



Angela D. Alsobrooks
County Executive

**AMENDMENT TO 2022 NOTICE OF FUNDING AVAILABILITY FOR MULTIFAMILY RENTAL HOUSING
AVAILABILITY OF FEDERAL HOME-ARP FUNDING**

MARCH 2, 2023

On December 9, 2022, the Prince George's County Department of Housing and Community Development ("DHCD") issued a Notice of Funding Availability (the "2022 NOFA") to solicit requests for financing to support the acquisition/rehabilitation or new construction of affordable multifamily rental housing. The deadline for applications under the 2022 NOFA is April 14, 2023. The 2022 NOFA and related documents are available at the following website:

<https://www.princegeorgescountymd.gov/2935/Notice-of-Funding-Availability>

As allowed for in the 2022 NOFA, DHCD is issuing this Amendment to notify potential respondents of the availability, requirements, and process for requesting additional funding available through the Federal HOME-ARP Program. In February 2023, the U.S. Department of Housing and Urban Development ("HUD") approved the HOME-ARP Allocation Plan submitted by DHCD, thereby permitting DHCD to begin the process of allocating HOME-ARP funding to eligible projects.

DHCD encourages applicants through the 2022 NOFA to consider a request for HOME-ARP funding. DHCD is seeking to deploy HOME-ARP funds as soon as practical, and considers the creation of HOME-ARP assisted units as a priority of the County.

NOTE: Applicants who request HOME-ARP funding should become familiar with the County's HOME-ARP Allocation Plan and HUD rules regarding HOME-ARP. Links to these resources are as follows:

- Prince George's County HOME-ARP Allocation Plan (see pages 222-287)
<https://www.princegeorgescountymd.gov/DocumentCenter/View/43910/DHCD-FY-2022-AAP-as-amended---Final?bidId=>
 - HUD -- Notice CPD 2021-10: Requirements for the Use of Funds in the HOME-ARP Program
<https://www.hud.gov/sites/dfiles/OCHCO/documents/2021-10cpdn.pdf>
 - HUD – Appendix to Notice CDP 2021-10: Waivers and Alternative Requirements for Implementation of the HOME-ARP Program
<https://www.hud.gov/sites/dfiles/OCHCO/documents/cpdWaiverHOMEARP.pdf>
 - HUD – General Guidance for HOME-ARP Program
<https://www.hudexchange.info/programs/home-arp/>
-

Availability of HOME-ARP Funding

The approved HOME-ARP Allocation Plan for Prince George’s County was the result of extensive consultation with stakeholders, a comprehensive needs assessment, and was completed in accordance with HUD requirements. In accordance with the approved HOME-ARP Allocation Plan, DHCD has allocated \$4,588,164 of HOME-ARP funding for the development of affordable rental housing. DHCD is making these funds available under the 2022 NOFA in accordance with this Amendment.

It is DHCD’s intent to provide HOME-ARP funding to support the set-aside of up to 10% of the units in several affordable rental housing developments. Set-aside units would be occupied by homeless households referred through the Coordinated Entry Policy of the County’s Continuum of Care, and provided support services to maintain independence by a qualified provider funded through DHCD.

Requests for HOME-ARP Funds will be accepted in addition to requests for any other resources identified in the 2022 NOFA. For purposes of clarity, HOME-ARP funds may be requested for a project even if the project is also seeking the maximum funding available through the 2022 NOFA under the HITF/HOME program.

HOME-ARP Funding for a project will be limited to an amount that does not exceed the sum of the following:

1. 100% of the Total Development Costs of the HOME-ARP-assisted units. The allowable Total Developments Costs are defined in HUD CPD Notice 2021-10, Section (VI)(B)(5)(a through e);

AND

2. An Operating Cost Assistance Reserve of up to \$45,000 per HOME-ARP unit, which is equal to \$250 per unit per month for a 15-year period. These funds will be made available to cover allowable operating costs as defined in HUD CPD Notice 2021-10, Section (VI)(B)(5)(g).

A. Requirements Associated with Requests for HOME-ARP Funds

Requests for HOME-ARP funding are subject to the following requirements:

1. Projects will be evaluated in accordance with the established criteria in the 2022 NOFA;
2. No more than 10% of the units in a project may be HOME-ARP assisted units, unless DHCD expressly approves a higher percentage;
3. All HOME-ARP units must be restricted for affordability for a period of at least 40 years;
4. All HOME-ARP units must be underwritten with rents that do not exceed 10% of Area Median Income (“AMI”), adjusted for household size to ensure rent affordability for the qualifying population.. HOME-ARP assisted units will be restricted under the terms of a covenant recorded in the land records for occupancy by households with incomes at or below 30% of AMI.
5. Residents of HOME-ARP assisted units must meet the definition of a Qualifying Population under the HOME-ARP rules. All Qualifying Populations are eligible for occupancy of HOME-ARP units.

6. Resident referrals for HOME-ARP assisted units will be made in accordance with the Coordinated Entry Policy of the Prince George's County Continuum of Care. The County's Coordinated Entry System policy is detailed in Appendix C of the HOME-ARP Allocation Plan.
7. Resident referrals for HOME-ARP assisted units will be made in accordance with the Preferences as detailed in the County HOME-ARP Allocation Plan. The Preferences are for qualifying sub-populations which meet the definition of "Homeless" as detailed in 24 CFR 91.5 (1 through 3), and are detailed on pages 227-228 of the HOME-ARP Allocation Plan.
8. Projects with HOME-ARP assisted units will be required to coordinate for the provision of supportive services for residents in HOME-ARP assisted units. DHCD will be providing funding to a qualified provider(s) to deliver services to support the goal of housing stability for residents of HOME-ARP units. A separate allocation of HOME-ARP funds (approximately \$1,000,000) has been set aside for supportive services.
9. All other requirements of the HOME-ARP Allocation Plan and HUD guidance for HOME-ARP must be met.

B. Process for Requesting HOME-ARP Funding

Applicants should incorporate their request for HOME-ARP funds into their response to the 2022 NOFA using the application documentation previously provided by DHCD. There are no additional documents that are required to be submitted.

Applications should clearly identify the amount of HOME-ARP funds requested, the number of HOME-ARP units and income targeting in their response.

Applicants should highlight and summarize their experience, if any, in developing and operating units that are similar to the populations to be served by the HOME-ARP units.

Applications should highlight and summarize their interest, if any, in coordinating or delivering supportive services for residents of HOME-ARP assisted units. As noted above, DHCD will be providing funding for supportive services through a separate allocation of HOME-ARP funds.

Any questions regarding this Amendment to the 2022 NOFA should be directed to:

Pamela A. Wilson
Prince George's County DHCD
Chief Housing Development Manager
9200 Basil Court, Suite 306
Largo, MD 20774
pawilson@co.pg.md.us