Agenda

1. HOME-ARP NCS Development Program Overview

1. Timeline and PPA Process

2. Application Details and Process

3. Q&A

REQUEST FOR APPLICATIONS
HOME-ARP Non-Congregate Shelter Development Program

Deadline:
5:00 P.M. on February 20, 2025

Kristin Faust,
Executive Director

Illinois Housing Development Authority
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www.ihda.org

HOME-ARP NCS DEVELOPMENT PROGRAM OVERVIEW

Program Overview

Opportunity to apply for funding to acquire and/or renovate existing buildings into non-congregate emergency shelter facilities

- Total funding available via this RFA round: $37 million
- IHDA expects HOME-ARP to be a **one-time funding source** available only in the 2024 NCS RFA and PSH RFA

Non-congregate shelter is, according to HUD for this program:

- A temporary, emergency shelter that does not require occupants to sign a lease or occupancy agreement

- Is available only to individuals and families that meet one of the Qualifying Population definitions

- Allows only one individual or family per room – which means no doubling up or roommates - and has a private bathroom for each unit

Program Requirements

- All projects must comply with [HUD Notice CPD 21-10](#)

- Refer to CPD 21-10 for detailed descriptions of:
  - HOME-ARP requirements
  - Qualifying Populations
  - Eligible Referral Methods
  - Eligible and Ineligible Activities
  - Etc.

For additional requirements, refer to the IHDA HOME-ARP Non-Congregate Shelter Development Program Request for Applications

U.S. Department of Housing and Urban Development
Community Planning and Development

Special Attention of:

CPD Division Directors
All HOME Coordinators
All HOME Participating Jurisdictions

Notice: CPD-21-10

Issued: September 13, 2021

Expires: **This NOTICE is effective until it is amended, superseded, or rescinded**
Cross Reference: 24 CFR Part 92

Subject: Requirements for the Use of Funds in the HOME-American Rescue Plan Program

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ILLINOIS HOUSING
DEVELOPMENT AUTHORITY

HOME-ARP Qualifying Populations

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

1. **Homeless**

2. **At-risk of homelessness**

3. **Fleeing, or attempting to flee, domestic violence, dating violence, sexual assault, stalking, or human trafficking**

4. **Other populations where providing supportive services or assistance would prevent the family's homelessness or would serve those with the greatest risk of housing instability**

Note that there are no overarching income limitations – but expect residents to be at 30% AMI or below.

HOME-ARP Referral Methods

Projects pursuing HOME-ARP must indicate which of the allowable Referral Methods the project intends to utilize, which include:

- Referral Method 2: Use of Standard Coordinated Entry with Other Referral Methods:

- Referral Method 3: Use of a Project/Activity Waiting List:

Note that Referral Method 1: Use of HOME-ARP Expanded Coordinated Entry will only be considered an allowable referral method at IHDA's sole discretion.

Eligible Activities and Project Types

- Eligible Activities may include:
  - Acquisition
  - Rehabilitation of Existing Occupied Units
  - Rehabilitation of Vacant Units
  - Adaptive reuse of Non-residential Properties
  - Demolition of existing structures (only as part of a HOME-ARP NCS Project)

- Funding can be used to create space specifically used for tenant services or building management.

- Commercial space must be financed from a non-IHDA source.

- Permanent housing units such as Permanent Supportive Housing are ineligible under this RFA.

Ineligible Activities

- HOME-ARP funds may not be used to pay the operating costs of HOME-ARP NCS. Consequently, PJs must consider the availability of ongoing operating funds for the HOME-ARP NCS so that the Project can remain viable through the Restricted Use Period of 10 years.

- Additional ineligible costs include:
  - Converting the NCS property to another use
  - Providing non-Federal matching contributions required under any other Federal program
  - Paying delinquent taxes, fees, or charges on properties to be assisted with HOME-ARP NCS funds
  - Paying for any cost that is not eligible under HUD Notice CPD 21-10

Eligible Applicants, Project Size, Target Populations

- Eligible applicants: One or more Sponsors must be a shelter operator with a minimum of 3-5 years experience providing shelter experience

  - Applicants must be a current recipient of ongoing shelter operating grant money

- One or more Sponsors must have a minimum of 3-5 years experience developing real estate
  - Shelter operators can partner with experienced developers

- Minimum unit count: 20 NCS units

- No maximum unit count

- Target Populations – HOME-ARP Qualifying Populations

Income and Project Restrictions

There are no overarching income limitations – but expect tenants to be at 30% AMI or below.

- Some Qualifying Populations may have income limits as part of their qualification criteria

Restricted Use Period: 10 years
- Project must continue to operate as a NCS for the full 10-year period – IHDA will not allow projects to convert to permanent housing

HOME-ARP NCS DEVELOPMENT PROGRAM TIMELINE AND PPA PROCESS

HOME-ARP NCS Development Program Timeline

Date	Action	Project Sponsor Action Required
August 7, 2024	RFA published on the Website	YES
August 14, 2024	RFA informational webinar Recording will be made available for later review	YES
August 16, 2024	**Preliminary Project Assessment Workbook** available on the Website	YES
	First day to submit Preliminary Project Assessment	
	Optional technical assistance meeting period begins	OPTIONAL
October 7, 2024	**Preliminary Project Assessment deadline**	YES
December 13, 2024	The Authority sends PPA notifications	
January 15, 2025	Last day to request optional technical assistance meeting	OPTIONAL
	Last day to indicate Application program intent See Section 4.B.ii.a and Section 4.G.i	YES
January 20, 2025	**First day to submit Application***	
February 20, 2025	**Application deadline***	YES
March 21, 2025	The Authority publishes public notice	
March-April 2025	Clarification period	
May 16, 2025 *(expected)*	Expected Board meeting with NCS Project approvals	YES

HOME-ARP NCS Development Program Documents

Other resources and reference documents will be available on IHDA's [HOME-ARP Non-Congregate Shelter (NCS) Development Page](#) and on [IHDA's Developer Resource Center](#)

- PPA Workbook will be posted August 16th

- Additional Application documents will be posted 60 days before Applications are due

HOME-ARP NCS Development Program PPA Process

Preliminary Project Assessment Process:

- Review the RFA, PPA Workbook and consult your project team.

- **All projects must submit a PPA** and receive written approval from IHDA before submitting a full Application to IHDA.

- No PPA fee applies to the HOME-ARP NCS program

- PPAs can be submitted between August 16th and October 7th, 2024.

- Submission is entirely online through [IHDAConnect](https://ppa.ihda.org).

- To submit a PPA, you must first request an account in IHDA Connect (if needed) and a Project ID (PID) through https://ppa.ihda.org.

- An instructional video detailing how to navigate IHDA Connect will be available soon.

HOME-ARP NCS Development Program PPA Evaluation

Preliminary Project Assessment Evaluation

- IHDA will review PPAs using 5 categories:
    1. Project Concept
    2. Site
    3. Area Need/Demand
    4. Sponsor and Project Financial Feasibility
    5. Development Team

- Projects will receive an overall PPA evaluation Determination:

Possible PPA Evaluation Outcomes and Implications		
PPA Evaluation Outcome	**PPA Category**	**Overall PPA Outcome**
Approval	The PPA category is approved, criteria are satisfied	The PPA is approved, and a full Application will be accepted by the Authority
Conditional Approval	The PPA category is conditionally approved, criteria(on) are not fully satisfied and are subject to conditions*	The PPA is approved subject to conditions being met within any of the four categories
Denial	The PPA category is denied, criteria are not satisfied	The PPA is denied, and an Application will not be accepted by the Authority

*Should a PPA receive a "Conditional Approval" in any of the five categories, its overall PPA outcome will be "Conditional Approval" or "Denial" pending evaluations received in the remaining categories. Applications are accepted under the assumption that conditions will be met.

HOME-ARP NCS Development Program
PPA Evaluation

Project Concept Criteria

- Project size and type
    - Number of units

- Target populations
    - Describe the intended population(s) to be served by the project.
    - A listing of the Qualifying Population(s) to be served by the Project.

- Housing referral coordination
    - Indication of which eligible referral method will be used to serve the Project's Qualifying Population(s)

- Preliminary shelter operation and service plan details
    - Outline overall approach to services, including detail on the services that will be made available to tenants, the number of service staff, how services will be funded, and who will provide the services
    - Describe how the Project will connect with the local homeless services/crisis response system, particularly with the area CoC
    - Confirm shelter occupants will not be charged any occupancy fees
    - Clarify how the project intends to align with Housing First principles (service will not be a condition of tenancy, plans to reduce barriers in housing application process, etc.)

HOME-ARP NCS Development Program
PPA Evaluation

Site Criteria

- Determine a Primary Market Area (PMA)
  - Identify census tracts and natural boundaries (highways, roads, waterways, etc.)
  - See notes regarding projects with multiple sites
  - IHDA will review and provide feedback regarding PMA, as applicable.

- Enterprise Green Communities
  - Certify at PPA intent to comply with EGC criteria.
  - IHDA will review for compliance with EGC at full Application.

HOME-ARP NCS Development Program PPA Evaluation

Area Need/Demand Criteria

- Economic and Market Indicators
  - IHDA will review publicly available market information (See PPA Data and Metrics Chart)
  - Data available on IHDA's website, including:
    - Affordable Rental Unit Survey (ARUS)
    - IHDA Market Analysis Application
    - Authority portfolio/ren-restricted concentrations; and/or
- Food Access
  - Projects should demonstrate food access by providing map of qualifying Food Access Businesses.
  - IHDA has online food access locator available. Must meet NAICS definition.
  - If project does not meet requirement, IHDA may conditionally approve and require documentation of how appropriate food access will be provided.

Food Access Requirements		
Set-Aside	**Qualifying Food Access Business(es)**	**Minimum Proximity Radius (miles)**
Chicago Metro	• Full-service grocery store (NAICS 445110) • Fruit & vegetable market/produce market (NAICS 445230)	1 mile
City of Chicago		
Other Metro		
Non-Metro	• Supermarket/Grocery (NAICS 445110) • Fruit & vegetable market/produce market (NAICS 445230)	5 miles

HOME-ARP NCS Development Program
PPA Evaluation

Sponsor and Project Financial Feasibility Criteria

Key capacity and financial aspects of the Sponsor and Project will be reviewed at time of PPA submission:

- Capital and Operating Budget Analysis
  - List all funding sources, both approved and under consideration
  - Make sure Sources and Uses match

- Sponsor-Related Financial Documents
  - Sponsors must provide the mandatory financial documentation listed in Section 5.O – Financial Feasibility at the time of PPA
    - Independent audits, current income and expense statement, current balance sheet, etc. – see RFA

- Construction Overage Analysis
  - If project exceeds hard cost construction limits, explain overages
  - Per-square-foot cost limits:

Set-Aside	Rehab	Adaptive Reuse
Chicago Metro	$250	$335
City of Chicago	$260	$405
Non-Metro	$160	$315
Other Metro	$215	$320

HOME-ARP NCS Development Program PPA Evaluation

Development Team Criteria

- IHDA will review development team criteria
  - At PPA stage, all projects must provide Development Team Experience Certifications for:
    - The Sponsor or Sponsors (all parties listed on the organizational chart in the PPA Workbook)
    - General contractor
    - Property manager
    - Architect of record
    - Service provider (as applicable)

- Note that development team members must demonstrate a history of similar work and type as required for the proposed Project.
  - Reach out to IHDA to discuss potential exceptions

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HOME-ARP NCS Development Program PPA Notification

Preliminary Project Assessment Notification

- IHDA will notify Sponsor directly of the outcome of the PPA by December 13th.
- Address all Conditions at time of full application
- If changes between PPA and full application, notify the Authority.
- Projects will receive an overall PPA evaluation Determination:

Possible PPA Evaluation Outcomes and Implications		
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HOME-ARP NCS Development Program PPA Notification

- Optional Technical Assistance Meeting
  - IHDA is available for Technical Assistance Meeting
  - Sponsor may request between August 16, 2024 and January 15, 2025.
  - Email HOMEARP@ihda.org

- Application Program Intent
  - Applications are accepted online through IHDA Connect only
  - Sponsor **must** indicate program intent by January 15, 2025
  - Email IHDAConnectHelp@ihda.org to notify IHDA that the Sponsor intends to pursue HOME-ARP NCS
  - Sponsors may not pursue an Application in more than one program for the same Project.

HOME-ARP NCS DEVELOPMENT PROGRAM APPLICATION DETAILS AND PROCESS

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Application Submission and Logistics

- Applications Due: **February 20th, 2025**

- Application accepted online. Instructions will be provided at **after PPA Notification**.

- Application Materials will be available at www.ihda.org on the **HOME-ARP Non-Congregate Shelter (NCS) Development Program** Page.

- All applications documents posted by mid-December.

- Application submission will be through IHDAConnect

- Application Questions: HOMEARP@ihda.org

Application Evaluation

- Completeness of Application
  - Application forms and supporting documentation
  - Signatures on all necessary documents
  - Payment of non–refundable application fee

- Mandatory Criteria
  - Completed application will be reviewed to determine if project meets mandatory criteria

- Scoring Criteria
  - If mandatory criteria is met, the application will be scored and ranked

Mandatory Application Criteria

- Review Mandatory Criteria details in Section 5:
  - A. Application Certification
  - B. Multifamily Fee Payment Form and Non-Refundable Application Fee
  - C. The Authority's Non-Congregate Shelter Common Application
  - D. Project Narrative and Shelter Operations and Service Plan Narrative
  - E. Neighborhood Assets Map
  - F. Site Control
  - G. Zoning
  - H. Environmental Site Assessment
  - I. Site Physical Information
  - J. Design, Construction and Regulatory Compliance Requirements
  - K. Historic Preservation Checklist
  - L. Construction Cost Breakdown
  - M. Site and Market Study
  - N. Development Team Capacity
  - O. Financial Feasibility

Scoring Criteria

Resources must be committed in order to be included in underwriting and scoring:

Scoring Category	Maximum Points	Category Weight
Leveraging Other Capital Funding Sources	5	5%
Service Provider Experience	10	10%
Shelter Operator Experience	15	15%
Demonstrated Ability to Provide Positive Shelter Outcomes	10	10%
Proven Need in Community	10	10%
People with Lived Experience Included in Project Design	5	5%
Services Offered	25	25%
Food Prep or Kitchen Space Available to Residents	10	10%
Access to Public Transit	10	10%
Total	**100**	**100%**

QUESTIONS?

Reminder: PPAs due by October 7th, 2024

Additional questions can be sent to: HOMEARP@ihda.org

THANK YOU