

EXECUTIVE SUMMARY OF PROPOSED ESSEX COUNTY HOME AMERICAN RESCUE PLAN (ARP) ALLOCATION

In April 2021, the US Department of Housing and Urban Development (HUD) allocated \$4,527,082 to the County of Essex (Essex County) through the HOME Investment Partnerships Program – American Rescue Plan (HOME ARP) fund. This allocation represents part of the Federal government’s response to the impact of Covid and is a one time supplement to the County’s regular HOME Investment Partnerships Program (HOME) allocations.

The primary objective of the HOME ARP program is to help communities provide housing, shelter, and services for their most vulnerable populations. More specifically these funds are to be utilized to assist individuals or families from the following Qualifying Populations (QP): (QP1) homeless; (QP2) at-risk of homelessness; (QP3) fleeing or attempting to flee domestic violence, dating violence, sexual assault, stalking, or human trafficking; (QP4) 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.

Eligible activities include (a) the production or preservation of affordable housing; (b) tenant-based rental assistance; supportive services, including homeless prevention services and housing counseling; (c) nonprofit operating and capacity building assistance, and (d) the purchase or development of non-congregate shelter for individuals and families experiencing homelessness. Additionally, up to 15 percent of the allocation can be utilized for administrative and planning costs of the County and/or subrecipients administering all or part of the award.

During the past several months, and in accordance with Notice CPD – 21 – 10 and subsequent notices that described the requirements for developing a HUD approved allocation plan for utilizing the HOME ARP funds, the County has consulted the Essex County CoC, homeless service providers, domestic violence service providers, veterans’ groups, public housing agencies (PHAs), public agencies that address the needs of the Qualifying Populations (QPs), and public or private organizations that address fair housing, civil rights, and the needs of persons with disabilities. The County has also collected and assessed various housing data and considered the results of a survey made available to both agencies and individuals.

Based on the information communicated and compiled to date, the County is recommending that the award of \$4,527,082 be utilized as follows:

	Funding Amount	Percent of the Grant
Supportive Services	\$1,131,771	25%
Development of Affordable Rental Housing	\$2,716,249	60%
Administration and Planning	\$679,062	15%
Total HOME ARP Allocation	\$4,527,082	100%

HOME ARP funds for the development of affordable housing units will be targeted for activities which (a) develop HOME ARP assisted units for persons from the Qualifying Populations described herein, with a preference for the QP1 and QP3 populations (b) utilize the referral method identified in the HOME ARP written agreement to identify eligible persons who are members of the qualifying populations when filling the HOME ARP assisted units, and (c) ensure tenant accessibility to supportive services.

Subject to any revisions arising from the receipt of public comments that may be made during the current public comment period, and presentation for approval by the Board of Commissioners, this proposed plan will be submitted for a review by HUD. If the application is approved by HUD, then the proposed plan will be inserted as a substantial amendment to the County's PY 2021 HUD Action Plan and the County will publicly announce a request for proposals to utilize the proposed funds.

A draft copy of the full allocation plan can be requested and obtained by contacting Toni Rodriguez at (973) 655-0200 or via email at trodriguez@hcd.essexcountynj.org

CONSULTATION SUMMARY

In compliance with Notice CPD - 21 – 10, during the preparation of this allocation plan, the County consulted with agencies and service providers whose clientele include the HOME ARP qualifying populations in order to identify unmet needs and gaps in housing or service delivery systems, HOME ARP eligible activities currently taking place within the County, and potential collaborations for administering HOME ARP funds. These consultations have guided the County to create a plan for distributing HOME ARP funds for eligible activities that address the needs of Qualifying Populations.

The proposed allocation reflects the following assessments of the information collected to date:

1. The homeless population was identified by most parties as the Qualifying Population in greatest need of assistance. However, participants also communicated that all the QPs are struggling to some degree. Therefore to enhance flexibility and outreach within all communities, this proposed plan does not identify a preference for any one of the QPs.
2. All parties communicated a strong need for supportive services. Therefore the proposed plan includes \$1,131,771 to subsidize the delivery of supportive services.
3. To ensure the stated goals of providing affordable housing units to be occupied by the QPs, the contract agreements with any recipients of HOME ARP funding will stipulate that the developer must work in sync with the CoC to fill said units.
4. When queried about the preferred type of assistance to address affordable housing deficiencies, the responders to the survey slightly favored rental assistance vs. supportive services. However, the message communicated at various meetings and interviews strongly emphasized the need to provide supportive services to help members of the respective QPs sustain long term personal development and financial capabilities to cover housing costs. Furthermore, for the immediate short term future, it appears there is alternative funding available for rental assistance that is not yet expended.
5. There was no significant demand to fund the building of new shelter housing