

April 28, 2021

The Honorable Donnie R. Tuck Mayor of Hampton 22 Lincoln Street 8th Floor Hampton, VA 23669-3522

Dear Mayor Tuck:

I am pleased to inform you of your jurisdiction's Fiscal Year (FY) 2021 allocation for HUD's HOME Investment Partnerships Program – American Rescue Plan (HOME-ARP) funding. The American Rescue Plan appropriated \$5 billion to help communities provide housing, shelter, and services for people experiencing and other qualifying populations. These HOME-ARP funds are in addition to your regular FY 2021 HOME formula allocation. This one-time funding creates a significant opportunity for you to meet the housing and service needs of your community's most vulnerable populations.

Your jurisdiction's FY 2021 HOME-ARP allocation is \$1,954,965.

HOME-ARP funding gives jurisdictions significant new resources to address their homeless assistance needs by creating affordable housing or non-congregate shelter units and providing tenant-based rental assistance or supportive services. Later this year, the Department will issue an implementing notice providing guidance on HOME-ARP, including instructions and requirements for developing a substantial amendment to your jurisdiction's FY 2021 Annual Action Plan describing your proposed use of the funds. HOME-ARP funds are available for expenditure until September, 2030.

HOME-ARP funds are allocated through the HOME formula to all participating jurisdictions that qualified for an annual HOME Program allocation for FY 2021. HOME-ARP funds must be used for individuals or families from the following qualifying populations: homeless; at-risk of homelessness; fleeing or attempting to flee domestic violence, dating violence, sexual assault, stalking, or human trafficking; other populations where providing assistance would prevent the family's homelessness or would serve those with the greatest risk of housing instability; and veterans and families that include a veteran family member that meet one of the preceding criteria.

HOME-ARP funds can be used for four eligible activities including the production or preservation of affordable housing; tenant-based rental assistance; supportive services, including homeless prevention services and housing counseling; and the purchase or development of non-congregate shelter for individuals and families experiencing homelessness. Additionally, HOME-ARP provides up to 15 percent of the allocation for administrative and planning costs of the participating jurisdiction and for subrecipients administering all or a portion of the grant. HOME-

ARP can provide up to 5 percent of the grant for operating costs of Community Housing Development Organizations (CHDOs) and other non-profit organizations, including homeless providers. Additional funding is available to these organizations for capacity building. Like other formula grant funds, HOME-ARP funds will be administered in the Integrated Disbursement and Information System (IDIS).

While your jurisdiction will not have access to HOME-ARP funds until HUD has issued an implementing notice and subsequently reviewed and accepted a substantial amendment to your FY 2021 Annual Action Plan, I urge you to begin consulting with homeless service providers, domestic violence service organizations, public housing agencies, and other organizations and agencies that assist qualifying populations in your area. Early identification of the unmet needs among these populations and consideration of potential uses of HOME-ARP funds will position your jurisdiction to design and implement its HOME-ARP Program expeditiously.

The Office of Community Planning and Development looks forward to working with you to ensure the success of this critical program. If you or any member of your staff have questions, please contact your local CPD Office Director.

Sincerely,

James Arthur Jemison II Principal Deputy Assistant Secretary for Community Planning and Development