a8267664d38158f176e&term_occur=999&term_src=Title:24:Subtitle:A:Part:92:Subpart:E:Subjgrp:64:92.207) objectives;
  + Managing or supervising persons whose primary responsibilities regarding the program include such assignments as those described herein;
  + Travel costs incurred for official business in carrying out the program;
  + Administrative services performed under third-party contracts or agreements, including such services as general legal services, accounting services, and audit services; and
  + Other costs for goods and services required for administration of the program, including such goods and services as rental or purchase of equipment, insurance, utilities, office supplies, and rental and maintenance (but not purchase) of office space.
* **Staff and overhead**. Staff and overhead costs of WCDA directly related to carrying out projects, such as work specifications preparation, grant processing, inspections, lead-based paint evaluations (visual assessments, inspections, and risk assessments) and other services related to assisting potential tenants, and staff and overhead costs directly related to providing advisory and other relocation services to persons displaced by the Project, including timely written notices to occupants, referrals to comparable and suitable replacement property, property inspections, counseling, and other assistance necessary to minimize hardship. These costs may be charged as administrative costs or as [project](https://www.law.cornell.edu/definitions/index.php?width=840&height=800&iframe=true&def_id=047b1b4f7ae7e771fb890e6ad41b45f2&term_occur=999&term_src=Title:24:Subtitle:A:Part:92:Subpart:E:Subjgrp:64:92.207) costs under [§ 92.206(d)(6) and (f)](https://www.law.cornell.edu/cfr/text/24/92.206#d_6)(2), at the discretion of WCDA. However, these costs cannot be charged to or paid by the [low-income occupants](https://www.law.cornell.edu/definitions/index.php?width=840&height=800&iframe=true&def_id=6d9d260dc72d2fe59e5e4ebb9fa9e3eb&term_occur=999&term_src=Title:24:Subtitle:A:Part:92:Subpart:E:Subjgrp:64:92.207).
* **Public information**. The provision of information and other resources to residents and citizen organizations participating in the planning, implementation, or assessment of [projects](https://www.law.cornell.edu/definitions/index.php?width=840&height=800&iframe=true&def_id=047b1b4f7ae7e771fb890e6ad41b45f2&term_occur=999&term_src=Title:24:Subtitle:A:Part:92:Subpart:E:Subjgrp:64:92.207) being assisted with [HOME-ARP funds](https://www.law.cornell.edu/definitions/index.php?width=840&height=800&iframe=true&def_id=6337fbcecaaf4b96ab793fff2b0191cb&term_occur=999&term_src=Title:24:Subtitle:A:Part:92:Subpart:E:Subjgrp:64:92.207);
* **Fair housing**. Activities to affirmatively further fair [housing](https://www.law.cornell.edu/definitions/index.php?width=840&height=800&iframe=true&def_id=b7d8dcc9e40d0e07d28e82a6199a5a7f&term_occur=999&term_src=Title:24:Subtitle:A:Part:92:Subpart:E:Subjgrp:64:92.207) in accordance with the [participating jurisdiction](https://www.law.cornell.edu/definitions/index.php?width=840&height=800&iframe=true&def_id=f0d3bb03198fece5aaed9aef605a802f&term_occur=999&term_src=Title:24:Subtitle:A:Part:92:Subpart:E:Subjgrp:64:92.207)'s [certification](https://www.law.cornell.edu/definitions/index.php?width=840&height=800&iframe=true&def_id=9b1c72c097ee2b80939b52c1bcc7aac0&term_occur=999&term_src=Title:24:Subtitle:A:Part:92:Subpart:E:Subjgrp:64:92.207) under [24 CFR part 91](https://www.law.cornell.edu/cfr/text/24/part-91);
* **Indirect costs**. Indirect costs may be charged to the HOME-ARP program under a Cost Allocation Plan prepared in accordance with [2 CFR part 200](https://www.law.cornell.edu/cfr/text/2/part-200), subpart E.;
* **Preparation of the HOME-ARP Allocation Plan**. Preparation of the [consolidated plan](https://www.law.cornell.edu/definitions/index.php?width=840&height=800&iframe=true&def_id=19513b4b99033291caadd0f351d35c97&term_occur=999&term_src=Title:24:Subtitle:A:Part:92:Subpart:E:Subjgrp:64:92.207) required under [24 CFR part 91](https://www.law.cornell.edu/cfr/text/24/part-91). Preparation includes the costs of public hearings, consultations, and publication;
* **Costs of complying with federal requirements set forth in 24 CFR 92, subpart H**. [Project](https://www.law.cornell.edu/definitions/index.php?width=840&height=800&iframe=true&def_id=047b1b4f7ae7e771fb890e6ad41b45f2&term_occur=999&term_src=Title:24:Subtitle:A:Part:92:Subpart:E:Subjgrp:64:92.207)-specific environmental review costs may be charged as administrative costs or as [project](https://www.law.cornell.edu/definitions/index.php?width=840&height=800&iframe=true&def_id=047b1b4f7ae7e771fb890e6ad41b45f2&term_occur=999&term_src=Title:24:Subtitle:A:Part:92:Subpart:E:Subjgrp:64:92.207) costs in accordance with § 92.206(d)(8), at the discretion of WCDA.

**Eligible Costs**

NCS funds may be used only for the following project hard and soft costs, and project-specific costs associated with and allocable to the acquisition, construction, and rehabilitation of the NCS.

Project Hard Costs are defined as follows:

* Acquisition Costs: Costs to acquire improved or unimproved real property for use as or development of NCS;

Demolition Costs: Costs to demolish existing structures for the purpose of developing NCS;

Development Hard Costs: Costs to rehabilitate or construct NCS units to meet the HOME-ARP minimum habitability standards. Costs to make improvements to the Project site, including installation of utilities or utility connections, laundry facilities, community facilities, on-site management, or supportive service offices;

Related Soft Costs: Reasonable and necessary costs incurred by WCDA, a Subrecipient, or the Project owner associated with financing, acquisition, and development of NCS projects; and

Replacement Reserve: Costs to capitalize a replacement reserve to cover reasonable and necessary costs of replacing major systems and their components.

Project Soft Costs are defined as follows:

* + - * Architectural, engineering and related professional services to prepare plans, drawings, specifications, or capital needs assessments/work write-ups;
      * Financing fees, including private lender origination fees, credit reports, title binders and insurance, recordation fees, appraisals;
      * Transaction fees and taxes, including but not limited to, closing costs and appraisals;
      * Surety fees (surety bond/performance bonds);
      * Legal and accounting, including cost certifications;
      * Environmental reviews;
      * Developer and builder fees within WCDA caps;
      * Impact fees; and
      * Capitalized replacement reserve in acquisition and/or rehabilitation projects.

**Ineligible Costs**

HOME-ARP funds may not be used for:

* Costs of operating NCS or to convert NCS to housing ;
* Any cost not specifically identified as an eligible cost;
* Costs incurred prior March 23, 2022 or after September 30, 2030;
* Conversion of NCS to rental housing;
* Provision of additional HOME-ARP funds during the restricted use period, except as may be necessary during the first year after Project completion;
* Non-federal matching contributions required under any federal program;
* Improvements to or operation of public housing; and
* Delinquent taxes, fees, or charges.

**Commitment**

The affordable housing requirements in the definition of Commitment in 24 CFR 92.24 apply to NCS units assisted with HOME-ARP funds. This includes but is not limited to:

* + WCDA and the Project owner/grantee have an executed legally binding written agreement under which HOME-ARP assistance will be provided to the owner/grantee for a project;
  + Budget and schedule have been established; and
  + Construction is scheduled to start within 12 months of the agreement date.

No firm commitments will be issued prior to WCDA’s receipt of HUD’s Authorization to Release Grant Funds.

If the Project is an acquisition-only activity, WCDA will commit HOME-ARP funds if it reasonably expects the Project will be operated as NCS within 6 months of the date of acquisition. Acquisition-only NCS projects may be performed when WCDA reasonably determines that the units acquired will not require rehabilitation to meet the property standards in Section VI.E.7 of the HOME-ARP Notice. If the project is not in active use as NCS within 6 months of the acquisition, HUD may require WCDA to submit a schedule for placing the project into operation within a period determined by HUD or may require WCDA to repay the funds to its HOME-ARP Treasury Account. Acquisition cannot occur prior to completion of an environmental review for the Project, execution of a written agreement, and completion of related Uniform Relocation Act requirements.

For projects that will involve rehabilitation or new construction with or without acquisition, WCDA will commit HOME-ARP funds if it reasonably expects development to begin within 12 months of the date of commitment. Rehabilitation cannot occur prior to completion of an environmental review for the Project, execution of a written agreement, and completion of related Uniform Relocation Act requirements.

**Parameters of Project Completion**

Projects must meet the following criteria upon construction completion before final draw approval/release of retainage and the HOME-ARP project completion:

* + Final Inspection;
  + Final Certificate of Occupancy;
  + All prevailing wage, Davis-Bacon, certified payrolls, and HUD Section 3 compliance requirements are met and satisfied;
  + Fulfillment of any environmental conditions of funding as described in the grant closing documents;
  + All necessary title transfer requirements and construction work have been performed;
  + The project complies with the requirements of the HOME-ARP program, including the NCS property standards as evidenced by a final inspection;
  + The project is actively operating as a NCS;
  + Final drawdown of HOME-ARP funds has been disbursed; and
  + Project completion information is entered into IDIS.

All NCS projects must be completed no later than December 31st, 2029. If the Owner/Grantee fails to complete a project within this time period for project completion, it must comply with the terminated project requirements at 24 CFR 92.205(e)(2)12.

**Covenants and Conditions**

* WCDA will enforce HOME-ARP requirements through the recording of a Regulatory Agreement. The Regulatory Agreement must be recorded in first position, ahead of any liens or other encumbrances. The Regulatory Agreement must remain in force throughout the compliance period regardless of repayment or recapture of any HOME-ARP assistance.
* The Regulatory Agreement requires the property to be operated as NCS.

**Property and Habitability Standards**

Prior to occupancy, NCS must comply with the following:

* Local codes and standards. NCS must also meet the HOME-ARP minimum habitability standards prior to occupancy and throughout the restricted use period, as specified below;
* The written agreement between WCDA and property owner specifying the NCS property standards /minimum habitability standards and providing for inspections during Project development and not less than annually throughout the restricted use period as specified below;
* All applicable State and local codes, ordinances, and requirements;
* Applicable provisions of HUD’s Lead Safe Housing Rules at 24 CFR Part 35;
* Structural soundness to protect occupants from the elements and not pose any threat to health and safety of the occupants;
* Accessibility in accordance with: Section 504 of the Rehabilitation Act (29 U.S.C. 794) and implementing regulations at 24 CFR part 8;
* The Fair Housing Act (42 U.S.C. 3601 *et seq.*) and implementing regulations at 24 CFR part 100; and
* Title II of the Americans with Disabilities Act (42 U.S.C. 12131 *et seq.*) and implementing regulations at 24 CFR part 35, as listed below:
  + - * + Provide each individual or family with an acceptable, individual room to sleep that includes adequate space and security for themselves and their belongings.
        + Have a natural or mechanical means of ventilation, with interior air that is free of pollutants at a level that might threaten or harm the health of occupants.
        + Have a water supply free of contamination.
        + Have in-unit sanitary facilities that are in proper operating condition and are adequate for personal cleanliness and the disposal of human waste.
        + Provide necessary heating/cooling facilities in proper operating condition.
        + Have adequate natural or artificial illumination to permit normal indoor activities and support health and safety.
        + Have sufficient electrical sources to permit the safe use of electrical appliances.
        + Provide one working smoke detector and one working carbon monoxide detector in each unit. All smoke and carbon monoxide detectors and alarm systems must be designed for hearing-impaired residents. All public areas of the shelter must have at least one working smoke detector and one carbon monoxide detector.
        + Provide a second means of exiting the building in the event of a fire or another emergency.
        + Provide suitable space and equipment to store, prepare, and serve food in a safe and sanitary manner if food preparation areas are included.
        + In-unit bathroom.

**NCS Restricted Use Period**

NCS is subject to a restricted use period based on the type of activity conducted.

|  |  |
| --- | --- |
| NCS TYPE | RESTRICTED USE PERIOD |
| New Construction | 15 Years |
| Any Level of Rehabilitation | 10 Years |
| Acquisition Only | 10 Years |

The restricted use period begins upon Project Completion,

\*NCS projects will not be permitted to convert to rental housing without the approval of WCDA and only under certain circumstances.

**Monitoring**

**Construction Monitoring Requirements and Inspections**

* + - * + Construction work must adhere to the standards and requirements contained in the Notice, the respective WCDA manuals, the Application, the Use Restriction Agreement, and all manufacturers’ recommended installation procedures and guidelines for all materials used during the construction of the Project. No NCS project will be considered complete until a final inspection exhibiting compliance with all property standards;
        + WCDA will monitor construction through inspection reports and other sources to ensure quality standards and completion dates are met. WCDA may require owners to periodically submit additional reports and project documents generated by inspectors, construction managers, architects, and/or engineers as necessary;

**\*If during the construction monitoring period, WCDA determines that unsafe project site conditions exist, WCDA reserves the right to issue a Stop Work Order to the Owner.**

* WCDA will conduct on-site property inspections during the 15-year Compliance Period to determine compliance with requirements and property and design standards and to verify any information submitted by the Owner/Grantee to WCDA;
* WCDA will perform an on-site inspection no less than annually during the 15-year Minimum Compliance Period. Higher risk developments may be reviewed more often. The inspector will select a reasonable sample and will use the Housing Habitability Standards checklist to conduct on-site inspections;
* The on-site inspection may include a review of records for all or a sample of the participant files, approved and denied participant applications, marketing materials and advertisements, and documentation of requests for reasonable accommodation;
* The on-site review may also include reviewing any local, safety, or building code violation reports or notices and inspecting the property to determine if the buildings are suitable for occupancy, considering local health, safety, and building codes, applicable WCDA Architectural Standards, and Housing Habitability Standards as prescribed by HUD;
* Any reports made by state or local government units of violations, with documentation of correction, will be reviewed;
  + - * + Monitoring will be conducted annually, after completion of construction, during the restricted use period. Project evaluation and eligibility documentation within the project file should include evidence of financial feasibility, compliance with HOME-ARP requirements, and documentation of the Project's intended use and conversion plans, if applicable. These documents will include:
* Financial feasibility of the acquisition and/or development of the Project;
* Project plan for on-going operating funding;
* Owner/Grantee information demonstrating the Project's financial feasibility throughout the restricted use period.

Within 120 days of the end of the fiscal year for the NCS, Owner/Grantee shall submit to WCDA, for each year during the 15-year Minimum Compliance Period the following:

* Audited financial statement for the Owner/Grantee;
* Audited financial statements for the development;
* Bank statements for operating reserve and replacement reserve accounts as of the end of the fiscal year;
* Proof of sufficient property and liability insurance coverage with WCDA listed as mortgagee;
* For developments that received points at the initial HOME-ARP application for pledging to provide supportive services, the provider (s) of such services must provide an affidavit attesting to the supportive services provided to the development population during the fiscal year;
* Compliance monitoring fees from previous years’ re-inspections if applicable;
* Such other information as may be requested in writing by WCDA at its sole discretion.

**Davis Bacon**

WCDA staff will conduct on-site Davis-Bacon interviews periodically to ensure all Davis-Bacon requirements are met.

**NCS unit monitoring**

WCDA staff will conduct on-site monitoring to ensure compliance with the following minimum Habitability Standards:

**Housing and Space**

* **Individual Rooms:** Each unit must provide individual rooms for sleeping, meaning residents have private space;
* **Ventilation:** Natural or mechanical ventilation is required to ensure proper air quality;
* **Sanitary Facilities:** Each unit must have access to a toilet and shower/bath;
* **Food Preparation:** Food preparation areas are necessary for residents to cook meals;
* **Storage:** Adequate storage space for personal belongings.

**Utilities and Safety**

* **Water Supply:** A clean and safe water supply is essential;
* **Heating/Cooling:** Adequate heating and cooling facilities are required to ensure a comfortable and healthy living environment;
* **Lighting:** Each room must have adequate natural or artificial illumination;
* **Electrical Sources:** Sufficient electrical sources are needed for essential appliances and safety.

**Fire Safety**

* **Smoke and carbon monoxide detectors** (designed for hearing-impaired residents) are required in each unit and public areas;
* Buildings must have a second means of exiting in the event of fire or emergency;
* Smoke detectors are located, to the extent practicable, in a hallway adjacent to a bedroom;
* Public areas (laundry rooms, hallways, stairwells) must also have sufficient smoke detectors.

**Lead-Safe Housing**

Units must comply with HUD's Lead Safe Housing Rules at 24 CFR Part 35.

**Sanitary Condition**

The housing must be maintained in a sanitary condition.

**Compliance with Codes and Ordinances**

Units and common areas must meet all applicable state and local codes, ordinances, and requirements.

**Ongoing Property Standards**

Projects must meet NCS ongoing property standards throughout the restricted use period.

**Minimum Habitability Standards**

NCS projects must meet the minimum HOME-ARP property standards prior to occupancy and the NCS ongoing property standards throughout the Restricted Use Period as described in the Notice. An acquisition only project must meet the NCS minimum property standards.

* If the project requires rehabilitation or repair to meet the minimum property standards, the project is considered acquisition and rehabilitation irrespective of the source of funds used for the rehabilitation or repair and must meet the NCS rehabilitation standards;
* In addition, the project must meet the standards required in the Notice for rehabilitation or new construction, as applicable. Applicants must determine that construction contracts and documents describe the work to be completed in adequate detail to establish a basis for inspection to determine that all work was completed to contracted specifications and that the project met the NCS property standards. Project classification as rehabilitation or new construction is determined by the local code requirements based on specific work to be completed. WCDA may also choose to adopt a standard that exceeds the minimum standards described here. The written agreement must impose the NCS property standards or WCDA locally developed standards and require that WCDA, or its representatives have access to the property, to perform inspections during development and throughout the Restricted Use Period.

**Project Financial Feasibility**

NCS projects must meet the requirements of the HOME-ARP Notice and maintain continued operation for the applicable Restricted Use Period. Consequently, before awarding HOME-ARP funds to a NCS project, WCDA will determine if the acquisition and/or development is financially feasible and consider whether the NCS Project has secured or has a high likelihood of securing operating funding, because operating costs *cannot* be paid with HOME-ARP.

WCDA will assess NCS projects, including a review of information from the Owner/Grantee that demonstrates the Project’s financial feasibility throughout the Restricted Use Period. Before awarding funds for NCS, WCDA will require:

* Evidence of appropriate skills and experience of the Developer related to the development of shelters or similar facilities;
* Evidence of prior experience operating shelters from Owner/Grantee;
* Acquisition or development budget, timeline, and sources and uses statement for the acquisition and/or development of the Project; and
* Proposed operating budget, including secured sources for operating costs and any operating gap that will require additional assistance. If there is a gap in the operating budget WCDA will require Owner/Grantee to submit a plan for securing additional private, local, state, or Federal funding sufficient for the successful operation of the project.

**\***HOME-ARP allows for replacement reserves for NCS projects involving rehabilitation to help support the viability during the Restricted Use Period.

**Supportive Services**

HOME-ARP funding will be used to address the complex challenges faced by individuals experiencing homelessness, at risk of homelessness, fleeing or attempting to flee domestic violence, and other at-risk populations. It aims to provide a range of supportive services that promote stable housing, improved health outcomes, and increased self-sufficiency. Types of supportive services include housing counseling on certain topics, employment assistance and job training, legal services, various health services, and others. All supportive service Applicants must have in place the following:

* Tenant selection procedures in accordance with24 CFR 92.253(d), if applicable;
* Eligibility of program participants;
* may receive any of the types of assistance or services under this section;
* Documentation of eligible costs;
* Requirements that allow a program participant to 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;
* Policies in place to address termination of assistance to program participants; and
* Case managementtoassess and coordinate services to meet the needs of program participants, along with written standards for providing case management assistance.

**Eligible Supportive Services**

**McKinney-Vento Supportive Services**

These services 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.

Households who meet the criteria of a Qualifying Population (defined on page 6 of this document) are eligible to receive assistance through HOME-ARP without meeting additional criteria (e.g., additional income criteria). All income calculations to meet income criteria for a qualifying population must use HUD’s annual income definition. Providers must document household eligibility in client files prior to assistance.

**Eligible Costs**

All qualifying households are eligible to receive the following supportive services under the HOME-ARP supportive services activity.

McKinney-Vento Supportive Services and Homelessness Prevention

* 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 i.e. fees charged by licenses attorneys or individuals under the supervision of licenses attorneys, for advice and representation in matters that interfere with a qualifying individual or family’s ability to obtain and retain housing;
* Costs of teaching critical life management skills;
* Costs of certain outpatient mental health treatment;
* Costs of certain outpatient medical treatment;
* Costs of outreach services;
* Costs of substance abuse treatment;
* Transportation costs;
* Case management costs;
* Costs for mediation between the program participant and person with home they are living;
* Credit repair costs;
* Costs of landlord/tenant liaison services;
* Costs of services for victim special populations ;
* Financial assistance costs, including:
* Rental application fees;
* Security deposits;
* Utility deposits;
* Moving costs;
* First and last month’s rent;
* Payment of rental arrears;
* Certain rental assistance;

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.

* Housing Counseling Services as defined at 24 CFR 5.100 and 5.111
* These costs may only be paid under HOME-ARP if housing counseling services are provided by HUD-certified housing counselors and organizations. If a program participant is a candidate for homeownership, costs associated with prepurchase homebuying counseling, education and outreach are eligible under HOME-ARP. Costs for the provision of services to existing homeowners related to homeownership and mortgages to existing homeowners are NOT eligible under HOME-ARP
* 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 and outreach;
* 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;

**Ineligible Costs**

***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 Act during the time covered by the replacement housing payments.

**Selection of Program Participants for Services**

The Grant Recipient will determine how program participants are selected and, if necessary, WCDA will file with HUD a Substantial Amendment to its HOME-ARP Allocation Plan for the selection process.

**Duplication of Benefits Determination**

Agencies must 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 to Program Participants [Termination and grievance policy]**

WCDA may terminate assistance to a program participant who violates program requirements or conditions of occupancy or no longer needs the services as determined by WCDA. Termination under this section does not bar WCDA from providing further assistance at a later date to the same individual or family if they continue to be qualified.

Grant recipient must establish policies and procedures for termination of assistance to program participants. In terminating assistance to a program participant, the Grant Recipient must provide a formal process that recognizes the rights of individuals receiving assistance under the due process of law.

This process, at a minimum, must consist of:

* Providing the program participant with a copy of the program rules and the termination process prior to receiving assistance;
* Written notice to the program participant containing a clear statement of the reasons for termination;
* A review of the decision with an opportunity for the program participant to present objections to the decision; and
* Prompt written notice of the final decision to the program participant.

**Process for Termination of Agreement between WCDA and Grantee**

The actions noted below shall constitute an event of default by Owner/Grantee. WCDA may give written notice of default to the Owner/Grantee, by registered or certified mail, to the address stated in the Agreement:

* Failure to comply with the terms and conditions of the Agreement;
* Failure to comply with HOME-ARP program regulations, fair housing laws, and other federal requirements related to the Project, or any applicable state or local law, regulation, ordinance, or requirement;
* A default by Owner/Grantee of any terms contained in the Grant Documents;
* Any event of fraud, misrepresentation, gross negligence, or willful misconduct by Owner/Grantee in the execution or performance of the Agreement or in its application for participation in the HOME-ARP Program;
* Owner/Grantee’s dissolution or other termination of existence; merger or consolidation with any other entity; change in control of the Project or the Owner/Grantee, or any of its partners, shareholders, members, or owners without WCDA’s prior written consent as required herein;
* Insolvency; forfeiture of right to do business in the State of Wyoming or business failure; abandonment of the Project for more than thirty (30) days; appointment of a receiver of any part of the Owner/Grantee’s property; the calling of any meetings of, or the assignment for the benefit of, creditors of the Owner; or the commencement of any proceedings under any bankruptcy or insolvency laws by or against the Owner/Grantee which are not dismissed within sixty (60) days;
* Any judgment or lien filed against the Property if not paid, stayed on appeal, discharged, bonded, or dismissed within sixty (60) calendar days after the entry of such judgment or lien, except any judgment or lien resulting from liability that is fully payable from the proceeds of an insurance policy maintained by Owner/Grantee;
* sale, transfer, or further encumbrance of all or part of the Project without WCDA’s prior written consent; and
* Any default under any documents evidencing other financing for the Project, whether junior or senior to WCDA’s HOME-ARP grant or in effect as of the date of the Agreement or at any future point. This may include, but is not limited to, the failure to maintain any reserve account required by another lender.

**Remedies**

In the event of default by Owner/Grantee which is not cured within thirty (30) days of the mailing of written notice by WCDA as described above, WCDA may seek any singular or combination of the following remedies:

* Withhold any further payments to be made under the Agreement until such time as Owner/Grantee’s breach has been cured in accordance with the terms and conditions of any cure period provided by WCDA (but WCDA may, in its sole discretion, make disbursement after the occurrence of an Event of Default without thereby waiving its rights and remedies set forth in the Agreement);
* Apply to any appropriate state or federal court for specific performance, in whole or in part, of the covenants and agreements contained in the Agreement, or for an injunction against any violation of such covenants and agreements;
* Enter the property and take possession thereof, together with the Project then in the course of construction, and proceed either in its own name or in the name of the Owner/Grantee, as the attorney-in-fact of the Owner/Grantee (which authority is coupled with an interest and is irrevocable by the Owner/Grantee), to complete or cause to be completed the Project, at the cost and expense of the Owner/Grantee;
* Require the use of or change in professional property management;
* Require the replacement of the Owner/Grantee’s general partner(s) or managing member(s), as applicable;
* Pursue the appointment of a receiver to collect rents and profits or to take possession of the Project;
* Declare immediately due and payable all unpaid principal, accrued interest, and annual fees on the Note, together with all other sums payable thereunder and the same shall thereupon be immediately due and payable without presentment or other demand, protest or notice of protest, notice of dishonor, or any other notice of any kind, all of which are hereby expressly waived;
* Apply sanctions set forth in 24 CFR 92, if determined by WCDA to be applicable, including repayment of any and all HOME-ARP funds allocated by WCDA;
* Apply to any appropriate state or federal court for such other relief as may be appropriate and allowed by law, since the injury to WCDA arising from a default under any of the terms of this Agreement would be irreparable and the amount of damage would be difficult to ascertain; and
* Terminate this Agreement by giving written notice to Owner of such termination and specifying the effective date of such termination. If the Agreement is terminated by WCDA as provided herein, Owner/Grantee shall have no claim of payment or claim of benefit for any incomplete activities undertaken under the Agreement.

Any delay by WCDA in exercising any right or remedy provided herein or otherwise afforded by law or equity shall not be a waiver of or preclude the exercise of such right or remedy. All such rights and remedies shall be distinct and cumulative and may be exercised singly, serially (in any order), or concurrently, and as often as the occasion therefore arises.

**Termination for Convenience**

In addition to the termination provision stated herein, the Agreement may be terminated by WCDA upon thirty (30) days written notice. In the event of termination under this section, Owner/Grantee shall have no claim of payment or claim of benefit for any incomplete project activities undertaken under the Agreement and shall not be entitled to, and hereby waives, all claims for lost profits and all other damages and expenses

**Reporting Requirements**

HOME-ARP requires WCDA to submit quarterly accomplishment data for Supportive Services activities. Subrecipients are required to collect data on the following elements and report to WCDA quarterly:

* Total households served;
* Total new households: This is the number of households who were served in this quarter but who were not served in the previous quarter;
* Number of households served that were defined as homeless;
* Veteran status: A household with any veteran member;
* Hispanic status: The number of Hispanic households served;
* Race: (The sum of the sub-categories below must be equal to or less than the “Total”)
  + White
  + Black
  + Asian
  + American Indian/Alaskan Native
  + Native Hawaiian/Pacific Islander
  + Other/multi-racial
* Household size;
* Household type;
  + Single, non-elderly
  + Elderly
  + Single parent
  + Two parents
  + Other

## Non-profit Operating and Capacity Building Assistance

WCDA may use up to 5 percent (5%) of its HOME-ARP allocation to pay operating expenses of non-profit organizations that will carry out activities with HOME-ARP funds. WCDA may also use up to an additional 5 percent (5%) of its allocation to pay eligible costs related to developing the capacity of eligible nonprofit organizations to successfully carry out HOME-ARP eligible activities. WCDA may award operating expense assistance or capacity building assistance to a non-profit organization if it reasonably expects to provide HOME-ARP funds to the organization for any of the eligible HOME-ARP activities within 12 months of the award.

**Operating Expense Assistance**

Operating expense assistance is defined as reasonable and necessary costs of operating the non-profit organization. Eligible costs include:

* + Employee salaries, wages and other employee compensation and benefits;
  + Employee education, training and travel;
  + Rent;
  + Utilities;
  + Communication costs;
  + Taxes;
  + Insurance; and
  + Equipment, materials, and supplies.

HOME-ARP funds used for operating expenses must be used for the “general operating costs” of the nonprofit organization. These operating costs must not have a particular final cost objective, such as a project or activity, or must not be directly assignable to a HOME-ARP activity or project.

**\***For example: HOME-ARP funds for operating expenses may not be used for staffing costs to provide supportive services or develop HOME-ARP-rental housing (as operating costs to develop HOME-ARP rental housing are paid for by a developer fee which is a project delivery or soft cost).

**Capacity Building Assistance**

Capacity building expenses are defined as reasonable and necessary general operating costs that will result in expansion or improvement of an organization’s ability to successfully carry out eligible HOME-ARP activities. Eligible costs include:

* + - * + Salaries for new hires, including wages and other employee compensation and benefits;
        + Employee training or other staff development that enhances an employee’s skill set and expertise;
        + Equipment (e.g. computer software or programs that improve organizational processes), upgrades to materials, and supplies; and
        + Contracts for technical assistance or for consultants with expertise related to the HOME-ARP qualifying populations.

**Limitations on Assistance**

In any fiscal year, operating assistance provided to a non-profit organization may not exceed the greater of 50 percent (50%) of the general operating expenses of the organization for that fiscal year, as described above, or $50,000.

If an organization receives both operating assistance and capacity building assistance in any fiscal year, the aggregate total amount of assistance it may receive is the greater 50 percent (50%) of the organization’s total operating expenses for that fiscal year or $75,000.

**General Requirements**

**Written Agreement**

“Written Agreement” **–** shall mean a document that complies with 24 CFR 92.504 and outlines the following responsibilities between WCDA and the awarded Applicant of WCDA HOME-ARP Funding:

* Use of HOME-ARP Funds;
* Affordability;
* Reversion of assets;
* Program Income;
* Project Requirements;
* Property Standards;
* Uniform Administrative Requirements;
* Affirmative Marketing;
* Request to Disburse Funds;
* Enforcement;
* Duration of Agreement;
* Program Requirements;
* Records and Reports;
* Eligible and Ineligible Fees;
* Compliance/Enforcement; and
* Other General Provisions

**Project development due diligence**

Housing and neighborhood development staff will:

* Review financial feasibility of project;
* Review development budget and timeline;
* Review Sources and Uses;
* Review operating budget;
* Evaluate prior experience for development and operation of shelters or similar facilities;
* Identify if the project will continue operating as NCS or emergency shelter NCS under ESG or if it will be converted to affordable housing or CoC permanent housing once the minimum use period is complete

**Financial**

* Once a project has been committed, the Director of Housing and Neighborhood Development will set up the activity in IDIS. The HOME-ARP Specialist will then verify the activity is ready to be funded in IDIS by ensuring the Project file contains a completed environmental review, executed written agreement, and any other grant documents necessary to secure WCDA’s investment. Once this validation is completed, the Director of Housing and Neighborhood Development will fund the activity in IDIS. The HOME-ARP Specialist will enter beneficiary data into IDIS as it is received.
* The draw request process is completed by the HOME-ARP Specialist and approved by the Neighborhood Development Officer. Prior to a draw request, WCDA will send written notification to the borrower granting authorization to incur costs against grant funds for the Project, with the stipulation that no costs may be charged to the HOME-ARP program if work occurred prior to the date of the HUD authorizing document, or prior to the execution of the written agreement. The drawdown of HOME-ARP funds is on a reimbursement basis for pre-approved HOME-ARP eligible activities. The amount of disbursement cannot exceed the actual costs incurred for eligible costs. An Expenditure Summary and Payment Request form will be issued to the borrower when WCDA sends written notification to the borrower granting authorization to incur costs against grants funds for the Project.

**Recordkeeping Requirements**

WCDA must establish and maintain sufficient records to enable HUD to determine whether WCDA has met the requirements of the Notice. At a minimum the following records are needed:

**Program Records**

Records evidencing that all HOME-ARP funds used for supportive services, and acquisition and development of non-congregate shelter units benefit individuals and families in qualifying populations;

Records evidencing that not less than 70 percent of affordable rental housing units acquired, rehabilitated, and/or constructed with HOME funds by WCDA are restricted for occupancy by households in the qualifying populations;

Records documenting compliance with the 15 percent limitation on administrative and planning costs;

Records documenting compliance with the 5 percent limitation on CHDO and non-profit operating and capacity building costs;

The underwriting and subsidy layering guidelines adopted in accordance with Section VI.B.10 of the Notice that support WCDA’s HOME-ARP allocation plan certification;

If existing debt is refinanced for multifamily rehabilitation projects, the HOME-ARP refinancing guidelines established in the HOME-ARP in the HOME-ARP Allocation Plan;**Confidentiality**

* WCDA’s written policies and procedures for maintaining confidentiality of qualifying households as individuals or families fleeing, or attempting to flee domestic violence, dating violence, sexual assault, stalking, or human trafficking in accordance with Section VIII.H;.
* WCDA’s written policies and procedures for maintaining confidentiality in compliance with the VAWA protections contained in 24 CFR Part 5, Subpart L. 87;

**Project Records**

WCDA is required to retain the following records for HOME-ARP-assisted projects, as specified by activity type.

* A full description of each project assisted with HOME-ARP funds, including the location (address of project), form of HOME-ARP assistance, and the units, families, or qualifying households assisted with HOME-ARP funds, subject to confidentiality requirements in the Notice;
* The source and application of funds for each project, including supporting documentation in accordance with 2 CFR 200.302; and records to document the eligibility and permissibility of the project costs, including the documentation of the actual HOME-ARP-eligible development costs of each HOME-ARP-assisted unit as defined in the Notice;
* Records (i.e., written agreements) demonstrating compliance with the written agreement requirements in Section VIII.B of the Notice;
* Records (e.g., inspection reports) demonstrating that each HOME-ARP rental project meets the property standards in Section VI.B.11 of the Notice at project completion and through the applicable minimum compliance period. In addition, during a HOME-ARP rental project’s minimum compliance period, records demonstrating compliance with the property standards and financial oversight pursuant to 24 CFR 92.504(d) and the operating cost assistance reserve management and oversight required by Section VI.B.23 of the Notice;
* Records (e.g., inspection reports) demonstrating that each NCS project meets the property and habitability standards of Section VI.E.7 of the Notice at project completion and throughout the applicable restricted use period;
* Records demonstrating that each qualifying household is eligible for HOME-ARP assistance based on the requirements of the ARP and Section IV of the Notice;
* Records demonstrating that each household qualifying as homeless, records that meet the requirements in 24 CFR 576.500(b)(1), (2), (3), or (4), as applicable (except that youth aged 24 and under must not be required to provide third-party documentation to show they are homeless to receive any shelter, housing, or services for which ESG or CoC Program funds may be used to supplement the HOME-ARP assistance);
* Records demonstrating that each household qualifying as “at risk of homelessness,” records that meet the requirements in 24 CFR 576.500(c)(1) or (2), as applicable, and include the following documentation of annual income:
  + Income evaluation form containing the minimum requirements specified by HUD and completed by the Recipient or Subrecipient;
  + Source documents for the assets held by the household and income received over the most recent period for which representative data is available before the date of the evaluation (e.g., wage statement, unemployment compensation statement, public benefits statement, bank statement);
  + To the extent that source documents are unobtainable, a written statement by the relevant third party (e.g., employer, government benefits administrator) or the written certification by the Recipient's or Subrecipient's intake staff of the oral verification by the relevant third party of the income the household received over the most recent period for which representative data is available; or
  + To the extent that source documents and third-party verification are unobtainable, the written certification by the household of the amount of income the household received for the most recent period representative of the income that the household is reasonably expected to receive over the 3-month period following the evaluation.
* Records demonstrating compliance with the household income requirements in accordance with Section VI.B.12 of the Notice for each HOME-ARP rental project;
* Records demonstrating that each NCS project meets the minimum compliance period or restricted use period described in Sections VI.B.18 and VI.E.9 respectively, of the Notice.
* Records demonstrating compliance with the return of the NCS replacement reserve at the end of the compliance or restricted use period in accordance with Sections VI.B.24 and VI.E.10 respectively, of the Notice;
* Records demonstrating that each NCS project meets the underwriting and subsidy layering or due diligence requirements of Section VI.B.10 or VI.E.6 of the Notice.

For all NCS projects the following documents must be maintained, as applicable:

* Purchase contract, closing documents, settlement statement and title work for acquisitions.
* Appraisal or other estimation of value to justify acquisition expenditure;
* Architectural and engineering contracts and completed designs, plans, and specifications for rehabilitation and new construction activities;
* Invoices, pay requests, and proof of payment for all project expenditures;
* Proof of insurance;
* Project and program audits.

For all HOME-ARP Supportive Services projects pursuant to McKinney-Vento or Homelessness Prevention Supportive Services:

* Records, where applicable, demonstrating compliance with the termination of assistance requirement as described in Section VI.D.5 of the Notice.
* Records of all solicitations of and agreements with Subrecipients and contractors, records of all payment requests by and dates of payments made to Subrecipients, and documentation of all monitoring and sanctions of Subrecipients, as applicable including any findings and corrective actions required.
* Records of all procurement contracts and documentation of compliance with the procurement requirements in 2 CFR part 200, subpart D, as revised by Section VIII.D of the Notice;
* Records evidencing the use of the written procedures required under Section VI.D.2 and records evidencing compliance with Section IV.C.2 of the Notice.
* Records of all leases, subleases, and financial assistance agreements for the provision of rental payments, documentation of payments made by WCDA to owners, HOME-ARP sponsor, or qualifying households for the provision of financial assistance for rental payments, and supporting documentation for these payments, including dates of occupancy by qualifying individuals and families;
* Records that document the monthly allowance for utilities (excluding telephone) used to determine compliance with the rent restriction.
* Records of the types of services provided under the Grant Recipient’s program and the amounts spent on these services.
* Records demonstrating Subrecipient compliance with the recordkeeping requirements in Section VIII.F of the Notice.
* For all HOME-ARP Housing Counseling Services projects as defined in 24 CFR part 5, each participating housing counseling agency must maintain a recordkeeping and reporting system in accordance with 24 CFR 214.315 and 24 CFR 214.317. The system must permit HUD to easily access all information needed for a performance review.
* For all HOME-ARP-assisted nonprofit operating expense and capacity building assistance activities:
* Records concerning the use of funds for nonprofit operating expense and capacity building assistance must be maintained to enable HUD to determine whether WCDA has met the requirements of Section VI.F of the Notice.
* Written agreements between WCDA and the nonprofit organization providing nonprofit operating expense assistance or capacity building assistance must be retained for five years after the agreement terminates.

**Financial records**

* Records, in accordance with 2 CFR 200.302, identifying the source and application of HOME-ARP funds. Identification must include, as applicable, the Assistance Listing program title and number (formerly Catalogue of Federal Domestic Assistance), Federal award identification number and year, name of the Federal agency, and name of the pass-through entity, if any.
* Records concerning the HOME-ARP Investment Trust Fund Treasury account and local account required to be established and maintained by the Notice, including deposits, disbursements, balances, supporting documentation and any other information required by IDIS.
* Records identifying the source and application of program income and repayments.
* Records demonstrating adequate budget control and other records required by 2 CFR 200.302, including evidence of periodic account reconciliations.

**Program administration records:**

* Records demonstrating compliance with the written agreements required by Section VIII.B of the Notice.
* Records demonstrating compliance with the applicable uniform administrative requirements required by Section VIII.D of the Notice.
* Records documenting required inspections, monitoring reviews and audits, and the resolution of any findings or concerns.

**Records concerning other Federal requirements:**

Equal opportunity and fair housing records.

* Data on the extent to which each racial and ethnic group, and single-headed households by gender of household head) have applied for, participated in, or benefited from, any program or activity funded in whole or in part with HOME-ARP funds;
* Documentation that WCDA submitted a certification that it will affirmatively further fair housing consistent with HUD’s Interim Final Rule entitled Restoring Affirmatively Furthering Fair Housing Definitions and Certifications (86 FR 30779, June 10, 2021) (codified at 24 CFR 5.151 and 5.152;), available at <https://www.federalregister.gov/documents/2021/06/10/2021-12114/restoringaffirmatively-furthering-fair-housing-definitions-and-certifications>;
* Records demonstrating compliance with the nondiscrimination and equal opportunity requirements of 24 CFR 92, Subpart H.

Affirmative marketing and MBE/WBE records.

* Records demonstrating compliance with the affirmative marketing procedures and requirements of 24 CFR 92.351 and the Notice;
* Documentation and data on the steps taken to implement the jurisdiction's outreach programs to minority-owned (MBE) and female-owned (WBE) businesses including data indicating the racial/ethnic or gender character of each business entity receiving a contract or subcontract of $25,000 or more paid, or to be paid, with HOME-ARP funds; the amount of the contract or subcontract, and documentation of participating jurisdiction's affirmative steps to assure that minority business and women's business enterprises have an equal opportunity to obtain or compete for contracts and subcontracts as sources of supplies, equipment, construction, and services;
* Records demonstrating compliance with the environmental review requirements of 24 CFR 92.352, 24 CFR part 58, and the Notice including flood insurance requirements;
* Records demonstrating compliance with the requirements of 24 CFR 92.353 and the provisions of Section VII.F of the Notice regarding displacement, relocation, and real property acquisition, including but not limited to:
* Project occupancy lists identifying the name and address of all persons occupying the real property on the date described in 24 CFR 92.353(c)(2)(i)(A), moving into the property on or after the date described in 24 CFR 92.353(c)(2)(i)(A), and occupying the property upon completion of the project;
* Lists of all individuals or families occupying hotels and motels and other nonresidential properties acquired, rehabilitated, and/or demolished and newly constructed to become NCS or HOME-ARP rental housing that qualify for assistance under the Notice as members of a qualifying population, as well as records indicating whether such persons were assisted by the HOMEARP program by WCDA following the closure of the nonresidential properties because of HOME-ARP activities;
* Documentation that WCDA has and followed a RARAP in accordance with 24 CFR 92.353 and 24 CFR 42.325;
* Records demonstrating compliance with the labor requirements of 24 CFR 92.354, including contract provisions and payroll records;
* Records demonstrating compliance with the lead-based paint requirements of 24 CFR part 35, subparts A, B, J, K, M and R, as applicable;
* Records supporting compliance with conflict of interest requirements in 24 CFR 92.356, as revised by Section VII.H of the Notice, as well as documentation of any exceptions granted by HUD or WCDA as applicable, to the conflict of interest provisions in 24 CFR 92.356, as revised by Section VII.H of the Notice;
* Records demonstrating compliance with debarment and suspension requirements in 2 CFR part 2424. i. Records concerning intergovernmental review, as required by 24 CFR 92.357;
* Records of emergency transfers requested under 24 CFR 5.2005(e) and 24 CFR 92.359 pertaining to victims of domestic violence, dating violence, sexual assault, or stalking, including data on the outcomes of those requests; and
* Documentation of actions undertaken to meet the requirements of 24 CFR part 75 which implements section 3 of the Housing Development Act of 1968, as amended (12 U.S.C. 1701u).

**State Recipients and Subrecipients**

WCDA requires the State Recipients or Subrecipients to keep the records required by paragraphs 1. program records, 2. project records, 3. financial records, 4. program administration records, and 5. records concerning other federal requirements of Section VIII.F of the Notice, and such other records as WCDA determines to be necessary to enable WCDA to carry out its responsibilities under the Notice. WCDA need not duplicate the records kept by the State Recipients or Subrecipients. WCDA must keep records concerning its annual review of the performance and compliance of each State Recipient and Subrecipient as required under 24 CFR 92.504(a).

**Period of record retention**

* All records pertaining to HOME-ARP funds must be retained for five years, except as provided below;
* Written agreements must be retained for five years after the agreement terminates;
* Records covering displacements and acquisition must be retained for five years after the date by which all persons displaced from the property and all persons whose property is acquired for the project have received the final payment to which they are entitled in accordance with 24 CFR 92.353; and
* If any litigation, claim, negotiation, audit, monitoring, inspection, or other action has been started before the expiration of the required record retention period records must be retained until completion of the action and resolution of all issues which arise from it, or until the end of the required period, whichever is later.

**Access to records**

WCDA must provide citizens, public agencies, and other interested parties with reasonable access to records, consistent with applicable state and local laws and any other applicable grant conditions from other federal grant programs regarding privacy and obligations of confidentiality.

WCDA, Subrecipient, contractor, or owner may create a program participant identifier code or number that can be used on a file and maintained internally, in such a way that the number itself does not inadvertently identify the program participant, (i.e., no use of initials, date of birth, or other pieces of information that might suggest the identity of the program participant). The “key” or “cypher” for the program participant identifier code would itself be confidential and would not leave the provider. In the circumstance of HUD programs, the 94 Unique Personal Identification Number which is generated within the comparable database could be used with auditors to identify records of services to distinct individuals, subject to the below requirement.

HUD and the Comptroller General of the United States, any of their representatives, have the right of access to any pertinent books, documents, papers, or other records of WCDA, state Recipients, and Subrecipients, in order to make audits, examinations, excerpts, and transcripts. If a provider of services or operator of an NCS is subject to state or local laws or other federal grant programs that require that HUD not be given access to records detailing PII of victims, then auditors or evaluators may be given access to representative files without any sharing of individual identifying information.

## Other Federal Requirements

**Non-Discrimination and Fair Housing**

Grant Recipients must comply with the Federal requirements set forth in 24 CFR part 5, subpart A, including: nondiscrimination and equal opportunity; disclosure requirements; debarred, suspended or ineligible contractors; drug-free work; and housing counseling and the nondiscrimination requirements at section 282 of NAHA. The requirements in section 282 of NAHA are waived in connection with the use of HOME-ARP funds on lands set aside under the Hawaiian Homes Commission Act, 1920 (42 Stat. 108). Grant Recipients must also comply with the Violence Against Women Act (VAWA) requirements set forth in 24 CFR 92.359.

**Affirmative Marketing and Minority Outreach**

The requirements in 24 CFR 92.351 apply to HOME-ARP activities.

**National Environmental Policy Act of 1969 (NEPA) (42 U.S.C. 4321) and Related Laws**

The environmental requirements in 24 CFR 92.352 apply to eligible activities under the Notice. The environmental effects of each activity carried out with HOME-ARP funds must be assessed in accordance with the provisions of NEPA and the related authorities listed in HUD's implementing regulations at 24 CFR part 58. The applicability of the provisions of 24 CFR part 58 is based on the HOME-ARP project as a whole (i.e., all individual project activities, such as acquisition and rehabilitation, aggregated according to the requirements at 24 CFR 58.32), not on the type of cost paid with HOME-ARP funds. In accordance with the provisions in 24 CFR part 58, activities undertaken with HOME-ARP funds are subject to environmental review by WCDA. WCDA must assume responsibility for environmental review, decision making, and action for each activity that it carries out with HOME-ARP funds, in accordance with the requirements at 24 CFR Part 58. WCDA must assume responsibility for approval of Requests for Release of Funds and Certification (RROF/C) submitted by State Recipients. No funds may be committed to a HOME-ARP activity or project before the completion of the environmental review and approval of the RROF/C, as applicable. Neither a HOME-ARP Recipient nor any participant in the development process, including public or private nonprofit or for-profit entities, or any of their contractors, may commit HUD assistance on an activity or project until the environmental review has been completed and HUD or the state has approved the Recipient's RROF/C from the RE as applicable. In addition, until the RROF/C have been approved, neither a HOME-ARP Recipient nor any participant in the development process may commit non-HUD funds on or undertake a HOME-ARP activity or project if the activity or project would have an adverse environmental impact or limit the choice of reasonable alternatives. Therefore, it is important for REs to begin and complete any required environmental reviews as soon as possible.

* Supportive Services HOME-ARP. Supportive services as defined at 24 CFR 58.35(b) are categorically excluded, not subject to the Federal laws and authorities at 24 CFR 58.5 (CENST) or exempt from review under NEPA. A RE may complete a single CENST review categorized under 24 CFR 58.35(b) for their supportive services program or their HOME-ARP TBRA program where participants choose their own unit and are not restricted to units within a pre-determined specific project site or sites. There is no need to complete reviews for every unit selected by participants.
* NCS activities are subject to environmental review by the RE under 24 CFR part 58. Acquisition of a structure to be used as NCS is CEST under 24 CFR 58.35(a)(5) (with the possibility of converting to exempt under 24 CFR 58.34(a)(12)) if the structure acquired will be retained for the same use (e.g., residential). Rehabilitation of a structure for NCS is CEST if the project meets the thresholds listed at 24 CFR 58.35(a)(3)(i) or (ii). Rehabilitation that does not meet these thresholds requires completion of an Environmental Assessment pursuant to 24 CFR part 58, subpart E. An Environmental Assessment is also required for new construction, demolition, acquisition of vacant land for new construction, and acquisition of non-residential structures for demolition and new construction.

**\*Warning:** In compliance with 24 CFR Part 58.22: Limitations on activities pending clearance, neither a Recipient nor any participant in the development process may commit any HUD or non-HUD funds to a project until it’s been determined whether the project would have an adverse environmental impact or limit the choice of reasonable alternatives, and HUD has approved the Request for Release of Funds (RROF) by issuing an Authority to Use Grant Funds (AUGF).

Per 24 CFR 58.22(d): An option agreement on a proposed site or property is allowable prior to the completion of the environmental review if the option agreement is subject to a determination by the Recipient on the desirability of the property for the project as a result of the completion of the environmental review in accordance with this part and the cost of the option is a nominal portion of the purchase price.

For more information, please see HUD’s 2011 memo: Guidance on Options and Conditional Contracts for Purchase of Real Property for Environmental Reviews Conducted by a Responsible Entity under 24 CFR 58

**Labor Standards**

Labor standards, including Davis-Bacon federal prevailing wage requirements shall apply to all NCS projects with 12 or more units assisted with HOME ARP funds.

**Debarred Contractors**

Use of Debarred Contractors Prohibited (24 CFR Part 85)

* Prior to entering a contract with a contractor or subcontractor, Owner/Grantee must verify that they are not listed in the federal publication of debarred, suspended and ineligible contractors. HOME-ARP funds may not be used directly or indirectly to employ, award contracts to, or otherwise engage the services of a contractor during a period of debarment, suspension, or ineligibility.

**Lead Hazard Control Requirements**

* The Lead-Based Paint Poisoning Prevention Act and Residential Lead-Based Paint Hazard Reduction Act of 1992 applies to HOME-ARP-assisted activities. 24 CFR Part 35 should be consulted for the requirements related to the specific activity being performed. Depending upon the nature of work and the dollar amount of HOME-ARP funding, certain requirements must be complied with regarding lead-based paint inspection, risk assessment, and in handling lead‐based paint. The use of a certified abatement contractor is required.

**Program Accessibility**

Section 504 of the Rehabilitation Act of 1973 requires that a HOME-ARP funded activity, when viewed in its entirety, is usable and accessible to persons with disabilities. The obligation to provide accessible units, in accordance with 24 CFR 8.22 and 8.23 is broader and includes the following: All program activities, including public hearings, homebuyer briefings, counseling sessions, and meetings should be held in locations that are accessible to persons with disabilities. Information about all programs and activities should be disseminated in a manner that is accessible to persons with disabilities. Auxiliary aids and special communication systems should be used for program outreach, public hearings related to housing programs, and other program activities. Reasonable steps should be taken to provide information about available accessible units to eligible persons with disabilities. Program advertising should acknowledge that the program will work with households with accessibility needs. Should a successful homebuyer Applicant have a need for a unit with an accessible design, the program must accommodate those needs.

**Uniform Relocation Assistance and Real Property Acquisition Policies Act, Section 104(d), and HOME-ARP Displacement, Relocation and Acquisition Program Requirements**

HOME-ARP funding is subject to the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 and section 104(d) of the Housing and Community Development Act of 1974, in addition to the Displacement, Relocation and Acquisition regulatory requirements of 24 CFR 92.353. The Notice also includes HOME-ARP program specific relocation requirements applicable to HOME-ARP-assisted projects. Grant Recipients must comply with all applicable requirements, as described in this section.

**Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970:** Costs incurred to comply with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, (42 U.S.C. § 4601 et seq.) (URA) are eligible HOME-ARP project costs pursuant to the Notice and 24 CFR 92.206(f). The URA establishes minimum requirements for the acquisition of real property and the displacement of persons from their homes, businesses, or farms as a direct result of acquisition, rehabilitation, or demolition for federally-assisted programs and projects. The URA implementing regulations at 49 CFR part 24 establish:

• Requirements for the provision of replacement housing assistance, advisory services;

* Requirements for acquisitions, including the payment of just compensation pursuant to 49 CFR part 24, subpart B, and provisions for voluntary acquisitions set forth in 49 CFR 24.101;
* Minimum requirements for temporary relocation of persons, businesses, or farms as a result of a project or program that receives federal financial assistance. These requirements are found in Appendix A, Section 24.2(a)(9)(ii)(D) of the Notice.

Additional HUD URA policy and guidance is available in HUD Handbook 1378.

**Section 104(d) of the Housing and Community Development Act of 1974**:

HOME-ARP is HOME funding and subject to the requirements in section 104(d) of the Housing and Community Development Act of 1974, as amended, (42 USC § 5304(d)), (“section 104(d)”) unless waived, as described in this section and Appendix. Costs incurred to comply with section 104(d) requirements are eligible HOME-ARP project costs under 24 CFR 92.206(f). section 104(d) applies to the demolition or conversion, as defined in 24 CFR 42.305, of a lower-income dwelling unit in connection with a HOME or Community Development Block Grant Program (CDBG) assisted activity.

**HOME Program Displacement, Relocation and Acquisition Regulations**

In addition to the URA and section 104(d) requirement described above, the HOME program’s Displacement, Relocation and Acquisition regulations at 24 CFR 92.353 also apply to projects funded with HOME-ARP funds. Some of these requirements differ from those 73 of the URA and section 104(d), including but not limited to the expanded temporary relocation protections at 24 CFR 92.353(b) and (c); optional relocation assistance policies in 24 CFR 92.353(d); and the right to return to a building or complex, if feasible, upon completion of a HOME project, in accordance with 24 CFR 92.353(a). Grant Recipients must follow these program-specific requirements in HOME-ARP assisted projects.

**Additional HOME-ARP Program Relocation Related Requirements**

The following additional HOME-ARP program relocation requirements apply:

* Acquisition and/or rehabilitation of hotels, motels and other non-residential property: In states where hotels and motels are not considered dwelling units or residential property, the acquisition of non-residential property such as hotels and motels for the production of NCS units will not make a person occupying those properties eligible for relocation assistance under the URA, section 104(d) or 24 CFR 92.353. WCDA may provide HOME-ARP assistance, as defined by the Notice, including the provision of HOME-ARP supportive services, the ability to stay in NCS units, if the individuals or families can demonstrate that:
  + they have been in continuous residence at the property for 30 or more calendar days, and
  + they are a qualifying household, as defined by the Notice.

Any assistance provided to this section may be provided without regard to any preferences, project-specific waiting lists, or any other form of prioritization WCDA has developed pursuant to the Notice. For purposes of HOME-ARP costs associated with activities under this provision of the Notice, may be charged as either project delivery costs or relocation costs eligible under 24 CFR 92.206(f).

Persons Ineligible for HOME-ARP Assistance and Ineligible for URA, Section 104(d), or assistance pursuant to 24 CFR 92.353: If a person is required to move as a direct result of a HOME-ARP project and is determined ineligible for HOME-ARP housing assistance under the preceding Section VII.F.4 and also determined ineligible as a displaced person under the URA, section 104(d) or HOME program rules, WCDA may provide such persons advisory services as an eligible HOME-ARP administrative cost, as WCDA determines to be reasonable and necessary.

**Minority Business enterprises, Women and Disadvantaged Business Enterprises**

Subrecipients and owner/grantees must make efforts to include, to the maximum extent possible, minority and women-owned business entities in all contract activity as required by 24 CFR 92.351. Documentation must be maintained on the steps taken to implement outreach programs to minority‐owned and women‐owned businesses, including data indicating the racial, ethnic or gender character of each business entity receiving a contract or subcontract to be paid with HOME-ARP funds; the amount of the contract or subcontract; and documentation of the steps to assure that minority‐and women‐owned business enterprises have an equal opportunity to obtain or compete for contracts and subcontracts as sources of supplies, equipment, construction and services.

**Section 3 Economic Opportunities for Low- and Very Low-Income Persons**

Section 3 requirements established at 24 CFR Part 75 apply to HOME-ARP-assisted projects.

**Conflicts of Interest**

HOME-ARP is subject to the following conflicts of interest requirements:

**Conflicts of Interest: WCDA, State Recipients, and Subrecipients engaging in any of the activities defined the Notice shall be subject to the conflicts of interest provisions at** 24 CFR 92.356, including but not limited to the conflicts of interest exception process defined in 24 CFR 92.356(d)-(e). Owners and developers of NCS and HOME-ARP rental housing shall be subject to 24 CFR 92.356(f).

**Organizational Conflicts of Interest: The provision of any type or amount of HOME-ARP TBRA or supportive services may not be conditioned on an individual’s or family's acceptance or occupancy of a shelter or housing unit owned by the WCDA; State Recipients; the Subrecipient; or a parent, affiliate, or subsidiary of the Subrecipient. No Subrecipient may, with respect to individuals or families occupying housing owned by the Subrecipient, or any parent, affiliate, or subsidiary of the Subrecipient, administer financial assistance that includes rental payments, utility deposits, security deposits, or first and last month’s rent provided pursuant to the Notice. All contractors of WCDA State Recipients, or Subrecipient must comply with the same requirements that apply to subrecipients under this section.**

**Written Standards of Conduct: WCDA, State Recipients, and Subrecipients must maintain written standards of conduct covering the conflicts of interest and organizational conflicts of interest requirements under the Notice and** 2 CFR 200.318. The written standards of conduct must also provide for internal controls and procedures to require a fair and open selection process for awarding HOME-ARP funds pursuant to the Notice. These standards must include provisions on if and how Continuum of Care board members may participate in and/or influence discussions or resulting decisions concerning the competition or selection of an award or other financial benefits made pursuant to the HOME-ARP Notice, including internal controls on when funds may be awarded to the organization that the member represents.

**Requesting Exceptions to Organizational Conflicts of Interest: Any request for an exception to the organizational conflicts of interest provisions in the Notice shall be in writing and shall be considered by HUD only after WCDA or State Recipient has provided the following:**

* A written disclosure of the nature of the conflict, accompanied by an assurance that there has been public disclosure of the conflict and a description of how the public disclosure was made; and;
* An opinion of WCDA or State Recipient's attorney that the interest for which the exception is sought would not violate State or local law.

**Granting Exceptions to Organizational Conflicts of Interest: HUD shall determine whether to grant an exception to the organizational conflicts of interest on a case-by-case basis when it determines that the exception will serve to further the purposes of HOME-ARP. HUD shall consider the following factors, as applicable, in determining whether to grant such an exception:**

* Whether the exception would provide a significant cost benefit or an essential degree of expertise to the program or project which would otherwise not be available
* Whether undue hardship will result WCDA, State Recipient, Subrecipient or the person affected when weighed against the public interest served by avoiding the prohibited conflict;
* Whether conditioning approval on changes to WCDA’s, State Recipient, or subrecipient’s policies or procedures can adequately address the organizational conflict of interest; and
* Any other factors relevant to HUD’s determination, including the timing of the requested exception.

**Procurement**

All projects must comply with the most restrictive applicable federal or state competitive procurement regulations, or costs may not be reimbursable. Federal procurement requirements at 2 CFR Part 200 apply to all non-profit organizations’ actions as a Subrecipient and to all public entities. Non-profit organizations receiving HOME-ARP funds must comply with the procurement requirements of 24 CFR Part 84 (as stated in HUD CPD Notice 97-11). If a project includes any construction or rehabilitation, a required component of a completed application for funding will be a written description of how the Owner/Grantee intends to procure prime or general contractors, subcontractors, architects, engineers, consultants, etc. in a competitive manner. For construction or facility improvement projects exceeding $100,000, minimum federal requirements located in 24 CFR 85.36 or 84.48(c)) for bid guarantees, performance bonds, and payment bonds must be met. Prior to publishing a Notice of Bid Opening in the local newspapers, as a minimum requirement, and through other approved forms of communication mediums must review and approve all bid documents to ensure that all federal, state, and program requirements are included. Owners and developers, are not subject to federal procurement requirements

**Single Audits**

Recipients of HOME-ARP funds from WCDA are subject to federal single audit requirements.

* A single audit is required if a grantee or Subrecipient expends $750,000 or more in one year in accordance with 2 CFR Part 200, Subpart F—Audit Requirements;
* An exception exists for entities which elect to have a program-specific audit conducted. A program audit is an audit of one federal program (such as HOME-ARP) and is permitted when the grantee or Sub-recipient expends federal awards under only one federal program. The single audit includes both an entity’s financial statements and its federal award (from the applicable federal program); and
* If a grantee or Sub-recipient expends less than $750,000 a year in federal awards, it is exempt from the audit requirements for that year. However, records must be available for review or audit by appropriate officials of WCDA pass-through entity, and the Government Accountability Office. Audit requirements and costs will be the responsibility of the Recipient. See 2 CFR § 200.501 Audit requirements.