

# Municipality of Anchorage



## Housing and Community Development HOME-ARP Allocation Plan

DRAFT for Public Review

February 24, 2023

## Consultation

In accordance with Section V.A of the Notice (page 13), before developing its HOME-ARP allocation plan, at a minimum, a PJ must consult with:

- CoC(s) serving the jurisdiction's geographic area,
- homeless service providers,
- domestic violence service providers,
- veterans' groups,
- public housing agencies (PHAs),
- public agencies that address the needs of the qualifying populations, and
- public or private organizations that address fair housing, civil rights, and the needs of persons with disabilities.

State PJs are not required to consult with every PHA or CoC within the state's boundaries; however, local PJs must consult with all PHAs (including statewide or regional PHAs) and CoCs serving the jurisdiction.

### ***Describe the consultation process including methods used and dates of consultation:***

The Municipality developed an online form to gather feedback from relevant organizations and email it to every organization in the relevant categories on its existing email list. Additionally, the Municipality reached out directly to the CoC and some other high-priority stakeholders to schedule meetings. Some organizations came to the Municipality with ideas for projects and staff met with them to discuss the program and planning process and get their feedback. For some categories there was no response to the email outreach.

*List the organizations consulted:*

<b>Agency/Org Consulted</b>	<b>Type of Agency/Org</b>	<b>Method of Consultation</b>	<b>Feedback</b>
<b>Anchorage Coalition to End Homelessness</b>	CoC	Videoconference meetings	Will provide data and input on priorities
<b>Rural Alaska Community Action Program (RurAL CAP)</b>	Homeless service provider	Videoconference meeting	Interested in a variety of potential uses of funding
<b>Henning, Inc.</b>	Homeless service provider	In-person meeting	Interested in a variety of potential uses of funding
<b>House of Transformation</b>	Homeless service provider	Videoconference meeting	Interested in a variety of potential uses of funding
<b>Shiloh Community Housing</b>	Homeless service provider	In-person meeting, online survey	Interested in a variety of potential uses of funding
<b>Anchorage Gospel Rescue Mission</b>	Homeless service provider	Online survey	Major need for supportive services and nonprofit operating support
<b>Alaska Women’s Aid In Crisis (AWAIC)</b>	Domestic violence service provider	Online survey	Major need for supportive services and nonprofit operating support
<b>Alaska Housing Finance Corporation</b>	PHA/Public agency	Email outreach	Can’t comment on plan but will provide data if needed
<b>NeighborWorks Alaska</b>	Private fair housing organization	Email outreach	None
<b>Alaska Legal Services Corporation</b>	Private fair housing/civil rights organization	Email outreach	None
<b>Department of Veterans’ Affairs</b>	Veterans’ Organization	Email outreach	None
<b>The Arc of Anchorage</b>	Private disability advocacy organization	Email outreach	None

*Summarize feedback received and results of upfront consultation with these entities:*

Consultation indicated a major need for additional housing supply, supportive services, and nonprofit operating and capacity building support.

## Public Participation

In accordance with Section V.B of the Notice (page 13), PJs must provide for and encourage citizen participation in the development of the HOME-ARP allocation plan. Before submission of the plan, PJs must provide residents with reasonable notice and an opportunity to comment on the proposed HOME-ARP allocation plan of **no less than 15 calendar days**. The PJ must follow its adopted requirements for “reasonable notice and an opportunity to comment” for plan amendments in its current citizen participation plan. In addition, PJs must hold **at least one public hearing** during the development of the HOME-ARP allocation plan and prior to submission.

PJs are required to make the following information available to the public:

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

Throughout the HOME-ARP allocation plan public participation process, the PJ must follow its applicable fair housing and civil rights requirements and procedures for effective communication, accessibility, and reasonable accommodation for persons with disabilities and providing meaningful access to participation by limited English proficient (LEP) residents that are in its current citizen participation plan as required by 24 CFR 91.105 and 91.115.

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

- ***Date(s) of public notice: 2/26/2023***
- ***Public comment period: start date – 2/26/2023 end date – 3/13/2023***
- ***Date(s) of public hearing: 3/6/2023***

***Describe the public participation process:***

The Municipality will post the draft Allocation Plan to its website and publish a public notice in the Anchorage Daily News announcing the availability of the draft Allocation Plan on February 26, 2023. The public comment period will run for 15 days from February 26 to March 13, 2023. There will be a public hearing on March 6, 2023, as well as presentations at various other meetings during the public comment period.

***Describe efforts to broaden public participation:***

The Municipality will present at additional meetings and meet with interested individuals and groups as opportunities arise throughout the public comment period.

***Summarize the comments and recommendations received through the public participation process either in writing, or orally at a public hearing:***

TBD

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

## **Needs Assessment and Gaps Analysis**

In accordance with Section V.C.1 of the Notice (page 14), a PJ must evaluate the size and demographic composition of **all four** of the qualifying populations within its boundaries and assess the unmet needs of each of those populations. If the PJ does not evaluate the needs of one of the qualifying populations, then the PJ has not completed their Needs Assessment and Gaps Analysis. In addition, a PJ must identify any gaps within its current shelter and housing inventory as well as the service delivery system. A PJ should use current data, including point in time count, housing inventory count, or other data available through CoCs, and consultations with service providers to quantify the individuals and families in the qualifying populations and their need for additional housing, shelter, or services.

**Gap Analysis**

<b>GAP</b>	<b>Single Adults</b>	<b>Families</b>	<b>Youth and Tay</b>	<b>Veterans</b>	<b>Total</b>
Shelter - year round, permanent capacity	158	2	61	-	<b>221</b>
Transitional Housing	52	-	-	-	<b>52</b>
<b>Total - Shelter and Transitional Housing</b>	<b>210</b>	<b>2</b>	<b>61</b>	<b>-</b>	<b>273</b>
Rapid Rehousing	505	6	70	-	<b>581</b>
Supportive Housing	501	-	75	-	<b>576</b>
Independent Units, low income units and self resolutions	858	272	191	-	<b>1,321</b>
<b>Total - Permanent Housing</b>	<b>1,864</b>	<b>278</b>	<b>336</b>	<b>-</b>	<b>2,478</b>

Source: Anchorage Coalition to End Homelessness

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***Describe the size and demographic composition of qualifying populations within the PJ's boundaries:***

***Homeless as defined in 24 CFR 91.5***

The Anchorage Coalition to End Homelessness (ACEH), the CoC for Anchorage, collects data through the Alaska Homeless Management Information System (HMIS) on homeless and other qualifying populations. The HMIS categories most closely corresponding to the "Homeless" category for HOME-ARP purposes are Emergency Shelter (ES) and Street Outreach (S). HMIS records indicate that from January 1, 2022 through January 31, 2023, 4,383 unique clients accessed ES and 957 clients were identified through SO, for a total of 5,340 individuals belonging to the Homeless category at some point during that period.

***At Risk of Homelessness as defined in 24 CFR 91.5***

The Homelessness Prevention (HP) category in HMIS most nearly corresponds to the "At Risk of Homelessness" category for HOME-ARP. HMIS indicates 907 clients in this category from January 1, 2022 through January 31, 2023.

***Fleeing, or Attempting to Flee, Domestic Violence, Dating Violence, Sexual Assault, Stalking, or Human Trafficking, as defined by HUD in the Notice***

HMIS does not track this category overall, only when a client in this category is included in the system under a different category. This data indicates 2,179 clients across all categories from January 1, 2022 through January 31, 2023 also fell into this category. ACEH has also provided the Municipality with estimates from other sources for a demographic snapshot of this population as of January 2023. This snapshot indicates 588 clients in emergency shelter, 16 in transitional housing, and 31 in rapid re-housing for a total of 635.

***Other populations requiring services or housing assistance to prevent homelessness and other populations at greatest risk of housing instability, as defined by HUD in the Notice***

The HMIS category Services Only (SSO) most nearly corresponds to this HOME-ARP category. From January 1, 2022 through January 31, 2023 1,953 clients fell into this category.

***Describe the unmet housing and service needs of qualifying populations:***

***Homeless as defined in 24 CFR 91.5***

ACEH's own Gap Analysis (see table) identified a need for 221 units of year-round permanent shelter and 52 units of transitional housing, for a total of 273 units needed. These units would primarily benefit currently homeless individuals.

***At Risk of Homelessness as defined in 24 CFR 91.5***

ACEH's Gap Analysis indicates a need for 581 units of rapid re-housing capacity, which would primarily benefit individuals at risk of homelessness.

***Fleeing, or Attempting to Flee, Domestic Violence, Dating Violence, Sexual Assault, Stalking, or Human Trafficking, as defined by HUD in the Notice***

A specific estimate of the need here is difficult to determine given the data reporting difficulties discussed above; however, the estimate of 635 individuals currently in the system under this category gives a sense of the magnitude of the need.

***Other populations requiring services or housing assistance to prevent homelessness and other populations at greatest risk of housing instability as defined by HUD in the Notice***

A specific estimate is again difficult in this case, but the ACEH Gap Analysis indicates a need for 1,321 units for “independent units, low-income units, and self-resolutions” which would likely include at least a large portion of the individuals in this category.

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

Consultation has identified major identified needs for permanent supportive housing and for supportive services separate from specific housing/shelter projects.

***Under Section IV.4.2.ii.G of the HOME-ARP Notice, a PJ may provide additional characteristics associated with instability and increased risk of homelessness in their HOME-ARP allocation plan. These characteristics will further refine the definition of “other populations” that are “At Greatest Risk of Housing Instability,” as established in the HOME-ARP Notice. If including these characteristics, identify them here:***

N/A

***Identify priority needs for qualifying populations:***

Rental housing, permanent supportive housing, and supportive services.

***Explain how the PJ determined the level of need and gaps in the PJ’s shelter and housing inventory and service delivery systems based on the data presented in the plan:***

In close coordination with ACEH, the Municipality analyzed data from HMIS and other data sources and consulted with many community stakeholders on the priority needs they see in the community. The need for all types of projects and services is immense and the above are only the highest priority identified.

## **HOME-ARP Activities**

***Describe the method(s) that will be used for soliciting applications for funding and/or selecting developers, service providers, subrecipients and/or contractors:***

The Municipality will issue a Request for Proposals (RFP) for each priority need identified in this Allocation Plan. Through the RFP process the Municipality will select one or more subrecipients to carry out the eligible activities.



***Describe whether the PJ will administer eligible activities directly:***

The Municipality does not intend to administer eligible activities directly, except for administration and planning tasks directly associated with the funded projects.

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

The Municipality is not providing HOME-ARP funds to a subrecipient in this manner.

In accordance with Section V.C.2. of the Notice (page 4), PJs must indicate the amount of HOME-ARP funding that is planned for each eligible HOME-ARP activity type and demonstrate that any planned funding for nonprofit organization operating assistance, nonprofit capacity building, and administrative costs is within HOME-ARP limits.

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## Use of HOME-ARP Funding

	Funding Amount	Percent of the Grant	Statutory Limit
Supportive Services	\$ 1,500,000		
Acquisition and Development of Non-Congregate Shelters	\$ 0		
Tenant Based Rental Assistance (TBRA)	\$ 0		
Development of Affordable Rental Housing	\$ 535,020		
Non-Profit Operating	\$ 135,668	5 %	5%
Non-Profit Capacity Building	\$ 135,668	5 %	5%
Administration and Planning	\$ 407,004	15 %	15%
<b>Total HOME ARP Allocation</b>	<b>\$ 2,713,359</b>		

***Describe how the PJ will distribute HOME-ARP funds in accordance with its priority needs identified in its needs assessment and gap analysis:***

Consultation indicated a particular need for additional rental housing capacity, supportive services, and nonprofit operating and capacity building assistance. TBRA and Non-Congregate Shelter were found to be less important or applicable strategies.

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

Consultation and other community discussions have clearly indicated the need for additional funding for supportive services, and there is a broadly identified need for additional rental housing. The homelessness response system in the Municipality has had to scale up very quickly in recent years and there is a clear need for operating and capacity building assistance to allow the organizations involved to most effectively meet the need.

## HOME-ARP Production Housing Goals

### Template

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

Based on proposals received so far and the amount of funding allocated, the Municipality estimates that HOME-ARP will produce or support approximately 30-50 additional rental housing units.

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

ACEH's Gap Analysis identified a total need for approximately 2,500 units of additional housing, of which the 30-50 provided by HOME-ARP would be a small but important portion. The projects funded will likely fill a need for housing that the private sector is unlikely to fill on its own, including supportive services to move people out of homelessness and into permanent housing.

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## Preferences

A preference provides a priority for the selection of applicants who fall into a specific QP or category (e.g., elderly or persons with disabilities) within a QP (i.e., subpopulation) to receive assistance. A *preference* permits an eligible applicant that qualifies for a PJ-adopted preference to be selected for HOME-ARP assistance before another eligible applicant that does not qualify for a preference. A *method of prioritization* is the process by which a PJ determines how two or more eligible applicants qualifying for the same or different preferences are selected for HOME-ARP assistance. For example, in a project with a preference for chronically homeless, all eligible QP applicants are selected in chronological order for a HOME-ARP rental project except that eligible QP applicants that qualify for the preference of chronically homeless are selected for occupancy based on length of time they have been homeless before eligible QP applicants who do not qualify for the preference of chronically homeless.

Please note that HUD has also described a method of prioritization in other HUD guidance. Section I.C.4 of Notice CPD-17-01 describes Prioritization in CoC CE as follows:

“Prioritization. In the context of the coordinated entry process, HUD uses the term “Prioritization” to refer to the coordinated entry-specific process by which all persons in need of assistance who use coordinated entry are ranked in order of priority. The coordinated entry prioritization policies are established by the CoC with input from all community stakeholders and must ensure that ESG projects are able to serve clients in accordance with written standards that are established under 24 CFR 576.400(e). In addition, the coordinated entry process must, to the maximum extent feasible, ensure that people with more severe service needs and levels of vulnerability are prioritized for housing and homeless assistance before those with less severe service needs and lower levels of vulnerability. Regardless of how prioritization decisions are implemented, the prioritization process must follow the requirements in Section II.B.3. and Section I.D. of this Notice.”

If a PJ is using a CE that has a method of prioritization described in CPD-17-01, then a PJ has preferences and a method of prioritizing those preferences. These must be described in the HOME-ARP allocation plan in order to comply with the requirements of Section IV.C.2 (page 10) of the HOME-ARP Notice.

In accordance with Section V.C.4 of the Notice (page 15), the HOME-ARP allocation plan must identify whether the PJ intends to give a preference to one or more qualifying populations or a subpopulation within one or more qualifying populations for any eligible activity or project.

- Preferences cannot violate any applicable fair housing, civil rights, and nondiscrimination requirements, including but not limited to those requirements listed in 24 CFR 5.105(a).
- The PJ must comply with all applicable nondiscrimination and equal opportunity laws and requirements listed in 24 CFR 5.105(a) and any other applicable fair housing and civil rights laws and requirements when establishing preferences or methods of prioritization.

While PJs are not required to describe specific projects in its HOME-ARP allocation plan to which the preferences will apply, the PJ must describe the planned use of any preferences in its HOME-ARP allocation plan. This requirement also applies if the PJ intends to commit HOME-ARP funds to projects that will utilize preferences or limitations to comply with restrictive eligibility requirements of another project funding source. **If a PJ fails to describe preferences or limitations in its plan, it cannot commit HOME-ARP funds to a project that will implement a preference or limitation until the PJ amends its HOME-ARP allocation plan. For HOME-ARP rental housing projects, Section VI.B.20.a.iii of the HOME-ARP Notice (page 36) states that owners may only limit eligibility or give a preference to a particular qualifying population or segment of the qualifying population if the limitation or preference is described in the PJ's HOME-ARP allocation plan.** Adding a preference or limitation not previously described in the plan requires a substantial amendment and a public comment period in accordance with Section V.C.6 of the Notice (page 16).

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

The Municipality does not intend to give preferences to any populations or subpopulations.

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

N/A

## **Referral Methods**

PJs are not required to describe referral methods in the plan. However, if a PJ intends to use a coordinated entry (CE) process for referrals to a HOME-ARP project or activity, the PJ must ensure compliance with Section IV.C.2 of the Notice (page10).

A PJ may use only the CE for direct referrals to HOME-ARP projects and activities (as opposed to CE and other referral agencies or a waitlist) if the CE expands to accept all HOME-ARP qualifying populations and implements the preferences and prioritization established by the PJ in its HOME-ARP allocation plan. A direct referral is where the CE provides the eligible applicant directly to the PJ, subrecipient, or owner to receive HOME-ARP TBRA, supportive services, admittance to a HOME-ARP rental unit, or occupancy of a NCS unit. In comparison, an indirect referral is where a CE (or other referral source) refers an eligible applicant for placement to a project or activity waitlist. Eligible applicants are then selected for a HOME-ARP project or activity from the waitlist.

The PJ must require a project or activity to use CE along with other referral methods (as provided in Section IV.C.2.ii) or to use only a project/activity waiting list (as provided in Section IV.C.2.iii) if:

1. the CE does not have a sufficient number of qualifying individuals and families to refer to the PJ for the project or activity;
2. the CE does not include all HOME-ARP qualifying populations; or,
3. the CE fails to provide access and implement uniform referral processes in situations where a project's geographic area(s) is broader than the geographic area(s) covered by the CE

If a PJ uses a CE that prioritizes one or more qualifying populations or segments of qualifying populations (e.g., prioritizing assistance or units for chronically homeless individuals first, then prioritizing homeless youth second, followed by any other individuals qualifying as homeless, etc.) then this constitutes the use of preferences and a method of prioritization. To implement a CE with these preferences and priorities, the PJ **must** include the preferences and method of prioritization that the CE will use in the preferences section of their HOME-ARP allocation plan. Use of a CE with embedded preferences or methods of prioritization that are not contained in the PJ's HOME-ARP allocation does not comply with Section IV.C.2 of the Notice (page10).

***Identify the referral methods that the PJ intends to use for its HOME-ARP projects and activities. PJ's may use multiple referral methods in its HOME-ARP program. (Optional):***

The Municipality intends to use the Coordinated Entry process in place for referral to HOME-ARP projects, with necessary adjustments to meet HOME-ARP requirements, in close coordination with the local CoC.

### **Limitations in a HOME-ARP rental housing or NCS project**

Limiting eligibility for a HOME-ARP rental housing or NCS project is only permitted under certain circumstances.

- PJs must follow all applicable fair housing, civil rights, and nondiscrimination requirements, including but not limited to those requirements listed in 24 CFR 5.105(a). This includes, but is not limited to, the Fair Housing Act, Title VI of the Civil Rights Act, section 504 of Rehabilitation Act, HUD's Equal Access Rule, and the Americans with Disabilities Act, as applicable.
- A PJ may not exclude otherwise eligible qualifying populations from its overall HOME-ARP program.
- Within the qualifying populations, participation in a project or activity may be limited to persons with a specific disability only, if necessary, to provide effective housing, aid, benefit, or services that would be as effective as those provided to others in accordance with 24 CFR 8.4(b)(1)(iv). A PJ must describe why such a limitation for a project or activity is necessary in its HOME-ARP allocation plan (based on the needs and gap identified by the PJ in its plan) to meet some greater need and to provide a specific benefit that cannot be provided through the provision of a preference.

- For HOME-ARP rental housing, section VI.B.20.a.iii of the Notice (page 36) states that owners may only limit eligibility to a particular qualifying population or segment of the qualifying population if the limitation is described in the PJ's HOME-ARP allocation plan.
- PJs may limit admission to HOME-ARP rental housing or NCS to households who need the specialized supportive services that are provided in such housing or NCS. However, no otherwise eligible individuals with disabilities or families including an individual with a disability who may benefit from the services provided may be excluded on the grounds that they do not have a particular disability.

***Describe whether the PJ intends to limit eligibility for a HOME-ARP rental housing or NCS project to a particular qualifying population or specific subpopulation of a qualifying population identified in section IV.A of the Notice:***

The Municipality does not intend to limit eligibility for any HOME-ARP projects to a particular population or subpopulation.

***If a PJ intends to implement a limitation, explain why the use of a limitation is necessary to address the unmet need or gap in benefits and services received by individuals and families in the qualifying population or subpopulation of qualifying population, consistent with the PJ's needs assessment and gap analysis:***

N/A

***If a limitation was identified, describe how the PJ will address the unmet needs or gaps in benefits and services of the other qualifying populations that are not included in the limitation through the use of HOME-ARP funds (i.e., through another of the PJ's HOME-ARP projects or activities):***

N/A

## **HOME-ARP Refinancing Guidelines**

If the PJ intends to use HOME-ARP funds to refinance existing debt secured by multifamily rental housing that is being rehabilitated with HOME-ARP funds, the PJ must state its HOME-ARP refinancing guidelines in accordance with [24 CFR 92.206\(b\)](#). The Municipality does not intend to use HOME-ARP funds to refinance existing debt.