HOME-ARP Notice of Funding Opportunity Non-Congregate Shelter (NCS)

1. INTRODUCTION

Arkansas Development Finance Authority (ADFA) hereby notifies interested Applicants of the availability of funds allocated from the HOME American Rescue Plan (HOME-ARP). Notice CPD-21-10 describes the requirements applicable to a Participating Jurisdiction's (PJ) use of HOME-ARP funds. Consolidated plan requirements for HOME-ARP are in Notice CPD-21-10.

In releasing this Notice of Funding Opportunity (NOFO), ADFA's primary goal is to aid the Qualifying Populations, which include those who are homeless; at risk of homelessness; fleeing or attempting to flee domestic violence, dating violence, sexual assault, stalking, or human trafficking; and other households requiring services or housing assistance to prevent homelessness but do not otherwise qualify under the other categories.

The HOME-ARP applications and application instructions were posted to the ADFA website on December 8, 2025. Applications will be accepted beginning December 8, 2025, through March 9, 2026, at 4:30p.m., for HOME-ARP NCS projects.

2. NON-CONGREGATE SHELTER HOUSING (NCS) MAXIMUM AMOUNT OF HOME-ARP PER ACTIVITY OR PROJECT

Non-Congregate Funds Available \$ 6,382,683.00

Maximum Award Per Application \$3,191,342.00

Applications below \$1,000,000 will not be accepted

3. ELIGIBLE ACTIVITIES AND COST(S)

A. Activities

HOME-ARP funds may be used to acquire, rehabilitate, or construct NCS housing units to serve individuals and families of the Qualifying Populations.

B. **Costs** HOME-ARP funds may be used for:

- 1) <u>Acquisition Costs:</u> Costs to acquire improved or unimproved real property for use as or development of HOME-ARP NCS.
- Demolition Costs: Costs to demolish existing structures to develop HOME-ARP NCS.
- 3) <u>Development Hard Costs:</u> Costs to rehabilitate or construct HOME-ARP NCS units to meet the HOME-ARP minimum habitability standards. Costs to make improvements to the project site, including installation of utilities or utility connections, laundry facilities, community facilities, on-site management, or supportive service offices.
- 4) Related Soft Costs: Reasonable and necessary costs incurred by the PJ, subrecipient, or project owner associated with financing, acquisition, and development of HOME-ARP NCS projects.
- Replacement Reserve: Costs to capitalize a replacement reserve to cover reasonable and necessary costs of replacing major systems and their components.

<u>Ineligible Costs</u> HOME-ARP funds may not be used to pay ongoing costs of operating HOME-ARP NCS or to convert NCS to housing.

4. APPLICATION SUBMITTAL

Applications must be electronically submitted and received by ADFA through the ADFA Programs Portal. All Applicants must first request access to the portal to submit application via Provider Setup Form-HOMEARP. Questions regarding application submission may be sent via email to: alisa.green@arkansas.gov.

5. APPLICATION PROCEDURES AND AWARD ANNOUNCEMENTS

A. **Application Submission**

One (1) Application on ADFA forms (electronic submissions only) via the ADFA Programs Portal must be submitted to ADFA along with all supporting documents.

Beginning December 8, 2025, the NCS application may be submitted any time before Tuesday, March 9, 2026, at 4:30 pm. All Applications must arrive at ADFA by the date and time indicated in order to be considered.

NCS Applications Will Not Be Accepted After Tuesday, March 9, 2026, 4:30 p.m.

6. APPLICATION AWARD AND NOTIFICAITON

ADFA will review all applications that were submitted by the Application Deadline. All applications will be reviewed, evaluated, and ranked according to the priorities and preferences outlined in NCS Scoring Criteria. All applicants will be notified in writing of the results within sixty (60) days of application.

Applications that are complete and meet all threshold requirements will be placed in a queue and underwritten.

The underwriting process may include submission of additional information or documentation within a specified time period. If an applicant does not submit additional information or documentation within the specified time period or does not otherwise successfully complete the underwriting process, ADFA will move on, and the next application will be reviewed.

All awards are made at the sole discretion of ADFA and final approval from ADFA Board of Directors. Applicants approved for funding should be prepared to initiate projects within twelve (12) months of the Award Date. The awarded applicant's proposal or application must include Plans and Specs, Funding Sources, Development Team, and evidence of Site Control to begin within (12) twelve months of the Award Date.

7. <u>APPLICATION GUIDANCE</u>

HOME-ARP is a new one-time-funding program authorized by the American Recovery Plan Act of 2021. HOME-ARP program requirements do not mirror the requirements of the Home Investment Partnership Program (HOME program) and potential applicants should not rely on knowledge of the HOME program when applying for HOME-ARP funding.

Prior to beginning the application process, potential applicants are strongly encouraged to review the following documents. Together these documents provide the most current available information necessary to successfully apply for a HOME-ARP Non-Congregate Shelter Housing (NCS) funding:

- 1. ADFA HOME-ARP Allocation Plan and Substantial Amendment No.4;
- 2. The Guide CPD-21-10;
- 3. ADFA HOME-ARP 2023 NCS Housing Guide;
- 4. The Application itself;
- 5. The HOME-ARP Funding Process and Application Instructions document <u>HOME-ARP</u>

 <u>Training Channel</u>; and
- 6. Relevant ADFA and HUD cross-cutting regulation handbooks and forms.

Additional program guidance is also available from HUD at HOME-ARP.

8. APPLICATION REVIEW PROCESS

All Applications will initially be reviewed by ADFA to determine completeness. Applicants must respond to any ADFA clarification request within the specified time period. Failure to meet this deadline will cause the Application to be deemed incomplete and the Application will not be reviewed further.

Complete Applications will be screened to determine whether the Application meets the minimum NOFO eligibility requirements.

9. FUNDING ORDER

For Non-Congregate Shelter applications, the Funding Order will be based on the highest score achieved. ADFA will rank each Application according to the score awarded.

In the event there is a tie in scoring for two or more Applications, the following are tie-breaker criteria ADFA would likely use, but not exclusively of others:

- 1. Maximum number of units produced;
- 2. The Application which requested the least amount of HOME-ARP funds per-unit;
- 3. Equitable geographic distribution of awarded NCS funding; and

4. Onsite amenities offered beyond those listed in Point Criteria #4 of the Scoring Criteria.

ADFA may disapprove any Application for an award, regardless of the ranking under the priorities and point ranking outlined above.

10. APPLICANTS

A. Definitions

For the purposes of this NOFO, "Eligible Applicants" are defined as Government entities and Nonprofit entities:

- 1. Qualified Nonprofit Organizations:
 - a. An organization described in Section 501(a) and Sections 501(c)(3) or 501(c)(4) of the Code,
 - b. Have as one (1) of its exempt purposes the "fostering of low-income housing",
 - c. The organization must materially participate (meaning, as described in IRC Section 469(h),
 - d. Must be involved on a regular, continuous, and substantial basis in both the development and operation of the Project throughout the Project Compliance Period.
 - e. The organization must not be affiliated with or controlled by a for-profit organization, entity, or individual but may be part of a partnership.
- 2. Government Entities

B. Requirements of the Applicant (12 Tabs)

- 1. Request for proposal, i.e., Cover Sheet (printed, signed and uploaded)
- 2. Project Description (Tab3)
- 3. Table 1: Description of Performance Standards (Tab 4)
- 4. Table 2: Reporting (Tab 5)
- 5. Table 3: Source(s) of Funding for operating the Non-Profit (only) (Tab 5)
- 6. Project Budget (Tab 6)
- 7. NCS Shelter Housing operating Budget (Tab 7)

- 8. Construction Hard Cost (Tab 8)
- 9. Notification of Single Audit (Tab 9) (print, sign and upload)
- 10. Cross-Cutting Regulations (Tab 10)
- 11. Development Team Information (Tab 11)
- 12. Certification (Tab 12) (print, sign and upload)
- 13. Attachments:

Agency/Applicant forms:

- 1. Agency Articles of Incorporation;
- 2. Agency By-Laws;
- 3. Resolution (Authorization from the Board of Directors to submit application);
- 4. List of Board members and their affiliation with homeless or formerly homeless representative identified;
- 5. Agency Organizational Chart, list of staff and contact information, and new personnel noted;
- 6. Resumes for each member of the Development Team;
- 7. Proof of SAM registration (sam.gov)
- 8. Fair Housing training certificate for the Development team- *must be valid *;
- 9. Letters of Participation, Licenses and Certification for the Development Team;
- 10. Certificate of Good Standing from the Secretary of State (Arkansas) for the Applicant;
- 11. List of Recognitions and awards received- within the last 5 years;
- 12. Developer must submit evidence of appropriate skills and experience related to the development of a shelter and any prior experience with operating a shelter;
- 13. Proof of ownership interest in the development;
- 14. Statement of Non-Affiliation nor control by a for-profit organization;
- 15. Audits (past (2) two years), including accompanying management letter or other evidence of adequate internal accounting controls (original)
- 16. Documentation of 501 (c)(3) status from the IRS;
- 17. Other Federal Grants monitoring include the extent, results and letter form the Federal Agency that conducted the monitoring;
- 18. Proof of Operating Deficit Reserve Funds;
- 19. Replacement Reserve Funds;

- 20. Signed commitment letters for funds to operate any proposed NCS, which should include: a description of the line-item operational costs for the non-congregate shelter, the amount of funds committed, and the time frame under which the operating expenses will be covered;
- 21. Appraisal;
- 22. Site plan, Alta/NSPS Survey and Topographic Survey;
- 23. Site Control Information: Option/Sales contract, Land Lease, Deed or other;
- 24. Zoning and Planning Commission Information and a Letter of Support from the highest elected in your jurisdiction;
- 25. Capital Needs Assessment-For Acquisition and/or Rehabilitation only projects;
- 26. How was the need determined for the number or proposed HOME-ARP units and beds;
- 27. Cost Reasonableness- provide bids for project, copy of notice to bid and all estimates;
- 28. Provide a Development Budget, Timeline, Sources and Uses statement for the acquisition and/or Development of the project for review;
- 29. Provide a proposed Operating Budget, include sources for operating cost and operating gap that will require additional assistance. (If there is a gap, the developer must submit a plan for securing additional private, local, state or Federal funding sufficient for successful operation of the project.)
- 30. Accessibility Standards;
- 31. Signed statement confirming the agency participates or will participate in Coordinated Entry and attends monthly Coordinated Entry meetings. (Please list specific staff involved);
- 32. Waiting list procedures and Client selection plan;
- 33. If the building is pre-1978, the developer must comply with the Lead Safe Housing rule. (Provide reports);

ADFA Provided forms:

- 34. Conflict of Interest Disclosure (for each member of the development team;
- 35. Contract and Grant Disclosure Form (for each member of the development team;;
- 36. Criminal Background and Disclosure Form (for each member of the development team);

- 37. Identity of Interest Organizational Chart (for each member of the development team);
- 38. Design Standards Checklist & Certifications; (<u>Design Standards Manual-attachment</u> G).
- 39.EA form for projects involving new construction of more than (4) four units or a substantial rehabilitation (defined as rehabilitation that does not meet the requirements in 24 CFR 58.35(a)) ** Phase I Environmental Site assessment is required if utilizing EA form**
- 40.CEST Form (for projects involving (1) new construction of 1-4 units or (2) rehabilitation that meets the requirements stated in 24 CFR 58.35 (a));
- 41. Affirmative Fair Housing Marketing Plan;
- 42. MBE/WBE Plan;
- 43. W-9;
- 44. Section 3;
- 45. Residential anti-displacement and relocation plan (RARAP); and
- 46. Complete Scoring Criteria Form.

11. COMPLIANCE WITH OTHER FEDERAL REQUIREMENTS

In addition to the basic HOME-ARP rules previously outlined, a number of other federal and state regulations must be adhered to in the course of administering HOME-ARP funds. The certifying official of the Applicant is responsible for ensuring that the proposed program, activities, goals, and timetables are in compliance with all federal and state laws, regulations and executive orders. The major applicable federal laws, regulations and executive orders include, but are not limited to, the areas outlined below:

A. Non-Discrimination and Equal Access

Applicants must take measures to ensure non-discriminatory treatment, outreach and access to HOME resources. This applies to employment and contracting, as well as to marketing and selection of program participants. ADFA does not discriminate based on disability in the administration of Federal HOME funds.

B. Fair Housing and Equal Opportunity

Applicants and their activities must comply with all of the federal laws, executive orders and regulations pertaining to fair housing and equal opportunity listed below:

- 1. Title VI of the Civil Rights Act of 1964, As Amended (42 U.S.C. 2000d et seq.)
- 2. The Fair Housing Act (41 U.S.C. 3601-3620)
- 3. Section 104(b) (2) of the Fair Housing Act
- 4. Fair Housing Act implementing regulations for HUD programs at 24 CFR Part 100-115
- 5. Equal Opportunity in Housing (Executive Order 11063, as amended by Executive Order 12259)
- 6. Equal Opportunity in Housing Regulations at 24 CFR Part 107
- 7. Age Discrimination Act of 1975, As Amended (42 U.S.C. 6101)
- 8. Title VIII of Civil Rights Act of 1968 (2 U.S.C. 3601 et. seq. and implementing regulations, as amended;
- 9. Affirmative marketing in accordance with the HOME Investment Partnerships Act and 24 CFR 92.351;
- 10. Section 3 of the Housing and Urban Development Act of 1968; and
- 11. Arkansas Fair Housing Act.

C. Accessibility for Individuals with Disabilities

• Section 504 of the Rehabilitation Act of 1973

D. **Equal Opportunity**

• Equal Employment Opportunity Executive Order 11246, as amended, and implementing regulations at 41 CFR Part 60

E. Contracting and Procurement

• 2 CFR Part 200, General Procurement Standards

F. **Environmental**

 National Environmental Policy Act of 1969 (NEPA) and the related authorities listed in HUD's implementing regulations at 24 CFR Parts 50 and 58

G. Lead Based Paint:

 Section 1012 and 1013 of the Residential Anti-Lead Based Paint Hazard Reduction Act of 1992, which is Title X of the Housing and Community Development Act of 1992 and implementing regulations at 24 CFR Part 35

H. Acquisition and Relocation

- 1. Uniform Relocation Act (URA)
- 2. Section 104(d) of the Housing and Community Development Act, known as the Barney Frank Amendments

I. Financial Management

- Principles and Audit Requirements for Federal Awards in conformance with <u>OMB Super</u> Circular 2 CFR Part 200.500
- 2. Procurement Policies: Agree to procure all materials, property, or services in accordance with the requirements of <u>24 CFR 200</u> and <u>2 CFR 200</u>. Shall comply with current federal, state, and city policy(s) concerning the purchase of equipment and shall maintain inventory records of all non-expendable personal property as defined by such policy as may be procured with funds provided.
- Accounting Standards: Agrees to comply with <u>2 CFR Part 200</u> and agrees to adhere to the accounting principles and procedures required therein, utilize adequate internal controls, and maintain necessary source documentation for all costs incurred.

J. **Housing**

- 1. The Truth in Lending Act (Regulation Z)
- 2. Title I Consumer Protection Act (PL 90321)
- 3. Construction Industry Licensing Board Act (O.C.G.A. Section 43-14-1, et. seq.)
- 4. Mandatory State Construction Codes, as well as the International Energy Conservation Code
- 5. Construction and Safety Standards at 24 CFR 3280 for new manufactured housing

K. Labor Standards

1. Every contract for the new construction or rehabilitation of housing that exceeds \$2,000.00 and/or includes 12 or more units assisted with HOME funds must contain

a provision requiring the payment of not less than the wages prevailing in the locality, as pre-determined by the Secretary of Labor pursuant to the Davis-Bacon Act (40 U.S.C. 276a-5). Such contracts are also subject to the overtime provisions, as applicable, of the Contract Work Hours and Safety Standards Act (40 U.S.C. 327-332). Note: (ADFA is waiting on additional guidance from HUD).

 Contractors, subcontractors, and other HOME fund recipients must comply with regulations issued under these acts and with other Federal laws and regulations pertaining to labor standards and HUD Handbook 1344.1 (Federal Labor Standards Compliance in Housing and Community Development Programs).

L. General

- 1. Title II of the National Affordable Housing Act of 1990, As Amended
- 2. 24 CFR Part 92, HOME Investment Partnerships Program
- 3. 24 CFR Part 5 A, 5.105, Other Federal Requirements

12. RIGHT TO MODIFY NOTICE

The application forms, funding process and application instructions and all HOME-ARP materials (program summary, underwriting guidelines, NOFO) have been drafted using the most recent information available from HUD. HOME-ARP is a new program and additional HUD guidance, and clarification is anticipated – some guidance and clarification may result in changes to certain application requirements or information contained in ADFA HOME-ARP materials. As HUD issues guidance and clarifications, the application forms, funding process, application instructions and related HOME-ARP materials will be updated. All updates will be noticed through an ADFA Information Bulletin.

13. RESPONSE TO NOFO

Applicants wishing to respond to this NOFO may contact <u>Lori Brockway</u>, Federal Housing Programs Manager, <u>Alisa Green</u>, ADFA Federal Housing Programs Coordinator and/or <u>adfa.home.arp@arkansas.gov</u>.

UPON THE FINAL SUBMISSION DATE OF THE APPLICATION, NO CONTACT WITH ADFA BOARD MEMBERS OR ADFA STAFF MEMBERS CONCERNING THE NOFO IS ALLOWED. ANY SUCH CONTACT WILL BE GROUNDS FOR IMMEDIATE

REJECTION OF AN APPLICANT'S APPLICATION, EQUESTIONS REGARDING THE SUBMITTED APPLICA	ADFA STAFF MAY	CONTACT THE A	APPLICANT WITH