

Skagit County

HOME-ARP Rental Housing

November 30, 2023

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Skagit County Public Health



Agenda

- Introductions
- NOFA & Funding
- Rental Project Requirements
- Project Examples
- Q&A



HOME-ARP Overview

- Skagit County HOME Consortium
 - Island County
 - Whatcom County (minus Bellingham)
 - Skagit County
 - 17 municipalities
 - Skagit County is the lead agency
- HOME-ARP funds: \$3.59M
 - Additional one-time funding separate from traditional HOME funding



Fund Availability

- Island County Rental Housing
 - \$710,157.26
- Skagit County Rental Housing
 - \$1,541,906.81
- Whatcom HOME-ARP funds will be made available under a future NOFA
 - \$1,051,716.64



NOFA Timeline

- NOFAs will remain open until funds are allocated to eligible project(s)

NOFA Release	November 15, 2023
HOME-ARP Rental Housing Info Session via Microsoft Teams	November 30, 2023, 10:30am-12:30pm Click here to join the meeting
First Application Review Deadline	January 16, 2024
Earliest Awards Announced	February 16, 2024
Contracts Begin	Negotiated by Project
HOME-ARP Expenditure Deadline	September 30, 2030



Rental Project Eligibility

- Public, Nonprofit, and For-profit entities are eligible
- Acquisition, Rehabilitation, and New Construction of rental housing
- Housing definition at 24 CFR 92.2
- Unit rents must comply with HOME-ARP affordability requirements
 - HOME-ARP unit rents affordable at 50% Area Median Income



Eligible Costs

- Development hard costs (24 CFR 92.206(a))
- Property acquisition
- Project related soft costs (24 CFR 92.206)
- Other costs, see policies
- Total requested HOME-ARP funding will determine the number of restricted HOME-ARP units in the project



Population Targeting

- HOME-ARP Units must primarily benefit households belonging to one of four Qualifying Populations (QPs):
 1. Homeless
 2. At risk of homelessness
 3. Fleeing or attempting to flee domestic violence, dating violence, sexual assault, stalking
 4. Other families requiring services or housing assistance to present homelessness OR at greatest risk of housing instability



Population Targeting: 70/30

- 70% of HOME-ARP Units must be occupied by QP households
- Up to 30% of HOME-ARP Units may be occupied by low-income households (up to 80% of Area Median Income)
- HOME-ARP funding agreements will specify these unit counts



Full Project Requirements

- Environmental Review
- Funding Commitment Requirements
- Prevailing Wage
 - Davis Bacon (12+ HOME/HOME-ARP units)
- Section 3
 - \$200,000 or more HUD project funding
- Project Timeline, Monitoring, Reporting
- Affordability Period – 15 Years from Project Completion

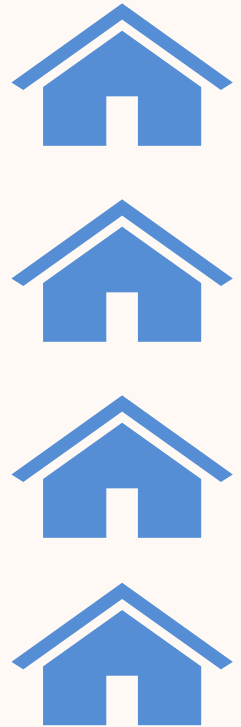


Questions so Far?



Project Example: Minimum Leverage Rental

- 4 Unit townhome rental development
- \$1M HOME-ARP Funding request
- All 4 Units HOME-ARP
 - 1 HOME-ARP Unit flexible to serve LMI
- Other Funding: Private donations, construction loan, foundation grants



Project Example: “Traditional” Leveraged Rental Project

- 48 Rental Units, Approximate \$15M Budget
- \$1M HOME-ARP Request, 5 HOME-ARP Units
 - 1 HOME-ARP Unit flexible to serve LMI
- \$800k Traditional HOME Funds, 4 HOME Units
- 9 Combined HOME Units, does not trigger Davis Bacon
- Other Capital: HTF, LIHTC



Questions & Answers

- Can I apply for a homeownership project?
 - No, only rental projects are allowed through HOME ARP.
- How will you score projects?
 - Scoring information is included in the Application Review section of the NOFA document
- Can I request funds through both the traditional HOME and HOME ARP NOFAs?
 - Yes, but keep in mind that there are differences in population served, underwriting, and the units will aggregate for Davis Bacon.



Questions & Answers

- Is there a maximum per unit subsidy for HOME ARP?
 - No, unlike traditional HOME, there is not a per unit maximum. HOME ARP may pay up to 100% of the eligible and reasonable costs.
- What is meant by “no choice limiting activities?”
 - Completion of the environmental review process is required before taking a physical action on a site or making a commitment or expenditure of funds for acquisition, rehabilitation, conversion, lease, repair or construction activities
- How does the rolling deadline work?
 - Applications submitted after the January 16th deadline will be subsequently considered on a rolling basis for any remaining HOME-ARP funds not awarded during the project awards (expected Feb 16th).



Questions & Answers

- Can I do a mixed income or population project?
 - Yes. HOME ARP assisted units must follow population, income and other requirements. But there can be non-HOME ARP assisted units in the project.



Questions?



For More Information

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[HOME Consortium website](#)

- Application materials
- HOME ARP Draft Policies & Procedures
- Allocation Plan
- HUD CPD Notice

