

*CITY OF NORTH LITTLE ROCK, ARKANSAS
HOME - ARP ALLOCATION PLAN
DRAFT PLAN FOR 15 DAY COMMENT PERIOD
JULY 11, 2022 – JULY 25, 2022*



City of North Little Rock

Amy E. Jones

Program Assistant

500 W. 13th Street

North Little Rock, AR 72114

Contact for Questions and Public Comments:

Amy E. Jones

aejones@nlr.ar.gov

501-340-5342

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Introduction

The City of North Little Rock is a Federal entitlement community that receives an annual allocation of Community Development Block Grant (CDBG) and Home Investment Partnership Act (HOME) grant funds from the U.S. Department of Housing and Urban Development (HUD). As an entitlement community, the City is required to prepare an Annual Action Plan detailing the uses of CDBG funds to meet its affordable housing and community development goals as outlined in its Consolidated Plan.

For Program Year 2021-2022, the city is proposing to make substantial amendments to its submitted Annual Plan. The purpose for the substantial amendment is to include \$1,200,771 HOME-ARP grant funding received from the U.S. Department of Housing and Urban Development. The purpose of the allocation is to serve households who are at greatest risk of housing instability, including individuals and families experiencing homelessness and/or who are at imminent risk of becoming homeless. Meeting this requirement, HOME-ARP Allocation Plan is the substantial amendment to the adopted Action Plan FY 2021-22.

HOME-ARP funds can only be expended on eligible activities:

- Provision of Supportive Services (such as housing counseling, homelessness prevention, childcare, job training, legal services, case management, moving costs, rental applications, and rent assistance)
- Acquisition and Development of Non-Congregate Shelters: Purchase and Development of Non-Congregate Shelter (these structures can remain in use as a non-congregate shelter or can be converted to 1) emergency shelter under the Emergency Solutions Grants (ESG) Program; 2) permanent housing under the Continuum of Care (CoC) Program; or 3) affordable housing under the HOME Program)
- Tenant-Based Rental Assistance (TBRA)
- Production or Preservation of Affordable Housing (such as acquisition and rehabilitation)
- Non-Profit Operating (5% maximum allocation) (may not exceed the greater of 50 percent of the general operating expenses of the organization for that fiscal year)
- Non-Profit Capacity Building (5% maximum allocation) (may not exceed the greater of 50 percent of the general operating expenses of the organization for that fiscal year)
- Administration and Planning for the HOME ARP Program (15% maximum allocation)

HOME-ARP funds must be used primarily to benefit individuals or families from the following qualifying populations:

- Sheltered and unsheltered homeless populations
- Those currently housed populations at the risk of homelessness
- Those fleeing or attempting to flee domestic violence, dating violence, sexual assault, stalking, or human trafficking
- Other families requiring services, housing assistance, or to prevent homelessness
- Those at greatest risk of housing instability or in unstable housing situations

Below are definitions for terms that are used frequently in relation to HOME-ARP funds.

NON-CONGREGATE SHELTER: As opposed to congregate settings, such as traditional homeless shelters, non-congregate shelter provides more private accommodations (individual rooms). During the COVID-19 pandemic, people living in congregate facilities have been at higher risk of contracting or having complications from the virus because physical distancing is difficult.

QUALIFYING POPULATIONS: For HOME-ARP funds, this means people experiencing homelessness, at risk of homelessness, fleeing domestic violence, or otherwise at high risk of housing instability.

SUPPORTIVE SERVICES: Services that help households maintain housing stability and quality of life. These may include support with finding and applying for housing, financial assistance for moving costs, childcare, legal services, mental health and substance use services, and more.

TENANT-BASED RENTAL ASSISTANCE: A rent subsidy to help households afford housing costs, such as rent and security deposits. "Tenant-based" means the subsidy is attached to the household, and they can use it to rent any rental unit that meets program guidelines and whose landlord is willing to accept the subsidy payment.

HOME-ARP Allocation Plan with Guidance

Instructions: All guidance in this template, including questions and tables, reflect requirements for the HOME-ARP allocation plan, as described in Notice CPD-21-10: *Requirements of the Use of Funds in the HOME-American Rescue Plan Program*, unless noted as optional. As the requirements highlighted in this template are not exhaustive, please refer to the Notice for a full description of the allocation plan requirements as well as instructions for submitting the plan, the SF-424, SF-424B, SF-424D, and the certifications.

References to “the ARP” mean the HOME-ARP statute at section 3205 of the American Rescue Plan Act of 2021 (P.L. 117-2).

Consultation

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

Before developing the plan, North Little Rock consulted with the CoC(s) serving the City’s geographic area, homeless and 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, at a minimum. 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.

List the organizations consulted:

Agency/Org Consulted	Type of Agency/Org	Method of Consultation	Feedback
North Little Rock Housing Authority	Housing Authority	Invited to participate in the Home ARP Plan agency meeting.	Provided RAD units available to low to moderate income households; number of people currently on waiting list for rental assistance and currently utilizing HCV and VASH voucher; Identified families, veterans and persons with disabilities.
City of Little Rock	City Departments	Invited to participate in the Home ARP Plan agency meeting.	Provided the current resources and programs available to address the needs of qualifying populations
River City Ministry	Services-Homeless	Invited to participate in the Home ARP Plan agency meeting.	Identified men currently enrolled in recovery as a priority need. Suggested funding be used to increase supportive services for this group.
Central Arkansas Team Care for the Homeless CATCH	Continuum of Care	Invited to participate in the Home ARP Plan agency meeting.	The lead agency for Continuum of Care provided 2022 Point-In-Time and Housing Inventory Count data. CATCH stated the need for new construction and rehabilitated homes whether that be building additional shelters that target the chronically homeless or more rental properties that are income based with low barriers to entry. Affordable housing stock is at a low currently.
Arkansas Homeless Coalition	Services-Homeless	Invited to participate in the Home ARP Plan agency meeting.	Suggested funding be used for health care services of homeless. Stated faith-based community currently provides the most services in the city.
Habitat for Humanity	Housing Assistance	Invited to participate in the Home ARP Plan agency meeting.	Stated high cost to build homes is making it more difficult to provide affordable homes too low to moderate income homebuyers.
Veterans Villages of America	Services-Homeless	Invited to participate in the	Stated there is a lack of available housing options for veterans due to past issues such as rental history,

		Home ARP Plan agency meeting.	credit, incarceration and homelessness.
North Little Rock School District	Services-Education	Invited to participate in the Home ARP Plan agency meeting.	Stated youth homeless should be highest priority considering the city does not have shelters available to accommodate this group. Recommended funding be used to build shelters or transportation to transport kids to nearby shelters
North Little Rock Police Department	Services – Law Enforcement	Invited to participate in the Home ARP Plan agency meeting.	Provided domestic violence case data
Arkansas Coalition Against Domestic Violence	Services – Health Agency	Invited to participate in the Home ARP Plan agency meeting.	Solicited input via telephone and email to request feedback and data
Arkansas State Veterans Home	Services - Veterans	Invited to participate in the Home ARP Plan agency meeting.	Solicited input via telephone and email to request feedback and data
Central Arkansas Development Council	Economic Development	Invited to participate in the Home ARP Plan agency meeting.	Solicited input via telephone and email to request feedback and data
Central Arkansas Veterans Healthcare System	Services - Veterans	Invited to participate in the Home ARP Plan agency meeting.	Solicited input via telephone and email to request feedback and data
OUR HOUSE, INC.	Housing - Homeless	Invited to participate in the Home ARP Plan agency meeting.	Provided details of housing programs and resources available to residents of North Little Rock
Pulaski County Neighborhood Alliance for Habit	Housing – Affordable Housing	Invited to participate in the Home ARP Plan agency meeting.	Provided details of housing programs and resources available to residents of North Little Rock
Recovery Centers of Arkansas	Health Services	Invited to participate in the Home ARP Plan agency meeting.	Solicited input via telephone and email to request feedback and data
The Salvation Army	Homeless – Services	Invited to participate in the Home ARP Plan agency meeting.	Provided details of housing programs and resources available to residents of North Little Rock

Women and Children First	Services – Family Services	Invited to participate in the Home ARP Plan agency meeting.	Provided details of housing programs and resources available to residents of North Little Rock
Dorcas House/Union Rescue Mission	Health Agency – Domestic Violence	Invited to participate in the Home ARP Plan agency meeting.	Solicited input via telephone and email to request feedback and data
Friendly Chapel	Services - Homeless	Invited to participate in the Home ARP Plan agency meeting.	Provided details of housing programs and resources available to residents of North Little Rock
Jericho Way Little Rock	Housing – Affordable Housing	Invited to participate in the Home ARP Plan agency meeting.	Provided details on joint housing program with the city of North Little Rock
Arkansas Women's Outreach	Services – Health Agency	Invited to participate in the Home ARP Plan agency meeting.	Provided details of housing programs and resources available to residents of North Little Rock

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

During the June 1, 2022 community forum with North Little Rock stakeholders, the eight participants conducted presentations to share their experiences working with their clients and details on the specific programs their organization offers. The group also had a discussion on what they believe to be the priority needs as well as any barriers to address those needs. Additionally, the group completed an in-person survey to provide specific details on the populations they are currently serving. The results are below.

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: 6/8/2022 and 7/8/2022***
- ***Public comment period: start date – 7/11/2022 end date – 7/25/2022***
- ***Date(s) of public hearing: 6/21/2022 and 7/25/2022***

Describe the public participation process:

The City held a workshop session for agencies on June 1, 2022, and a public engagement meeting on June 21, 2022, in person attendance at North Little Rock Community Center and via zoom. Also, a public hearing was held at the City Council meeting on July 25, 2022 where the public was given the opportunity to discuss the following issues: What are the needs and problems? How can the barriers be addressed? What are alternatives for addressing the problem, given the anticipated barriers? Why should funding be prioritized for programs in this subject area (s)? Additionally, a Priority Needs Survey was made available on the City’s website for completion and submission online.

The Public Comment period for the HOME-ARP Allocation Plan and Annual Action Plan Substantial Amendment began on Monday, July 11, 2022 and concluded on Monday July 25, 2022. A Public Notice was published in the local newspaper and include information regarding the proposed plan as well as the scheduled Public Hearing. Comments were allowed to be submitted by mail, phone, fax, email or during the public hearings.

Describe efforts to broaden public participation:

In addition to the Public Notice being published in the local newspaper and the City’s website, consultation letters were sent via email to community stakeholders requesting comment on the allocation plan. This included social service organizations, homeless service providers, advisory boards, neighborhood associations, and other nonprofit organizations. A list of these organizations and the letter are attached to this plan.

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

North Little Rock considered all comments or views of residents received in writing, or orally at a public hearing, when preparing the HOME-ARP allocation plan and Annual Action Plan Substantial Amendment.

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

No comments or recommendations were rejected

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.

The following table (Homeless Needs Inventory and Gap Analysis Table) includes data from the HUD 2022 Point-In-Time and Housing Inventory Count Report for Pulaski County and unsheltered homelessness data for North Little Rock.

OPTIONAL Homeless Needs Inventory and Gap Analysis Table

Homeless													
	Current Inventory					Homeless Population				Gap Analysis			
	Family		Adults Only		Vets	Family HH (at least 1 child)	Adult HH (w/o child)	Vets	Victims of DV	Family		Adults Only	
	# of Beds	# of Units	# of Beds	# of Units	# of Beds					# of Beds	# of Units	# of Beds	# of Units
Emergency Shelter	188	56	453	0	31								
Transitional Housing	30	10	149	0	47								
Permanent Supportive Housing	293	107	258	0	0								
Other Permanent Housing	77	22	160	0	87								
Sheltered Homeless						7	328	41	25				
Unsheltered Homeless						10	64	16	4				
Current Gap										588	195	1,020	0

Suggested Data Sources: 1. Point in Time Count (PIT); 2. Continuum of Care Housing Inventory Count (HIC); 3. Consultation

OPTIONAL Housing Needs Inventory and Gap Analysis Table

Non-Homeless			
	Current Inventory	Level of Need	Gap Analysis
	# of Units	# of Households	# of Households
Total Rental Units	14,859		
Rental Units Affordable to HH at 30% AMI (At-Risk of Homelessness)	1,355		
Rental Units Affordable to HH at 50% AMI (Other Populations)	3,769		
0%-30% AMI Renter HH w/ 1 or more severe housing problems (At-Risk of Homelessness)		2,915	
30%-50% AMI Renter HH w/ 1 or more severe housing problems (Other Populations)		2,250	
Current Gaps			28,350

Suggested Data Sources: 1. American Community Survey (ACS); 2. Comprehensive Housing Affordability Strategy (CHAS)

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

Homeless as defined in 24 CFR 91.5

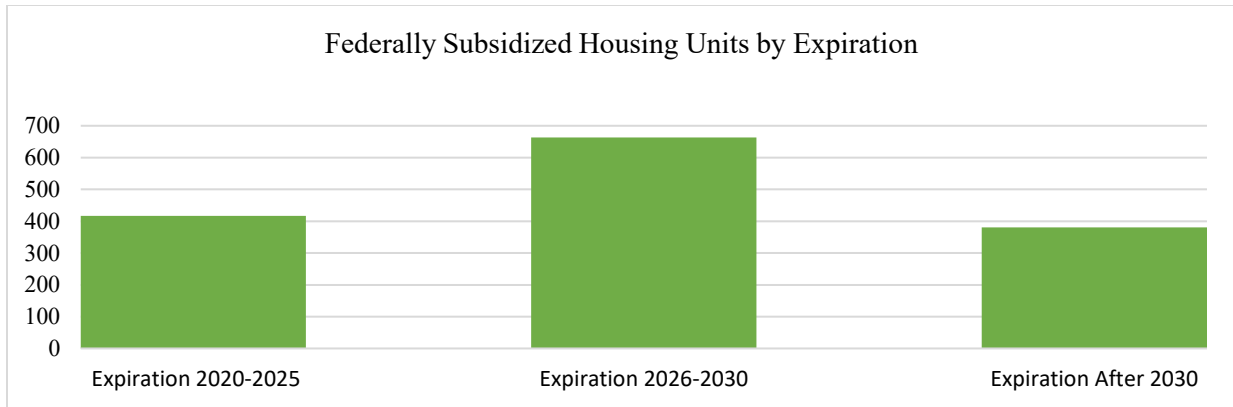
According to the 2022 North Little Rock Point-In-Time (PIT) count, there are 175 people who are experiencing homelessness in North Little Rock. The count does not include people that are staying in shelters as the PIT count only contains those that are unsheltered. The 2022 North Little Rock PIT count reports that out of the 175 people who are experiencing homelessness in the City 55 are under 18 years old and 7 are age 18 to 24. The data shows that 28 are females, 53 are males. Regarding race, most of the people from the PIT count indicated that they are White (42), Black or African American (19) and American Indian (12), while the remaining 82 persons did not provide racial information. The North Little Rock 2022 PIT count identifies that the 175 people experiencing homelessness, 69 are chronically homeless in which all of them are unsheltered. The PIT count also shows that there are 30 Veterans experiencing homelessness accounting for 16 total unsheltered veterans' households.

Although the PIT count includes some homeless data for youth under the age of 18 and between the ages of 18-24 more data was provided by the North Little Rock School District showing a count of 891 youth experiencing homelessness as of last day of the 2022 school year.

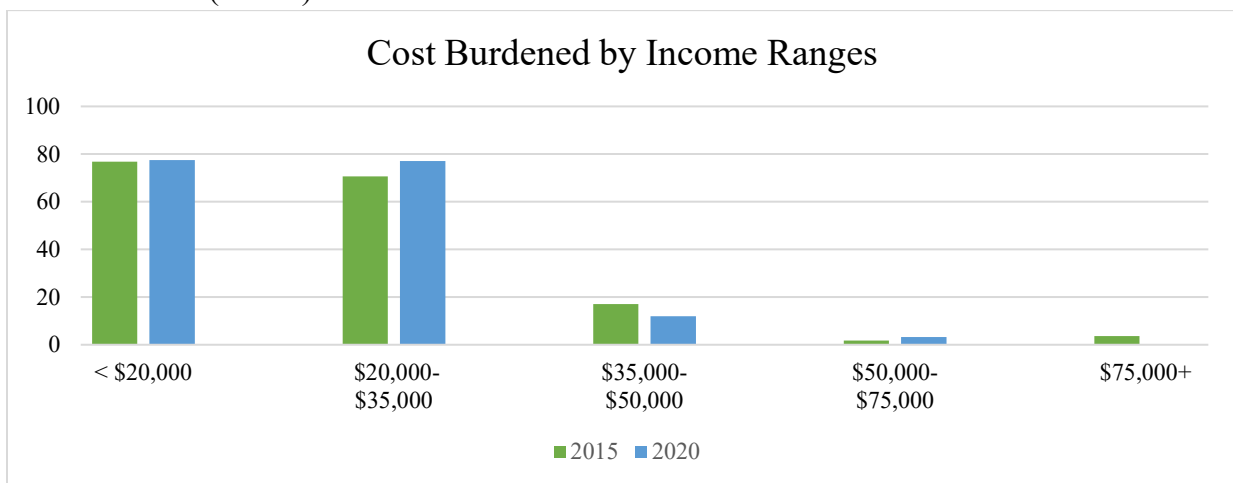
At Risk of Homelessness as defined in 24 CFR 91.5

Extremely low- and low-income individuals and families with children who are currently housed are often living from one check to the next with no savings or safety net to fall back on should an unexpected event or emergency occur. These households include all types, single person, small family, large family, and elderly. Characteristics include lack of education, lack of transportation, lack of adequate daycare, inadequate health insurance, drug or alcohol abuse or serious illness. These persons are at risk of losing their homes through foreclosure or eviction, and unless they have extended family or other support, they are at risk of needing to reside in a shelter or becoming unsheltered.

By 2025, the affordability restrictions on 417 units of federally subsidized housing in North Little Rock are set to expire. Restrictions on an additional 663 units are set to expire by 2030. Some of these units will remain within the subsidized inventory as owners elect to renew their rent subsidy contracts or recapitalize the properties using new federal subsidies.



In North Little Rock, the share of renter households that are moderately or severely cost burdened decreased from 49.5% in 2015 to 45.8% in 2020. The incidence of housing cost burdens is highest for unassisted renter households with the lowest incomes. In North Little Rock, renter households with incomes of less than \$20,000 had the highest incidence of cost burden in 2020 (77.5%).



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

Data from North Little Rock Police Department in 2021 shows over 285 persons were victims of family violence in North Little Rock including Fleeing, or Attempting to Flee, Domestic Violence, Dating Violence, Sexual Assault, Stalking, or Human Trafficking

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

Individuals incarcerated in North Little Rock jails as well as those receiving behavioral health services, including substance abuse disorder services, may also be at risk of homelessness upon discharge.

Identify and consider the current resources available to assist qualifying populations, including congregated and non-congregated shelter units, supportive services, TBRA, and affordable and permanent supportive rental housing (Optional):

The Jericho Way Day Resource Center opened in 2013, as a joint venture between the City of Little Rock and the City of North Little Rock. DePaul USA administers the center's daily operations. The center is open, Monday thru Friday and offers a wide range of services including: case management; food; restrooms and shower services; retreat from the elements; transportation; housing referrals; job counseling and training; access to phone, computer and internet; identity document replacement; health care; laundry service, and mail services.

The City partners with Pulaski County Neighborhood Alliance for Habitat (PCNAH), a supporting organization of Habitat for Humanity of Central Arkansas, on the development of new affordable housing in North Little Rock. PCNAH constructs attractive, energy efficient homes and offers zero percent interest financing to eligible low-income homebuyers.

The City allocated local funding to the Ozark Mission Group, a nonprofit organization who provides needed repairs to homes in the North Little Rock area.

BCD, Inc. – permanent and permanent supportive housing, special needs residential facility, substance abuse and mental health treatment, access to HIV treatment and AIDS service organizations, prevention and intervention programs, life skills and career training

Central Arkansas Veterans Healthcare System – permanent supported housing; assistance with referrals for emergency shelter, benefits counseling, and job placement; case management, residential treatment, crisis intervention, food and clothing

Centers for Youth and Families – parenting classes, outpatient counseling, day treatment, residential treatment, therapeutic foster care, services for human trafficking victims, mental health services

Family Promise of Pulaski County - transitional housing for homeless families with children, meals, transportation, case management, food, shower and laundry facilities

Gaines House - transitional housing for homeless women with mental, physical, or emotional disabilities, supervised environment

Get Yourself Together (GYST) Housing Program – services to facilitate transition to permanent housing, substance abuse treatment programs, legal assistance, life skills, anger management, self-esteem support, HIV/AIDS awareness and testing, outpatient treatment

Immerse Arkansas - transitional living program for foster youth, support and guidance programs for transition to adulthood

Little Rock Compassion Center - emergency shelter, meals, food pantry, clothing, educational program, drug and alcohol recovery, spiritual guidance

Lucie's Place – support for LGBT youth experiencing homelessness

Our House – shelter for men, women, children, transitional housing, children's programs, workforce and education programs, group therapy, transportation, clothing, assistance with healthcare and insurance needs

River City Ministry – assistance with housing programs, food pantry, hot meals, spiritual counseling, drug/alcohol rehab, medical, dental, vision, and pharmacy services, day resources

Salvation Army - emergency shelter, soup kitchen, clothes

St. Francis House - transitional housing for veterans, counseling, food, clothing, prescription drug assistance, health clinic, utility assistance

The Van – mobile resource for the homeless, providing food, clothing, hygiene products; assistance with emergency shelter during extreme cold weather

Women and Children First - emergency shelter for domestic violence victims, transitional housing, food, clothing, linens, hygiene items, adult education, court advocacy, support for victims' children

North Little Rock School District received grant funds from the Education for Homeless Children and Youths program (EHCY, also known as McKinney-Vento) to fund any expense necessary to facilitate the identification, enrollment, retention, and educational success of homeless children and youth.

The North Little Rock Housing Authority (NLRHA) programs consist of:

- Section 8 Housing Choice Vouchers (HCV)
- HUD-VASH vouchers
- Section 8 Project-Based Vouchers (PBV)
- Public Housing
- NSP2 housing.

The NLRHA administers the **2nd largest Section 8 Program** in the **state** with a **combined allocation of 2,200 vouchers**. Of those 2,200 vouchers

- **1,428 are Housing Choice Vouchers**

- Which include **200 vouchers for disabled veterans** referred through the HUD-VASH program
- **The remaining 772 vouchers are Project Based Vouchers**

The Housing Choice Voucher Program (HCV)

- is funded by HUD
- and provides assistance to extremely low and very low-income individuals and families
- Through the HCV Program, participants can **select housing of their choice from a participating landlord** and the voucher allows them to **pay a reasonable share of their rent** while the program makes up the difference.

The project-based voucher (PBV) program

- is a part of the Housing Choice Voucher program that **assist with rental payments for specific buildings or units.**
- The PBV program is **similar to the HCV program** in that **provides assistance for low and very low-income individuals and families.**

Upon assessing the **growing physical needs of their properties**, the **housing authority began processes to reposition its aging housing stock** through the Rental Assistance Demonstration Program (RAD) and Section 18 Program. Through those programs, **Project Based Vouchers were applied and disbursed among 6 projects:**

Under the public housing program

- **HUD administers aid to local housing agencies that manage the housing for low-income residents at rents they can afford.**
- The **housing authority determines eligibility** based on family composition, past rental history, and income guidelines determined by HUD.
- The North Little Rock Housing Authority currently has **one public housing development known as Hemlock Courts.**

For the HCV, PBV, and public housing program

- the **applicant submits an application** and their name will go on the **waitlist**
- In **accordance with** the Authority's **Administrative Plan** and the Admissions and Continued Occupancy Policy (ACOP), **applicants are then considered from the waitlist based on the suitability of the unit available in relation to the applicant's need** and secondly, **in the order that the application was received.**

As a part of a consortium with NLR Community Development, the North Little Rock Housing Authority **purchased and redeveloped 8 foreclosed or abandoned residential properties** through a NSP2 grant.

- The **Neighborhood Stabilization 2 Program (NSP2)** assists low, moderate, and middle-income households whose **household income is at or below 120%** of the area median income
 - To purchase or rent homes at an **affordable** price
- 4 of the properties purchased were **sold**
- and **6, including two duplexes** were **kept** as **rental** properties.

The Public Housing Authority does not expect any units to be lost from the affordable housing inventory for reasons, such as expiration of Section 8 contracts.

Describe the unmet housing and service needs of qualifying populations:

Homeless as defined in 24 CFR 91.5

Within the City of North Little Rock, the greatest unmet housing need is for shelters targeting the chronically homeless as this population accounts for almost 40 percent of the City’s homeless population. Additionally, consultations with CATCH, the Continuum of Care lead agency identified supportive services as the immediate unmet service need because the chronically homeless population may be dealing with issues such as past incarceration, mental illness, substance abuse and other dually diagnosed concerns.

At Risk of Homelessness as defined in 24 CFR 91.5

The North Little Rock Housing Authority manages 1,478 Housing Choice Vouchers, including 200 vouchers for disabled veterans referred through the HUD-VASH program and 772 Project Based Vouchers. Over 1,300 units have been developed in North Little Rock through Low Income Housing Tax Credits. There are 1,056 applicants on the current public housing waiting list and 811 applicants on the Housing Choice Voucher waiting list. A long waiting list for rental assistance indicates a housing instability and a strong need to produce rental housing units.

By 2025, the affordability restrictions on 417 units of federally subsidized housing in North Little Rock are set to expire. Restrictions on an additional 663 units are set to expire by 2030. Some of these units will remain within the subsidized inventory as owners elect to renew their rent subsidy contracts or recapitalize the properties using new federal subsidies. Lifting of the affordability restrictions will allow for rents to rise substantially, reducing the stock of units renting at an affordable level.

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

Lack of housing units available to survivors in need of transitional housing.

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

Households with household income less than or equal to 30% AMI with a cost burden greater than 50% are also at risk of homelessness. Based on the CHAS data, there are 2,540 renter households and 675 owner households in this category of potential risk.

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

The need for continued organizational efforts to identify, document and regularly update available resources in order to strengthen the network.

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:

The number one indicator of households falling into homelessness from a place of housing instability is a previous history of homelessness. Homeless assistance is the last resort for households in extreme poverty with few resources of their own and limited connections to others who could offer temporary, emergency support. Additionally, when other systems of care, like hospitals, behavioral health settings, child welfare, and criminal justice systems, are unable to address the reasons why people cannot stay housed, people have no alternative than turning to the homeless response system.

To prevent people from falling into homelessness, public systems for justice, anti-poverty, prevention, health (including behavioral health), child welfare and affordable housing must use data to identify how people are falling into homelessness and target prevention strategies and policies to address these areas.

Additionally, families with children, or unaccompanied youth who are unstably housed and likely to continue in that state, including those people who are doubled up in other people’s homes because they lack a home of their own, are not considered to be experiencing homelessness by the U.S. Department of Housing and Urban Development (HUD) and are not eligible for its homeless assistance. These same families are, however, considered to be experiencing homelessness by the U.S. Department of Education and are eligible for additional educational services and supports. People are “at risk of homelessness” if they are losing their primary nighttime residence, which may include a motel or hotel or a doubled-up situation, within the next 14 days and lack resources or support networks to remain in housing.

Identify priority needs for qualifying populations:

HOME-ARP qualifying populations often have many competing needs. Consultation Survey planned meetings with stakeholders are expected to indicate a variety of needs for qualifying populations, including 1) housing, such as shelter, short-term housing, permanent supportive

housing, and rental and utility assistance, and 2) supportive services, such as medical care, counseling, substance abuse service, case management, childcare, transportation, legal services, and job training. The needs overlap but also vary amongst these populations, and the following information will cover the priority needs for each of the qualified populations

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:

The gaps in services and programs need to provide shelter, housing, and services were determined using data from multiple sources, including stakeholder and public engagement. The level of need for unsheltered and shelter households experiencing homelessness was determined by evaluating the number of unsheltered households and the level of resources available to adequately house the families or individuals with permanent supportive housing and critical long-term supportive services to achieve housing stability. For households that are currently housed but have challenges maintaining their home, the level of need was measured by the amount of inventory that had affordable, safe, and adequate living conditions and the number of renter households that are experiencing severe housing cost burdens. These households need housing outcomes that help them stay housed without hindering them with the cost of their home.

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:

Pending HUD approval of its HOME-ARP allocation plan and Annual Action Plan Substantial Amendment, the City of North Little Rock will issue a Notice of Funding Availability (NOFA) for interested homeless service agencies, housing authorities, affordable housing developers and experienced developers of permanent supportive housing and/or affordable housing. In addition, there will be a posted public notice in the local newspaper as well as on the City's website.

Describe whether the PJ will administer eligible activities directly:

The City will administer a portion of the eligible activities. The agencies selected will then move forward with rehabilitation referral and administration of services for qualified populations.

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 City of North Little Rock expects to receive \$1,200,771 from HUD for HOME ARP. The City through a competitive RFP process will determine the individual activity and amount for each category of funding listed in the HOME ARP Allocation Table below. The City will allocate funds ranging from no dollars for a category and up to the maximum grant amount of \$1,200,771 allocated. The City will 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. The following table will be used to meet this requirement.

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.

Use of HOME-ARP Funding

	Funding Amount	Percent of the Grant	Statutory Limit
Supportive Services	\$ 240,115		
Acquisition and Development of Non-Congregate Shelters	\$ 0		
Tenant Based Rental Assistance (TBRA)	\$ 0		
Development of Affordable Rental Housing	\$ 780,541		
Non-Profit Operating	\$ 0	0 %	5%
Non-Profit Capacity Building	\$ 0	0 %	5%
Administration and Planning	\$ 180,115	15 %	15%
Total HOME ARP Allocation	\$ 1,200,771		

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

Designated funding amounts in the allocation table are estimates based on needs demonstrated in the plan. The City at its’ discretion and subject to the selected projects in the Request for proposal process, will determine final allocation of funds based on City Council approval. Non-Congregate Housing will be eligible for consideration as Affordable Rental Housing.

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:

North Little Rock has been able to identify, with the development of the gap analysis and stakeholder meetings, activities that will assist the qualified populations in North Little Rock. The results of the gap analysis shows that there is a need for an expansion of Affordable Rental Housing as cost burdened renters was 45.8% in 2021. Emergency Shelters and the capacity of the Nonprofit network who respond to families and individuals of the most vulnerable qualified populations.

HOME-ARP Production Housing Goals

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

The City used RS Means 2021 Construction Cost Estimates data to determine the average cost per square foot to build rental housing units. Using RS Means, the average cost per square foot is \$236.65 in North Little Rock. The data along with the housing characteristics required by the qualifying populations was inserted into HUD's HOME-ARP Housing Production Goal Calculation Worksheet to determine the City's housing production goals. The City's goal is to allocate \$780,541 of its funding to at least 5 newly constructed non-congregate housing units or at least 10 rehabilitated housing rental units. The City's final housing production goals will be determined based on the competitive RFP process allocating funding to specific projects after HUD approval of the HOME ARP Allocation Plan.

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:

Because the City lacks sufficient housing for its homeless population and those at risk of homelessness, the creation of at least 10 non-congregate or affordable rental housing units will address the unmet housing needs and support the CoC ultimate goal of ending chronic homelessness and prevention of additional at-risk persons and families from becoming homeless. The City will determine based on the competitive RFP process allocating funding to specific projects after HUD approval of the HOME ARP Allocation Plan. The City of North Little Rock has a goal of 5 to 10 units of non-congregate or affordable rental housing to be supported through rehabilitation for new development funding. Data from organizations consulted and census data support the City's goal for needed affordable rental units

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:
None

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:
None

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 City does not intend to use any referral method

If the PJ intends to use the coordinated entry (CE) process established by the CoC, describe whether all qualifying populations eligible for a project or activity will be included in the CE process, or the method by which all qualifying populations eligible for the project or activity will be covered. (Optional):

The City does not intend to use the coordinated entry process for referrals.

If the PJ intends to use the CE process established by the CoC, describe the method of prioritization to be used by the CE. (Optional):

N/A

If the PJ intends to use both a CE process established by the CoC and another referral method for a project or activity, describe any method of prioritization between the two referral methods, if any. (Optional):

N/A

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 City does intend to set any preference

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:

The City does not intend to any limitation

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 guidelines must describe the conditions under which the PJ will refinance existing debt for a HOME-ARP rental project, including:

- ***Establish a minimum level of rehabilitation per unit or a required ratio between rehabilitation and refinancing to demonstrate that rehabilitation of HOME-ARP rental housing is the primary eligible activity***

North Little Rock does not intend to use HOME-ARP funds to refinance existing debt

- ***Require a review of management practices to demonstrate that disinvestment in the property has not occurred; that the long-term needs of the project can be met; and that the feasibility of serving qualified populations for the minimum compliance period can be demonstrated.***

N/A

- ***State whether the new investment is being made to maintain current affordable units, create additional affordable units, or both.***

The City intends to invest HOME ARP funds to maintain current affordable units and create additional units.

- ***Specify the required compliance period, whether it is the minimum 15 years or longer.***

N/A

- ***State that HOME-ARP funds cannot be used to refinance multifamily loans made or insured by any federal program, including CDBG.***

The City will not use HOME ARP funds to refinance any multifamily loans

- ***Other requirements in the PJ's guidelines, if applicable:***

N/A

Appendices

APPENDIX A: HOME-ARP NEEDS ASSESSMENT SURVEY

APPENDIX B: HOME-ARP NEEDS ASSESSMENT SUMMARY OF RESPONSES

APPENDIX C: STAKEHOLDER MEETING PRESENTATION
APPENDIX D: FOCUS GROUP MEETING SUMMARY
APPENDIX E: PUBLIC HEARING NOTICE
APPENDIX F: SF-424S AND CERTIFICATIONS