

CABARRUS COUNTY



BOARD OF COMMISSIONERS WORK SESSION

**February 6, 2023
4:00 PM**

1. CALL TO ORDER - CHAIRMAN

2. APPROVAL OF WORK SESSION AGENDA - CHAIRMAN

2.1. BOC - Changes to the Agenda Pg. 3

3. DISCUSSION ITEMS - NO ACTION

3.1. BOC - Discussion of the Status of Alcohol Sales in the Unincorporated Areas in Cabarrus County Pg. 5

3.2. Infrastructure and Asset Management - Emergency Equipment Warehouse & ITS Building Project Update Pg. 6

3.3. Infrastructure and Asset Management - Frank Liske Park Barn Project Pg. 15

4. DISCUSSION ITEMS FOR ACTION

4.1. Sheriff's Office - Acceptance of Grant Funds to Support Additional Officers Pg. 22

4.2. BOC - Appointments to Boards and Committees Pg. 26

4.3. BOC - Resolution Amending the Board of Commissioners' 2023 Meeting Schedule Pg. 29

4.4. Budget - Budget Amendment to Appropriate Board Contingency Funds for Legal Fees Pg. 32

4.5. County Manager - Rob Wallace Park Timing of Phase IIB Pg. 34

4.6. County Manager - U-5956 - Rock Hill Church Rd/Union Cemetery Road Realignment Easement Settlement Pg. 37

4.7. CVB - Mondo Track at Jay M. Robinson High School Pg. 47

4.8. DHS - Budget Amendment for ERA Program Pg. 57

4.9. Finance - Budget Amendment and Capital Project Ordinance Pg. 68

4.10. Finance - Reimbursement Resolution Pg. 76

4.11. Infrastructure and Asset Management - Stonewall Jackson Training School (SJTS) Parcels Timber Harvesting Plan Approval Pg. 80

4.12. ITS - Memorandum of Agreement for the Courtroom Upgrades for Remote Proceedings Pg. 93

4.13. Legal - Ad Hoc Amendment to Central Area Land Use Plan Interlocal Agreement for 2101 NC 73 HWY, Further Identified as PIN 5641-00-5282 Pg. 101

4.14. Legal - Ad Hoc Amendment to Central Area Land Use Plan Interlocal Agreement for 380 Patience Drive, Further Identified as PIN 4641-00-1839 Pg. 117

- 4.15. Planning and Development - 2023-2024 Community Development Programs - Public Hearing 6:30 p.m. Pg. 132
- 4.16. Planning and Development - Community Development Budget Amendment Pg. 134
- 4.17. Planning and Development - HOME ARP Contract Pg. 137
- 4.18. Sheriff's Office - Law Enforcement Services Agreement with Town of Harrisburg Pg. 248
- 4.19. Tax Administration - Advertisement of 2022 Delinquent Taxes Pg. 257
- 4.20. County Manager - Jail Behavioral Health Services Pg. 260

5. APPROVAL OF REGULAR MEETING AGENDA

- 5.1. BOC - Approval of Regular Meeting Agenda Pg. 262

6. CLOSED SESSION

- 6.1. Closed Session - Pending Litigation Pg. 266

7. ADJOURN

In accordance with ADA regulations, anyone in need of an accommodation to participate in the meeting should notify the ADA coordinator at 704-920-2100 at least 48 hours prior to the meeting.

CABARRUS COUNTY



BOARD OF COMMISSIONERS WORK SESSION

**February 6, 2023
4:00 PM**

AGENDA CATEGORY:

Approval of Work Session Agenda - Chairman

SUBJECT:

BOC - Changes to the Agenda

BRIEF SUMMARY:

A list of changes to the agenda is attached.

REQUESTED ACTION:

Motion to approve the agenda as amended.

EXPECTED LENGTH OF PRESENTATION:

1 Minute

SUBMITTED BY:

Lauren Linker, Clerk to the Board

BUDGET AMENDMENT REQUIRED:

No

COUNTY MANAGER'S RECOMMENDATIONS/COMMENTS:

ATTACHMENTS:

- Changes to the Agenda



**CABARRUS COUNTY BOARD OF COMMISSIONERS
CHANGES TO THE AGENDA
FEBRUARY 6, 2023**

ADDITIONS:

Discussion Items for Action

4.18 Sheriff's Office - Law Enforcement Services Agreement with Town of Harrisburg

4.20 County Manager - Jail Behavioral Health Services

Closed Session

6.1 Closed Session – Pending Litigation

UPDATED:

Approval of Regular Meeting Agenda

5.1 Approval of Regular Meeting Agenda

REMOVED:

Discussion Items for Action

Sheriff's Office - Purchase of New Radio Dispatch Console

CABARRUS COUNTY



BOARD OF COMMISSIONERS WORK SESSION

February 6, 2023
4:00 PM

AGENDA CATEGORY:

Discussion Items - No Action

SUBJECT:

BOC - Discussion of the Status of Alcohol Sales in the Unincorporated Areas in Cabarrus County

BRIEF SUMMARY:

For discussion.

REQUESTED ACTION:

Receive input.

EXPECTED LENGTH OF PRESENTATION:

10 Minutes

SUBMITTED BY:

Commissioner Strang

BUDGET AMENDMENT REQUIRED:

No

COUNTY MANAGER'S RECOMMENDATIONS/COMMENTS:

CABARRUS COUNTY



BOARD OF COMMISSIONERS WORK SESSION

**February 6, 2023
4:00 PM**

AGENDA CATEGORY:

Discussion Items - No Action

SUBJECT:

Infrastructure and Asset Management - Emergency Equipment Warehouse & ITS Building Project Update

BRIEF SUMMARY:

County staff will provide a narrative and pictorial update of the project.

REQUESTED ACTION:

No action required.

EXPECTED LENGTH OF PRESENTATION:

5 Minutes

SUBMITTED BY:

Kyle Bilafer, Assistant County Manager
Michael Miller, Director of Design and Construction

BUDGET AMENDMENT REQUIRED:

No

COUNTY MANAGER'S RECOMMENDATIONS/COMMENTS:

ATTACHMENTS:

- Pictorial Update

EEW/ITS Building 1/31/2023





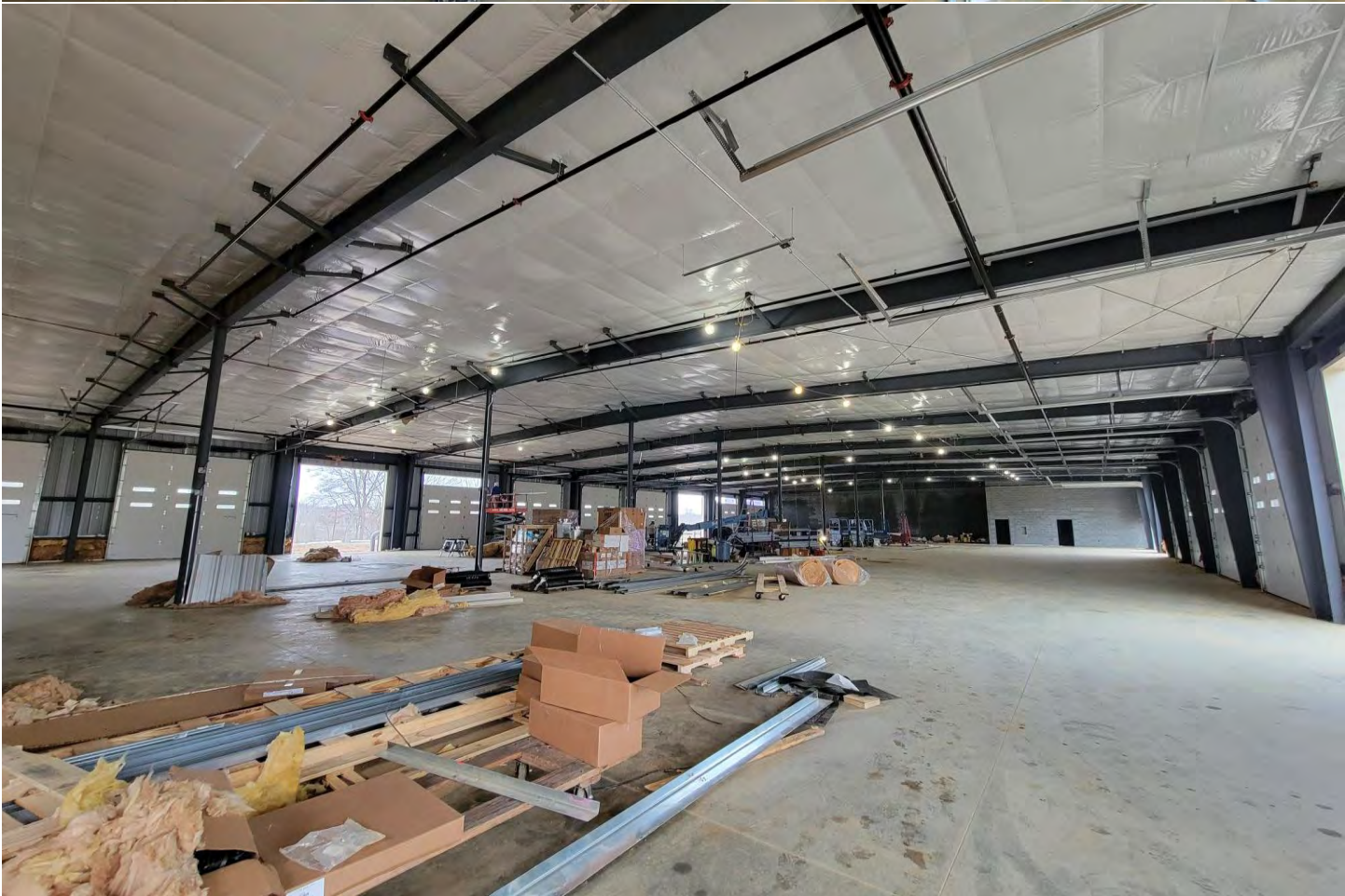
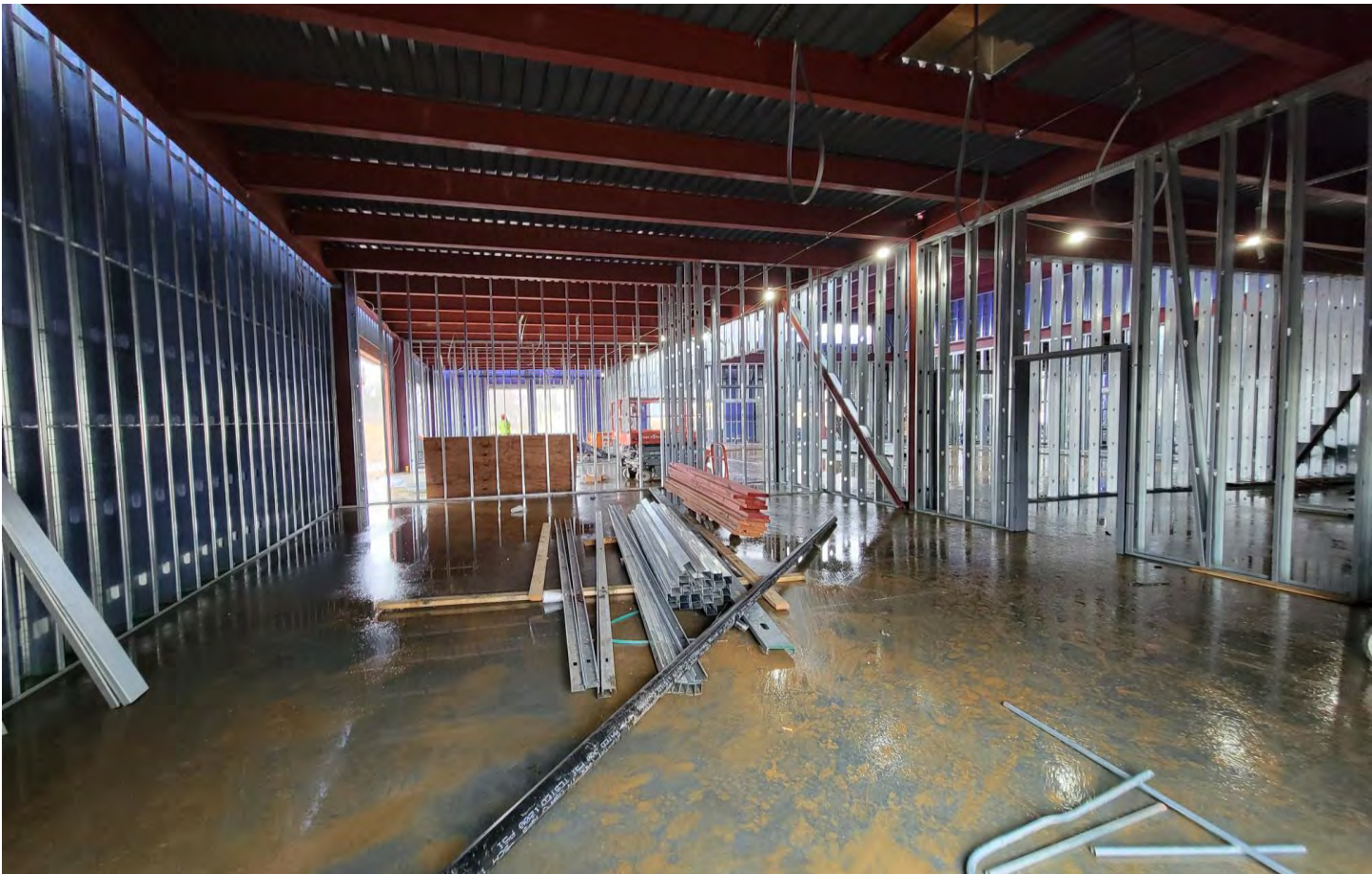












CABARRUS COUNTY



BOARD OF COMMISSIONERS WORK SESSION

**February 6, 2023
4:00 PM**

AGENDA CATEGORY:

Discussion Items - No Action

SUBJECT:

Infrastructure and Asset Management - Frank Liske Park Barn Project

BRIEF SUMMARY:

County staff will provide a narrative and pictorial update.

REQUESTED ACTION:

No action required.

EXPECTED LENGTH OF PRESENTATION:

5 Minutes

SUBMITTED BY:

Kyle Bilafer, Asst. County Manager

Michael Miller, Director of Design and Construction

BUDGET AMENDMENT REQUIRED:

No

COUNTY MANAGER'S RECOMMENDATIONS/COMMENTS:

ATTACHMENTS:

- Pictorial Update

FLP Barn 1/31/2023













CABARRUS COUNTY



BOARD OF COMMISSIONERS WORK SESSION

**February 6, 2023
4:00 PM**

AGENDA CATEGORY:

Discussion Items for Action

SUBJECT:

Sheriff's Office - Acceptance of Grant Funds to Support Additional Officers

BRIEF SUMMARY:

As part of a grant application made by Cabarrus County Schools to continue funding school resource officers at our local middle schools, additional funding was provided which will allow for the addition of two middle school, school resource officers. After consideration by both the Sheriff and School Administration, we would like to add an additional officer at both Hickory Ridge Middle School and Harris Road Middle School which are the two middle schools with the largest census. This will allow for increased presence at these schools and a higher level of security for both students and staff.

This grant, provided through the North Carolina Center for Safer Schools, is specific to middle schools and cannot be used for any other school classifications.

REQUESTED ACTION:

Motion to accept the grant award and adopt the associated budget amendment.

EXPECTED LENGTH OF PRESENTATION:

15 Minutes

SUBMITTED BY:

Chief Deputy James N. Bailey

BUDGET AMENDMENT REQUIRED:

Yes

COUNTY MANAGER'S RECOMMENDATIONS/COMMENTS:

ATTACHMENTS:

- ▣ Grant Award Letter
- ▣ Budget Amendment



PUBLIC SCHOOLS OF NORTH CAROLINA

DEPARTMENT OF PUBLIC INSTRUCTION | Catherine Truitt, *Superintendent of Public Instruction*

WWW.DPI.NC.GOV

26 October 2022

Cabarrus County Schools
4401 Old Airport Road
Concord, NC 28025

Dear Precilla Santiago,

On behalf of Superintendent Catherine Truitt, it is my pleasure to inform you that the Center for Safer Schools School Safety Grant Program has approved your application in the amount of:

School Resource Officer:	\$1,149,978.00
School Safety Equipment:	\$332,500
Services for Students in Crisis:	N/A
Training to Increase School Safety:	\$45,000

For FY 2022-23 for Cabarrus County Schools – 130

This award is subject to all administrative and financial requirements, including timely submission of all financial and programmatic reports; resolution of all interim audit findings; and adherence to allowable expenses. Should you not adhere to these requirements, you might be in violation of the terms of this agreement and the award might be subject to termination for cause.

If you have questions regarding this award, please contact the Center for Safer Schools at schoolsafetygrants@dpi.nc.gov (for a quicker response).

Congratulations and we look forward to working with you!

Sincerely,

Karen W. Fairley
Executive Director,
Center for Safer Schools

CENTER FOR SAFER SCHOOLS

Karen W. Fairley, Executive Director -Center for Safer Schools karen.fairley@dpi.nc.gov

6301 Mail Service Center, Raleigh, North Carolina 27699-6301 | (984)-236-2240|

AN EQUAL OPPORTUNITY/AFFIRMATIVE ACTION EMPLOYER

Budget Revision/Amendment Request

Date: **2/20/2023** 30,270.40

Dept. Head: **Sheriff Van W. Shaw** **2110 - Sheriff's Office**

Internal Transfer Within Department
 Transfer Between Departments/Funds
 Supplemental Request

Revenue provided by North Carolina Department of Public Instruction (DPI) Grant for 2 additional SROs in Middle Schools. As part of a grant application made by Cabarrus County Schools to continue funding school resource officers at our local middle schools, additional funding was provided which will allow for the addition of two middle school school resource officers. After consideration by both the Sheriff and School Administration, we would like to add an additional officer at both Hickory Ridge Middle School and Harris Road Middle School which are the two middle schools with the largest ADP. This will allow for increased presence at these schools and a higher level of security for both students and staff. This grant, provided through the North Carolina Center for Safer Schools, is specific to middle schools and cannot be used for any other school classifications. The State Grant does not include a provision for the equipment, uniforms, supplies, etc. The grant specifically deems these items as "disallowed". Cabarrus County Schools has the budget (supported primarily by the State Grant) to help fund 2 additional middle school SROs at \$37,838 each (that is an ANNUAL amount and the amount of related "compensation" summarized in the MOU for 2022-2023).

Fund	Indicator	Department/ Object/ Project	Account Name	Increase Amount	Decrease Amount
001	6	2110-6344	DPI Grant	30,270.40	-
001	9	2110-9101	Salaries & Wages	33,940.00	-
001	9	2110-9201	Social Security	2,104.00	-
001	9	2110-9202	Medicare	492.00	-
001	9	2110-9205	Group Hospital Insurance	4,425.00	-
001	9	2110-9206	Vision Care	1,700.00	-
001	9	2110-9207	Life Insurance	6,800.00	-
001	9	2110-9210	Retirement	22.00	-
001	9	2110-9230	Workers' Compensation	1,400.00	-
001	9	2110-9235	Deferred Compensation 401K	750.00	-
001	9	2110-9310	Ammunition	700.00	-
001	9	2110-9316	Supplies	400.00	-
001	9	2110-9331	Minor Office Equipment	25,200.00	-
001	9	2110-9340	Uniform	6,000.00	-
001	9	2110-9342	Minor Technology Equipment	4,800.00	-
001	9	2110-9445	Purchase Services	12,000.00	-
001	9	2110-9635	Educational Materials	700.00	-
001	9	2110-9653	Medical Consults	1,100.00	-
001	9	2110-9640	Insurance and Bonds	805.00	-
001	9	2110-9863	Motor Vehicles	141,512.00	-
001	9	1910-9660	Board Contingency	-	214,579.60

Budget Officer

- Approved
 Denied

County Manager

- Approved
 Denied

Board of Commissioners

- Approved
 Denied

Signature

Signature

Signature

Date

Date

Date

CABARRUS COUNTY



BOARD OF COMMISSIONERS WORK SESSION

**February 6, 2023
4:00 PM**

AGENDA CATEGORY:

Discussion Items for Action

SUBJECT:

BOC - Appointments to Boards and Committees

BRIEF SUMMARY:

The following appointment to Boards and Committees are recommended for February:

Appointments - Home and Community Care Block Grant Advisory Committee

The terms for Home and Community Care Block Grant (HCCBG) Advisory Committee members Scott Barringer, Helen McInnis, Evelyn Miller, James Polk, and Katie Kutcher ended on December 31, 2022. All five members have agreed to be reappointed to serve another term. An exception to the length of service provision of the Appointment Policy will be needed for Mr. Polk, Mr. Barringer, Ms. Miller, and Ms. Kutcher. Ms. McInnis also serves on the Board of Equalization and Review and Adult Care Home Community Advisory Committee and Mr. Polk serves on the Transportation Advisory Board. An exception to the service on multiple boards provision of the Appointment Policy will be needed for them.

Representative recommendations are Scott Barringer, Helen McInnis, Evelyn Miller, James Polk, and Katie Kutcher.

Appointments and Removals - Human Services Advisory Board

Lasharee Rogers' appointment on the Human Services Advisory Board ended December 31, 2022. Ms. Rogers is not interested in serving another term.

Dr. Heather Tonya Anderson has submitted an application and is recommended to fill the vacant position on the Human Services Advisory Board.

Additionally, Anne Laukaitis' appointment on the Human Services Advisory Board ends December 31, 2023. Ms. Laukaitis has requested to resign from serving out her unexpired

term.

Patricia West has submitted an application and is recommended to fill the unexpired position on the Human Services Advisory Board.

Representative recommendations are Dr. Heather Anderson and Patricia West.

Appointments and Removals - Juvenile Crime Prevention Council

Judge Steve Grossman has resigned from his position on the Juvenile Crime Prevention Council as the Chief District Court Judge's designee. It is requested to appoint Chief District Court Judge Christy Wilhelm to complete the unexpired term.

Additionally, Deputy County Manager Rodney Harris has resigned from his position on the Juvenile Crime Prevention Council as the County Manager's designee. It is requested to appoint County Finance Director James Howden to complete the unexpired term. Mr. Howden does not reside in Cabarrus County. An exception to the residency provision of the Appointment Policy will be needed for him.

Representative recommendations are Judge Christy Wilhelm and James Howden.

Appointments and Removals - Mental Health Advisory Board

Judge Christy Wilhelm has resigned from her position on the Mental Health Advisory Board as the Local Judge representative. It is requested to remove her name from the roster. Judge Wilhelm has recommended Judge Steve Grossman to fill the unexpired term.

Judge Steve Grossman has submitted an application to serve on the Mental Health Advisory Board to serve as the Local Judge representative and is recommended to complete the unexpired term.

Representative recommendation is Judge Steve Grossman.

REQUESTED ACTION:

Provide information.

EXPECTED LENGTH OF PRESENTATION:

1 Minute

SUBMITTED BY:

Lauren Linker, Clerk to the Board

BUDGET AMENDMENT REQUIRED:

No

COUNTY MANAGER'S RECOMMENDATIONS/COMMENTS:

CABARRUS COUNTY



BOARD OF COMMISSIONERS WORK SESSION

**February 6, 2023
4:00 PM**

AGENDA CATEGORY:

Discussion Items for Action

SUBJECT:

BOC - Resolution Amending the Board of Commissioners' 2023 Meeting Schedule

BRIEF SUMMARY:

Approval is requested to add a meeting location to the Commissioners' 2023 meeting schedule on Friday, February 24, 2023 at 4:00 p.m. at the Cabarrus Arena and Events Center in Concord and on Saturday, February 25, 2023 at 8:00 a.m. at the Cabarrus Arena and Events Center in Concord.

REQUESTED ACTION:

Motion to suspend the Rules of Procedure due to time constraints.

Motion to adopt the resolution.

EXPECTED LENGTH OF PRESENTATION:

5 Minutes

SUBMITTED BY:

Lauren Linker, Clerk to the Board

BUDGET AMENDMENT REQUIRED:

No

COUNTY MANAGER'S RECOMMENDATIONS/COMMENTS:

ATTACHMENTS:

- ▣ Resolution



**Resolution Amending the
Cabarrus County Board of Commissioners'
2023 Meeting Schedule**

WHEREAS, on December 19, 2022, the Cabarrus County Board of Commissioners adopted a meeting schedule for calendar year 2023, which sets forth the dates, times and locations of various official county meetings; and

WHEREAS, the Board holds an annual goal-setting/planning retreat in the winter which is set for February 24, 2023 at 4:00 p.m. and February 25, 2023 at 8:00 a.m. at a place to be determined; and

WHEREAS, the Board is changing the venue for the annual goal-setting/planning retreat in which is set for February 24, 2023 at 4:00 p.m. at the Cabarrus Arena and Events Center in Concord, and February 25, 2023 at 8:00 a.m. at the Cabarrus Arena and Events Center in Concord; and

NOW, THEREFORE BE IT RESOLVED that the Cabarrus County Board of Commissioners hereby amends its 2023 Meeting Schedule as follows:

1. The Board of Commissioners will hold the annual goal-setting/planning retreat set for February 24, 2023 at 4:00 p.m. at the Cabarrus Arena and Events Center located at 4751 State Highway 49 in Concord, and the annual goal-setting/planning retreat set for February 25, 2023 at 8:00 a.m. at the Cabarrus Arena and Events Center located at 4751 State Highway 49 in Concord.

ADOPTED this 6th day of February, 2023.

Stephen M. Morris, Chairman
Cabarrus County Board of Commissioners

ATTEST:

Lauren Linker, Clerk to the Board

CABARRUS COUNTY



BOARD OF COMMISSIONERS WORK SESSION

**February 6, 2023
4:00 PM**

AGENDA CATEGORY:

Discussion Items for Action

SUBJECT:

Budget - Budget Amendment to Appropriate Board Contingency Funds for Legal Fees

BRIEF SUMMARY:

Due to increased legal fees, we are requesting an additional \$439,228 be added to the Legal Fees account from Board Contingency Funds.

REQUESTED ACTION:

Motion to approve a budget amendment in the amount of \$439,228 from contingency funds for Legal Fees.

EXPECTED LENGTH OF PRESENTATION:

5 Minutes

SUBMITTED BY:

Rosh Khatri, Budget Director

BUDGET AMENDMENT REQUIRED:

Yes

COUNTY MANAGER'S RECOMMENDATIONS/COMMENTS:

ATTACHMENTS:

- Budget Amendment

Budget Revision/Amendment Request

Date:

Amount:

Dept. Head:

Department:

Internal Transfer Within Department

Transfer Between Departments/Funds

Supplemental Request

Appropriate from Board Contingency \$439,228 for Legal Fees

Fund	Indicator	Department/ Object/ Project	Account Name	Increase Amount	Decrease Amount
001	9	1115-9609	Legal Fees	439,228.00	
001	9	1910-9660	Contingency		439,228.00

Budget Officer

- Approved
- Denied

County Manager

- Approved
- Denied

Board of Commissioners

- Approved
- Denied

Signature

Signature

Signature

Date

Date

Date

CABARRUS COUNTY



BOARD OF COMMISSIONERS WORK SESSION

**February 6, 2023
4:00 PM**

AGENDA CATEGORY:

Discussion Items for Action

SUBJECT:

County Manager - Rob Wallace Park Timing of Phase IIB

BRIEF SUMMARY:

On January 11, 2023, Town Manager Doug Paris relayed a request from the Midland Town Council to hold an expanded fireworks event for July 4th. The event is expected to include a stage for live music, food trucks, and vendors. Event activities are in the construction zone for Phase IIB with construction starting in April/May. Since delaying the project could result in a cost increase, staff is seeking Board approval to delay the Phase IIB bidding so the project can begin after July 4.

REQUESTED ACTION:

Receive input.

EXPECTED LENGTH OF PRESENTATION:

5 Minutes

SUBMITTED BY:

Rodney Harris, Deputy County Manager
Kyle Bilafer, Assistant County Manager

BUDGET AMENDMENT REQUIRED:

No

COUNTY MANAGER'S RECOMMENDATIONS/COMMENTS:

ATTACHMENTS:

- ▣ Project Map



X – Fireworks Shoot Off Location

Red Line is Fallout area

Green Line is Spectator area

Green Bar is Music Stage

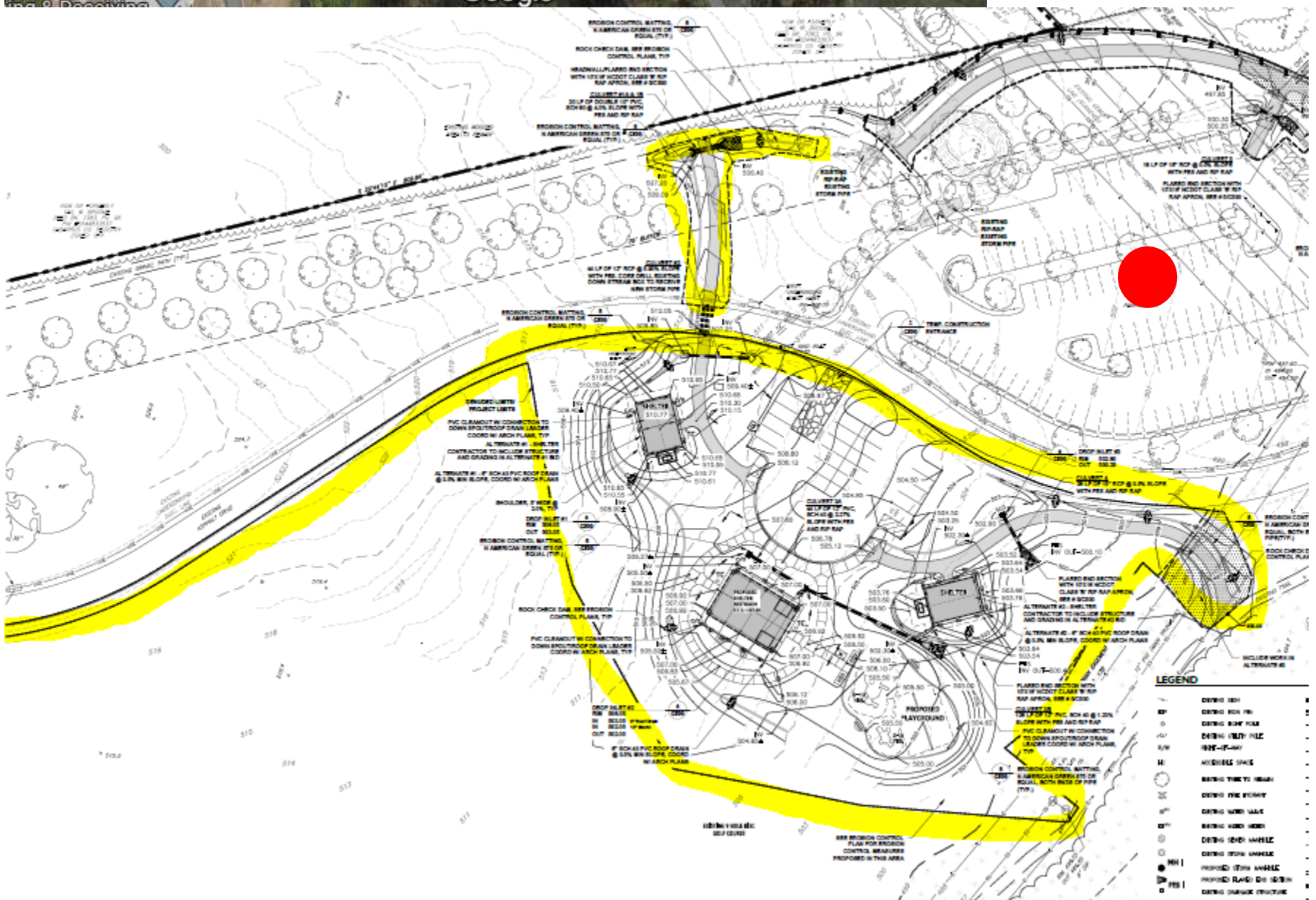
Yellow Dots are food trucks

Blue X are overflow parking

Muddy Creek

ertape Polymer
img 2. Reception

Google



LEGEND

○	EXISTING TREE
○	EXISTING TREE (10')
○	EXISTING TREE (15')
○	EXISTING TREE (20')
○	EXISTING TREE (25')
○	EXISTING TREE (30')
○	EXISTING TREE (35')
○	EXISTING TREE (40')
○	EXISTING TREE (45')
○	EXISTING TREE (50')
○	EXISTING TREE (55')
○	EXISTING TREE (60')
○	EXISTING TREE (65')
○	EXISTING TREE (70')
○	EXISTING TREE (75')
○	EXISTING TREE (80')
○	EXISTING TREE (85')
○	EXISTING TREE (90')
○	EXISTING TREE (95')
○	EXISTING TREE (100')
○	EXISTING TREE (105')
○	EXISTING TREE (110')
○	EXISTING TREE (115')
○	EXISTING TREE (120')
○	EXISTING TREE (125')
○	EXISTING TREE (130')
○	EXISTING TREE (135')
○	EXISTING TREE (140')
○	EXISTING TREE (145')
○	EXISTING TREE (150')
○	EXISTING TREE (155')
○	EXISTING TREE (160')
○	EXISTING TREE (165')
○	EXISTING TREE (170')
○	EXISTING TREE (175')
○	EXISTING TREE (180')
○	EXISTING TREE (185')
○	EXISTING TREE (190')
○	EXISTING TREE (195')
○	EXISTING TREE (200')
○	EXISTING TREE (205')
○	EXISTING TREE (210')
○	EXISTING TREE (215')
○	EXISTING TREE (220')
○	EXISTING TREE (225')
○	EXISTING TREE (230')
○	EXISTING TREE (235')
○	EXISTING TREE (240')
○	EXISTING TREE (245')
○	EXISTING TREE (250')
○	EXISTING TREE (255')
○	EXISTING TREE (260')
○	EXISTING TREE (265')
○	EXISTING TREE (270')
○	EXISTING TREE (275')
○	EXISTING TREE (280')
○	EXISTING TREE (285')
○	EXISTING TREE (290')
○	EXISTING TREE (295')
○	EXISTING TREE (300')
○	EXISTING TREE (305')
○	EXISTING TREE (310')
○	EXISTING TREE (315')
○	EXISTING TREE (320')
○	EXISTING TREE (325')
○	EXISTING TREE (330')
○	EXISTING TREE (335')
○	EXISTING TREE (340')
○	EXISTING TREE (345')
○	EXISTING TREE (350')
○	EXISTING TREE (355')
○	EXISTING TREE (360')
○	EXISTING TREE (365')
○	EXISTING TREE (370')
○	EXISTING TREE (375')
○	EXISTING TREE (380')
○	EXISTING TREE (385')
○	EXISTING TREE (390')
○	EXISTING TREE (395')
○	EXISTING TREE (400')
○	EXISTING TREE (405')
○	EXISTING TREE (410')
○	EXISTING TREE (415')
○	EXISTING TREE (420')
○	EXISTING TREE (425')
○	EXISTING TREE (430')
○	EXISTING TREE (435')
○	EXISTING TREE (440')
○	EXISTING TREE (445')
○	EXISTING TREE (450')
○	EXISTING TREE (455')
○	EXISTING TREE (460')
○	EXISTING TREE (465')
○	EXISTING TREE (470')
○	EXISTING TREE (475')
○	EXISTING TREE (480')
○	EXISTING TREE (485')
○	EXISTING TREE (490')
○	EXISTING TREE (495')
○	EXISTING TREE (500')
○	EXISTING TREE (505')
○	EXISTING TREE (510')
○	EXISTING TREE (515')
○	EXISTING TREE (520')
○	EXISTING TREE (525')
○	EXISTING TREE (530')
○	EXISTING TREE (535')
○	EXISTING TREE (540')
○	EXISTING TREE (545')
○	EXISTING TREE (550')
○	EXISTING TREE (555')
○	EXISTING TREE (560')
○	EXISTING TREE (565')
○	EXISTING TREE (570')
○	EXISTING TREE (575')
○	EXISTING TREE (580')
○	EXISTING TREE (585')
○	EXISTING TREE (590')
○	EXISTING TREE (595')
○	EXISTING TREE (600')
○	EXISTING TREE (605')
○	EXISTING TREE (610')
○	EXISTING TREE (615')
○	EXISTING TREE (620')
○	EXISTING TREE (625')
○	EXISTING TREE (630')
○	EXISTING TREE (635')
○	EXISTING TREE (640')
○	EXISTING TREE (645')
○	EXISTING TREE (650')
○	EXISTING TREE (655')
○	EXISTING TREE (660')
○	EXISTING TREE (665')
○	EXISTING TREE (670')
○	EXISTING TREE (675')
○	EXISTING TREE (680')
○	EXISTING TREE (685')
○	EXISTING TREE (690')
○	EXISTING TREE (695')
○	EXISTING TREE (700')
○	EXISTING TREE (705')
○	EXISTING TREE (710')
○	EXISTING TREE (715')
○	EXISTING TREE (720')
○	EXISTING TREE (725')
○	EXISTING TREE (730')
○	EXISTING TREE (735')
○	EXISTING TREE (740')
○	EXISTING TREE (745')
○	EXISTING TREE (750')
○	EXISTING TREE (755')
○	EXISTING TREE (760')
○	EXISTING TREE (765')
○	EXISTING TREE (770')
○	EXISTING TREE (775')
○	EXISTING TREE (780')
○	EXISTING TREE (785')
○	EXISTING TREE (790')
○	EXISTING TREE (795')
○	EXISTING TREE (800')
○	EXISTING TREE (805')
○	EXISTING TREE (810')
○	EXISTING TREE (815')
○	EXISTING TREE (820')
○	EXISTING TREE (825')
○	EXISTING TREE (830')
○	EXISTING TREE (835')
○	EXISTING TREE (840')
○	EXISTING TREE (845')
○	EXISTING TREE (850')
○	EXISTING TREE (855')
○	EXISTING TREE (860')
○	EXISTING TREE (865')
○	EXISTING TREE (870')
○	EXISTING TREE (875')
○	EXISTING TREE (880')
○	EXISTING TREE (885')
○	EXISTING TREE (890')
○	EXISTING TREE (895')
○	EXISTING TREE (900')
○	EXISTING TREE (905')
○	EXISTING TREE (910')
○	EXISTING TREE (915')
○	EXISTING TREE (920')
○	EXISTING TREE (925')
○	EXISTING TREE (930')
○	EXISTING TREE (935')
○	EXISTING TREE (940')
○	EXISTING TREE (945')
○	EXISTING TREE (950')
○	EXISTING TREE (955')
○	EXISTING TREE (960')
○	EXISTING TREE (965')
○	EXISTING TREE (970')
○	EXISTING TREE (975')
○	EXISTING TREE (980')
○	EXISTING TREE (985')
○	EXISTING TREE (990')
○	EXISTING TREE (995')
○	EXISTING TREE (1000')

CABARRUS COUNTY



BOARD OF COMMISSIONERS WORK SESSION

**February 6, 2023
4:00 PM**

AGENDA CATEGORY:

Discussion Items for Action

SUBJECT:

County Manager - U-5956 - Rock Hill Church Rd/Union Cemetery Road Realignment Easement Settlement

BRIEF SUMMARY:

The North Carolina Department of Transportation has requested both a temporary construction easement and a permanent easement along Union Cemetery Road for the purpose of the realignment of Rock Hill Church Rd/Union Cemetery Road. The easements are to facilitate the realignment of Union Cemetery Road. The purpose of this project is to improve mobility and connectivity by providing a more direct connection between Rock Hill Church Road and Union Cemetery Road. This project will also improve traffic operations by reducing congestion and delay in the Rock Hill Church Road/US 29/601 (Concord Parkway) Union Cemetery Road intersection area. Cabarrus County has been offered a total of \$20,975 for the easements and the value of the improvements to be acquired. The proposed settlement is based on comparable sales in the area and the value of the landscaping. The areas in yellow on the attached maps are temporary and the area in red is permanent. The funds will need to be allocated to Cabarrus County Schools to replace required landscaping that will be removed during the project. The Cabarrus County School Board has reviewed the attached plans. Attached are the proposal and maps showing the easements as well as the project plan as well as the necessary budget amendments.

REQUESTED ACTION:

Consider the offer from NCDOT for temporary and permanent easements and the value of the improvements to be acquired. If the board approves the offer, authorize the county manager to execute the documents after review by the county attorney and adopt associated budget amendments to accept revenues and allocate for necessary expenditures.

EXPECTED LENGTH OF PRESENTATION:

10 Minutes

SUBMITTED BY:

Kelly Sifford, AICP

Assistant County Manager

BUDGET AMENDMENT REQUIRED:

No

COUNTY MANAGER'S RECOMMENDATIONS/COMMENTS:

ATTACHMENTS:

- ▣ NCOT offer
- ▣ NCDOT project map
- ▣ Legal document

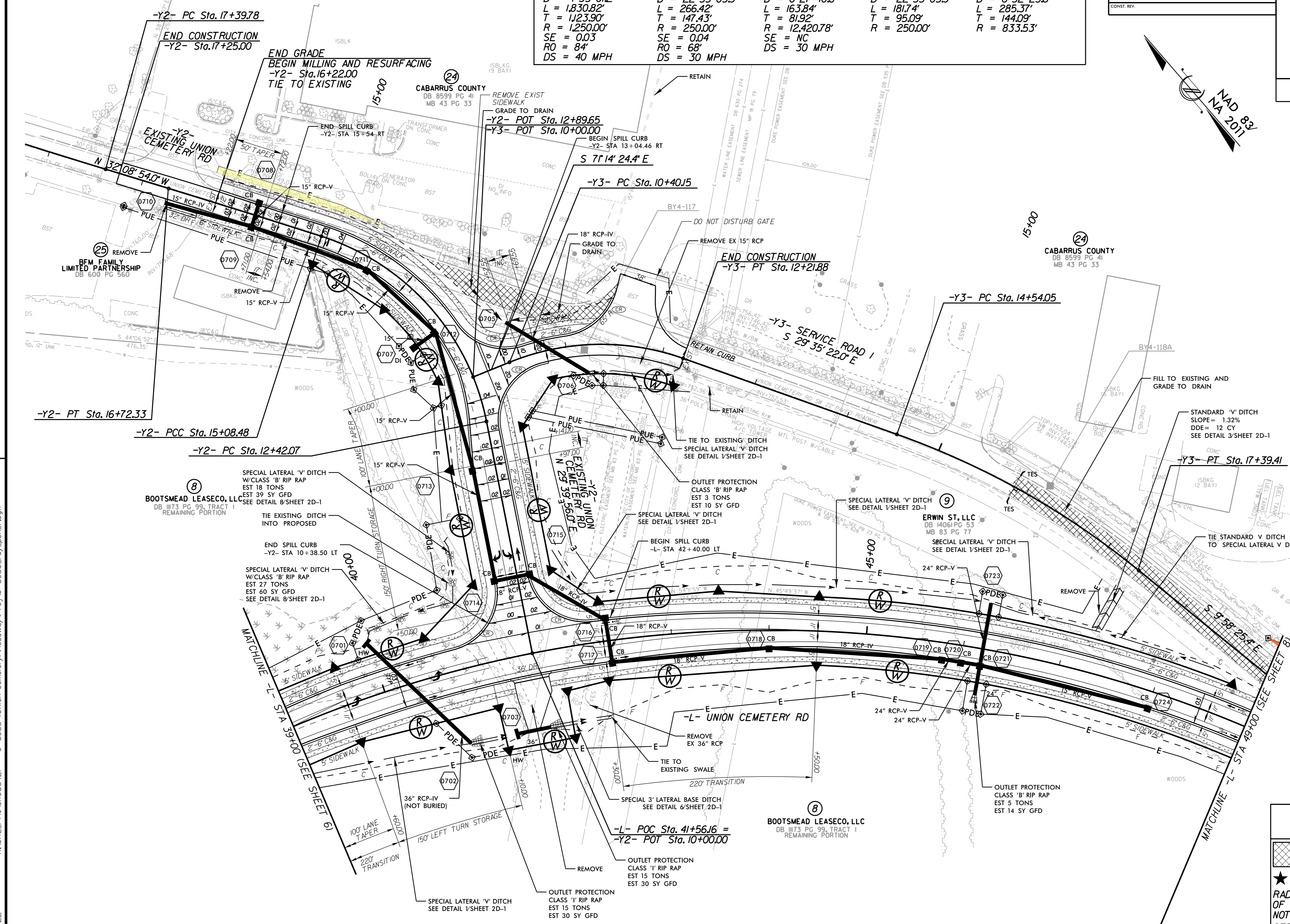
PROJECT REFERENCE NO. U-5956	SHEET NO. 7
RW SHEET NO.	HYDRAULICS ENGINEER
ROADWAY ENGINEER	

**DOCUMENT NOT CONSIDERED FINAL
UNLESS ALL SIGNATURES COMPLETED**

-L-	-Y2-	-Y3-
PI Sta 45+76.65	PI Sta 13+89.50	PI Sta 15+90.41
$\Delta = 83^{\circ}55'06.4"$ (RT)	$\Delta = 61^{\circ}03'29.1"$ (LT)	$\Delta = 0^{\circ}45'20.9"$ (LT)
$D = 4^{\circ}35'01.2"$	$D = 22^{\circ}55'05.9"$	$D = 0^{\circ}27'40.6"$
$L = 1,830.82'$	$L = 266.42'$	$L = 163.84'$
$T = 1,233.90'$	$T = 147.43'$	$T = 81.92'$
$R = 1,250.00'$	$R = 250.00'$	$R = 12,420.78'$
$SE = 0.03$	$SE = 0.04$	$SE = NC$
$RO = 84'$	$RO = 68'$	$DS = 30$ MPH
$DS = 40$ MPH	$DS = 30$ MPH	



REVISIONS

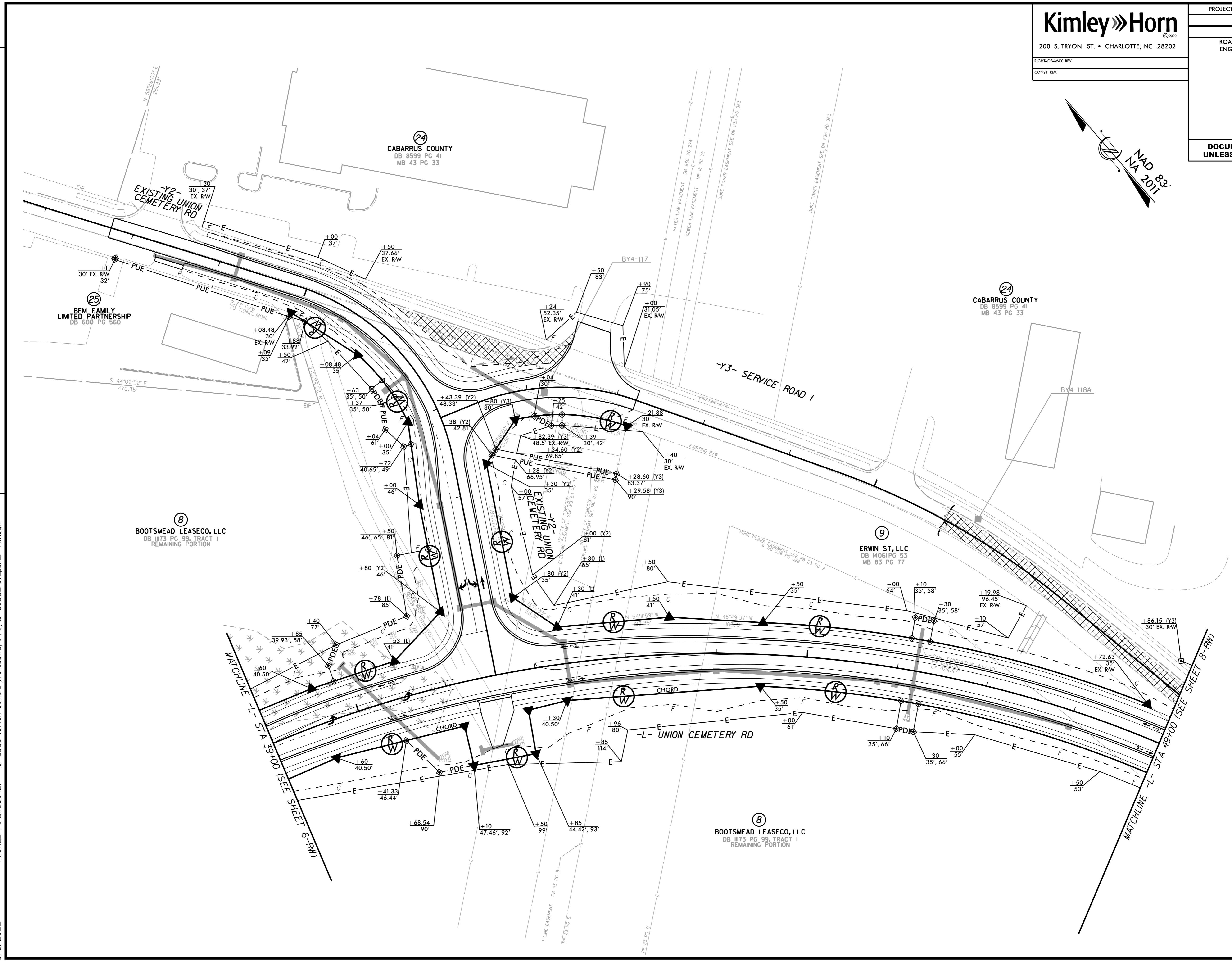




REVISIONS

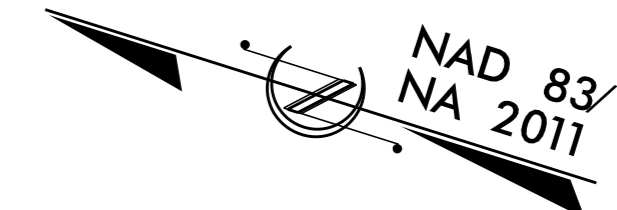
K:\CHL_PRJ\01036427 - U-5956 (Union Cemetery)\Roadway\Proj\U-5956_rdy_pst_7-RW.dgn

8/9/2022

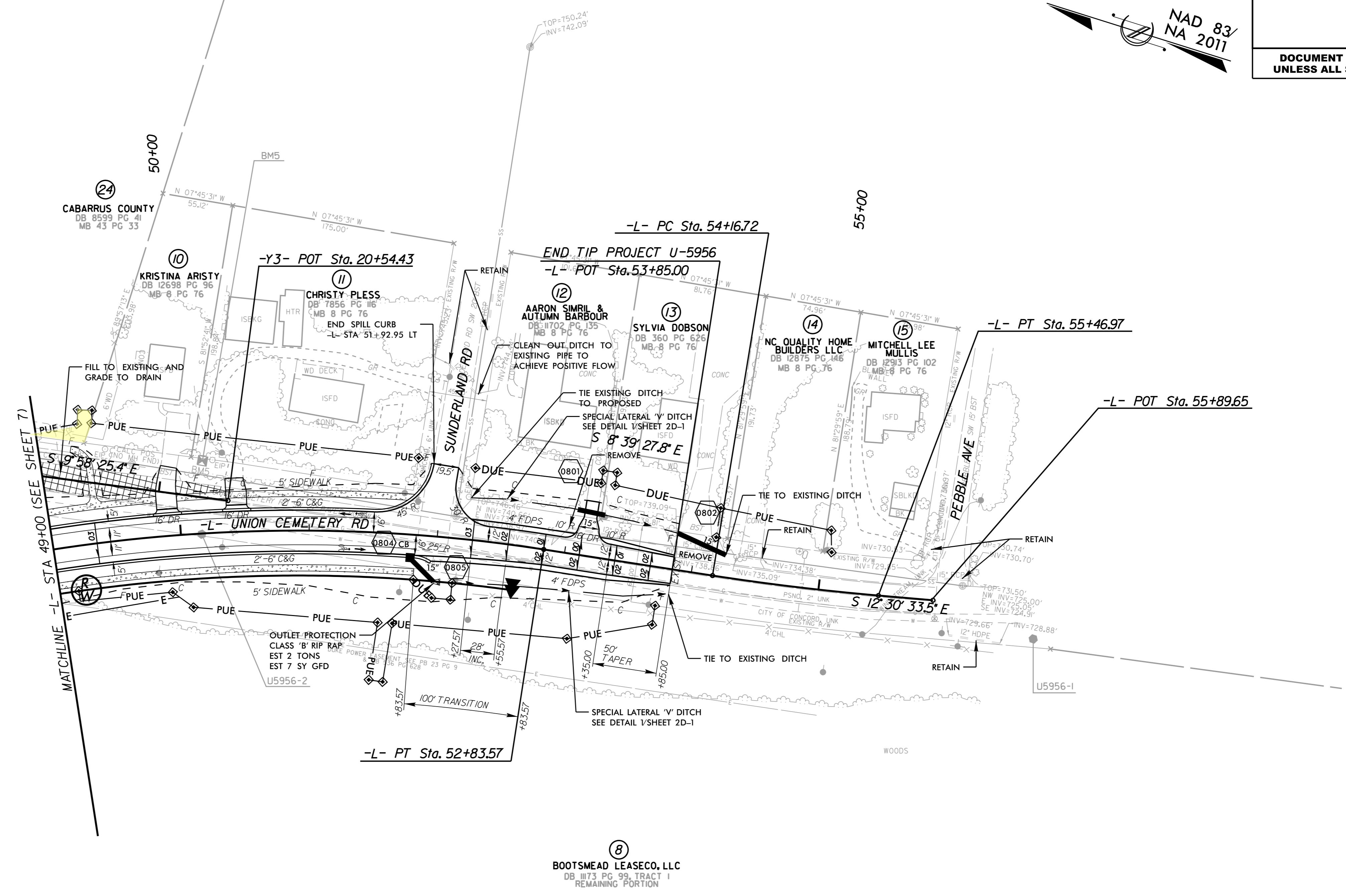


PROJECT REFERENCE NO. U-5956	SHEET NO. 8
R/W SHEET NO.	HYDRAULICS ENGINEER
ROADWAY ENGINEER	

**DOCUMENT NOT CONSIDERED FINAL
UNLESS ALL SIGNATURES COMPLETED**



REVISIONS



K:\CHL_PR\01036427 - U-5956 (Union Cemetery)\Roadway\Proj\U-5956_rdy_pst_b.dgn
8/9/2022

-L-	
PI Sta 45+76.65	PI Sta 54+81.87
$\Delta = 83^{\circ}55'06.4"$ (RT)	$\Delta = 3^{\circ}51'05.7"$ (LT)
D = 4'35'01.2"	D = 2'57'25.1"
L = 1,830.82'	L = 130.25'
T = 1,253.90'	T = 65.15'
R = 1,250.00'	R = 1,937.65'
SE = 0.03	
RO = 84	
DS = 40 MPH	

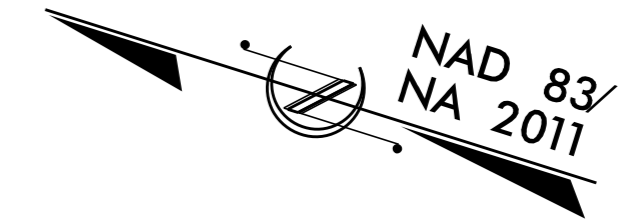
SEE PAVEMENT MARKING PLANS FOR CURB RAMP LOCATIONS

REMOVAL OF EXISTING ASPHALT PAVEMENT

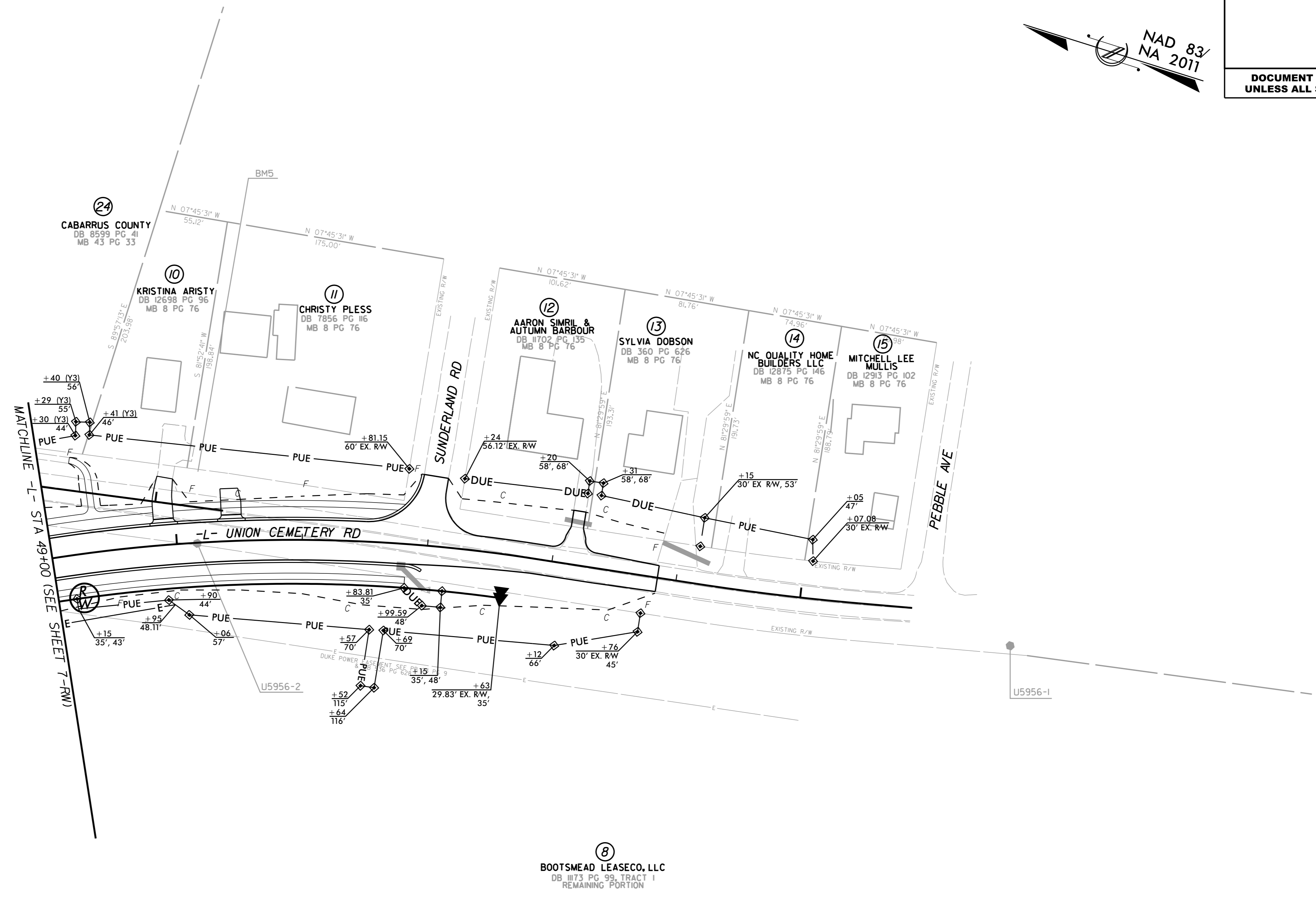
★ TRAFFIC SIGNAL

RADI DIMENSIONS ARE TO THE EDGE OF PAVEMENT UNLESS OTHERWISE NOTED

SEE SHEET 15 FOR -L- PROFILE



REVISIONS



K:\CHL_PR\01036427 - U-5956 (Union Cemetery)\Roadway\Proj\U-5956_rdy_pst_8-RW.dgn

8/9/2022

Revenue Stamps \$ _____

PERMANENT UTILITY EASEMENT

THIS INSTRUMENT DRAWN BY James T. Valk CHECKED BY Jeff Furr

RETURN TO: Professional Property Services, Inc.
18335 Old Statesville Road, Unit A
Cornelius, NC 28031

NORTH CAROLINA
COUNTY OF CABARRUS
TAX PARCEL 5620 11 1575 0000

TIP/PARCEL NUMBER: U-5956 024
WBS ELEMENT: 46891.2.2
ROUTE: UNION CEMETERY ROAD TO
CABARRUS AVE W,
CONCORD PKWY N AND
WARREN COLEMAN BLVD

THIS EASEMENT, made and entered into this the _____ day of _____ 20 _____
by and between Cabarrus County
PO Box 707
Concord, NC 28026

hereinafter referred to as GRANTORS, and the Department of Transportation, an agency of the State of North Carolina, 1546 Mail Service Center, Raleigh, NC 27611, hereinafter referred to as the Department;

WITNESSETH

THAT WHEREAS, the DEPARTMENT desires to construct and maintain a utility facility through and across the property of GRANTORS,

AND WHEREAS, GRANTORS, recognizing the benefits accruing to their said property through the construction and maintenance by the DEPARTMENT of roads and highways upon or in the vicinity of said property of GRANTORS,

NOW, THEREFORE, in consideration of said benefits, and further consideration of \$ 20,975.00 and other valuable considerations, GRANTORS hereby release the DEPARTMENT, its successors and assigns, from any and all claims for damages by reason of the construction and maintenance of said utility facility across and through the lands of GRANTORS, and GRANTORS hereby give, grant, bargain, sell and convey unto the DEPARTMENT, its successors, and assigns, an easement for the construction and maintenance of a utility facility across and through the property of GRANTORS located in No. 11 Township, Cabarrus County, and being more fully described in a deed recorded in Book 8599, Page 41, Cabarrus County Registry, said easement being described as follows:

Point of beginning being S 48°34'3.1" E, 411.149 feet from -L- Sta 45+00 thence to a point on a bearing of S 9°58'25.4" E 51.305 feet thence to a point on a bearing of S 89°57'13.4" E 18.868 feet thence to a point on a bearing of N 74°18'56.4" E 7.457 feet thence to a point on a bearing of N 15°10'5.4" W 11.045 feet thence to a point on a bearing of S 74°49'54.6" W 11.045 feet thence to a point on a bearing of N 27°40'55.4" W 46.027 feet returning to the point and place of beginning.

The final right of way plans showing the above described area are to be certified and recorded in the Office of the Register of Deeds for said county pursuant to N.C.G.S. 136-19.4, reference to which plans is hereby made for purposes of further description and for greater certainty.

Said Permanent Utility Easement in perpetuity is for the installation and maintenance of utilities, and for all purposes for which the DEPARTMENT is authorized by law to subject same. The Department and its agents or assigns shall have the right to construct and maintain in a proper manner in, upon and through said premises utility line or lines with all necessary pipes, poles and appurtenances, together with the right at all times to enter said premises for the purpose of inspecting said utility lines and making all necessary repairs and alterations thereon; together with the right to cut away and keep clear of said utility lines, all trees and other obstructions that may in any way endanger or interfere with the proper maintenance and operation of the same with the right at all times of ingress, egress and regress. The underlying fee owner shall have the right to continue to use the Permanent Utility Easement area(s) in any manner and for any purpose, including but not limited to the use of said area for access, ingress, egress, and parking, that does not, in the determination of the Department, obstruct or materially impair the actual use of the easement area(s) by the Department of Transportation, its agents, assigns, and contractors.

It is understood and agreed that the Department shall have the right to construct and maintain the cut and/or fill slopes in the above-described permanent utility easement area(s). It is further understood and agreed that Permanent Utility Easement shall be used by the Department for additional working area during the above described project.

IN ADDITION, and for the aforesaid consideration, the GRANTORS further hereby convey to the DEPARTMENT, its successors and assigns the following described areas and interests:

Temporary Construction Easement described as follows:

Area One:

Point of beginning being N 13°45'52.6" W, 815.896 feet from -L- Sta 45+00 thence along a curve 188.491 feet and having a radius of 12450.779 feet. The chord of said curve being on a bearing of S 31°31'9.8" E, a distance of 188.489 feet thence to a point on a bearing of N 24°22'16.0" W 57.374 feet thence to a point on a bearing of N 31°34'48.6" W 131.614 feet thence to a point on a bearing of S 58°2'48.9" W 7.000 feet returning to the point and place of beginning.

Area Two:

Point of beginning being N 1°25'17.7" E, 451.377 feet from -L- Sta 45+00 thence along a curve 90.809 feet and having a radius of 12450.779 feet. The chord of said curve being on a bearing of S 29°54'41.2" E, a distance of 90.808 feet thence to a point on a bearing of N 38°49'42.0" E 45.580 feet thence to a point on a bearing of N 32°51'25.2" W 53.185 feet thence to a point on a bearing of S 88°7'32.0" W 45.030 feet returning to the point and place of beginning.

It is understood and agreed that the Department shall have the right to construct and maintain the cut and/or fill slopes in the above described area(s) until such time that the property owners alter the adjacent lands in such a manner that the lateral support of the cut and/or fill slopes are no longer needed. Any additional construction areas lying beyond the beyond the right of way limits and beyond any permanent easement areas will terminate upon completion of the project. The underlying fee owner shall have the right to continue to use the Temporary Easement area(s) in any manner and for any purpose, including but not limited to the use of said area for access, ingress, egress, and parking, that does not, in the determination of the Department, obstruct or materially impair the actual use of the easement area(s) by the Department of Transportation, its agents, assigns, and contractors.

This easement is subject to the following provisions only:

The undersigned property owners request that the Department enter upon our lands outside the right of way to the extent necessary for the reconnection of our driveway and we will have no further claim as a result of said reconnection.

There are no conditions to this EASEMENT not expressed herein.

To HAVE AND TO HOLD said perpetual easement for highway purposes unto the DEPARTMENT, its successors and assigns, and the GRANTORS, for themselves, their heirs, successors, executors and assigns, hereby warrant and covenant that they are the sole owners of the property; that they solely have the right to grant the easement; and that they will forever warrant and defend title to the same against the lawful claims of all persons whomsoever;

COUNTY: Cabarrus WBS ELEMENT: 46891.2.2 TIP/PARCEL NO.: U-5956 024

The Grantors acknowledge that the project plans for Project # 46891.2.2 have been made available to them. The Grantors further acknowledge that the consideration stated herein is full and just compensation pursuant to Article 9, Chapter 136 of the North Carolina General Statutes for the acquisition of the said interests and areas by the Department of Transportation and for any and all damages to the value of their remaining property; for any and all claims for interest and costs; for any and all damages caused by the acquisition for the construction of Department of Transportation Project # 46891.2.2 , Cabarrus County; and for the past and future use of said areas by the Department of Transportation, its successors and assigns for all purposes for which the said Department is authorized by law to subject the same.

IN WITNESS WHEREOF, GRANTOR, pursuant to a resolution dated _____, has caused this instrument to be signed in its corporate name by its **CHAIRMAN OF THE CABARRUS COUNTY BOARD OF COMMISSIONERS**, its corporate seal hereto affixed, and attested by its **CLERK OF THE CABARRUS COUNTY BOARD OF COMMISSIONERS**, by order of the **CABARRUS COUNTY COMMISSIONERS**, this the day and year first above written.

This instrument does not transfer the herein described interests unless and until this document is accepted by an authorized agent of the Department of Transportation.

CABARRUS COUNTY

(CORPORATE SEAL)

BY:

_____, Chairman of Cabarrus County Board of Commissioners

ATTEST:

_____, Clerk of Cabarrus County Board of Commissioners

ACCEPTED FOR THE DEPARTMENT OF TRANSPORTATION BY: _____

(Official Seal)	North Carolina, _____ County
	I, _____, a Notary Public for _____ County, North Carolina, certify that _____ personally came before me this day
	and acknowledged that he/she is the CLERK of the Cabarrus County Board Of Commissioners, and that by authority duly given, the foregoing instrument was signed in its name by _____, its CHAIRMAN of the Cabarrus COUNTY BOARD OF COMMISSIONERS, sealed with its corporate seal, and attested by _____ as its CLERK.
	Witness my hand and official seal this the _____ day of _____, 20 _____.
	_____ Notary Public
	My commission expires: _____

CABARRUS COUNTY



BOARD OF COMMISSIONERS WORK SESSION

**February 6, 2023
4:00 PM**

AGENDA CATEGORY:

Discussion Items for Action

SUBJECT:

CVB - Mondo Track at Jay M. Robinson High School

BRIEF SUMMARY:

The Board of Directors for the Cabarrus County Tourism Authority approved funding for a Mondo Track at Jay M. Robinson High School to further enhance sports tourism related activities and economic impact.

REQUESTED ACTION:

Motion for approval of project utilizing Cabarrus County Tourism Authority funds to pass through Cabarrus County pending Cabarrus County School Board approval; and adopt the project ordinance and budget amendment.

EXPECTED LENGTH OF PRESENTATION:

15 Minutes

SUBMITTED BY:

Donna Carpenter, President and CEO, Cabarrus County Tourism Authority

BUDGET AMENDMENT REQUIRED:

No

COUNTY MANAGER'S RECOMMENDATIONS/COMMENTS:

ATTACHMENTS:

- ▣ Presentation
- ▣ Budget Amendment
- ▣ Project Ordinance



Mondo Track **Jay M. Robinson High School**



Why Mondo Surface?

Among Mondo's impressive credentials are:

- Was official surface supplier for 12 consecutive Olympic Games (since Montreal 1976).
- Is official surface supplier for Tokyo 2021 Olympic Games.
- Has been official surface supplier for World Athletics (formerly IAAF) since 1996.
- Has the most World Athletics (IAAF)-certified tracks worldwide; all Mondo track surfaces are World Athletics certified.

In addition, a Mondo track was the surface for:

- The past 33 (since 1989) NCAA Division I Indoor Track & Field Championships.
- The past 25 (since 1994) USATF Indoor Track & Field Championships.
- 12 World Athletics (IAAF) World Outdoor Track & Field Championships.
- 16 World Athletics (IAAF) World Indoor Track & Field Championships.
- More than 285 world records.
- More than 73% of all indoor records.
- More than 66% of all outdoor records.



Mondo Track



- 8 (42") Lanes
- 2 Chutes
- 1 D-Zone
- 1 Long/Triple Jump Runway
- 1 Pole Vault Runway
- Discus/Hammer Combination Pad/Cage
- Steeple Chase Water Jump Pit, and Hurdles

Color can be customized to match
Jay M. Robinson Colors

Zone markings for relay races





Economic Impact

- **CLT Bring the Heat** – April 2024
1,800 Athletes, 700 Spectators (200 Rooms)
- **CLT Flights** - June 2024
1,800 Athletes, 700 Spectators (200 Rooms)
- **AAU District** – June 2024
3,000 Athletes, 1,000 Spectators (800 Rooms)
- **Jim Law Invitational** – June 2024
1,800 Athletes, 700 Spectators (600 Rooms)
- **USATF State Meet** – June 2024
1,800 Athletes, 700 Spectators (360 Rooms)
- **AAU National Qualifier** – July 2024
1,800 Athletes, 700 Spectators (360 Rooms)

Economic Impact: \$2.1 Million

Opportunities

New Balance Nationals, Special Olympics, State Games, Conference USA, Early Bird Invitational, Collegiate Challenge, Camel City Invitational.

Budget Revision/Amendment Request

Date:

Amount:

Dept. Head:

Department:

Internal Transfer Within Department

Transfer Between Departments/Funds

Supplemental Request

Budget amendment for Mondo track surface at JM Robinson High School funded by reimbursement from the Cabarrus County Convention and Visitors Bureau.

Fund	Indicator	Department/ Object/ Project	Account Name	Approved Budget	Increase Amount	Decrease Amount	Revised Budget
390	6	7210-6923-MONDO	Proceeds from CVB	-	1,439,860.00		1,439,860.00
390	9	7210-9830-MONDO	Other Improvements	-	1,439,860.00		1,439,860.00

Budget Officer

County Manager

Board of Commissioners

Approved

Denied

Approved

Denied

Approved

Denied

Signature

Signature

Signature

Date

Date

Date

CABARRUS COUNTY SCHOOL CAPITAL PROJECTS BUDGET ORDINANCE

BE IT ORDAINED by the Board of Commissioners of Cabarrus County, North Carolina that, Pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, the following capital project ordinance is hereby adopted:

Section I.

- A. The project authorized is for the construction and renovations of School Facilities. Details of the project are listed in section C. of this Project Ordinance.
- B. The officers of this unit are hereby directed to proceed with this capital project within the terms of the Generally Accepted Accounting Principles (GAAP) and the budget contained herein.

It is estimated that the following revenues will be available to complete capital projects as listed.

Contribution from General Fund/CIF	\$ 33,925,319
Contribution from Capital Projects Fund	9,522,511
Debt Proceeds 2020 Draw Note	46,620,222
Debt Proceeds 2022 Draw Note	55,711,930
Debt Proceeds 2024 Draw Note	6,081,750
Contribution from Capital Reserve Fund	1,662,314
Contribution from Convention & Visitors Bureau	1,439,860
NC Department of Transportation	1,950,000

TOTAL REVENUES	\$156,913,906
-----------------------	----------------------

- C. The following appropriations are made as listed.

CCS Mobile Unit Renovation	\$ 3,300,000
Concord High Fire Alarm Replacement	89,314
Northwest High Fire Alarm Replacement	89,314
JM Robinson Renovation	81,195
R. Brown McAllister Replacement	48,356,750
Roberta Road Middle School	56,604,300
CCS New High School	9,508,821
CCS Southeast High School – Land purchase	1,816,320
Kannapolis Middle School	138,897
AL Brown Football Stadium ADA/Drainage	228,000
AL Brown Roof Replacement	190,000
RCCC Building 1000 Boiler	62,780
RCCC Building 2000 Roof Replacement	154,500
RCCC CBTC HVAC	244,291
Contribution to Capital Reserve	5,001,114
Early College Mobile Units	2,337,000
Mondo Track – JM Robinson High School	1,439,860
Deferred Maintenance Cabarrus County Schools	19,663,416

Deferred Maintenance Kannapolis City School	4,140,034
Deferred Maintenance Rowan Cabarrus Community College	3,468,000
TOTAL EXPENDITURES	\$156,913,906
GRAND TOTAL – REVENUES	\$156,913,906
GRAND TOTAL – EXPENDITURES	\$156,913,906

Section II.

- A. Special appropriations to non-profit organizations shall be distributed after the execution of an agreement which ensures that all County funds are used for statutorily permissible public purposes.
- B. The County Manager or designee is hereby authorized to transfer appropriations within or between funds, or modify revenue and expenditure projections as contained herein under the following conditions:
 1. The Manager may transfer amounts between objects of expenditure and revenues within a function without limitation.
 2. The County Manager may transfer amounts up to \$500,000 between functions of the same fund.
 3. The County Manager may transfer amounts between contingency funds which are set aside for a specific project for budgetary shortfalls or upon the appropriate approval of a change order.
 4. The County Manager is authorized to transfer funds from the General Fund or Capital Reserve Fund to the appropriate fund for projects approved within the Capital Improvement Plan for the current fiscal year.
 5. Upon notification of funding increases or decreases to existing grants or revenues, or the award of grants or revenues, the Manager or designee may adjust budgets to match, including grants that require a County match for which funds are available.
 6. The Manager or designee may adjust debt financing from estimated projections to actual funds received.
 7. The County Manager may enter into and execute change orders or amendments to construction contracts in amounts less than \$90,000 when the appropriate annual budget or capital project ordinance contains sufficient appropriated but unencumbered funds.
 8. The County Manager may award and execute contracts which are not required to be bid or which G.S. 143-131 allows to be let on informal bids so long as the annual budget or appropriate capital project ordinance contains sufficient appropriated but unencumbered funds for such purposes.
 9. The County Manager may execute contracts with outside agencies to properly document budgeted appropriations to such agencies where G.S. 153 A-248(b), 259, 449 and any similar statutes require such contracts.
 10. The County Manager may reject formal bids when deemed appropriate and in the best interest of Cabarrus County pursuant to G.S. 143-129(a).

11. The County Manager may reduce revenue projections consistent with prevailing economic conditions, and also reduce expenditures correspondingly.

Section III.

This ordinance and the budget documents shall be the basis of the financial plan for the County of Cabarrus.

- a. The Finance Director is hereby directed to maintain within the Capital Project Fund sufficient detailed accounting records to satisfy the requirements of the law.
- b. The Finance Director is directed to report, at the request of the Board, on the financial status of each project element in Section I and on the total revenues received or claimed.
- c. Copies of this capital project ordinance shall be furnished to the Clerk to the governing Board, and to the Finance Director for direction in carrying out this project.
- d. At the completion of a construction project, all unrestricted excess funds are transferred to the General Fund, Community Investment Fund or other Capital Project Fund and the portion of the Capital Project associated with the project is closed.

Adopted this 20th Day of February 2023.

CABARRUS COUNTY BOARD OF COMMISSIONERS

BY: _____
Stephen M. Morris, Chairman

ATTEST:

Clerk to the Board

CABARRUS COUNTY



BOARD OF COMMISSIONERS WORK SESSION

**February 6, 2023
4:00 PM**

AGENDA CATEGORY:

Discussion Items for Action

SUBJECT:

DHS - Budget Amendment for ERA Program

BRIEF SUMMARY:

Staff will present a program update of the Emergency Rental Assistance Program and request to approve the budget amendment to match the funding allocation from the U.S. Treasury.

REQUESTED ACTION:

Motion to adopt the budget amendment.

EXPECTED LENGTH OF PRESENTATION:

10 Minutes

SUBMITTED BY:

Karen Calhoun, DHS Director
Lora Lipe, EFSS Program Administrator

BUDGET AMENDMENT REQUIRED:

Yes

COUNTY MANAGER'S RECOMMENDATIONS/COMMENTS:

ATTACHMENTS:

- ▣ Budget Amendment
- ▣ Presentation

Budget Revision/Amendment Request

Date: 2/20/2023

Amount: 2,092,112.55

Dept. Head: Karen Calhoun

Department: DHS

Internal Transfer Within Department
 Transfer Between Departments/Funds
 Supplemental Request

The Treasury has decreased our allocation for the ERA2 grant. We need to adjust the budget to reflect our remaining allocation to make sure that we will stay within that budget.
 New Allocation \$3,073,597.45 x 15% for admin = \$461,039.62

Fund	Indicator	Department/ Object/ Project	Account Name	Approved Budget	Increase Amount	Decrease Amount	Revised Budget
440	6	5645-6202-ERA22	US Tr EmgA	(5,165,710.00)		(2,092,112.55)	(3,073,597.45)
440	9	5645-9101-ERA22	Sal & Wags	170,000.00	38,308.00		208,308.00
440	9	5645-9114-ERA22	Cont Emp	41,819.00		15,987.00	25,832.00
440	9	5645-9122-ERA22	Other Pays	4,000.00		4,000.00	0.00
440	9	5645-9201-ERA22	SS	13,899.00	771.00		14,670.00
440	9	5645-9202-ERA22	Medicare	3,133.00	231.00		3,364.00
440	9	5645-9205-ERA22	GH Ins	26,243.00	21,772.00		48,015.00
440	9	5645-9206-ERA22	Vision	400.00		62.00	338.00
440	9	5645-9207-ERA22	Life Ins	400.00		12.00	388.00
440	9	5645-9210-ERA22	Retirement	25,500.00	3,673.00		29,173.00
440	9	5645-9230-ERA22	Work Comp	4,558.00		1,692.00	2,866.00
440	9	5645-9235-ERA22	Def C 401k	8,000.00	2,260.00		10,260.00
440	9	5645-9301-ERA22	Off Sup	3,956.00		3,956.00	0.00
440	9	5645-9331-ERA22	MO Equip	19,000.00		19,000.00	0.00
440	9	5645-9445-ERA22	Pur Svs	448,934.00		336,092.04	112,841.96
440	9	5645-9640-ERA22	Ins & Bond	5,014.50		30.84	4,983.66
440	9	5645-946002-ERA22	US Tr EmgA	4,390,853.50		1,778,295.67	2,612,557.83
					67,015.00	67,015.00	-

Budget Revision/Amendment Request

Budget Officer

- Approved
- Denied

Signature

Date

County Manager

- Approved
- Denied

Sianature

Date

Board of Commissioners

- Approved
- Denied

Signature

Date

Emergency Rental Assistance Program Update

February 6, 2023



CABARRUS COUNTY
America Thrives Here

ERAP Funding

ERA-1 U.S. Treasury

\$6,528,517.40 – spent by 1/31/2022

ERA-1 NC Pro - State

\$4,965,551.80 – spent by 9/30/2022

ERA-2 U.S. Treasury – spent by 1/17/2023

\$5,165,710.30 (40% rec'd or \$2,066,284.12 plus Tranche 2 of \$503,656.75 rec'd 1/26/23 – county budgeted full amt. thus BA needed). Active Tranche 3 request pending.



ERAP Data

Unique Households Assisted:

- 904 Federal
- 742 NC Pro State
- 512 CCM
- 2,158 Households Assisted

As of December 31, 2022



Rent and Utilities

Total Rent:	\$11,543,351.39
Total Utilities:	\$670,888.55
Administration:	\$744,934.38
<i>Total Expenditures:</i>	<i>\$12,959,174.32</i>

As of December 31, 2022



Reallocation Requirement

- U.S. Treasury issued reallocation guidance on June 28, 2022, impacting the availability of ERA-2 funds with incremental reductions imposed each quarter, although funds were originally available through September 2025.
- Of the 40% ERA-2 allocation, 40% had to be spent by 1st Quarter of 2022 or 6/30/22 to avoid reduction, and 60% by 2nd Quarter or 9/30/2022.
- DHS had to spend ERA-1 funds by September 2022.

ERAP Unwinding Plan

- Cabarrus DHS started the ERAP Program on March 17, 2021.
- We have spent and reported all ERA-1 funding.
- DHS is working to “unwind” the ERA program by mid-March 2023.
- 30-day notice provided to CCM to end contract effective January 15, 2023.
- Notice to current ERAP staff at DHS provided on January 6, 2023, to begin reduction in force effective March 23, 2023.
- Availability of administrative funding along with program funding will be monitored closely to sunset the program.

Questions?



CABARRUS COUNTY
America Thrives Here

CABARRUS COUNTY



BOARD OF COMMISSIONERS WORK SESSION

**February 6, 2023
4:00 PM**

AGENDA CATEGORY:

Discussion Items for Action

SUBJECT:

Finance - Budget Amendment and Capital Project Ordinance

BRIEF SUMMARY:

During the January Board meeting the Board re-affirmed the Mt. Pleasant Library / ALC /Foil Park Project budget of \$26,500,000. Currently in the Capital Project Fund, there is a budget of \$17,499,999 for this project. The attached budget amendment and project ordinance budgets the additional funds of \$9,000,001 with a transfer from the Community Investment Fund of \$8,500,001 and from a PARTF Grant of \$500,000.

REQUESTED ACTION:

Motion to approve the budget amendment and project ordinance.

EXPECTED LENGTH OF PRESENTATION:

5 Minutes

SUBMITTED BY:

Jim Howden, Finance Director

BUDGET AMENDMENT REQUIRED:

Yes

COUNTY MANAGER'S RECOMMENDATIONS/COMMENTS:

ATTACHMENTS:

- ▣ Budget Amendment
- ▣ Budget Ordinance - FD 380

Budget Revision/Amendment Request

Date:

Amount:

Dept. Head:

Department:

Internal Transfer Within Department
 Transfer Between Departments/Funds
 Supplemental Request

This budget amendment is to budget for the current approved cost of \$26,500,000 to construct the Mt. Pleasant Library/ALC/Foil Park Project in Fund 380 - County Capital Project Fund. \$17,499,999 is already budgeted in the County Capital Project Fund. The remaining \$9,000,001 will be provided from the Community Investment Fund and a PARTF Grant, \$8,500,001 and \$500,000 respectively.

Fund	Indicator	Department/ Object/ Project	Account Name	Approved Budget	Increase Amount	Decrease Amount	Revised Budget
380	6	8140-6932-MPLIB	Contribution from Community Investment Fund	-	8,500,001		8,500,001
380	6	8140-6319	PARTF Grant	-	500,000		500,000
380	9	8240-9820	Library Construction	10,000,000	9,000,001		19,000,001
100	6	0000-6901	Fund Balance Appropriated	10,679,435	8,500,001		19,179,436
100	9	0000-9708	Contribution to Capital Project Fund	24,011,611	8,500,001		32,511,612

Budget Officer

Approved
 Denied

County Manager

Approved
 Denied

Board of Commissioners

Approved
 Denied

Signature

Signature

Signature

Date

Date

Date

Budget Revision/Amendment Request

Date:

Amount:

Dept. Head:

Department:

Internal Transfer Within Department

Transfer Between Departments/Funds

Supplemental Request

Purpose:

Fund	Indicator	Department/ Object/ Project	Account Name	Approved Budget	Increase Amount	Decrease Amount	Revised Budget
							0.00
							0.00
							0.00
							0.00
							0.00
							0.00
							0.00
							0.00
							0.00
							0.00
							0.00
							0.00
							0.00
							0.00
							0.00
							0.00
							0.00
							0.00
							0.00
							0.00
							0.00

CABARRUS COUNTY COUNTY CAPITAL PROJECTS BUDGET ORDINANCE

BE IT ORDAINED by the Board of Commissioners of Cabarrus County, North Carolina that, Pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, the following capital project ordinance is hereby adopted:

Section I.

- A. The project authorized is for the construction and renovations of County Facilities. Details of the project are listed in section C. of this Project Ordinance.
- B. The officers of this unit are hereby directed to proceed with this capital project within the terms of the Generally Accepted Accounting Principles (GAAP) and the budget contained herein.

It is estimated that the following revenues will be available to complete capital projects as listed.

Debt Proceeds 2020 Draw Note	\$ 60,904,154
Debt Proceeds 2022 Draw Note	103,458,267
Debt Proceeds 2024 Debt Program	16,654,664
Contributions from Capital Projects Fund	27,770,234
Contribution from General Fund	40,355,281
Contribution from Capital Reserve Fund	3,657,664
Contribution from Internal Service Fund	1,065,426
Contribution from Community Investment Fund	16,393,328
State Allocation	40,700,000
PARTF Grant	500,000
TOTAL REVENUES	\$311,459,018

- C. The following appropriations are made as listed.

Courthouse Site Enabling Construction & Renovation	\$ 146,545,280
Governmental Center Skylight & Roof Replacement	2,328,494
Contribution to Capital Reserve (Reimb for Skylight Project)	2,085,000
Artificial Turf Fields	4,401,748
Frank Liske Barn Replacement	7,033,845
Legal / Closing Expenses	952,508
Governmental Center Parking Deck Sealing	235,983
Emergency Equipment Warehouse/ ITS Location	15,867,999
Fiber Infrastructure Improvement	799,000
Jail Annex HVAC Replacement	193,000
Sheriff Training & Firing Range Renovations	2,185,000
Human Services HVAC	180,000
Frank Liske Park ADA Renovations	1,300,000
Frank Liske Park Playground Replacement	203,600
Camp Spencer Vending & Archery Building	536,998
West Cabarrus Library & Senior Center	2,400,000
Deferred Maintenance Projects	9,371,450
EMS Headquarters	21,007,999
Mt. Pleasant Library / ALC / Foil Park Project	26,500,000

Northeast Area Land	4,729,117
Mental Health Facility	35,597,554
Other Improvements Unallocated	1,632,642
Enterprise Physical Security Project (ITS)	807,000
Concord Senior Center Overflow Parking Lot	700,000
Contribution to the General Fund	47,500
Frank Liske Park Softball Complex Utilities	410,000
Rob Wallace Park	1,533,504
Animal Shelter Expansion	290,000
Frank Liske Park Stormwater Project	570,803
Northeast Cabarrus Radio Tower Project	2,439,171
Milestone Building	8,150,000
Fire Services Building	370,000
Frank Liske Park Tennis Court	280,000
Frank Liske Park Multiple Projects	5,000,000
Government Center Building Repair	450,000
Public Safety Training Center	2,073,823
Human Services Facility	2,250,000
TOTAL EXPENDITURES	\$311,459,018
GRAND TOTAL – REVENUES	\$311,459,018
GRAND TOTAL – EXPENDITURES	\$311,459,018

Section II.

- A. Special appropriations to non-profit organizations shall be distributed after the execution of an agreement which ensures that all County funds are used for statutorily permissible public purposes.
- B. The County Manager or designee is hereby authorized to transfer appropriations within or between funds, or modify revenue and expenditure projections as contained herein under the following conditions:
 1. Transfers amounts between objects of expenditure and revenues within a function without limitation.
 2. Transfer amounts up to \$500,000 between functions of the same fund.
 3. Transfer amounts between contingency funds which are set aside for a specific project for budgetary shortfalls or upon the appropriate approval of a change order.
 4. Enter and execute change orders or amendments to construction contracts in amounts less than \$90,000 when the appropriate annual budget or capital project ordinance contains sufficient appropriated but unencumbered funds.
 5. Award and execute contracts which are not required to be bid or which G.S. 143-131 allows to be let on informal bids so long as the annual budget or appropriate capital project ordinance contains sufficient appropriated but unencumbered funds for such purposes.
 6. Execute contracts with outside agencies to properly document budgeted appropriations to such agencies where G.S. 153 A-248(b), 259, 449 and any similar statutes require such contracts.
 7. Reject formal bids when deemed appropriate and in the best interest of Cabarrus County pursuant to G.S. 143-129(a).

Section III.

This ordinance and the budget documents shall be the basis of the financial plan for the County of Cabarrus.

- a. The Finance Director is hereby directed to maintain within the Capital Project Fund sufficient detailed accounting records to satisfy the requirements of the law.
- b. The Finance Director is directed to report, at the request of the Board, on the financial status of each project element in Section I and on the total revenues received or claimed.
- c. Copies of this capital project ordinance shall be furnished to the Clerk to the governing Board, and to the Finance Director for direction in carrying out this project.
- d. At the completion of a construction project, all unrestricted excess funds are transferred to the Community Investment Fund and the portion of the Capital Project associated with the project is closed.

Adopted this 20th day of February, 2023.

CABARRUS COUNTY BOARD OF COMMISSIONERS

BY: _____
Stephen M. Morris, Chairman

ATTEST:

Clerk to the Board

CABARRUS COUNTY



BOARD OF COMMISSIONERS WORK SESSION

**February 6, 2023
4:00 PM**

AGENDA CATEGORY:

Discussion Items for Action

SUBJECT:

Finance - Reimbursement Resolution

BRIEF SUMMARY:

The County may advance its own funds to pay certain expenditures associated with the Mt. Pleasant Library / ALC / Foil Park Project. The attached Reimbursement Resolution will allow the County to reimburse themselves with future debt, if so desired, up to the full \$26,500,000 if necessary.

REQUESTED ACTION:

Motion to adopt the Reimbursement Resolution for the Mt. Pleasant Library / ALC / Foil Park Project up to \$26,500,000.

EXPECTED LENGTH OF PRESENTATION:

5 Minutes

SUBMITTED BY:

Jim Howden, Finance Director

BUDGET AMENDMENT REQUIRED:

No

COUNTY MANAGER'S RECOMMENDATIONS/COMMENTS:

ATTACHMENTS:

▢ Reimbursement Resolution

RESOLUTION DECLARING OFFICIAL INTENT TO REIMBURSE
EXPENDITURES WITH PROCEEDS OF DEBT PURSUANT TO UNITED STATES
DEPARTMENT OF TREASURY REGULATIONS

BE IT RESOLVED by the Board of Commissioners of Cabarrus County:

1. The Board hereby finds, determines and declares as follows:

(a) Treasury Regulations Section 1.150-2 (the "Regulations"), promulgated by the United States Department of Treasury on June 18, 1993, prescribes certain specific procedures applicable to certain obligations issued by the County after June 30, 1993, including, without limitation, a requirement that the County timely declare its official intent to reimburse certain expenditures with the proceeds of debt to be issued thereafter by the County.

(b) The County has advanced and/or will advance its own funds to pay certain capital costs (the "Original Expenditures") associated with financing, in whole or in part, (i) the design, acquisition, construction, installation and equipping of a new public park facility, including the acquisition of necessary land, easements and rights-of-way, (ii) site development, (iii) any and all related utilities relocation and (iv) various real and/or personal property improvements related to any of the foregoing (collectively, the "Mt. Pleasant Library, ALC, Foil Park Project").

(c) The funds heretofore advanced or to be advanced by the County to pay the Original Expenditures are or will be available only on a temporary basis, and do not consist of funds that were otherwise earmarked or intended to be used by the County to permanently finance the Original Expenditures.

(d) As of the date hereof, the County reasonably expects that it will reimburse itself for such Original Expenditures with the proceeds of debt to be incurred by the County, and the maximum principal amount of debt to be incurred with respect to the Mt. Pleasant Library, ALC, Foil Park Project is expected to be \$26,500,000.

(e) All Original Expenditures to be reimbursed by the County were paid no more than 60 days prior to, or will be paid on or after the date of, this declaration of official intent. The County understands that such reimbursement must occur not later than 18 months after the later of (i) the date the Original Expenditure was paid; or (ii) the date the Mt. Pleasant Library, ALC, Foil Park Project was placed in service or abandoned, but in no event more than 3 years after the Original Expenditure was paid.

2. This resolution shall take effect immediately.

I, Lauren Linker, Clerk to the Board of Commissioners for the County of Cabarrus, North Carolina, DO HEREBY CERTIFY that the foregoing is a true copy of so much of the proceedings of said Board of Commissioners at a regular meeting held on February 20, 2023, as relates in any way to the passage of the resolutions hereinabove referenced, and that said proceedings are recorded in Minute Book No. [] of the minutes of said Board of Commissioners, beginning at page ___ and ending at page ___.

I DO HEREBY FURTHER CERTIFY that the schedule of regular meetings of said Board of Commissioners has been on file in my office pursuant to North Carolina General Statutes §143-318.12 as of a date not less than seven (7) days before said meeting.

WITNESS my hand and the corporate seal of said County, this 20th day of February 2023.

Clerk to the Board of Commissioners
for the County of Cabarrus, North Carolina

[SEAL]

CABARRUS COUNTY



BOARD OF COMMISSIONERS WORK SESSION

**February 6, 2023
4:00 PM**

AGENDA CATEGORY:

Discussion Items for Action

SUBJECT:

Infrastructure and Asset Management - Stonewall Jackson Training School (SJTS) Parcels
Timber Harvesting Plan Approval

BRIEF SUMMARY:

County staff will update the Board on the current Stonewall Jackson Training School (SJTS) property acquisition, timber harvesting request for services, and timber harvesting logistics and contract.

REQUESTED ACTION:

Motion to authorize the County Manager to execute the contract with timber harvesting consultant (GFR Forestry Consultants) subject to review by County Attorney once Cabarrus County officially owns the particular parcels identified for timber harvest.

EXPECTED LENGTH OF PRESENTATION:

10 Minutes

SUBMITTED BY:

Kyle Bilafer, Assistant County Manager
Kelly Sifford, Assistant County Manager

BUDGET AMENDMENT REQUIRED:

No

COUNTY MANAGER'S RECOMMENDATIONS/COMMENTS:

ATTACHMENTS:

- ▣ Cost Estimate Letter
- ▣ Aerial
- ▣ Letter of Scope
- ▣ Market Timber Outline - Thinning
- ▣ Market Timber Outline - Full Harvest

Cabarrus County Infrastructure and Asset Management
PO Box 707
Concord, NC 28026

Cabarrus County,

Below you will find GFR Forestry Consultants proposed fees and cost estimates to complete field work, conduct timber sales, manage the harvests, and oversee a contractor to clear and improve the logging roads.

Final Harvest

Services: Sale prep, inventory, market timber sale, conduct timber sale, and oversee harvest operation.

Flat Rate Fee = **\$10,500.00**

This fee should be paid in 3 phases:

- **Phase 1:** Sale prep, inventory, appraisal = **\$4,000.00** (due upon completion of appraisal)
- **Phase 2:** Marketing of the timber sale = **\$4,000.00** (due upon advertisement of sale notice)
- **Phase 3:** At closing of the timber sale = **\$2,500.00**

First Commercial Thinning

Services: Sale prep, inventory, market timber sale, conduct timber sale, and oversee harvest operation.

Flat Rate Fee = **\$6,300.00**

This fee should be paid in 2 phases:

- **Phase 1:** Sale prep, inventory, appraisal = **\$2,100.00** (due upon execution of timber cutting agreement)
- **Phase 2:** Marketing, harvest monitoring = **\$4,200.00** (due upon completion of the harvest and satisfactory reconciliation of payment for wood harvested)

There will be no timber sale preparation activities conducted on this portion of the property until guaranteed access is established.

Mulching Contractor to Clear Access Road and Fence Line; Road Improvements to First Thinning

Carolina Brush & Land Management, LLC Estimate: \$275/hour for 3 days = **\$6,600 Total**

Zach Gfeller: (704) 475-2238

GFR Hourly Management Fee = \$95/hour

Should the timber sale be unsuccessful, GFR should be paid hourly compensation for the time invested in the project at a \$95/hour rate.

For all services beyond normal timber sale activities and marketing, a separate fee arrangement will be required.

Sincerely,

Caela Brooks, NCBRF #1892

**PROPOSED
 TIMBER SALE MAP**
 Cabarrus County
 Stough Road Tract
 Cabarrus County, NC

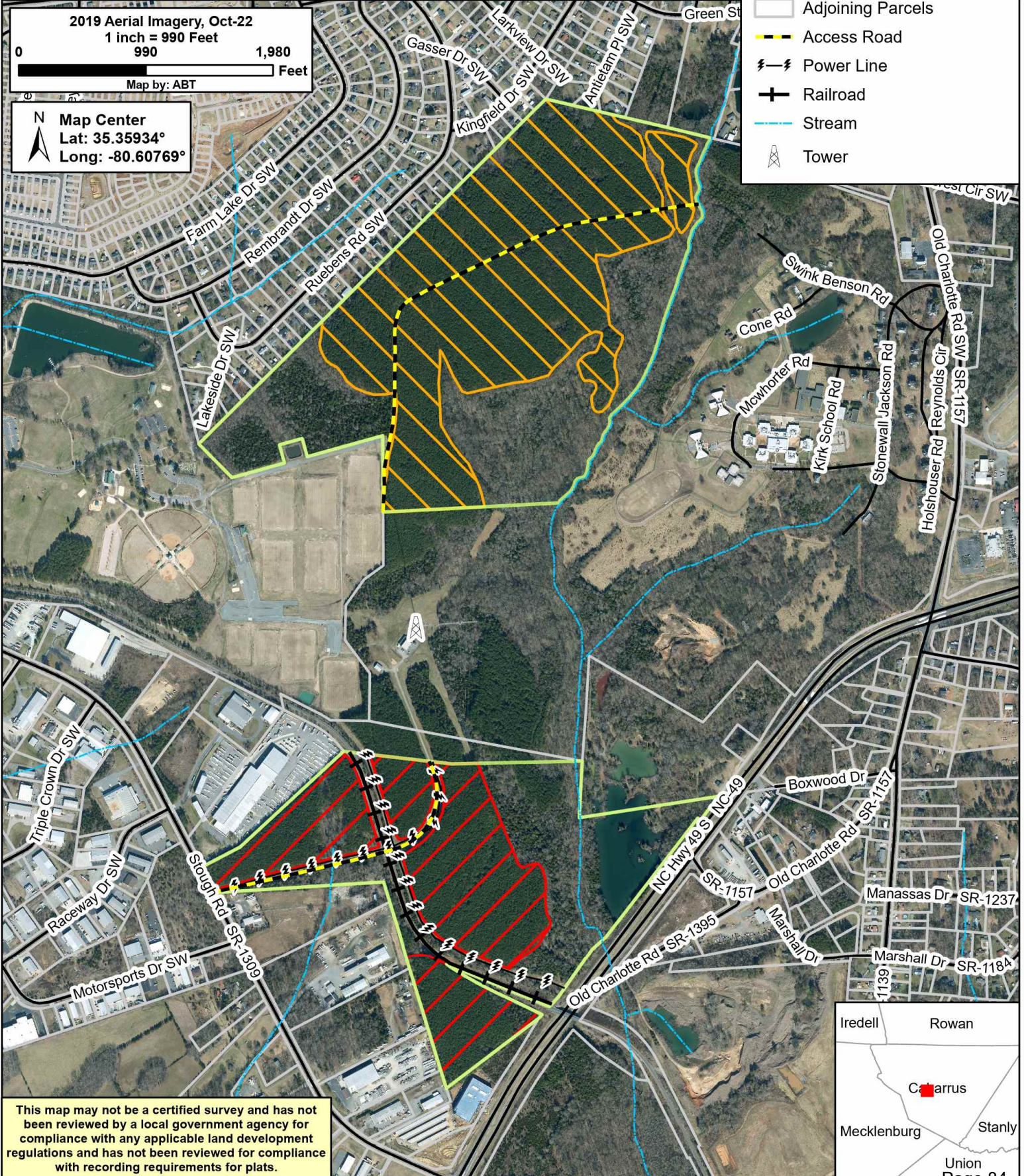
Legend

Total Harvest Area: 156.2 +/- Ac

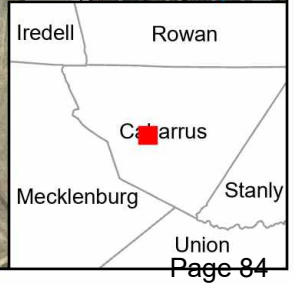
-  1st Thinning: 100.4 +/- Ac
-  Final Harvest: 55.8 +/- Ac
-  Property Boundary
-  Adjoining Parcels
-  Access Road
-  Power Line
-  Railroad
-  Stream
-  Tower

2019 Aerial Imagery, Oct-22
 1 inch = 990 Feet
 0 990 1,980 Feet
 Map by: ABT

N
 Map Center
 Lat: 35.35934°
 Long: -80.60769°



This map may not be a certified survey and has not been reviewed by a local government agency for compliance with any applicable land development regulations and has not been reviewed for compliance with recording requirements for plats.



December 1, 2022

Cabarrus County Infrastructure and Asset Management
Mr. Kyle Bilafer
PO Box 707
Concord, NC 28026

Dear Mr. Bilafer:

I enjoyed talking with Mr. Marshall to discuss the forest management needs on the woodland properties in Cabarrus County, North Carolina. I appreciate the opportunity to assist the County with the assessment and long-term forest management recommendations for this property.

It is our understanding that the County would like GFR Forestry Consultants to proceed with the preparation of two timber sales on the Stough Road Tract, as shown on the attached map.

- First Thinning of 100.4 +/- acres to be sold pay-as-cut
- Final Harvest of 55.8 +/- acres to be sold lump sum

Attached is an agreement that will summarize our decisions to date, and when signed by you, will be a record of our agreement. If this agreement is accurate, please sign the enclosed Marketing Timber Outline and return to our Oakboro office via email or mail.

Thank you for your confidence in GFR Forestry Consultants. We appreciate the opportunity to assist you in achieving your forest management goals. If you have any questions, please do not hesitate to contact our office at (704) 984-0343.

Best regards,

Caela D. Brooks, ACF, NCRF #1892

CDB/mlm

Enclosure

MARKETING TIMBER OUTLINE

Cabarrus County, NC – Stough Road Tract - Cabarrus County, North Carolina
First Thinning of 100.4 +/- Acres
Parcel Number: 5529014835000

Listed below are the services provided by Gelbert, Fullbright & Randolph Forestry Consultants, PLLC, (hereinafter, GFR) when handling and marketing the forest products for Landowners. Compensation for this work is covered by a fee of \$6,300.00 to be paid in two phases. Phase one will include sale preparation, inventory and appraisal of the timber at the rate of \$2,100.00 due at the execution of the timber cutting agreement. Phase two will include marketing of the sale and harvest monitoring at the rate of \$4,200.00 due at the completion of the harvest and satisfactory reconciliation of payments for wood harvested.:

The following services are included in Phase 1:

1. Initial meeting with the client and a cursory inspection of the tract and the timber.
2. The marking of property lines, streamside management zones, and other special areas. The need for a property survey will be determined at this point.

In the event that a legal plat of the property is not available or survey markings are not evident on the ground, all reasonable efforts will be made by GFR to reconstruct the location of property lines using deed description(s), available evidence and landowner's representation of the property lines. However, the landowner assumes responsibility for lines observed that may in the future be in dispute with survey information that was not available at the time of marketing or due to error, omission or misrepresentation by the landowner.

3. Consultation with the seller regarding the field data collected, current market prices, and marketing strategy.
4. The preparation and mailing of an "Invitation to Bid" to reputable buyers in the sale market area. The providing of any additional information needed by prospective buyers regarding the sale and the timber. The Invitation to Bid will include:
 - a. A description of the timber, relevant timber data, the logging conditions, an aerial map of the property showing the sale area(s), and a location map.
 - b. A listing of the conditions which must be met by the buyer, including a listing of any fields, roads, fences, and other vulnerable areas which must not be damaged during logging. The list will include a description of the statutes and Best Management Practices for Forestry within the State where the property lies.
 - c. A cutting time limit.
 - d. Insurance requirements. The buyer will be responsible for insurance that covers the company's liability and workers compensation during logging.
 - e. If a partial cut of the stand is being conducted, any reserved timber, which is not to be damaged, is described.
 - f. Additional conditions included as needed.

MARKETING TIMBER OUTLINE

Cabarrus County, NC – Stough Road Tract - Cabarrus County, North Carolina
First Thinning of 100.4 +/- Acres
Parcel Number: 5529014835000

-
5. A timber contract is drafted that includes the map and conditions of sale. The sale will be finalized by obtaining signatures, delivering the contract, and obtaining the non-refundable advance payment and performance bond from the buyer.

The following services are included in Phase 2:

1. GFR monitors and inspects all of the cutting to ensure that the sale conditions are met. In the event a condition is not honored, GFR will appraise (or assist in the appraisal) of damages and represent the landowner in negotiations with the buyer.
2. During logging, the logger will submit load tickets and security load sheets of what has been cut. GFR will reconcile these tickets and load sheets to verify that all trees that have been cut have been paid for accurately.
3. When the cutting time limit expires, or the logging is completed, a final logging inspection will be completed to ensure all conditions of the sale have been met. The landowner may request a release form be signed by the buyer at this time.
4. Timber basis calculations that assist the seller in minimizing the income tax consequences of the sale can be provided *for an additional fee*.
5. A completed W-9 form must be submitted by all landowners that will receive timber sale proceeds upon execution of the timber cutting agreement.

MARKETING TIMBER OUTLINE

Cabarrus County, NC – Stough Road Tract - Cabarrus County, North Carolina
Final Harvest of 55.8 +/- Acres
Parcel Number: 5528075215000

Listed below are the services provided by Gelbert, Fullbright & Randolph Forestry Consultants, PLLC, (hereinafter, GFR) when handling the marketing of forest products for Landowners. Compensation for this work is covered by a fee of \$10,500.00 to be paid in 3 phases. Phase one will include sale preparation, inventory and appraisal of the timber at the rate of \$4,000.00 due upon completion of the appraisal. Phase 2 will include marketing of the timber sale at the rate of \$4,000.00 due upon advertisement of sale notice. Phase 3 will include closing of the timber sale at the rate of \$2,500.00 due at closing.

The following services are included in Phase 1:

1. Initial meeting with the client and a cursory inspection of the tract and the timber.
2. The marking of property lines, streamside management zones, and other special areas. The need for a property survey will be determined at this point.

In the event that a legal plat of the property is not available or survey markings are not evident on the ground, all reasonable efforts will be made by GFR to reconstruct the location of property lines using deed description(s), available evidence and landowner's representation of the property lines. However, the landowner assumes responsibility for lines observed that may in the future be in dispute with survey information that was not available at the time of marketing or due to error, omission or misrepresentation by the landowner.

3. An estimation of the merchantable trees by size, species, and volume or weight, as well as their market value, carried out by timber cruise. The volumes and value estimates derived from the timber cruise are our professional opinion of the current volumes and market values, but should not be considered a guarantee of the timber volumes and values.

The following services are included in Phase 2:

1. Consultation with the seller regarding the field data collected, current market prices, and marketing strategy.
2. The preparation and mailing of an "Invitation to Bid" to reputable buyers in the sale market area. The providing of any additional information needed by prospective buyers regarding the sale and the timber. The Invitation to Bid will include:
 - a. A description of the timber, relevant timber data, the logging conditions, an aerial map of the property showing the sale area(s), and a location map.
 - b. A listing of the conditions which must be met by the buyer, including a listing of any fields, roads, fences, and other vulnerable areas which must not be damaged during logging. The list will include a description of the statutes and Best Management Practices for Forestry within the State where the property lies.
 - c. A cutting time limit.
 - d. The timber volume estimation by product.

MARKETING TIMBER OUTLINE

Cabarrus County, NC – Stough Road Tract - Cabarrus County, North Carolina
Final Harvest of 55.8 +/- Acres
Parcel Number: 5528075215000

-
- e. Insurance requirements. The buyer will be responsible for insurance that covers the company's liability and workers compensation during logging.
 - f. If a partial cut of the stand is being conducted, any reserved timber, which is not to be damaged, is described.
 - g. Additional conditions are included as needed.
3. The sale will be concluded provided the buyer offers a price that exceeds the predetermined, undisclosed minimum. This minimum will be set by discussion with the seller prior to the bid opening; *no offer meeting or exceeding this minimum will be turned down due to price*. A 10% deposit may be required from the successful buyer. A performance bond will be acquired at time of closing, to be held until the satisfactory completion of the timber harvest. Any money obtained is held in an escrow account until all conditions of sale are met.

The following services are included in Phase 3:

1. A timber deed is drafted that includes the map and conditions of sale from the bid notice. The sale will be closed by obtaining signatures, delivering the deed, and obtaining the payment due from the successful buyer. A closing statement for the seller is drafted showing all sale income and expense. Checks are printed and distributed by GFR or the attorney for the seller or buyer.
2. A completed W-9 form must be submitted by all landowners that will receive timber sale proceeds upon execution of the timber deed.
3. GFR monitors and inspects all of the timber cutting to ensure that the sale conditions are met. In the event a condition is not honored, GFR will appraise (or assist in the appraisal) of damages and represent the landowner in negotiations with the buyer.
4. When the cutting time limit expires, or the logging is completed, a final logging inspection will be conducted to ensure all conditions of the sale have been met. The landowner may request a release form be signed by the buyer at this time.

Services beyond timber sale activities and marketing of the sale are subject to a separate fee arrangement. The following services are not included in the fee described above.:

1. Timber basis calculations that assist the seller in minimizing the income tax consequences of the sale can be provided *for an additional fee*.
2. Reforestation is not part of the timber sale commission. GFR can coordinate and supervise reforestation at our regular billable rates.
3. Landowners have the option to have GFR retain the timber sale proceeds in an escrow account to be applied towards reforestation costs. Notice should be furnished to GFR in writing (or below) if these funds are to be held **and the designated option must be approved by all owners**.

MARKETING TIMBER OUTLINE

Cabarrus County, NC – Stough Road Tract - Cabarrus County, North Carolina
Final Harvest of 55.8 +/- Acres
Parcel Number: 5528075215000

If the timber is either withheld from the market or a minimum acceptable bid is not offered at the time of sale then GFR reserves the right to invoice for services provided to date based on our current hourly fee schedule, plus related expenses. If the landowner does not sell the timber following the receipt of a sale price that is equal to or above the minimum acceptable bid then the commission will become due.

Closing costs may include the seller's attorney's fee for preparing the timber deed and excise tax for the county in which the timber was sold. Excise tax is determined by sale value at a rate of \$2/1,000 and are paid to the Register of Deeds in the county where the timber is located. Recording fees are the responsibility of the buyer. If any other services are provided in preparation for the timber sale they are often deducted at closing.

MARKETING TIMBER OUTLINE

Cabarrus County, NC – Stough Road Tract - Cabarrus County, North Carolina
Final Harvest of 55.8 +/- Acres
Parcel Number: 5528075215000

I confirm that I own the land and timber rights on the above mentioned parcel and that the land and timber are free and clear of all encumbrances; and I will defend the title of the timber against lawful claims from any persons.

I approve GFR Forestry Consultants to proceed with the timber sale preparations outlined above. I have read, understand and agree to the terms of this Marketing Timber Outline.

_____	_____	_____	_____ %
Signature (owner)	Print Name	Date	% Ownership
Cabarrus County Infrastructure and Asset Management Kyle Bilafer, Assistant County Manager			

CABARRUS COUNTY



BOARD OF COMMISSIONERS WORK SESSION

**February 6, 2023
4:00 PM**

AGENDA CATEGORY:

Discussion Items for Action

SUBJECT:

ITS - Memorandum of Agreement for the Courtroom Upgrades for Remote Proceedings

BRIEF SUMMARY:

The Administrative offices of the Courts of North Carolina require a memorandum of agreement for the County to utilize their contract with ePlus to install AOC approved AV equipment in the new courthouse. The State is supplying 3 units and it is the request of the Judges to have advance AV capabilities in 5 additional courtrooms.

REQUESTED ACTION:

Motion to approve the Memorandum of Agreement between Cabarrus County and the North Carolina Administrative Office of the Courts.

EXPECTED LENGTH OF PRESENTATION:

5 Minutes

SUBMITTED BY:

Todd Shanley, Chief Information Officer

BUDGET AMENDMENT REQUIRED:

No

COUNTY MANAGER'S RECOMMENDATIONS/COMMENTS:

ATTACHMENTS:

▫ Memorandum of Agreement

**NORTH CAROLINA
WAKE COUNTY**

**MEMORANDUM OF AGREEMENT
Courtroom Upgrades for Remote Proceedings**

THIS MEMORANDUM OF AGREEMENT (MOA) is entered into by and between the **NORTH CAROLINA ADMINISTRATIVE OFFICE OF THE COURTS (NCAOC)** and the **COUNTY OF _____ (County)**, jointly referred to as the Parties and individually as a Party, and is effective as of the date of the last signature below.

WHEREAS, Session Law 2021-47 was enacted on June 18, 2021, adding a new section G.S. 7A-49.6, which significantly expands the courts' authority to hold proceedings by audio and video (AV) transmission;

WHEREAS, to facilitate proceedings conducted by AV transmission, the NCAOC issued RFP 02-2021000, resulting in a contract with ePlus Inc. to provide AV equipment and installation services;

WHEREAS, the NCAOC's contract with ePlus became effective on May 27, 2021, for a term of one (1) year with options for the NCAOC to extend the contract for two (2) additional one-year terms;

WHEREAS, under its contract with ePlus Inc., the NCAOC intends to pay for AV equipment and installation services for one (1) courtroom per county;

WHEREAS, the County seeks to provide funds to the NCAOC for the NCAOC to purchase additional AV equipment and installation services from ePlus Inc. to provide an additional courtroom(s) with upgraded technology for proceedings held by AV transmission;

WHEREAS, pursuant to G.S. § 7A-302, the County is required to provide physical facilities for the courts, including courtrooms, and will benefit from providing funds for AV equipment and installation by reducing foot traffic in the courthouse and the need for physical space for court proceedings;

WHEREAS, G.S. § 7A-49.6(j) requires that proceedings conducted by AV transmission "shall be conducted using videoconferencing applications approved by the [NCAOC]," and, in turn, the NCAOC has approved Cisco's WebEx application for such proceedings;

WHEREAS, the AV equipment provided under the NCAOC's contract with ePlus Inc. and listed in Appendix A attached to this MOA is compatible with the Cisco WebEx application; and

WHEREAS, the Parties intend for this MOA to govern the County's provision of funding to the NCAOC for the NCAOC to purchase AV equipment and installation services from ePlus Inc. for an additional courtroom(s) identified by the County.

NOW, THEREFORE, in consideration for the promises made each to the other, the Parties agree as follows:

1. After this MOA is fully executed, the County may request that the NCAOC purchase AV equipment and installation services from ePlus Inc. for a specified courtroom(s) to be paid with County funds by providing written notice to the NCAOC's principal contact (listed in Section 9 of the MOA). The County will submit a Purchase Request via the NCAOC Online Store and reference this MOA. NCAOC Procurement Services will contact the County after receipt of the Purchase Request.
2. The specifications and initial pricing information for the AV equipment and estimated installation costs under the NCAOC's contract with ePlus Inc. are listed in Appendix A to this MOA. Due to the COVID-19 pandemic and supply chain issues, pricing may be higher based on equipment availability. EPlus Inc. will itemize any price changes and any additional costs upon completion of its survey(s) of the additional courtroom(s) in which AV equipment will be installed at the County's expense.
3. The NCAOC shall provide the County with the updated, itemized price information upon completion of the courtroom survey(s) by ePlus Inc. Within (30) days after receiving this information, the County shall:
 - a. Pay the NCAOC for the cost of the courtroom survey(s); and
 - b. Notify the NCAOC in writing whether the County wishes to proceed with providing funding to the NCAOC for the NCAOC to purchase the AV equipment and installation services from ePlus Inc, and, if so, identify the specific courtroom(s) in which the AV equipment will be installed.
4. The AV equipment may be shipped to, and stored at, the NCAOC's warehouse prior to installation in the County's courtroom(s). Upon the NCAOC's receipt of the AV equipment, the NCAOC will invoice the County for the cost of the AV equipment and will deliver the AV equipment to the County's courthouse in accordance with its standard pickup and delivery schedule for the County. The County shall pay the NCAOC's invoice for the AV equipment within thirty (30) days of receipt of the invoice or at the time of delivery of the AV equipment to the County's courthouse, whichever is later.
5. Upon ePlus Inc.'s completion of the installation of AV equipment in a courtroom specified by the County, the NCAOC shall invoice the County for ePlus Inc.'s installation services for that courtroom. The County shall pay the NCAOC's invoice for installation services within thirty (30) days of receipt of the invoice.
6. During the applicable warranty period for the AV equipment or labor under the NCAOC's contract with ePlus (Warranty Period), the NCAOC shall be responsible for maintenance and repairs covered by such warranty. Calls for maintenance or repairs during the Warranty Period should be directed to the NCAOC Help Desk (919-890-2407). After the expiration of the

applicable Warranty Period, the County shall be solely responsible for maintenance and repairs, as well as any replacement of the AV equipment.

7. This MOA shall automatically terminate when the NCAOC’s contract with ePlus Inc. terminates. Either Party may terminate this MOA, with or without cause, upon ninety (90) days’ prior written notice to the other Party. After termination of this MOA, the County must continue to comply with its obligation to provide funds to the NCAOC for AV equipment ordered or installed at the County’s request under this MOA. Also, Sections 4, 6, 8, 11, 13, and 14 shall survive the termination of this MOA. Upon termination of this MOA, the NCAOC shall retain ownership of the AV equipment purchased pursuant to this MOA but shall not remove such AV equipment from the courtroom where the County specified installation unless the County consents in writing.
8. The State Auditor shall have access to all persons and records in accordance with G.S. § 147-64.7 and other applicable laws or regulations.
9. Notices, when required to be given in accordance with this MOA, shall be in written form and delivered to the Parties’ principal contacts by email, U.S. mail, or personal delivery, addressed as shown below. Any time a Party desires to change its principal contact, a duly authorized representative of that Party shall promptly notify the other Party’s principal contact in writing on the Party’s letterhead. The initial principal contacts for this MOA are:

NCAOC’s Principal Contact	County’s Principal Contact
Jared Rundell Endpoint Services Manager Technology Services Division North Carolina Administrative Office of the Courts	
901 Corporate Center Drive Raleigh, NC 27607 E-mail: Jared.D.Rundell@nccourts.org	

10. The County shall provide the NCAOC with documentation showing that its board of commissioners has delegated authority to the County’s signatory, below, to execute this MOA.
11. This MOA shall be governed by the laws of the State of North Carolina without giving effect to principles of conflicts of law. The place of this MOA, its situs and forum, shall be Wake County, North Carolina, where all matters, whether sounding in tort or contract, relating to its validity, construction, interpretation, and enforcement shall be determined.
12. Modification or amendment of this MOA must be made in writing and signed by authorized representatives of both Parties.

13. This MOA and any rights or obligations within this MOA shall not be further assigned, sublicensed, subcontracted, or otherwise transferred by a Party to another individual, partnership, limited partnership, corporation, or any other entity except with written consent of the other Party.

14. The Parties do not intend to create in any other individual or entity the status of third-party beneficiary, and this MOA shall not be construed so as to create such status. The rights, duties, and obligations contained in this MOA shall operate only by and between the Parties and shall inure solely to the benefit of the Parties. The provisions of this MOA are intended only to assist the Parties in determining and performing their obligations under this MOA.

15. This MOA may be executed by facsimile or digital signature, and in counterparts, each of which (including signature pages) will be deemed an original, but all of which together will constitute one and the same instrument. To the extent signed in handwriting and then delivered by means of electronic transmission in portable document format ("PDF"), this MOA shall be treated in all manner and respects as an original agreement or instrument and shall be considered to have the same force and legal effect as an original signature.

IN WITNESS WHEREOF, intending to be bound hereby, this MOA is executed by the undersigned authorized representatives of each Party, effective as of the last date of execution by the Parties hereto. Each individual signing below warrants that he or she is authorized to execute this MOA and bind his or her respective agency to its terms.

**NORTH CAROLINA ADMINISTRATIVE
OFFICE OF THE COURTS**

By: _____
 Kesha Howell
 NCAOC Chief Operation Officer

Date: _____

COUNTY OF _____

By: _____

Date: _____

Printed Name: _____

Title: _____



Appendix A

NCAOC COURTROOM AUDIO/VIDEO INFRASTRUCTURE TECHNICAL SPECIFICATIONS

The infrastructure technical specifications to upfit a NCAOC courtroom for an immersive Audio/Video experience are provided below. This infrastructure has been tested and determined compatible with Cisco Webex Meetings video conference technology, the NCAOC approved technology for use in various Judicial Branch remote A/V court proceedings.

In addition to initial infrastructure requirements, courtroom facility cabling requirements (electrical, information technology personnel. Each courtroom facility will be required to have a site survey network, other) will need to be assessed by both NCAOC Technology Services Division and county conducted to determine compatibility with courtroom microphone and speaker systems.

The following infrastructure will provide an immersive video conferencing solution that integrates with, or will require installation of, courtroom audio technology.

Services Required and Supported for Infrastructure Installation

- Site Survey
- Infrastructure Installation
- User Training and Resources
- Ongoing A/V Infrastructure Support

Technical Specifications and Associated Cost (Current as of December 2020)

Cisco WebEx Room Pro Kit - Codec and Touch 10 Controller:	\$31,766.44
Quad Camera - Attorney Camera	
Sound Control Tech RC5-HE (HDMI extender with Camera control)	
Sound Control Tech RC5-CE (HDMI extender with Camera control)	
Cisco P60 camera - Judges Camera	
Sound Control Tech RC5-HE (HDMI extender with Camera control)	
Sound Control Tech RC5-CE (HDMI extender with Camera control)	
Cisco Touch 10 Controller	





<p>Monitor Options (sizing and quantity based on viewing distance):</p> <p>Monitors are required to support 4k w/60Kz refresh rate and HDMI-CEC 2.0</p> <ul style="list-style-type: none"> LG 75UH5F-H 75" HD Monitor LG 55UH7F-B 55" HD Monitor Mobile Carts or Wall Mount Kits HDMI Extenders per monitor if required: <ul style="list-style-type: none"> Crestron HD-TXC-101-C-E (HDMI Tx Extender) Crestron HD-RXC-101-C-E (HDMI Rx Extender) 	<p>\$3,200 with 2 mobile carts</p> <p>\$2,980 with 2 wall mounts</p>
<p>Optional Pro Se Item:</p> <p>Cisco Webex Desk Pro</p>	<p>\$10,023.36</p>
<p>Cabling Technical Specifications Based on Site Survey:</p> <p>TBD by installer in accordance with RFP 02-2021000</p> <ul style="list-style-type: none"> Electrical outlets Data cabling A/V cable runs Misc. cables 	<p>TBD</p>
<p>Microphone Technical Specifications (should courtroom require):</p> <p>Shure Microphone System:</p> <ul style="list-style-type: none"> 4-channel transceiver Wired microphones Wireless microphones with charging station (optional) Body pack with lapel microphone (optional) 	<p>\$7,509.79</p>
<p>Installation Services: Estimate Provided for Budgetary Purposes</p> <p>TBD by installer in accordance with RFP 02-2021000</p>	<p>\$20,000 (est.)</p>



CABARRUS COUNTY



BOARD OF COMMISSIONERS WORK SESSION

**February 6, 2023
4:00 PM**

AGENDA CATEGORY:

Discussion Items for Action

SUBJECT:

Legal - Ad Hoc Amendment to Central Area Land Use Plan Interlocal Agreement for 2101 NC 73 HWY, Further Identified as PIN 5641-00-5282

BRIEF SUMMARY:

The City of Concord received a request for water service in Area A of the Central Area Land Use Plan Interlocal Agreement. The request is from Mardan Enterprises, LLC for property located at 2101 NC 73 HWY further identified as PIN 5641-00-5282. The property will be developed with one single-family home. Pursuant to the CALUP ILA, all requests for service in Area A must be jointly approved by the Cabarrus County Board of Commissioners and Concord City Council.

REQUESTED ACTION:

Motion to consider approving the request for the City of Concord to provide water service at 2101 NC 73 HWY, further identified as PIN 5641-00-5282 and to authorize the County Manager to execute the Agreement subject to review and approval by the County Attorney.

EXPECTED LENGTH OF PRESENTATION:

5 Minutes

SUBMITTED BY:

Susie Morris, Planning and Development Director

BUDGET AMENDMENT REQUIRED:

No

COUNTY MANAGER'S RECOMMENDATIONS/COMMENTS:

ATTACHMENTS:

- ▢ Concord Preliminary Application for Service
- ▢ Concord Application Map
- ▢ Aerial Map
- ▢ ILA Amendment
- ▢ ILA for CALUP
- ▢ Agreement

City of Concord, North Carolina

Preliminary Application – Extension of Concord Utilities outside Concord City Limits
(Please type or print in black ink)

1. Name of development: _____
2. Name and address of owner(s)/developer(s): Mark M^cCormick
3. Owner(s)/developer(s) telephone: 704 309-2848 Fax: _____
4. Name and address of surveyor/engineer: James Land Surveying and Mapping, 8355 Hwy 27E, Coats NC 27521
5. Surveyor/engineer's telephone: 704-791-4218 Fax: _____
6. Name, telephone and fax number, and address of agent (if any): _____
7. Name and address of person to whom comments should be sent: Mark M^cCormick, PO Box 1321, Concord NC 28026
8. Telephone number of person to whom comments should be sent: 704-309-2848
Fax: _____
9. Location of property: 2101 NC Hwy 73 E, Concord NC 28025
10. Cabarrus County P.I.N.#: 5641-00-5282
11. Current zoning classification: AD
12. Total acres: 5.5 Total lots proposed: 1
13. Brief Description of development: Single Family Home
14. Proposed Construction Schedule: 10-15-2022 - 4-1-2023

15. Type of Service requested

1" Water line Tap

11-08-2022

Date

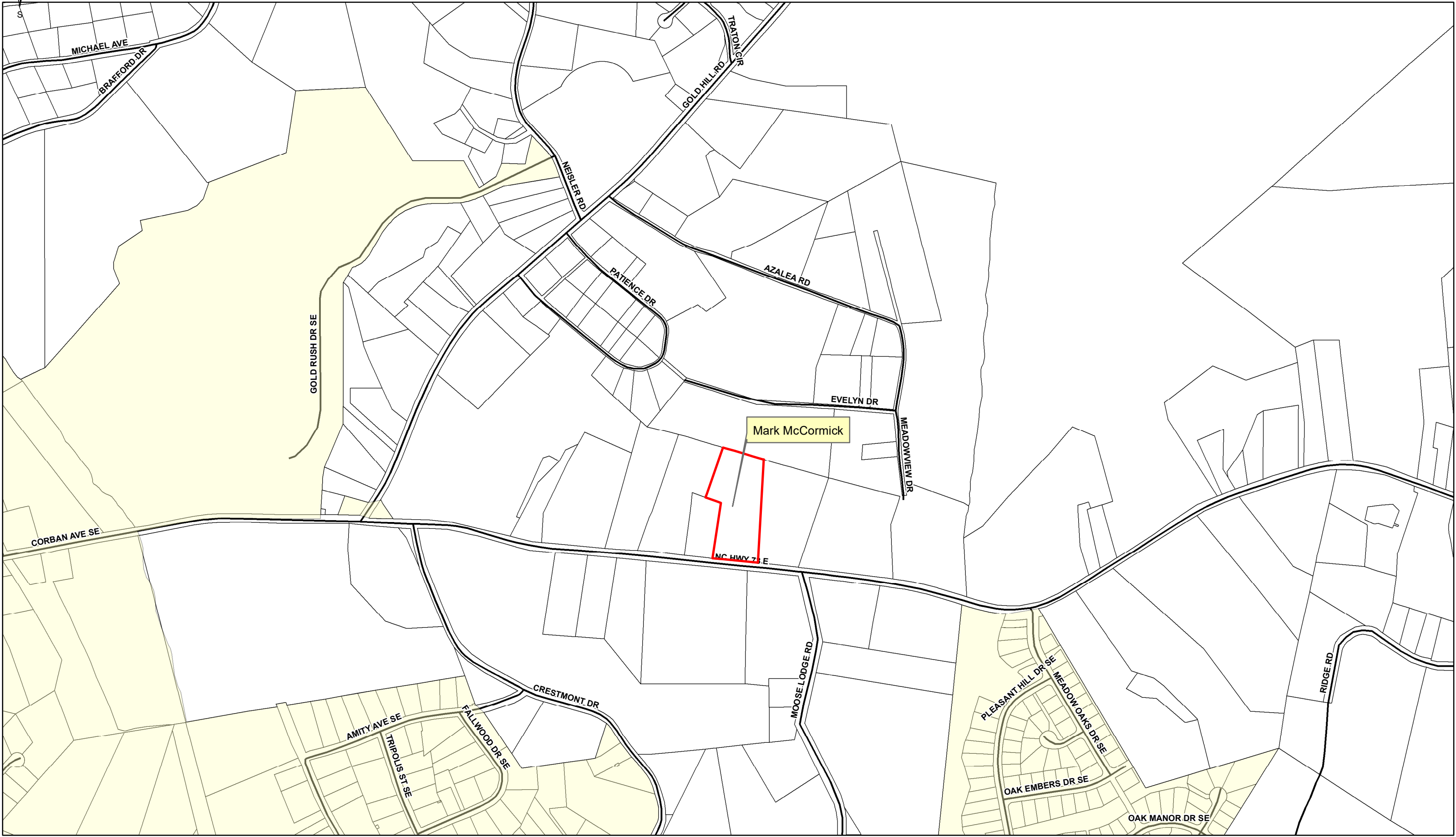
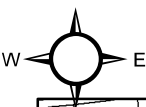
Mark M^cCormick
Signature of Owner/Agent

Mark M^cCormick
Name (printed)

NOTE: By affixing his or her signature hereto, the owner/developer acknowledges understanding of and agreement to comply with all provisions of the Concord City Code section 62.

Staff Use Only:	
Received by: _____	Date: _____

Preliminary Application

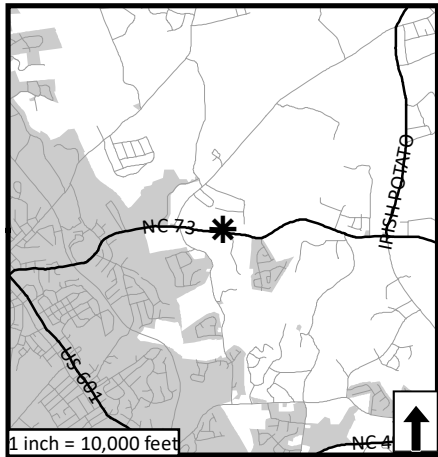


Proposed CALUP ILA Amendment



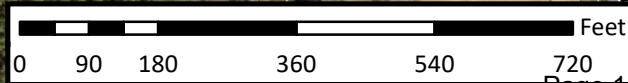
Address: 2101 NC Hwy 73
PIN: 5641-00-5282

- Cabarrus County
- Municipal District
- Tax Parcels



Cabarrus County shall not be held liable for any errors in this data. This includes errors of omission, commission, errors concerning the content of the data, and relative and positional accuracy of the data. These data cannot be construed to be a legal document. Primary sources from which these data were compiled must be consulted for verification of information contained within the data.

Map Prepared by Cabarrus County Planning & Development - December 2023



STATE OF NORTH CAROLINA

COUNTY OF CABARRUS

AD HOC MODIFICATION OF CITY
OF THE CONCORD-CABARRUS COUNTY
INTERLOCAL AGREEMENT REGARDING
THE CENTRAL AREA PLAN FOR MARDAN
ENTERPRISES, LLC (2101 NC 73 HWY)

This AD HOC MODIFICATION OF THE CONCORD-CABARRUS COUNTY INTERLOCAL AGREEMENT REGARDING THE CENTRAL AREA PLAN (“the “Modification”) is entered into effective as of the last date of execution by the parties as shown below, by, between and among the CITY OF CONCORD (“Concord”), a North Carolina municipal corporation, and CABARRUS COUNTY (“County”).

RECITALS

1. On June 28, 2008, these same parties entered into an “Interlocal Agreement” regarding the implementation of the Central Area Plan (“CAP”).
2. This Interlocal Agreement was to continue in effect for a period of 15 years and contemplated a review of the efficacy of the Interlocal Agreement every 5 years.
3. The parties have had discussions about specific issues and parcels affected by the CAP since the execution of the Interlocal Agreement.
4. The parties have also had specific discussions about a parcel owned by Mardan Enterprises, LLC. Mardan Enterprises, LLC wishes to construct a new single -family home on a parcel, which is located in Area A of the Interlocal Agreement. Pursuant to the terms of the Interlocal Agreement, the CAP prohibits Concord from extending utilities to real property parcels in Area A.
5. The CAP and the Interlocal Agreement have been successful in redirecting residential development into other areas of Cabarrus County, but there are instances in the Central Area in which it makes sense to modify the Interlocal Agreement to allow a limited amount of development in areas where utilities already exist or are reasonably available.
6. The purpose of this Amendment is to modify the Interlocal Agreement to the limited extent of addressing the above-described circumstance involving the below identified parcel(s).

In consideration of the above Recitals and the Terms below, which the parties specifically acknowledge and agree make this Modification legally binding and enforceable, the parties agree as provided below.

TERMS

1. Concord agrees to provide electric and water utility services under its normal and customary terms and conditions to the property located at 2101 NC 73 HWY, Concord NC 28025 (PIN 5641-00-5282).

2. Except as specifically changed by this Modification, the provisions of the Interlocal Agreement shall remain in full force and effect.

IN WITNESS, the parties have executed this Modification as indicated below, all pursuant to legal authority duly given.

CITY OF CONCORD

By: _____
Lloyd Payne, City Manager

Date: _____

CABARRUS COUNTY

By: _____
Mike Downs, County Manager

Date: _____

STATE OF NORTH CAROLINA
COUNTY OF CABARRUS

CITY OF CONCORD- CABARRUS COUNTY
INTERLOCAL AGREEMENT REGARDING
THE CENTRAL AREA PLAN

This INTERLOCAL AGREEMENT REGARDING THE CENTRAL AREA PLAN ("Interlocal Agreement"), is entered into effective June 29, 2008 by, between and among the CITY OF CONCORD ("Concord"), a North Carolina municipal corporation and CABARRUS COUNTY ("County"), a body politic and political subdivision of the State of North Carolina, and the WATER AND SEWER DISTRICT OF CABARRUS COUNTY, ("District"), a water and sewer district formed pursuant to N.C. Gen. Stat. Chapter 162A.

PREMISES

1. The City, the County and the District have been involved in lawsuits (the "Litigation") that are more particularly identified as the cases of Craft Development, LLC, et v City of Concord, et al, 03 CVS 2400, and Morrison et al v City of Concord, 03 CVS 2462 (Cabarrus County Superior Court).
2. All of the claims in the Litigation have been settled, dismissed or otherwise resolved, with the exception of the claims by the City against the County and the District, and the claims of the County and the District against the City.
3. On or about December 6, 2004, the City and the County entered into a Memorandum of Understanding (the "2004 MOU"), in which the City and County set out a framework by which they hoped to resolve the remaining claims in the Litigation and to settle any remaining differences between them pertaining to such claims.
4. On January 21, 2006, the parties reached an agreement (the "Agreement") to resolve all of the differences and disputes between them that were the subject of the Litigation.
5. This Agreement was attached to and incorporated into a Consent Judgment dated January 23, 2006 and signed by Superior Court Judge Clarence E. Horton, Jr.
6. The parties subsequently amended that Agreement by a document termed the "Amended Agreement", which was attached to and incorporated into an "Amended Consent Judgment" dated October 30, 2007 and signed by Superior Court Judge W. Erwin Spainhour.
7. In the Amended Agreement, the parties agreed to modify the Agreement to divide Concord's Utility Service Area into two subareas and set forth temporary rules in each subarea with regard to the provision of utilities to property in the Utility Service Area while they worked on a land use plan known as the "Central Area Plan" (also referred to as "CAP"). The CAP is presently in draft form and has not yet been approved by the parties.
8. This Amended Agreement contained an expiration date of June 30, 2008.
9. The parties now desire to enter into a new agreement regarding the Central Area Plan and for the provision of utilities in Concord's Utility Service Area.

In consideration of these Premises and the Terms below, and the provisions of N.C. Gen. Stat. §160A-460 *et seq.*, which the parties acknowledge make this Interlocal Agreement binding and enforceable, the parties agree as follows.

TERMS

1. The parties agree to use their best efforts to jointly plan for growth in Concord's Utility Service Area, particularly in the geographic area included in the Central Area Plan and located outside of the Concord's planning and zoning jurisdiction. Such planning shall take into consideration the goals of fiscally responsible growth management, rural preservation, protection of farmland, preservation of natural areas, conservation, sustainable development and the impact of the extension of water and sewer utility services with its resultant likely increase in development intensity in that Area. No wording in this paragraph shall be construed to mean that the County has acquired any additional powers to control, manage or direct growth in those areas within the municipal boundaries of and the extraterritorial jurisdiction of Concord.

2. The parties agree to jointly adopt the same CAP for the Central Area outside of the planning and zoning jurisdictions of the Cities of Concord and Kannapolis but only within the Utility Service Area of Concord. Pursuant to the Amended Agreement, the parties have been working on the proposed CAP, which work is being developed and coordinated by LandDesign. The parties agree that the CAP will be diligently completed and then forthwith approved by each of the parties pursuant to the procedures provided in the respective ordinances of the parties. Specifically, the parties agree that each will submit the CAP for consideration to their respective planning and zoning boards no later than the regularly scheduled August, 2008 meeting for each such board (or at the next regularly scheduled meeting if the August meeting is not convened for lack of a quorum) and that the CAP will be considered by their respective governing boards no later than the next regularly scheduled meeting for each board after the respective planning and zoning boards refer the CAP to their respective boards for consideration. The parties acknowledge that each must adopt the same CAP in order for this Interlocal Agreement to accomplish its purposes. The County agrees to assume primary responsibility for finalizing the CAP and initiating any zoning changes as a result in areas outside the extra-territorial zoning jurisdiction of the City. The draft CAP map is attached at Exhibit B.

3. The parties have agreed on two areas in the Utility Service Area referred to as Areas "A" and "B". The location of these areas is shown on a map attached as Exhibit A and incorporated by reference. The line dividing the two areas is referred to as the Utility Service Boundary ("USB"). For all those properties located in Area B the parties agree that Concord at its sole option may extend utility service to owners and developers of such properties. For all those properties located within Area A, Concord shall not extend water and sewer utilities except for those for which Concord has already entered into a construction contract or for extensions required by an emergency, including but not limited to failing on-site waste water treatment systems or failing on-site water wells; or either to (i) properties located within Concord municipal limits or ETJ, or (ii) to individual buildings adjacent to wastewater or water lines as either may exist on June 30, 2008. Concord and the County do consent to the extension of utilities to development owned and operated by the federal, state, county or municipal governments, or to "employment centers" as shown on the CAP now or through amendment approved by both Concord and the County, or to regional utility lines such as a water pipeline from the Yadkin River basin to Concord.

4. The parties each agree to rezone the affected properties in the CAP in their respective jurisdictions to that zoning classification that matches the land use and densities recommended in the revised CAP.

5. This Interlocal Agreement shall commence on the effective date stated above and continue for a period of fifteen (15) years, terminating on June 29, 2023. Notwithstanding, the parties agree to review this Interlocal Agreement at least every five (5) years from the effective date in order to determine if the Interlocal Agreement continues to accomplish its purpose. The parties may amend this Interlocal Agreement at any time by a written instrument agreed to and executed by all the parties.

6. No provision of this Interlocal Agreement shall be construed to impair Concord's right to annex any property in its Utility Service Area, except to the extent that such an annexation by law would require Concord to provide water and/or sewer utility service to a property that would violate the terms of this Interlocal Agreement. In such cases, Concord may annex, but decline to provide utilities.

7. Contemporaneously with the execution of this Interlocal Agreement, the parties agree to amend accordingly the Agreements and Amended Agreement which are incorporated respectively into the Consent Judgment of January 23, 2006 and the Amended Consent Judgment of October 30, 2007. Except as changed by this Interlocal Agreement, the definitions contained in such documents shall retain their meanings.

8. The parties understand and acknowledge that a breach of this Interlocal Agreement would accord the non-breaching party an inadequate remedy at law and that injunctive relief and specific performance would be the only effective remedies. The parties agree that the non-breaching party may seek and obtain injunctive relief and specific performance to enforce the terms of this Interlocal Agreement. The prevailing party in any such litigation shall be entitled to recover its attorneys fees and cost of litigation from the party which defaults or breaches the Interlocal Agreement.

9. Should Concord breach this Interlocal Agreement by extending water and sewer utility services to property located in Area A, other than the provision described in Paragraph 3 above, the County as an additional remedy may withhold issuing building permits for development of such property. Should the County breach this Interlocal Agreement, Concord is not required to extend water and sewer utilities to any development approved by the County in derogation of this Agreement, nor is Concord required to continue to follow this Agreement.

10. This document and the corresponding Second Amended Consent Judgment containing the Second Amended Agreement collectively comprise the entire agreement between the parties with reference to the matters contemplated by such writings. No modification or amendment shall be valid and enforceable unless reduced to writing and signed by all the parties.

IN WITNESS, the parties have each executed this Interlocal Agreement by their respective authorized officials pursuant to the authority specifically granted by their respective governing boards at a joint public meeting held on June 25, 2008.

CITY OF CONCORD

CABARRUS COUNTY

By: 

J. Scott Padgett
Mayor

By: 

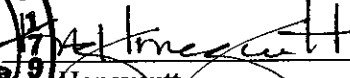
H. Jay White, Sr.
Commission Chair

ATTEST:

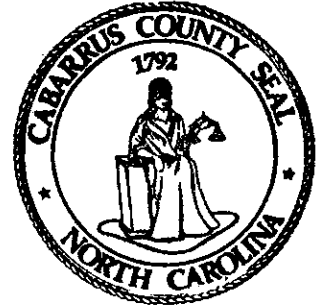


Kim Deason
City Clerk

ATTEST:



Kay Honeycutt
Clerk to the Board of Commissioners

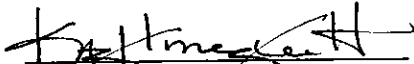


WATER AND SEWER DISTRICT
OF CABARRUS COUNTY

By: 

H. Jay White, Sr.
Chair

ATTEST:



Kay Honeycutt
Clerk to the District

WARRINGTON
SECURITY

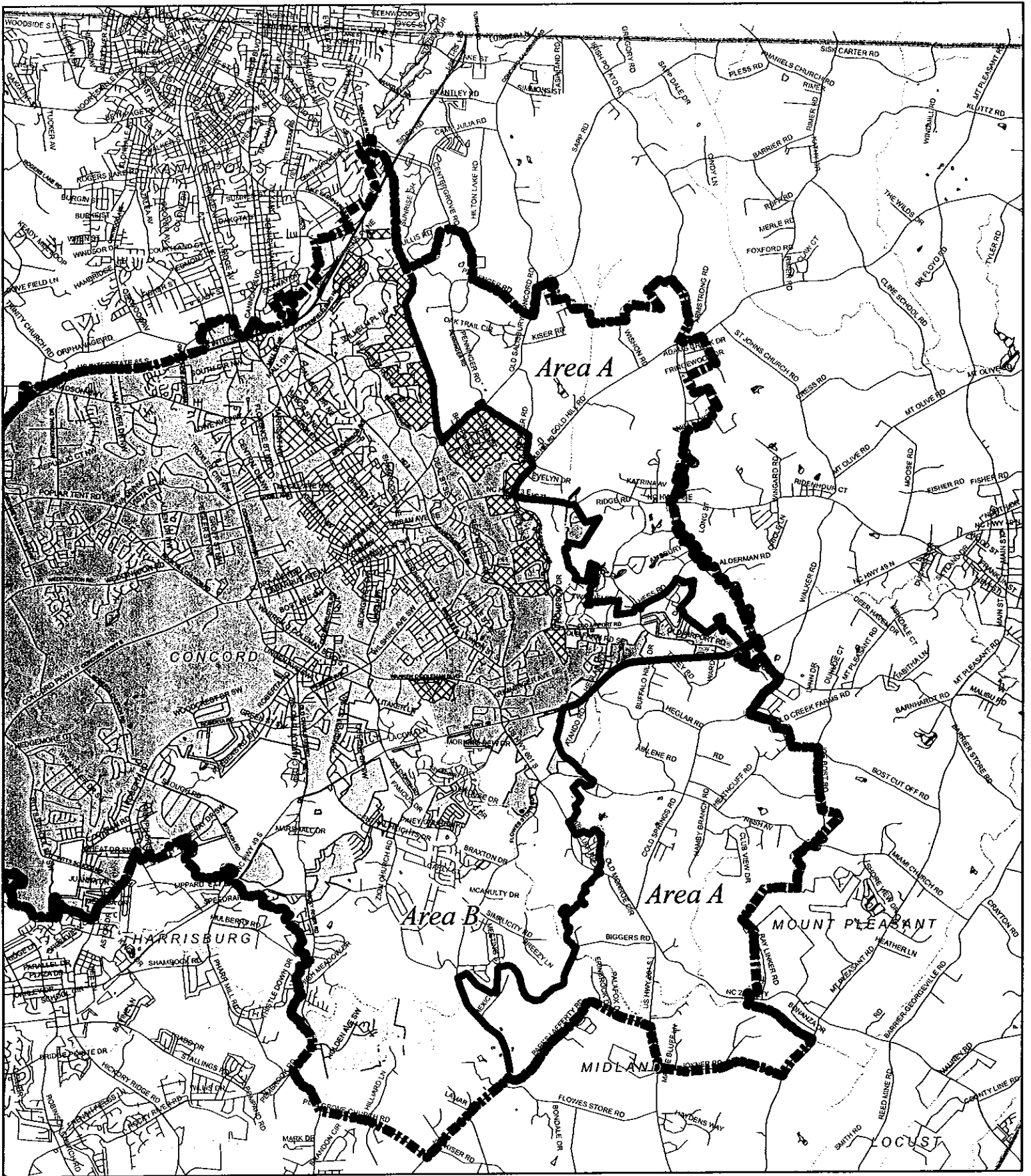
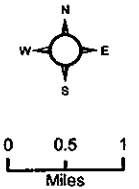


EXHIBIT A

- Planning Area
- Sub Area Boundary (Urban Services Boundary)
- Concord ETJ
- City of Concord
- Other Municipalities
- Cabarrus Co.
- Streets
- Rivers
- Lakes & Ponds



STATE OF NORTH CAROLINA

COUNTY OF CABARRUS

AD HOC MODIFICATION OF CITY
OF THE CONCORD-CABARRUS COUNTY
INTERLOCAL AGREEMENT REGARDING
THE CENTRAL AREA PLAN FOR MARDAN
ENTERPRISES, LLC (2101 NC 73 HWY)

This AD HOC MODIFICATION OF THE CONCORD-CABARRUS COUNTY INTERLOCAL AGREEMENT REGARDING THE CENTRAL AREA PLAN (“the “Modification”) is entered into effective as of the last date of execution by the parties as shown below, by, between and among the CITY OF CONCORD (“Concord”), a North Carolina municipal corporation, and CABARRUS COUNTY (“County”).

RECITALS

1. On June 28, 2008, these same parties entered into an “Interlocal Agreement” regarding the implementation of the Central Area Plan (“CAP”).
2. This Interlocal Agreement was to continue in effect for a period of 15 years and contemplated a review of the efficacy of the Interlocal Agreement every 5 years.
3. The parties have had discussions about specific issues and parcels affected by the CAP since the execution of the Interlocal Agreement.
4. The parties have also had specific discussions about a parcel owned by Mardan Enterprises, LLC. Mardan Enterprises, LLC wishes to construct a new single -family home on a parcel, which is located in Area A of the Interlocal Agreement. Pursuant to the terms of the Interlocal Agreement, the CAP prohibits Concord from extending utilities to real property parcels in Area A.
5. The CAP and the Interlocal Agreement have been successful in redirecting residential development into other areas of Cabarrus County, but there are instances in the Central Area in which it makes sense to modify the Interlocal Agreement to allow a limited amount of development in areas where utilities already exist or are reasonably available.
6. The purpose of this Amendment is to modify the Interlocal Agreement to the limited extent of addressing the above-described circumstance involving the below identified parcel(s).

In consideration of the above Recitals and the Terms below, which the parties specifically acknowledge and agree make this Modification legally binding and enforceable, the parties agree as provided below.

TERMS

1. Concord agrees to provide electric and water utility services under its normal and customary terms and conditions to the property located at 2101 NC 73 HWY, Concord NC 28025 (PIN 5641-00-5282).

2. Except as specifically changed by this Modification, the provisions of the Interlocal Agreement shall remain in full force and effect.

IN WITNESS, the parties have executed this Modification as indicated below, all pursuant to legal authority duly given.

CITY OF CONCORD

By: _____
Lloyd Payne, City Manager

Date: _____

CABARRUS COUNTY

By: _____
Mike Downs, County Manager

Date: _____

CABARRUS COUNTY



BOARD OF COMMISSIONERS WORK SESSION

**February 6, 2023
4:00 PM**

AGENDA CATEGORY:

Discussion Items for Action

SUBJECT:

Legal - Ad Hoc Amendment to Central Area Land Use Plan Interlocal Agreement for 380 Patience Drive, Further Identified as PIN 5641-00-1839

BRIEF SUMMARY:

The City of Concord received a request for water service in Area A of the Central Area Land Use Plan Interlocal Agreement. The request is from Mardan Enterprises, LLC for property located at 380 Patience Drive, further identified as PIN 5641-00-1839. The property will be developed with one single-family home. Pursuant to the Central Area Land Use Plan Interlocal Agreement, all requests for service in Area A must be jointly approved by the Cabarrus County Board of Commissioners and Concord City Council.

REQUESTED ACTION:

Motion to approve the request for the City of Concord to provide water service at 380 Patience Drive, further identified as PIN 5641-00-1839 and to authorize the County Manager to execute the agreement subject to review and approval by the County Attorney.

EXPECTED LENGTH OF PRESENTATION:

5 Minutes

SUBMITTED BY:

Susie Morris, Planning and Development Director

BUDGET AMENDMENT REQUIRED:

No

COUNTY MANAGER'S RECOMMENDATIONS/COMMENTS:

ATTACHMENTS:

- ▢ Concord Preliminary Application for Service
- ▢ Concord Service Map
- ▢ ILA Amendment Document
- ▢ Aerial Map
- ▢ ILA for CALUP
- ▢ Agreement

City of Concord, North Carolina
Preliminary Application – Extension of Concord Utilities outside Concord City Limits
(Please type or print in black ink)

1. Name of development: _____
2. Name and address of owner(s)/developer(s): Mardan Enterprises, LLC

3. Owner(s)/developer(s) telephone: 704-746-5683 Fax: _____
4. Name and address of surveyor/engineer: James Land Surveying
and Mapping, 8355 Hwy 27E, Coats NC 27521
5. Surveyor/engineer's telephone: 704-791-4218 Fax: _____
6. Name, telephone and fax number, and address of agent (if any): _____

7. Name and address of person to whom comments should be sent: Mardan
Enterprises, LLC, Mark McCormick, PO Box 1321
Concord NC 28026
8. Telephone number of person to whom comments should be sent: 704-309-2848
Fax: _____
9. Location of property: 380 Patience Dr, Concord NC 28025
10. Cabarrus County P.I.N.#: 5641-00-1839
11. Current zoning classification: A0
12. Total acres: .977 Total lots proposed: 1
13. Brief Description of development: Single family home.
14. Proposed Construction Schedule 12-16-2022
15. Type of Service requested Water line Tap

11-11-2022
Date

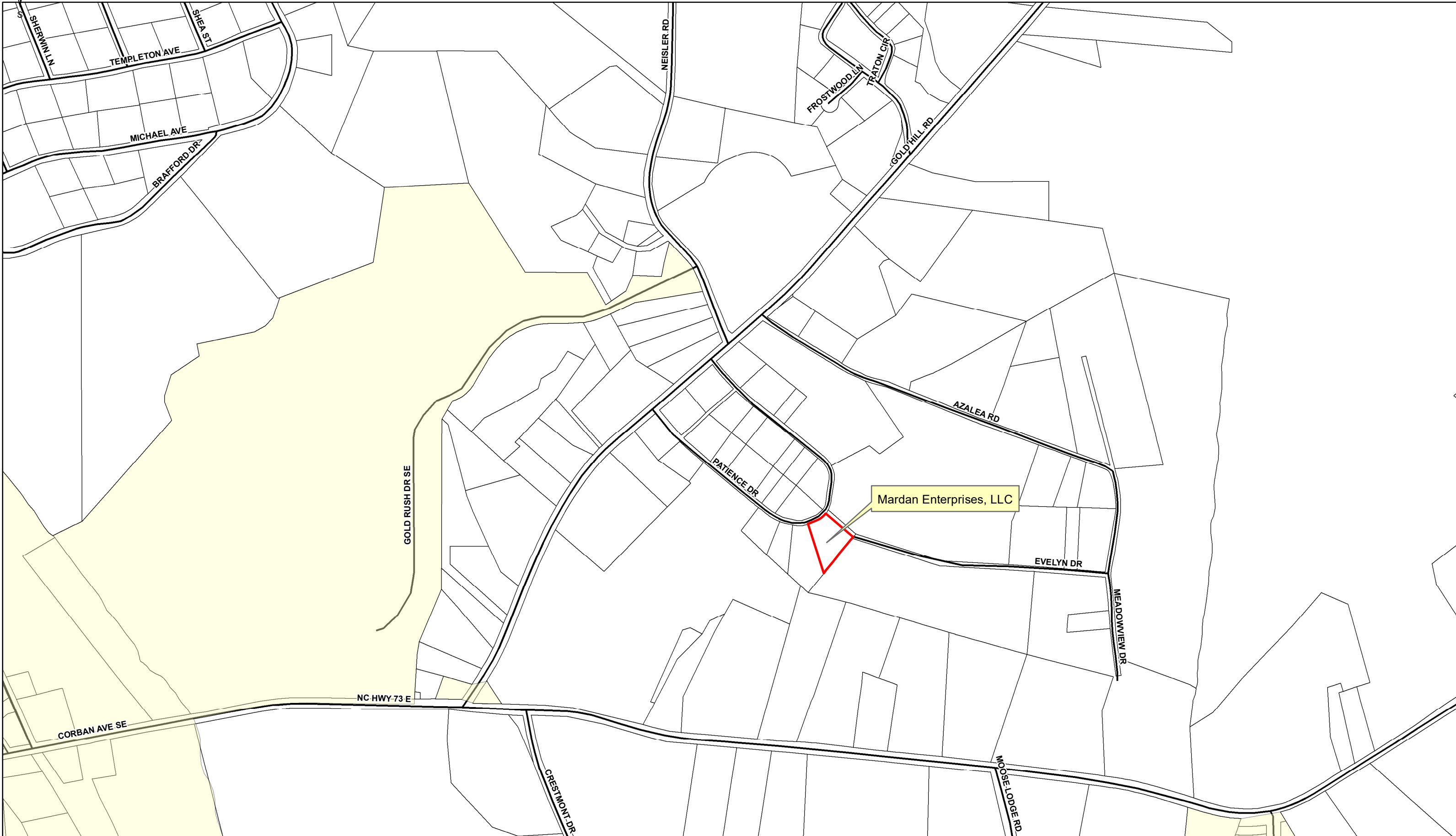
Mark McCormick
Signature of Owner/Agent

Mark McCormick
Name (printed)

NOTE: By affixing his or her signature hereto, the owner/developer acknowledges understanding of and agreement to comply with all provisions of the Concord City Code section 62.

Staff Use Only:	
Received by: _____	Date: _____

Preliminary Application



STATE OF NORTH CAROLINA

COUNTY OF CABARRUS

AD HOC MODIFICATION OF CITY
OF THE CONCORD-CABARRUS COUNTY
INTERLOCAL AGREEMENT REGARDING
THE CENTRAL AREA PLAN FOR MARDAN
ENTERPRISES, LLC (380 PATIENCE DRIVE)

This AD HOC MODIFICATION OF THE CONCORD-CABARRUS COUNTY INTERLOCAL AGREEMENT REGARDING THE CENTRAL AREA PLAN (“the “Modification”) is entered into effective as of the last date of execution by the parties as shown below, by, between and among the CITY OF CONCORD (“Concord”), a North Carolina municipal corporation, and CABARRUS COUNTY (“County”).

RECITALS

1. On June 28, 2008, these same parties entered into an “Interlocal Agreement” regarding the implementation of the Central Area Plan (“CAP”).
2. This Interlocal Agreement was to continue in effect for a period of 15 years and contemplated a review of the efficacy of the Interlocal Agreement every 5 years.
3. The parties have had discussions about specific issues and parcels affected by the CAP since the execution of the Interlocal Agreement.
4. The parties have also had specific discussions about a parcel owned by Mardan Enterprises, LLC. Mardan Enterprises, LLC wishes to construct a new single -family home on a parcel, which is located in Area A of the Interlocal Agreement. Pursuant to the terms of the Interlocal Agreement, the CAP prohibits Concord from extending utilities to real property parcels in Area A.
5. The CAP and the Interlocal Agreement have been successful in redirecting residential development into other areas of Cabarrus County, but there are instances in the Central Area in which it makes sense to modify the Interlocal Agreement to allow a limited amount of development in areas where utilities already exist or are reasonably available.
6. The purpose of this Amendment is to modify the Interlocal Agreement to the limited extent of addressing the above-described circumstance involving the below identified parcel(s).

In consideration of the above Recitals and the Terms below, which the parties specifically acknowledge and agree make this Modification legally binding and enforceable, the parties agree as provided below.

TERMS

1. Concord agrees to provide electric and water utility services under its normal and customary terms and conditions to the property located at 380 Patience Drive, Concord NC 28025 (PIN 5641-00-1839).

2. Except as specifically changed by this Modification, the provisions of the Interlocal Agreement shall remain in full force and effect.

IN WITNESS, the parties have executed this Modification as indicated below, all pursuant to legal authority duly given.

CITY OF CONCORD

By: _____
Lloyd Payne, City Manager

Date: _____

CABARRUS COUNTY

By: _____
Mike Downs, County Manager

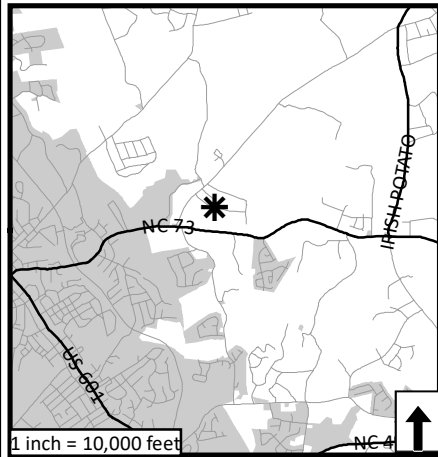
Date: _____

Proposed CALUP ILA Amendment



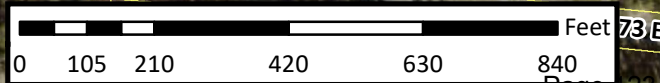
Address: 380 Patience Dr
PIN: 5641-00-1839

- Cabarrus County
- Municipal District
- Tax Parcels



Cabarrus County shall not be held liable for any errors in this data. This includes errors of omission, commission, errors concerning the content of the data, and relative and positional accuracy of the data. These data cannot be construed to be a legal document. Primary sources from which these data were compiled must be consulted for verification of information contained within the data.

Map Prepared by Cabarrus County Planning & Development - January 2023



STATE OF NORTH CAROLINA
COUNTY OF CABARRUS

CITY OF CONCORD- CABARRUS COUNTY
INTERLOCAL AGREEMENT REGARDING
THE CENTRAL AREA PLAN

This INTERLOCAL AGREEMENT REGARDING THE CENTRAL AREA PLAN ("Interlocal Agreement"), is entered into effective June 29, 2008 by, between and among the CITY OF CONCORD ("Concord"), a North Carolina municipal corporation and CABARRUS COUNTY ("County"), a body politic and political subdivision of the State of North Carolina, and the WATER AND SEWER DISTRICT OF CABARRUS COUNTY, ("District"), a water and sewer district formed pursuant to N.C. Gen. Stat. Chapter 162A.

PREMISES

1. The City, the County and the District have been involved in lawsuits (the "Litigation") that are more particularly identified as the cases of Craft Development, LLC, et v City of Concord, et al, 03 CVS 2400, and Morrison et al v City of Concord, 03 CVS 2462 (Cabarrus County Superior Court).
2. All of the claims in the Litigation have been settled, dismissed or otherwise resolved, with the exception of the claims by the City against the County and the District, and the claims of the County and the District against the City.
3. On or about December 6, 2004, the City and the County entered into a Memorandum of Understanding (the "2004 MOU"), in which the City and County set out a framework by which they hoped to resolve the remaining claims in the Litigation and to settle any remaining differences between them pertaining to such claims.
4. On January 21, 2006, the parties reached an agreement (the "Agreement") to resolve all of the differences and disputes between them that were the subject of the Litigation.
5. This Agreement was attached to and incorporated into a Consent Judgment dated January 23, 2006 and signed by Superior Court Judge Clarence E. Horton, Jr.
6. The parties subsequently amended that Agreement by a document termed the "Amended Agreement", which was attached to and incorporated into an "Amended Consent Judgment" dated October 30, 2007 and signed by Superior Court Judge W. Erwin Spainhour.
7. In the Amended Agreement, the parties agreed to modify the Agreement to divide Concord's Utility Service Area into two subareas and set forth temporary rules in each subarea with regard to the provision of utilities to property in the Utility Service Area while they worked on a land use plan known as the "Central Area Plan" (also referred to as "CAP"). The CAP is presently in draft form and has not yet been approved by the parties.
8. This Amended Agreement contained an expiration date of June 30, 2008.
9. The parties now desire to enter into a new agreement regarding the Central Area Plan and for the provision of utilities in Concord's Utility Service Area.

In consideration of these Premises and the Terms below, and the provisions of N.C. Gen. Stat. §160A-460 *et seq.*, which the parties acknowledge make this Interlocal Agreement binding and enforceable, the parties agree as follows.

TERMS

1. The parties agree to use their best efforts to jointly plan for growth in Concord's Utility Service Area, particularly in the geographic area included in the Central Area Plan and located outside of the Concord's planning and zoning jurisdiction. Such planning shall take into consideration the goals of fiscally responsible growth management, rural preservation, protection of farmland, preservation of natural areas, conservation, sustainable development and the impact of the extension of water and sewer utility services with its resultant likely increase in development intensity in that Area. No wording in this paragraph shall be construed to mean that the County has acquired any additional powers to control, manage or direct growth in those areas within the municipal boundaries of and the extraterritorial jurisdiction of Concord.

2. The parties agree to jointly adopt the same CAP for the Central Area outside of the planning and zoning jurisdictions of the Cities of Concord and Kannapolis but only within the Utility Service Area of Concord. Pursuant to the Amended Agreement, the parties have been working on the proposed CAP, which work is being developed and coordinated by LandDesign. The parties agree that the CAP will be diligently completed and then forthwith approved by each of the parties pursuant to the procedures provided in the respective ordinances of the parties. Specifically, the parties agree that each will submit the CAP for consideration to their respective planning and zoning boards no later than the regularly scheduled August, 2008 meeting for each such board (or at the next regularly scheduled meeting if the August meeting is not convened for lack of a quorum) and that the CAP will be considered by their respective governing boards no later than the next regularly scheduled meeting for each board after the respective planning and zoning boards refer the CAP to their respective boards for consideration. The parties acknowledge that each must adopt the same CAP in order for this Interlocal Agreement to accomplish its purposes. The County agrees to assume primary responsibility for finalizing the CAP and initiating any zoning changes as a result in areas outside the extra-territorial zoning jurisdiction of the City. The draft CAP map is attached at Exhibit B.

3. The parties have agreed on two areas in the Utility Service Area referred to as Areas "A" and "B". The location of these areas is shown on a map attached as Exhibit A and incorporated by reference. The line dividing the two areas is referred to as the Utility Service Boundary ("USB"). For all those properties located in Area B the parties agree that Concord at its sole option may extend utility service to owners and developers of such properties. For all those properties located within Area A, Concord shall not extend water and sewer utilities except for those for which Concord has already entered into a construction contract or for extensions required by an emergency, including but not limited to failing on-site waste water treatment systems or failing on-site water wells; or either to (i) properties located within Concord municipal limits or ETJ, or (ii) to individual buildings adjacent to wastewater or water lines as either may exist on June 30, 2008. Concord and the County do consent to the extension of utilities to development owned and operated by the federal, state, county or municipal governments, or to "employment centers" as shown on the CAP now or through amendment approved by both Concord and the County, or to regional utility lines such as a water pipeline from the Yadkin River basin to Concord.

4. The parties each agree to rezone the affected properties in the CAP in their respective jurisdictions to that zoning classification that matches the land use and densities recommended in the revised CAP.

5. This Interlocal Agreement shall commence on the effective date stated above and continue for a period of fifteen (15) years, terminating on June 29, 2023. Notwithstanding, the parties agree to review this Interlocal Agreement at least every five (5) years from the effective date in order to determine if the Interlocal Agreement continues to accomplish its purpose. The parties may amend this Interlocal Agreement at any time by a written instrument agreed to and executed by all the parties.

6. No provision of this Interlocal Agreement shall be construed to impair Concord's right to annex any property in its Utility Service Area, except to the extent that such an annexation by law would require Concord to provide water and/or sewer utility service to a property that would violate the terms of this Interlocal Agreement. In such cases, Concord may annex, but decline to provide utilities.

7. Contemporaneously with the execution of this Interlocal Agreement, the parties agree to amend accordingly the Agreements and Amended Agreement which are incorporated respectively into the Consent Judgment of January 23, 2006 and the Amended Consent Judgment of October 30, 2007. Except as changed by this Interlocal Agreement, the definitions contained in such documents shall retain their meanings.

8. The parties understand and acknowledge that a breach of this Interlocal Agreement would accord the non-breaching party an inadequate remedy at law and that injunctive relief and specific performance would be the only effective remedies. The parties agree that the non-breaching party may seek and obtain injunctive relief and specific performance to enforce the terms of this Interlocal Agreement. The prevailing party in any such litigation shall be entitled to recover its attorneys fees and cost of litigation from the party which defaults or breaches the Interlocal Agreement.

9. Should Concord breach this Interlocal Agreement by extending water and sewer utility services to property located in Area A, other than the provision described in Paragraph 3 above, the County as an additional remedy may withhold issuing building permits for development of such property. Should the County breach this Interlocal Agreement, Concord is not required to extend water and sewer utilities to any development approved by the County in derogation of this Agreement, nor is Concord required to continue to follow this Agreement.

10. This document and the corresponding Second Amended Consent Judgment containing the Second Amended Agreement collectively comprise the entire agreement between the parties with reference to the matters contemplated by such writings. No modification or amendment shall be valid and enforceable unless reduced to writing and signed by all the parties.

IN WITNESS, the parties have each executed this Interlocal Agreement by their respective authorized officials pursuant to the authority specifically granted by their respective governing boards at a joint public meeting held on June 25, 2008.

CITY OF CONCORD

CABARRUS COUNTY

By: 

J. Scott Padgett
Mayor

By: 

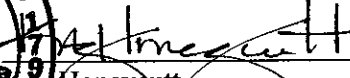
H. Jay White, Sr.
Commission Chair

ATTEST:

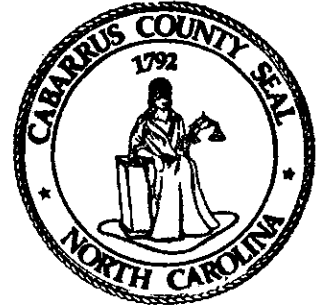


Kim Deason
City Clerk

ATTEST:



Kay Honeycutt
Clerk to the Board of Commissioners

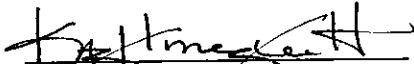


WATER AND SEWER DISTRICT
OF CABARRUS COUNTY

By: 

H. Jay White, Sr.
Chair

ATTEST:



Kay Honeycutt
Clerk to the District

WARRINGTON'S
SECURITY

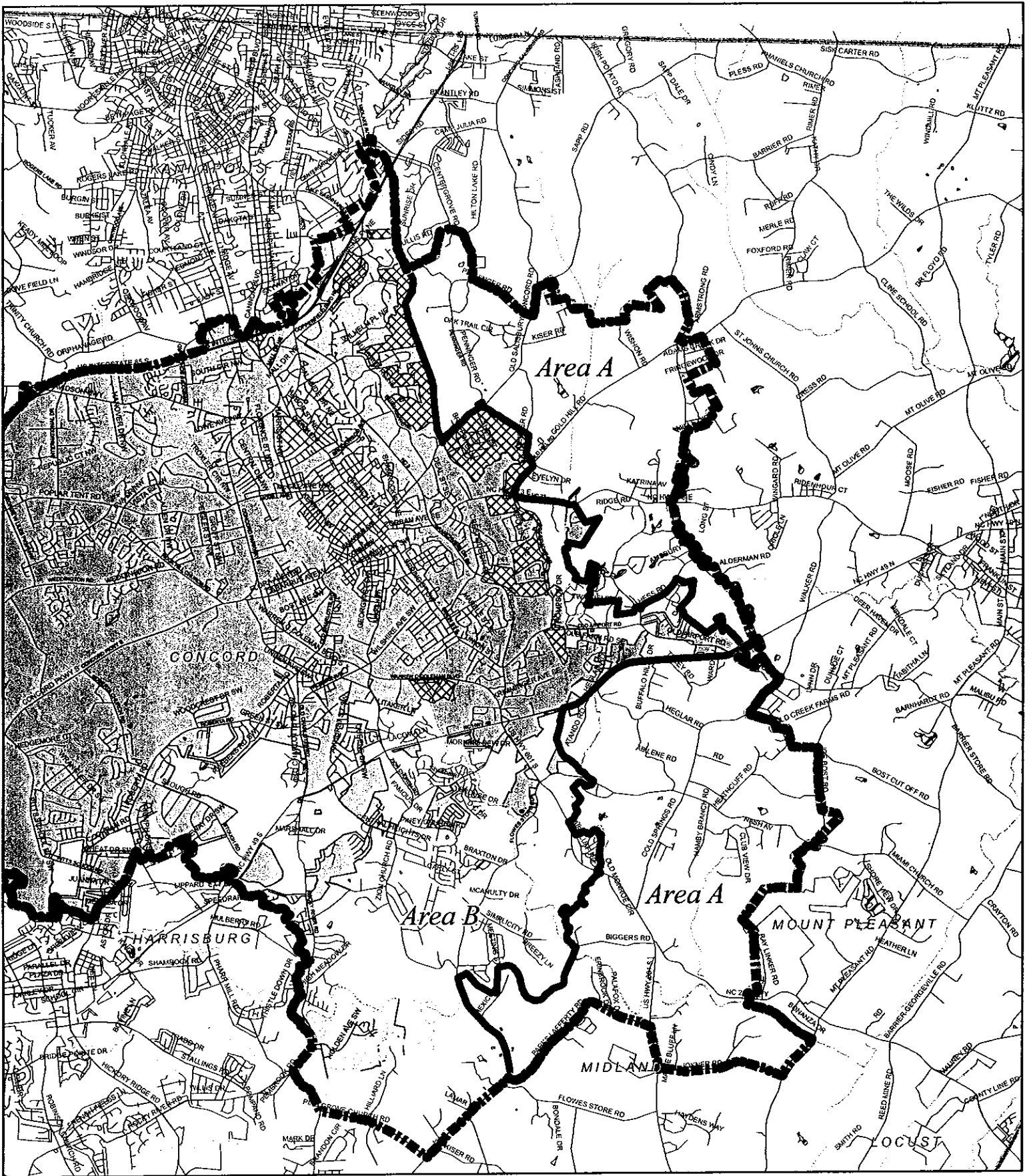









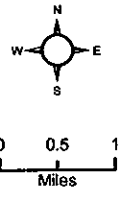


EXHIBIT A

-  Planning Area
-  Sub Area Boundary (Urban Services Boundary)
-  Concord ETJ
-  City of Concord
-  Other Municipalities

-  Cabarrus Co.
-  Streets
-  Rivers
-  Lakes & Ponds



STATE OF NORTH CAROLINA

COUNTY OF CABARRUS

AD HOC MODIFICATION OF CITY
OF THE CONCORD-CABARRUS COUNTY
INTERLOCAL AGREEMENT REGARDING
THE CENTRAL AREA PLAN FOR MARDAN
ENTERPRISES, LLC (380 PATIENCE DRIVE)

This AD HOC MODIFICATION OF THE CONCORD-CABARRUS COUNTY INTERLOCAL AGREEMENT REGARDING THE CENTRAL AREA PLAN (“the “Modification”) is entered into effective as of the last date of execution by the parties as shown below, by, between and among the CITY OF CONCORD (“Concord”), a North Carolina municipal corporation, and CABARRUS COUNTY (“County”).

RECITALS

1. On June 28, 2008, these same parties entered into an “Interlocal Agreement” regarding the implementation of the Central Area Plan (“CAP”).
2. This Interlocal Agreement was to continue in effect for a period of 15 years and contemplated a review of the efficacy of the Interlocal Agreement every 5 years.
3. The parties have had discussions about specific issues and parcels affected by the CAP since the execution of the Interlocal Agreement.
4. The parties have also had specific discussions about a parcel owned by Mardan Enterprises, LLC. Mardan Enterprises, LLC wishes to construct a new single -family home on a parcel, which is located in Area A of the Interlocal Agreement. Pursuant to the terms of the Interlocal Agreement, the CAP prohibits Concord from extending utilities to real property parcels in Area A.
5. The CAP and the Interlocal Agreement have been successful in redirecting residential development into other areas of Cabarrus County, but there are instances in the Central Area in which it makes sense to modify the Interlocal Agreement to allow a limited amount of development in areas where utilities already exist or are reasonably available.
6. The purpose of this Amendment is to modify the Interlocal Agreement to the limited extent of addressing the above-described circumstance involving the below identified parcel(s).

In consideration of the above Recitals and the Terms below, which the parties specifically acknowledge and agree make this Modification legally binding and enforceable, the parties agree as provided below.

TERMS

1. Concord agrees to provide electric and water utility services under its normal and customary terms and conditions to the property located at 380 Patience Drive, Concord NC 28025 (PIN 5641-00-1839).

2. Except as specifically changed by this Modification, the provisions of the Interlocal Agreement shall remain in full force and effect.

IN WITNESS, the parties have executed this Modification as indicated below, all pursuant to legal authority duly given.

CITY OF CONCORD

By: _____
Lloyd Payne, City Manager

Date: _____

CABARRUS COUNTY

By: _____
Mike Downs, County Manager

Date: _____

CABARRUS COUNTY



BOARD OF COMMISSIONERS WORK SESSION

**February 6, 2023
4:00 PM**

AGENDA CATEGORY:

Discussion Items for Action

SUBJECT:

Planning and Development - 2023-2024 Community Development Programs - Public Hearing
6:30 p.m.

BRIEF SUMMARY:

Community Development Staff is requesting to make the regular submission for the Weatherization, Heating and Air Repair and Replacement program and Housing and Home Improvement programs as the applications and funding become available in the coming months. Additionally, staff requests to participate in any programs that Duke Energy or Blue Cross Blue Shield offer. The only match required for any of these programs is 10% for the Housing and Home Improvement program which is part of the larger Home Care Community Block Grant program. Finally, staff is requesting to make application for the regular HOME program allocation through the consortium. The match amount is determined by the allocation of HOME funds and the projected match amount will be included in the annual budget process if approved. Staff is proposing to use the funding toward CCM's Grace Place project (formerly the huddle house project) in Kannapolis. Staff will work with CCM to see if any in kind match or nonfederal funds can be produced for this project to reduce the county's required amount. A public hearing will need to be held for the HOME program funding.

REQUESTED ACTION:

Hold a public hearing.

Approve staff to make applications for the Weatherization, Heating and Air Repair and Replacement program, Housing and Home Improvement, Duke Energy programs, Blue Cross Blue Shield programs and the 2023-2024 HOME program and allow the county manager to execute any necessary contracts subject to legal review.

EXPECTED LENGTH OF PRESENTATION:

5 Minutes

SUBMITTED BY:

Kelly Sifford, AICP

Assistant County Manager

BUDGET AMENDMENT REQUIRED:

No

COUNTY MANAGER'S RECOMMENDATIONS/COMMENTS:

CABARRUS COUNTY



BOARD OF COMMISSIONERS WORK SESSION

**February 6, 2023
4:00 PM**

AGENDA CATEGORY:

Discussion Items for Action

SUBJECT:

Planning and Development - Community Development Budget Amendment

BRIEF SUMMARY:

The attached budget amendment is to place revenues generated from the Duke Energy rebate program into expense line items to allow them to be expended. Staff has generated \$28,506.45 in revenues through the program. The Duke Energy rebate program requires that revenues be placed back into the program to expand service.

REQUESTED ACTION:

Motion to approve the budget amendment.

EXPECTED LENGTH OF PRESENTATION:

5 Minutes

SUBMITTED BY:

Kelly Sifford, AICP
Assistant County Manager

BUDGET AMENDMENT REQUIRED:

Yes

COUNTY MANAGER'S RECOMMENDATIONS/COMMENTS:

ATTACHMENTS:

▢ Budget Amendment

Budget Revision/Amendment Request

Date:

Amount:

Dept. Head:

Department:

Internal Transfer Within Department
 Transfer Between Departments/Funds
 Supplemental Request

Purpose: To allocate Duke Rebate Program funds received for Weatherization Program jobs completed in homes where electricity is provided by Duke Energy Carolinas.

Fund	Indicator	Department/ Object/ Project	Account Name	Approved Budget	Increase Amount	Decrease Amount	Revised Budget
460	6	3250-6841-DE	Duke Power Rebate	-	28,506.45		28,506.45
460	9	3250-9493-DE	Operations - Duke	2,741.47	3,000.00		5,741.47
460	9	3250-9315-DE	Health & Safety Duke	15,712.40	25,506.45		41,218.85

Total 75,466.77

Budget Officer

Approved
 Denied

County Manager

Approved
 Denied

Board of Commissioners

Approved
 Denied

Signature

Signature

Signature

Date

Date

Date

CABARRUS COUNTY



BOARD OF COMMISSIONERS WORK SESSION

**February 6, 2023
4:00 PM**

AGENDA CATEGORY:

Discussion Items for Action

SUBJECT:

Planning and Development - HOME ARP Contract

BRIEF SUMMARY:

Cabarrus County has been allocated a total of \$623,900 through the Cabarrus/Iredell/Rowan HOME Consortium. This includes \$578,000 in project funds and \$45,900 in administrative funds. This particular funding is tied closely to addressing homelessness. Previously, Cabarrus County tentatively agreed to participate in Cooperative Christian Ministries project Grace Place. The project includes 16 cottages (14 for residents and 2 for onsite employees) and a community building to provide services, congregate meals and a laundry. The primary clients are anticipated to be extremely low-income elderly. Cooperative Christian Ministries has been working with the City of Kannapolis and meeting with the adjacent neighborhood to address project concerns. The property is located at the end of Kenlough Dr.

REQUESTED ACTION:

Consider approving the HOME ARP contract.

EXPECTED LENGTH OF PRESENTATION:

10 Minutes

SUBMITTED BY:

Kelly Sifford, AICP
Assistant County Manager

BUDGET AMENDMENT REQUIRED:

Yes

COUNTY MANAGER'S RECOMMENDATIONS/COMMENTS:

ATTACHMENTS:

- ▣ Contract

ANNUAL AGREEMENT FOR THE EXECUTION OF THE HOME-ARP INVESTMENT PARTNERSHIPS- AMERICAN RESCUE PLAN PROGRAM

This Agreement, made and entered into this _____ day of _____, 2022 and between the **City of Concord**, a municipal corporation organized and existing under the laws of the State of North Carolina, and serving as the lead entity of the Cabarrus/Iredell/Rowan HOME-ARP Consortium (hereinafter "City"), and **Cabarrus County**, a body politic and incorporated under the laws of the State of North Carolina (hereinafter "Eligible HOME-ARP Consortium Member (MEMBER) has been designated to receive **\$578,000** in project funds and **\$45,900** for administrative costs; and

WITNESSETH:

WHEREAS, the City has entered into an Agreement to receive funds for a HOME-ARP Investment Partnerships Program (hereinafter "Funding Agreement") with the U.S. Department of Housing and Urban Development (hereinafter "HUD"); and

WHEREAS, it is the purpose of this Agreement to affect a specified portion of the program approved by the HOME-ARP-ARP Funding Agreement in accordance with the policies expressed by and declared in American Rescue Plan Act of 2021, as amended (hereinafter "Act"); and

WHEREAS, pursuant to said purpose the Member is undertaking certain activities and desires to engage the City to render certain assistance in such undertakings.

NOW, THEREFORE, for valuable consideration and mutual promises exchanged between the parties hereto, it is agreed as follows:

A. SCOPE OF SERVICES:

1. The services to be performed pursuant to this Agreement (hereinafter "Project"), shall be those specified in the Scope of Services (attached hereto as **Attachment A**), and under the Project Title(s), **HOME-ARP-American Relief Plan (HOME-ARP-ARP)**, in the Action Plan submitted by the City and approved by HUD as that Action Plan now reads or as it may later be modified in accordance with regulations promulgated by HUD.
2. The City may, from time to time, request changes in the scope of service of the Member to be performed hereunder. Such changes, including any increase or decrease in the amount of the Member's compensation, which is mutually agreed upon by and between the City and the Member, shall be incorporated in written amendments to this Agreement.

B. DURATION OF AGREEMENT:

This Agreement shall be effective as of the **1st day of October 2022**, and shall remain in effect until **September 30, 2030**.

C. TERMS AND CONDITIONS:

1. The Member shall enforce this Agreement through a promissory note and deed of trust on all real properties in which HOME-ARP-ARP Funds are used and requiring compliance with all applicable HOME-ARP Program requirements. This Agreement shall be considered breached if the Member

materially fails to comply with any term in this Agreement and shall result in the termination of this Agreement and the recapture of all HOME-ARP Funds disbursed to the Member.

2. The Member shall assume responsibility for managing the day-to-day operations of its HOME-ARP program to assure compliance with program requirements outlined in 24 CFR Part 92 and for taking appropriate action when performance problems arise.
3. The Member shall take full responsibility for ensuring that housing projects assisted with HOME-ARP Funds meet the affordability and resale requirements of 24 CFR 92.252 or 92.254 as applicable, and shall repay its award of HOME-ARP Funds in full to the City if the housing does not meet the affordability requirements for the specified time period.
4. The Member shall retain as program income all repayment, interest, and other return on the investment of HOME-ARP Funds in a separate local account for use to fund additional eligible HOME-ARP activities of the Member's choosing and agrees to invest all returns on HOME-ARP investments in other eligible activities before drawing down additional HOME-ARP Funds from the City.
5. The Member shall submit a fully executed Project Completion Report to the City no later than ten (10) days following occupancy of each completed housing unit.
6. The Member shall require all owners of housing assisted with HOME-ARP Funds to maintain the housing in compliance with applicable Housing Quality Standards and local housing code requirements for the duration of the Agreement.
7. The Member shall, where applicable, review the activities of owners of rental housing assisted with HOME-ARP Funds to assure compliance with the requirements set out in 24 CFR Part 92 not less than annually. Each review must include an annual onsite inspection to determine compliance with housing codes and the HOME-ARP Program requirements. These inspections shall be conducted for each unit in a period during the project's period of affordability.
8. The City shall hold the Member responsible for complying with the provisions of this Agreement even when the Member designates a third party or parties to undertake any part of the program. The Member shall not pass on their administrative responsibility to insure compliance with all applicable regulations. All third parties must be bound in writing to the same provisions as required in this Agreement.
9. None of the following or their immediate family members, during the tenure of the subject person for one year thereafter, shall have any direct or indirect financial interest in any contract, subcontract or the proceeds thereof for work to be performed in connection with the program assisted under this agreement: Employees, agents, or officials of the Member, including members of the governing body, who exercise any function or responsibility with respect to the program. The same prohibition shall be incorporated in all such contracts and subcontracts.
10. The assistance provided under this Agreement shall not be used by the Member to pay a third party to lobby the United States government for funding approval, approval of applications for additional assistance, or any other approval or concurrence of HUD required under this Agreement. However, HOME-ARP Funds may be used to pay reasonable fees for bona fide technical, consultant, managerial

or other such services, other than actual solicitations, provided these services are eligible as a program cost.

12. The Member shall reimburse the City for any amount of HOME-ARP Funds determined by HUD to have been improperly expended, and the City shall retain the right to recover any questioned costs or overpayments from the Member.
13. Upon termination, the Member shall remit any unexpended balance of advanced payments on account of the HOME-ARP-ARP funds as well as such other portions of such payments previously received as determined by the City to be due and the action of the City in accepting any such amount shall not constitute a waiver of any claim which the City may otherwise have.
14. The Member shall allow the City to carry out monitoring and evaluation activities as determined necessary by the City and HUD.
15. In the event of termination, all property and finished or unfinished documents, data, studies, and reports purchased or prepared by the Member under this Agreement shall, at the option of the City, become the property of the City.
16. Funds must be 100% drawn down by September 30, 2030. If all funds are not drawn by this date, the balance will be recaptured by the HOME-ARP Consortium and reallocated. All HOME-ARP Consortium member governments will have the opportunity to apply for recaptured funds via a competitive application process. Applicants that can expend the money in the shortest amount of time will rank highest.

In the event the draw down deadline is not met due to an extenuating circumstance; the deadline may be extended upon approval by the full consortium.

17. The Member shall comply with all labor standards, nondiscrimination and equal opportunity responsibilities outlined in Title 24.
18. The Member shall conduct all environmental reviews, including but not limited to environmental assessments, environmental impact statements or other required environmental studies, pursuant to 24 CFR 58 et seq., in a timely manner. Member shall also comply with all applicable environmental laws, including but not limited to all laws governing environmental impacts, environmental policy, sedimentation, erosion control wetlands, water quality, storm water quality, floodplain management, air pollution, resource conservation and recovery, hazardous or toxic materials of any kind or any other environmental or nuisance ordinance, statute or rule listed in 24 CFR 58.5 and 58.6. Environmental reviews requiring public comment shall be presented to the City for inspection no less than 15 days prior to advertising, as required by 24 CFR 58.56. In the event that the City, the U.S. Department of Housing and Urban Development, U.S. Environmental Protection Member, N.C. Dept. of Environment and Natural Resources, U.S. Army Corps of Engineers or any other governmental body having jurisdiction finds that any environmental review was not properly conducted or is in any way inadequate, the Member shall fully indemnify and save harmless the City, its agents, officers, and employees, to the maximum extent allowed by law, from and against all charges that arise in any manner from, in connection with, or out of this contract as a result of the acts or omissions of the Member, its contractor or subcontractors or anyone directly or indirectly employed by any of them or anyone for whose acts any of them may be liable in regard to the environmental reviews described above and in 24 CFR 58.5 and 58.6. The Member shall not be liable for damage or injury caused solely by the negligence of the City its agents, officers, or employees. In performing its duties under this

section, the Member shall at its sole expense defend the HOME-ARP Member, its agents, officers, and employees with legal counsel reasonably acceptable to City. As used in this subsection, "Charges" means claims, judgments, costs, damages, losses, demands, liabilities, duties, obligations, fines, penalties, royalties, settlements, expenses, interest, reasonable attorney's fees, and amounts for alleged violations of sedimentation pollution, erosion control, pollution, or other environmental laws, regulations, ordinances, rules, or orders. Nothing in this section shall affect any warranties in favor of the City that are otherwise provided in or arise out of this Agreement. This section shall remain in force for a period of one year from the completion date of Work despite termination of this Agreement (whether by expiration of the term or otherwise) and termination of the services of the Member under this Agreement.

19. The Member shall ensure that the City has sufficient time to review and comment on all environmental reviews as defined in paragraph 18, environmental assessments and environmental impact statements that may have an impact on Member's program(s). The Member and City depending on the length and complexity of the assessment or impact statement shall determine "sufficient time".
20. The Member shall hold the City harmless for not certifying a project for the release of funds, or for failing to approve an environmental assessment, or not make a "finding of no significant impact" if the City did not certify a project because the City did not complete an environmental review (as defined in paragraph 18 above) or because the City was unable to make the certification in good faith.

D. FUNDING AND PAYMENT:

1. The City will provide the Member with HOME-ARP Funds for the Project in accordance with the HUD approved allocated HOME-ARP budget for the Project (hereinafter "Project Budget") or the actual cost of the Project, whichever is less. The payment procedure under this Agreement shall be in accordance with the following method: Payment shall be on a reimbursement basis, and upon receipt of pay request submitted within the Neighborly Software System which shall reflect expenditures and incurred expenses by budget line item. The Member shall also provide support documentation such as invoices for all expenditures included on the Requisition Form.
2. Requests for funds shall be made on a reimbursement basis and shall be received by the City within thirty (30) days of the date the expenditure was made. Checks will be distributed by mail on Fridays. Requests for checks must be received by 5:00 PM the preceding Friday so as to be processed for the next check run.
3. Payments under this Agreement are limited to those HOME-ARP Funds specified in the Project Budget, but in no event will the total compensation and reimbursement, if any, to be paid hereunder exceed the maximum sum of the Member's total allocation.
4. The Member may use their allocation of HOME-ARP Program administrative funds to pay for costs relating to (a) oversight, coordination and general management of HOME-ARP project(s); (b) staff and overhead costs; (c) public information costs; (d) cost of fair housing; and (e) costs of complying with Federal requirements, per 24 CFR 92.207. Program administration includes, but is not limited to, the following types of assignments: Developing systems and schedules for ensuring compliance with program requirements; developing agreements with entities receiving HOME-ARP Funds; monitoring HOME-ARP-assisted housing for progress and compliance with program requirements; preparing reports and other documents related to the program and projects; providing local officials and

citizens with information about the program; preparing program budgets and schedules; outreach activities; monitoring program activities to assure compliance with program requirements; coordinating resolution of monitoring findings; and managing or supervising persons whose primary responsibilities are with regard to the program. Also included are travel costs incurred for business in carrying out the program; administrative services performed under third party contracts or agreements (such as legal or accounting services); and other costs for goods and services required for administration of the program.

5. PLEASE SEE ATTACHMENT C for HOME-ARP REGULATIONS

E. BUDGET CHANGES AND INELIGIBLE EXPENSES:

1. Except for changes made in accordance with subsection (2) below, any and all alterations in the approved use of budgeted funds shall be subject to prior review by the City.
2. Funds may be shifted between line items of the Project without prior approval of the City only to the extent that such action does not exceed ten percent (10%) of the line item total from which the funds are being removed or to which the funds are being added.
3. A report of fund shifts not requiring prior approval by the City shall be reported in writing to the Planning & Neighborhood Development/HOME Consortium Lead Entity within three (3) days after its effective date.
4. Any costs and expenses not covered by the Project Budget, and; hence, eligible for payment from HOME-ARP-ARP Funds, shall be borne entirely by the Member.

F. RECORD AND REPORTS:

1. The Member shall maintain and shall make available at reasonable times and places to the City such records and accounts, including property, personnel, and financial records, as are deemed necessary by the City and/or State and Federal agencies in order to assure a proper accounting for all Project funds.
2. The Member shall provide any duly authorized City representative, representative of HUD and the Controller General of the United States, at all reasonable times, access to and the right to inspect, copy, monitor, and examine all of the books, papers, records, and other documents relating to the HOME-ARP-ARP Funds and the fulfillment of this Agreement for a period of three (3) years following the completion of all close-out procedures respecting HOME-ARP-ARP Funds, and the final settlement and conclusion of all issues arising out of the HOME-ARP-ARP allocation.
3. The Member shall provide quarterly reports to the City that denotes accomplishments, beneficiaries, problems encountered and changes in work schedule and any other information needed by the City to complete the Consolidated Annual Performance Evaluation Report and other reports required by HUD. This quarterly report shall also include an accounting of all program income received and/or expended during the quarter and year to date.
4. When requested, the Member shall provide an Annual Audit Report to the City of Concord performed in compliance with Office of Management and Budget Circular A-133.

G. FINANCIAL ACCOUNTING:

1. The Member shall establish and maintain fiscal and accounting records in accordance with generally accepted accounting principles and practices.
2. The Member shall not commingle accounts to an extent that prevents the accounting and auditing of the funds provided hereunder: provided, however, the Member may supplement the funds provided hereunder from other fund sources.
3. Funds provided hereunder are exclusively for the purposes of this Agreement and under the terms and conditions of this Agreement, and the Member shall not temporarily or permanently shift such funds to other programs or utilize for other purposes for any reason.

H. INSURANCE AND LIABILITY:

The Member's chief financial officer or insurer shall ensure that all persons handling funds received or disbursed under this Agreement are covered by fidelity insurance in an amount consistent with sound fiscal practice.

Work to be performed as provided herein shall be done by the Member as an Independent Contractor. The City shall not be liable for claims for damages or losses arising out of the performance of this Agreement by the Member, its employees, officers or agents and the Member shall indemnify and hold harmless the City, its officers, agents and employees from all such claims arising under this Agreement.

I. RESIDENT ECONOMIC OPPORTUNITY:

1. The Member shall take affirmative action to ensure that residents of the project area are given maximum opportunity for training, employment and business opportunities.
2. When qualified applicants are available, preference shall be given to residents of the project area in filling all training, business opportunities and jobs generated by the HOME-ARP-ARP Program.

J. PUBLICITY:

The Member shall make every effort in its publicity and in other ways, to fully inform the public concerning the Project. Any publicity given to the Project must recognize the Cabarrus/Iredell/Rowan HOME-ARP Consortium as the sponsor and the Project being funded by HUD through the HOME-ARP. The City will, in all publicity originated by it concerning the Project, recognize the Member as the entity responsible for carrying out the Project.

K. SUSPENSION OR TERMINATION FOR CAUSE:

1. The City, upon written notice to the Member, may suspend or terminate payment of HOME-ARP-ARP Funds to the Member in whole or in part for cause which shall include, but not limited to, the following:
 - (a) Ineffective or improper use of Grant funds;
 - (b) Failure to comply with the terms and conditions of this agreement;
 - (c) Submission to the City of reports which are incorrect or incomplete in any material respect;
 - (d) Suspension of the Grant from HUD to the City in whole or part for any reason.

2. The City, upon written notice to the Member, may also withhold payment of any unearned portion of the Grant if the Member is unable or unwilling to accept any additional conditions that may be provided by law, by executive order, by regulations or by other policy announced by HUD.
3. If the City withholds payment, it shall advise the Member in writing what action must be taken as a condition of precedent to the resumption of payment.

L. ASSIGNABILITY:

This Agreement is expressly non-assignable without the prior written consent and approval of the City; nor may the Project be continued by a successor to the Member herein named without the prior written consent of the City. Any work or services subcontracted hereunder shall be specified by written contract or agreement.

M. DOCUMENTS OF INCORPORATION:

This Agreement is expressly made subject to all of the attachments, provisions, federal, state, and local laws and the Cabarrus/Iredell/Rowan HOME-ARP Consortium Joint Cooperation Agreement and of the Funding Agreement between the City and HUD and to any and all requirements, whether federal, state or local, verbal or written, placed upon the City as lead entity of the Cabarrus/Iredell/Rowan HOME-ARP Consortium. All of the foregoing are hereby made a part of this Agreement and incorporated herein by reference. A list of documents incorporated herein by reference include, but are not limited to, those set forth in ***Attachment "C."***

N. MISCELLANEOUS PROVISIONS:

1. The singular of any term used in this Agreement shall include the plural, and the masculine shall include the plural, and the masculine shall include the feminine, and vice versa.
2. A signed copy of this Agreement shall be considered as an original.
3. All notices under this Agreement shall be addressed to the following unless otherwise notified:

CITY OF CONCORD

Attn: Pepper Bego
Federal Program Coordinator/HOME Consortium Manager
Business and Neighborhood Services
P.O. Box 308
Concord, N.C. 28027-0308

Attachment A

Project Description

Eligible activities include acquisition and development of non-congregate shelter, tenant based rental assistance, supportive services, HOME-ARP rental housing development, administration and planning, and nonprofit operating and capacity building assistance. HOME-ARP-ARP funds must assist people in HOME-ARP-ARP "qualifying populations", which include: Sheltered and unsheltered HOME-ARP less populations; Those currently housed populations at risk of HOME-ARP lessness; Those fleeing or attempting to flee domestic violence or human trafficking; Other families requiring services or housing assistance or to prevent HOME-ARP homelessness; Those at greatest risk of housing instability or in unstable housing situations.

Attachment B

SECTION III

PROJECT BUDGET AND FUNDING

III (a) Budget

Show all funding sources for the project or projects you plan to undertake.

Project Revenue

	Source	Amount
HOME-ARP-ARP funds awarded		\$
Other Federal Funds		
State/Local Funds (list)		\$
Bank Loans		
Other Cash Contributions		
Other local loans		
Private Grants		
Total Funds Available*		\$

* This total should be the same as your "Total Development Costs" total in the **Estimated Costs** table on page 7.

Provide the details of all loans and/or grants, other than HOME-ARP-ARP, listed above for the project.

Attachment C



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

Table of Contents

- I. PURPOSE.....2
- II. BACKGROUND.....2
- III. ESTABLISHMENT OF HOME-ARP REQUIREMENTS2
- IV. QUALIFYING POPULATIONS, TARGETING AND PREFERENCES.....3
- V. HOME-ARP ALLOCATION PLAN12
- VI. ELIGIBLE ACTIVITIES 18
 - A. Administration and Planning.....18
 - B. HOME-ARP Rental Housing20
 - C. Tenant-Based Rental Assistance (TBRA)38
 - D. Supportive Services.....42
 - E. Acquisition and Development of Non-Congregate Shelter55
 - F. Nonprofit Operating and Capacity Building Assistance.....67
- VII. OTHER FEDERAL REQUIREMENTS68
- VIII. PROGRAM ADMINISTRATION75
- IX. PERFORMANCE REVIEWS95
- X. FINDING OF NO SIGNIFICANT IMPACT97

Appendix – Waivers and Alternative Requirements for HOME Investment Partnerships Program – American Rescue Plan (HOME-ARP)

I. PURPOSE

This Notice establishes requirements for funds appropriated under section 3205 of the American Rescue Plan Act of 2021 (P.L. 117-2) (“**ARP**”) for the HOME Investment Partnerships Program (HOME) to provide homelessness assistance and supportive services.

II. BACKGROUND

On March 11, 2021, President Biden signed ARP into law, which provides over \$1.9 trillion in relief to address the continued impact of the COVID-19 pandemic on the economy, public health, State and local governments, individuals, and businesses.

To address the need for homelessness assistance and supportive services, Congress appropriated \$5 billion in ARP funds to be administered through HOME to perform four activities that must primarily benefit qualifying individuals and families who are homeless, at risk of homelessness, or in other vulnerable populations. These activities include: (1) development and support of affordable housing, (2) tenant-based rental assistance (TBRA), (3) provision of supportive services; and (4) acquisition and development of non-congregate shelter units. The program described in this notice for the use of the \$5 billion in ARP funds is the **HOME-American Rescue Plan** or “**HOME-ARP**.”

ARP defines qualifying individuals or families as those that are (1) homeless, as defined in section 103(a) of the McKinney-Vento Homeless Assistance Act, as amended (42 U.S.C. 11302(a)) (“**McKinney-Vento**”); (2) at risk of homelessness, as defined in section 401 of McKinney-Vento; (3) fleeing, or attempting to flee domestic violence, dating violence, sexual assault, stalking, or human trafficking; (4) part of other populations where providing supportive services or assistance would prevent a family’s homelessness or would serve those with the greatest risk of housing instability; or (5) veterans and families that include a veteran family member that meet the criteria in one of (1)-(4) above.

ARP authorized HUD to allocate HOME-ARP funds to states, units of general local government, insular areas, and consortia of units of general local government that qualified for an allocation of HOME funds in Fiscal Year (FY) 2021, pursuant to section 217 of the Cranston-Gonzalez National Affordable Housing Act of 1990, as amended (42 U.S.C. 12701 et seq.) (“**NAHA**”). On April 8, 2021, HUD allocated HOME-ARP funds to 651 grantees using the HOME formula established at [24 CFR 92.50](#) and [92.60](#). The HOME-ARP allocation amounts can be found [here](#).

III. ESTABLISHMENT OF HOME-ARP REQUIREMENTS

ARP provides funds for homelessness and supportive services assistance under the HOME statute of Title II of NAHA (42 U.S.C. 12721 et seq.) and authorizes the Secretary of HUD to waive or specify alternative requirements for any provision of NAHA or regulation for the administration of the HOME-ARP program, except requirements related to fair housing, civil rights, nondiscrimination, labor standards, and the environment, upon a finding that the waiver

or alternative requirement is necessary to expedite or facilitate the use of HOME-ARP funds. Pursuant to ARP, the per-unit cost limits (42 U.S.C. 12742(e)), commitment requirements (42 U.S.C. 12748(g)), matching requirements (42 U.S.C. 12750), and set-aside for housing developed, sponsored, or owned by community housing development organizations (CHDOs) (42 U.S.C. 12771) in NAHA do not apply to HOME-ARP funds.

This Notice describes the requirements applicable to a participating jurisdiction's (PJ's) use of HOME-ARP funds. Consolidated plan requirements for HOME are in title I of NAHA and [24 CFR part 91](#). HOME program regulations are in [24 CFR part 92](#). Except as described in ARP and this Notice, HOME statutory and regulatory provisions apply to a PJ's use of HOME-ARP funds. Sections I-IX of this Notice describe the HOME-ARP requirements imposed on a PJ for the use of HOME-ARP funds to assist the qualifying populations through HOME-ARP projects or activities. The Appendix describes the waivers and alternative requirements imposed on PJs for the use of HOME-ARP funds and is included in any reference to "this Notice." Specific citations in the Notice shall mean the statute or regulation cited, as may be revised by the Appendix to this Notice. PJs and insular areas must comply with all applicable statutory, regulatory, and alternative requirements, as described in this Notice, including the Appendix.

IV. QUALIFYING POPULATIONS, TARGETING AND PREFERENCES

ARP requires that funds be used to primarily benefit individuals and families in the following specified "qualifying populations." Any individual or family who meets the criteria for these populations is eligible to receive assistance or services funded through HOME-ARP without meeting additional criteria (e.g., additional income criteria). All income calculations to meet income criteria of a qualifying population or required for income determinations in HOME- ARP eligible activities must use the annual income definition in [24 CFR 5.609](#) in accordance with the requirements of [24 CFR 92.203\(a\)\(1\)](#).

A. Qualifying Populations

1. Homeless, as defined in [24 CFR 91.5](#) *Homeless* (1), (2), or (3):

- (1) An individual or family who lacks a fixed, regular, and adequate nighttime residence, meaning:
 - (i) An individual or family with a primary nighttime residence that is a public or private place not designed for or ordinarily used as a regular sleeping accommodation for human beings, including a car, park, abandoned building, bus or train station, airport, or camping ground;
 - (ii) An individual or family living in a supervised publicly or privately operated shelter designated to provide temporary living arrangements (including congregate shelters, transitional housing, and hotels and motels paid for by charitable organizations or by federal, state, or local government programs for low-income individuals); or

- (iii) An individual who is exiting an institution where he or she resided for 90 days or less and who resided in an emergency shelter or place not meant for human habitation immediately before entering that institution;
- (2) An individual or family who will imminently lose their primary nighttime residence, provided that:
- (i) The primary nighttime residence will be lost within 14 days of the date of application for homeless assistance;
 - (ii) No subsequent residence has been identified; and
 - (iii) The individual or family lacks the resources or support networks, e.g., family, friends, faith-based or other social networks needed to obtain other permanent housing;
- (3) Unaccompanied youth under 25 years of age, or families with children and youth, who do not otherwise qualify as homeless under this definition, but who:
- (i) Are defined as homeless under section 387 of the Runaway and Homeless Youth Act (42 U.S.C. 5732a), section 637 of the Head Start Act (42 U.S.C. 9832), section 41403 of the Violence Against Women Act of 1994 (42 U.S.C. 14043e-2), section 330(h) of the Public Health Service Act (42 U.S.C. 254b(h)), section 3 of the Food and Nutrition Act of 2008 (7 U.S.C. 2012), section 17(b) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(b)), or section 725 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11434a);
 - (ii) Have not had a lease, ownership interest, or occupancy agreement in permanent housing at any time during the 60 days immediately preceding the date of application for homeless assistance;
 - (iii) Have experienced persistent instability as measured by two moves or more during the 60-day period immediately preceding the date of applying for homeless assistance; and
 - (iv) Can be expected to continue in such status for an extended period of time because of chronic disabilities, chronic physical health or mental health conditions, substance addiction, histories of domestic violence or childhood abuse (including neglect), the presence of a child or youth with a disability, or two or more barriers to employment, which include the lack of a high school degree or General Education Development (GED), illiteracy, low English proficiency, a history of incarceration or detention for criminal activity, and a history of unstable employment;

2. At risk of Homelessness, as defined in [24 CFR 91.5](#) *At risk of homelessness*:

- (1) An individual or family who:

(i) Has an annual income below 30 percent of median family income for the area, as determined by HUD;

(ii) Does not have sufficient resources or support networks, *e.g.*, family, friends, faith-based or other social networks, immediately available to prevent them from moving to an emergency shelter or another place described in paragraph (1) of the “Homeless” definition in this section; and

(iii) Meets one of the following conditions:

(A) Has moved because of economic reasons two or more times during the 60 days immediately preceding the application for homelessness prevention assistance;

(B) Is living in the home of another because of economic hardship;

(C) Has been notified in writing that their right to occupy their current housing or living situation will be terminated within 21 days after the date of application for assistance;

(D) Lives in a hotel or motel and the cost of the hotel or motel stay is not paid by charitable organizations or by federal, State, or local government programs for low-income individuals;

(E) Lives in a single-room occupancy or efficiency apartment unit in which there reside more than two persons or lives in a larger housing unit in which there reside more than 1.5 people per room, as defined by the U.S. Census Bureau;

(F) Is exiting a publicly funded institution, or system of care (such as a health-care facility, a mental health facility, foster care or other youth facility, or correction program or institution); or

(G) Otherwise lives in housing that has characteristics associated with instability and an increased risk of homelessness, as identified in the recipient's approved consolidated plan;

(2) A child or youth who does not qualify as “homeless” under this section, but qualifies as “homeless” under section 387(3) of the Runaway and Homeless Youth Act (42 U.S.C. 5732a(3)), section 637(11) of the Head Start Act (42 U.S.C. 9832(11)), section 41403(6) of the Violence Against Women Act of 1994 (42 U.S.C. 14043e-2(6)), section 330(h)(5)(A) of the Public Health Service Act (42 U.S.C. 254b(h)(5)(A)), section 3(l) of the Food and Nutrition Act of 2008 (7 U.S.C. 2012(l)), or section 17(b)(15) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(b)(15)); or

(3) A child or youth who does not qualify as “homeless” under this section but qualifies as “homeless” under section 725(2) of the McKinney-Vento Homeless Assistance Act (42

U.S.C. 11434a(2)), and the parent(s) or guardian(s) of that child or youth if living with her or him.

3. Fleeing, or Attempting to Flee, Domestic Violence, Dating Violence, Sexual Assault, Stalking, or Human Trafficking, as defined by HUD.

For HOME-ARP, this population includes any individual or family who is fleeing, or is attempting to flee, domestic violence, dating violence, sexual assault, stalking, or human trafficking. This population includes cases where an individual or family reasonably believes that there is a threat of imminent harm from further violence due to dangerous or life-threatening conditions that relate to violence against the individual or a family member, including a child, that has either taken place within the individual's or family's primary nighttime residence or has made the individual or family afraid to return or remain within the same dwelling unit. In the case of sexual assault, this also includes cases where an individual reasonably believes there is a threat of imminent harm from further violence if the individual remains within the same dwelling unit that the individual is currently occupying, or the sexual assault occurred on the premises during the 90-day period preceding the date of the request for transfer.

Domestic violence, which is defined in [24 CFR 5.2003](#) includes felony or misdemeanor crimes of violence committed by:

- 1) A current or former spouse or intimate partner of the victim (the term "spouse or intimate partner of the victim" includes a person who is or has been in a social relationship of a romantic or intimate nature with the victim, as determined by the length of the relationship, the type of the relationship, and the frequency of interaction between the persons involved in the relationship);
- 2) A person with whom the victim shares a child in common;
- 3) A person who is cohabitating with or has cohabitated with the victim as a spouse or intimate partner;
- 4) A person similarly situated to a spouse of the victim under the domestic or family violence laws of the jurisdiction receiving HOME-ARP funds; or
- 5) Any other person against an adult or youth victim who is protected from that person's acts under the domestic or family violence laws of the jurisdiction.

Dating violence which is defined in [24 CFR 5.2003](#) means violence committed by a person:

- 1) Who is or has been in a social relationship of a romantic or intimate nature with the victim; and
- 2) Where the existence of such a relationship shall be determined based on a consideration of the following factors:
 - a. The length of the relationship;
 - b. The type of relationship; and
 - c. The frequency of interaction between the persons involved in the relationship.

Sexual assault which is defined in [24 CFR 5.2003](#) means any nonconsensual sexual act proscribed by Federal, Tribal, or State law, including when the victim lacks capacity to consent.

Stalking which is defined in [24 CFR 5.2003](#) means engaging in a course of conduct directed at a specific person that would cause a reasonable person to:

- 1) Fear for the person’s individual safety or the safety of others; or
- 2) Suffer substantial emotional distress.

Human Trafficking includes both sex and labor trafficking, as outlined in the Trafficking Victims Protection Act of 2000 (TVPA), as amended (22 U.S.C. 7102). These are defined as:

- 1) *Sex trafficking* means the recruitment, harboring, transportation, provision, obtaining, patronizing, or soliciting of a person for the purpose of a commercial sex act, in which the commercial sex act is induced by force, fraud, or coercion, or in which the person induced to perform such act has not attained 18 years of age; or
- 2) *Labor trafficking means* the recruitment, harboring, transportation, provision, or obtaining of a person for labor or services, through the use of force, fraud, or coercion for the purpose of subjection to involuntary servitude, peonage, debt bondage, or slavery.

4. **Other Populations** where providing supportive services or assistance under section 212(a) of NAHA ([42 U.S.C. 12742\(a\)](#)) would prevent the family’s homelessness or would serve those with the greatest risk of housing instability. HUD defines these populations as individuals and households who do not qualify under any of the populations above but meet one of the following criteria:

(1) **Other Families Requiring Services or Housing Assistance to Prevent Homelessness** is defined as households (i.e., individuals and families) who have previously been qualified as “homeless” as defined in [24 CFR 91.5](#), are currently housed due to temporary or emergency assistance, including financial assistance, services, temporary rental assistance or some type of other assistance to allow the household to be housed, and who need additional housing assistance or supportive services to avoid a return to homelessness.

(2) **At Greatest Risk of Housing Instability** is defined as household who meets either paragraph (i) or (ii) below:

- (i) has annual income that is less than or equal to 30% of the area median income, as determined by HUD and is experiencing severe cost burden (i.e., is paying more than 50% of monthly household income toward housing costs);

- (ii) has annual income that is less than or equal to 50% of the area median income, as determined by HUD, **AND** meets one of the following conditions from paragraph (iii) of the “At risk of homelessness” definition established at [24 CFR 91.5](#):
- (A) Has moved because of economic reasons two or more times during the 60 days immediately preceding the application for homelessness prevention assistance;
 - (B) Is living in the home of another because of economic hardship;
 - (C) Has been notified in writing that their right to occupy their current housing or living situation will be terminated within 21 days after the date of application for assistance;
 - (D) Lives in a hotel or motel and the cost of the hotel or motel stay is not paid by charitable organizations or by Federal, State, or local government programs for low-income individuals;
 - (E) Lives in a single-room occupancy or efficiency apartment unit in which there reside more than two persons or lives in a larger housing unit in which there reside more than 1.5 persons reside per room, as defined by the U.S. Census Bureau;
 - (F) Is exiting a publicly funded institution, or system of care (such as a health-care facility, a mental health facility, foster care or other youth facility, or correction program or institution); or
 - (G) Otherwise lives in housing that has characteristics associated with instability and an increased risk of homelessness, as identified in the recipient's approved consolidated plan

Veterans and Families that include a Veteran Family Member that meet the criteria for one of the qualifying populations described above are eligible to receive HOME-ARP assistance.

B. Use of Funds to Benefit Qualifying Populations

ARP states that funds must be used to primarily benefit the qualifying populations through the four eligible activities: (1) TBRA, (2) development and support of affordable housing, (3) provision of supportive services; and (4) acquisition and development of non-congregate shelter (NCS) units. Recognizing the urgent needs of individuals and families in qualifying populations, HUD is requiring that:

- 100% of HOME-ARP funds used by a PJ for TBRA, supportive services, and acquisition and development of non-congregate shelter units must benefit individuals and families in qualifying populations. Individuals and families in qualifying populations may be assisted by one or more of the HOME-ARP eligible activities, consistent with the requirements in this Notice.
- Not less than 70 percent of affordable rental housing units acquired, rehabilitated, or constructed with HOME-ARP funds by a PJ must be occupied by households in the qualifying populations. Units that are not restricted to occupancy by qualifying populations are subject to income targeting and rent requirements established under the

HOME-ARP Rental Program rules and are only permitted in projects with rental units restricted for occupancy by qualifying populations.

HUD recognizes that, because many households in the qualifying populations are unable to pay rents sufficient to cover unit operating costs, PJs and project owners should attempt to obtain Federal or state project-based rental subsidies, if available. Since project-based rental subsidies can be difficult to secure, additional flexibility may be necessary to structure and underwrite projects so that they remain both affordable and financially viable. HUD is providing PJs with additional flexibilities in [Section VI.B](#) to structure and underwrite HOME-ARP rental projects so they remain financially viable during the minimum compliance period. One of these flexibilities is permitting up to 30 percent of HOME-ARP rental housing units funded by a PJ to be occupied by low-income households. PJs are encouraged to use this flexibility only when it is required to facilitate development of a HOME-ARP rental project. PJs must determine and document that households meet the definition of a qualifying population or, for the portion of HOME-ARP rental units not restricted to these populations, that households are low-income.

C. Preferences Among Qualifying Populations, Referral Methods, and Subpopulations

1. Preferences

ARP establishes the qualifying populations that are eligible for assistance with HOME-ARP funds. A PJ may establish reasonable preferences among the qualifying populations to prioritize applicants for HOME-ARP projects or activities based on the PJ's needs and priorities, as described in its HOME-ARP allocation plan. For example, a PJ may set a preference among qualifying individuals and families for a HOME-ARP non-congregate shelter for individuals and families who are homeless; fleeing or attempting to flee domestic violence, dating violence, sexual assault, stalking, or human trafficking; and veterans and families with a veteran family member that meet the criteria of one of these prior qualifying populations, consistent with its HOME-ARP allocation plan.

The PJ must comply with all applicable fair housing, civil rights, and nondiscrimination requirements, including but not limited to those requirements listed in [24 CFR 5.105\(a\)](#) when applying preferences through its referral methods. Persons who are eligible for a preference must have the opportunity to participate in all HOME-ARP activities of the PJ in which they are eligible under this Notice, including activities that are not separate or different, and cannot be excluded because of any protected characteristics or preferential status.

Targeted assistance: If HOME-ARP funds are used for TBRA, the PJ may establish a preference for individuals with special needs or persons with disabilities among the HOME- ARP qualifying populations. Within the qualifying populations, participation 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\(b\)\(1\)\(iv\)](#). The PJ may also provide a preference for a specific category of individuals with disabilities (e.g., persons with HIV/AIDS or chronic mental illness) within the qualifying

populations only if the specific category is identified in the PJ's HOME-ARP allocation plan as having unmet need and the preference is needed to narrow the gap in benefits and services received by such persons.

2. Referral Methods for Projects or Activities

A PJ may use the referral methods described below to administer HOME-ARP assistance to qualifying individuals and families. Regardless of the referral method used by the PJ, HUD holds the PJ responsible for determining and documenting that beneficiaries meet the definition of a qualifying population or, for the portion of HOME-ARP rental units not restricted to qualifying populations, that beneficiaries are low-income.

A PJ may use the coordinated entry or coordinated entry process (CE) of a continuum of care (CoC) for referrals for projects and activities as described below. Under 24 CFR 578.3, a CE is a centralized or coordinated process designed to coordinate program participant intake assessment and provision of referrals within a defined area. HUD requires each CoC to establish and operate a CE with the goal of increasing the efficiency of local crisis response systems and improving fairness and ease of access to resources, including mainstream resources. A PJ may permit a CoC CE to collect information and documentation required to determine whether an individual or family meets the criteria of a HOME-ARP qualifying population at any point in the coordinated entry process, (i.e., after or concurrently with the assessment and intake processes) as long as that information is not used to rank a person for HOME-ARP assistance other than as specified by the preferences or method of prioritization established by the PJ, in accordance with HOME-ARP requirements. If the PJ uses CE, the PJ cannot require HOME-ARP victim service providers to use the CE but may permit them to do so.

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 using the following referral methods:

i. Use of Expanded CE in HOME-ARP

Under this referral method, a PJ may use a CE established by a CoC operating within its boundaries for one or more projects or activities if the CE accepts all HOME-ARP qualifying populations eligible for those activities or projects, in accordance with the preferences and prioritization, if any, established or approved by the PJ in its HOME-ARP allocation plan and imposed through the PJ's written agreements.

Before using a CoC's CE, PJs should consider whether the CE covers the same service area as the HOME-ARP project or activity that would use that CE. At a minimum, the PJ must establish policies and procedures that describe the relationship of the geographic area(s) served by the project or activity to the geographic area(s) covered by the CoC CE and address how the CE will 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.

The PJ must require a project or activity to use CE along with other referral methods (as provided in section ii below) or to use only a project/activity waiting list (as provided in section iii below) 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.

ii. Use of CE with Other Referral Methods

The PJ may use a CoC CE with additional referrals from outside organizations or project- specific waiting lists consistent with HOME-ARP requirements. If using this referral method, the PJ must establish or approve any preferences or prioritization criteria applied by a CoC CE or other referral sources. The PJ may also use a waiting list to receive referrals from a CoC CE and other referral agencies for a project or activity, where a CoC CE or referral agency refers an applicant that is placed on the waiting list for that project or activity in chronological order.

If applicable, a PJ must establish policies and procedures for applying a PJ's established preferences and method of prioritization, if any, when accepting direct referrals from a CoC CE and other referral agencies and must document that such the policies and procedures were followed for each applicant served.

iii. Use of a Project/Activity Waiting List

The PJ may establish a waiting list for each HOME-ARP project or activity. All qualifying individuals or families must have access to apply for placement on the waiting list for an activity or project. Qualifying individuals or families on a waiting list must be accepted in accordance with the PJ's preferences, if any, consistent with this Notice or, if the PJ did not establish preferences, in chronological order, insofar as practicable.

3. Limiting Eligibility to Subpopulations

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.

HOME-ARP rental housing or NCS may be limited to a specific subpopulation of a qualifying population identified in [Section IV.A.](#) of this Notice, so long as admission does not discriminate against any protected class under federal nondiscrimination laws in [24 CFR 5.105](#) (e.g., the housing may be limited to homeless households and at risk of homelessness households,

veterans and their families, victims of domestic violence, dating violence, sexual assault, stalking or human trafficking and their families).

Recipients may limit admission to or provide a preference for HOME-ARP rental housing or NCS to households who need the specialized supportive services that are provided (e.g., domestic violence services). 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.

Consistent with the statutory authority under ARP, HOME-ARP NCS may be converted to permanent housing under the CoC program or used as shelters under the ESG program, when all program and fair housing and nondiscrimination requirements are met. As such, HOME-ARP NCS may need to limit eligibility to households that are homeless and/or at risk of homelessness if the shelter will be converted to permanent housing under the CoC program or used as an emergency shelter in the ESG program.

V. HOME-ARP ALLOCATION PLAN

PJs develop annual action plans as part of their application for HOME funding. To receive its HOME-ARP funds, a PJ must engage in consultation and public participation processes and develop a HOME-ARP allocation plan that meets the requirements established in this section of the Notice and submit it to HUD as a substantial amendment to its Fiscal Year 2021 annual action plan. HUD is using the waiver and alternative requirement authority provided by ARP to establish requirements for the HOME-ARP allocation plan in this Notice. The HOME-ARP allocation plan must describe how the PJ intends to distribute HOME-ARP funds, including how it will use these funds to address the needs of HOME-ARP qualifying populations. A PJ's HOME-ARP allocation plan must include:

- A summary of the consultation process and results of upfront consultation;
- A summary of comments received through the public participation process and a summary of any comments or recommendations not accepted and the reasons why;
- A description of HOME-ARP qualifying populations within the jurisdiction;
- An assessment of unmet needs of each qualifying population;
- An assessment of gaps in housing and shelter inventory, homeless assistance and services, and homelessness prevention service delivery system;
- A summary of the planned use of HOME-ARP funds for eligible activities based on the unmet needs of the qualifying populations;
- An estimate of the number of housing units for qualifying populations the PJ will produce or preserve with its HOME-ARP allocation; and
- A description of any preferences for individuals and families in a particular qualifying population or a segment of a qualifying population.

All the above required elements of the HOME-ARP allocation plan shall be part of the FY 2021 annual action plan for purposes of the HOME-ARP program. Consequently, PJs are not required to amend their consolidated plans.

A. Consultation

Before developing its HOME-ARP allocation plan, a PJ must consult with agencies and service providers whose clientele include the HOME-ARP qualifying populations to identify unmet needs and gaps in housing or service delivery systems. In addition, a PJ should use consultation to determine the HOME-ARP eligible activities currently taking place within its jurisdiction and potential collaborations for administering HOME-ARP. This consultation will provide a basis for the PJ's strategy for distributing HOME-ARP funds for eligible activities to best meet the needs of qualifying populations. At a minimum, a PJ must consult with the CoC(s) serving the jurisdiction'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. 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. In its plan, a PJ must describe its consultation process, list the organizations consulted, and summarize the feedback received from these entities.

B. Public Participation

PJs must provide for and encourage citizen participation in the development of the HOME-ARP allocation plan. Before submitting the HOME-ARP allocation plan to HUD, 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 prior to submitting the plan to HUD.

For the purposes of HOME-ARP, PJs are required to make the following information available to the public:

- The amount of HOME-ARP funds the PJ will receive.
- The range of activities the PJ may undertake.

A PJ must consider any comments or views of residents received in writing, or orally at a public hearing, when preparing the HOME-ARP allocation plan. In its plan, a PJ must describe its public participation process, including any efforts made to broaden public participation. In its plan, the PJ must also include a summary of comments and recommendations received through the public participation process and any comments or recommendations not accepted and the reasons why.

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](#).

C. HOME-ARP Allocation Plan Requirements

The HOME-ARP allocation plan must describe the distribution of HOME-ARP funds and the process for soliciting applications and/or selecting eligible projects. The plan must also identify any preferences being established for eligible activities or projects. However, PJs are not required to identify specific projects that will be funded in the HOME-ARP allocation plan.

- 1. Needs Assessment and Gaps Analysis:** A PJ must evaluate the size and demographic composition of qualifying populations within its boundaries and assess the unmet needs of those populations. 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. A PJ should identify and consider the current resources available to assist qualifying populations, including congregate and non-congregate shelter units, supportive services, TBRA, and affordable and permanent supportive rental housing. A PJ must consider the housing and service needs of qualifying populations, including but not limited to:
 - Sheltered and unsheltered homeless populations;
 - Those currently housed populations at risk of homelessness;
 - Other families requiring services or housing assistance to prevent homelessness; and
 - Those at greatest risk of housing instability or in unstable housing situations.

A PJ should include data in its HOME-ARP allocation plan that describes the qualifying populations.

In addition, a PJ must include a narrative description that:

- Identifies the characteristics of housing associated with instability and an increased risk of homelessness if the PJ will include such conditions under HUD's definition of "other populations" as established in [Section IV.A.4.2.ii.G.](#) of this Notice.
 - Identifies the PJ's priority needs for qualifying populations; and,
 - Explains how the PJ determined the level of need and gaps in its shelter and housing inventory and service delivery systems.
- 2. HOME-ARP Activities:** The HOME-ARP allocation plan must describe how a PJ will distribute HOME-ARP funds in accordance with its priority needs. The plan must describe the PJ's method for soliciting applications for funding and/or selecting developers, service providers, subrecipients and/or contractors and whether the PJ will administer eligible activities directly. If the PJ will provide any portion of its HOME-ARP administrative funds to a subrecipient or contractor prior to HUD's acceptance of the PJ's HOME-ARP allocation plan because the subrecipient or contractor is responsible for the administration of the PJ's entire HOME-ARP grant, the plan must identify the subrecipient or contractor and describe its role and responsibilities in administering all of the PJ's HOME-ARP program.

PJs must indicate in the HOME-ARP allocation plan the amount of HOME-ARP funding that is planned for each eligible HOME-ARP activity type, including administrative and

planning activities. In addition, a PJ must demonstrate that any planned funding for nonprofit organization operating assistance, as described in [Section VI.F](#), nonprofit capacity building, and administrative costs is within HOME-ARP limits. PJs must also include a narrative description about how the characteristics of its shelter and housing inventory, service delivery system, and the needs identified in the PJ's gap analysis provided a rationale for its plan to fund eligible activities.

3. **HOME-ARP Production Housing Goals:** The HOME-ARP allocation plan must estimate the number of affordable rental housing units for qualifying populations that a PJ will produce or support with its HOME-ARP allocation. The plan must also include a narrative about the specific affordable rental housing production goal that the PJ hopes to achieve and describe how it will address the PJ's priority needs.
4. **Preferences:** The HOME-ARP allocation plan must 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. For example, PJs may include a preference for:
 - homeless individuals and families as defined in the ESG and CoC programs;
 - individuals with special needs or persons with disabilities among qualifying individuals and families;
 - a specific category of qualifying individuals and families (e.g., chronically homeless as defined in [24 CFR 91.5](#)).

PJs are not required to describe specific projects to which the preferences will apply in the HOME-ARP allocation plan. However, a PJ must 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 category of qualifying population, consistent with the PJ's needs assessment and gap analysis. The PJ must also describe how it will still address the unmet needs or gaps in benefits and services of the other qualifying populations that are not included in a preference through the use of HOME- ARP funds.

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.

5. **HOME-ARP Refinancing Guidelines:** If a PJ intends to use HOME-ARP funds to refinance existing debt secured by multifamily rental housing that is being rehabilitated with HOME-ARP funds, it must state its refinancing guidelines in accordance with [24 CFR 92.206\(b\)\(2\)](#). The guidelines must describe the conditions under which the PJ will refinance existing debt for a HOME-ARP rental project. At a minimum, the guidelines must:
 - 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.

- 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.
- State whether the new investment is being made to maintain current affordable units, create additional affordable units, or both.
- Specify whether the required compliance period is the minimum 15 years or longer.
- State that HOME-ARP funds cannot be used to refinance multifamily loans made or insured by any federal program, including CDBG.

6. **Substantial Amendments to the HOME-ARP Allocation Plan:** PJs must make a substantial amendment to the HOME-ARP allocation plan for changes in the method of distributing funds; to carry out an activity not previously described in the plan; or, to change the purpose, scope, location, or beneficiaries of an activity, including new preferences not previously described in the plan. In addition, the requirements for substantial amendments at [24 CFR 92.63](#) apply to the HOME-ARP allocation plan for insular areas. PJs are not required to make a substantial amendment to describe individual projects selected for funding if the eligible activity is included in the PJ’s plan. PJs must make the proposed substantial amendment public and provide for a 15-day public comment period prior to submission. Upon completion of the public comment period, PJs must submit substantial amendments to HUD in accordance with the process for submitting the HOME-ARP allocation plan as described in [Section V.D.](#)

7. **Certifications and SF-424:** PJs must submit the required certifications in accordance with the requirements in this Notice, including the following:

- a. Affirmatively Further Fair Housing;
- b. Uniform Relocation Assistance and Real Property Acquisition Policies Act and Anti-displacement and Relocation Assistance Plan;
- c. Anti-Lobbying;
- d. Authority of Jurisdiction;
- e. Section 3; and,
- f. HOME-ARP specific certification that a PJ will only use HOME-ARP funds consistent with ARP and the HOME-ARP Notice for eligible activities and eligible costs.

PJs must also submit the SF-424, SF-424B, and SF-424D with the HOME-ARP allocation plan.

D. Submission and Review Process

1. **HOME-ARP Submission and the eCon Planning Suite:** Upon completion of the HOME-ARP allocation plan, a PJ must submit the HOME-ARP allocation plan to HUD. To submit the HOME-ARP allocation plan, PJs must follow the process in IDIS to make an amendment to the Fiscal Year (FY) 2021 annual action plan. Once the FY 2021 annual action plan is reopened, a PJ must upload a Microsoft Word or PDF version of the plan as an attachment next to the “HOME-ARP allocation plan” option on the AD-26 screen (for

PJs whose FY. 2021 annual action plan is a Year 2-5 annual action plan) or the AD-25 screen (for PJs whose FY 2021 annual action plan is a Year 1 annual action plan that is part of the 2021 consolidated plan), unless instructed by HUD to follow a different submission procedure. PJs are not required to make any other edits to the FY 2021 annual action plan or applicable consolidated plan screens in the eCon Planning Suite. For more information on how to upload an attachment in the eCon Planning Suite, PJs can refer to the [eCon Planning Suite Desk Guide](#).

2. **HUD Review of the HOME-ARP Allocation Plan:** The PJ must submit its HOME-ARP allocation plan to HUD for review in accordance with [24 CFR 91.500](#), as revised by this Notice. Unless instructed otherwise by HUD, the HOME-ARP allocation plan is received by HUD when the SF-424 is submitted electronically, which means that it is uploaded in the eCon Planning Suite as an attachment on AD-25 or AD-26 screen, as applicable, and the action plan status is changed to “Submitted for Review.” HUD will review a PJ’s HOME-ARP allocation plan to determine that it is:
- Substantially complete, and
 - Consistent with the purposes of ARP.

HUD may disapprove a PJ’s HOME-ARP allocation plan in accordance with [24 CFR 91.500\(b\)](#). HUD may also disapprove a HOME-ARP allocation plan or a portion of a plan if HUD determines that the plan is inconsistent with the purposes of ARP or substantially incomplete. A PJ’s plan is inconsistent with ARP if it allocates HOME-ARP funds for uses other than a HOME-ARP eligible activity, as described in this Notice. A PJ’s HOME-ARP allocation plan is substantially incomplete if:

- The PJ does not complete the required public participation or consultation or fails to describe those efforts in the plan;
- The PJ fails to include the required elements outlined in this Notice, including the amount of HOME-ARP funds for each eligible HOME-ARP activity type;
- The PJ fails to identify and describe the responsibilities of the subrecipient or contractor administering all of its HOME-ARP award, if applicable; or,
- HUD rejects the PJ’s HOME-ARP certification as inaccurate.

In accordance with section 105(c) of NAHA (42 U.S.C. 12705(c)) and [24 CFR 91.500\(a\)](#), if the PJ’s HOME-ARP allocation plan is not disapproved within 45 days, then the plan is deemed approved 45 days after HUD receives the plan, and HUD shall notify the PJ that the plan is accepted.

If HUD determines that the plan is substantially incomplete or that the plan is inconsistent with ARP, HUD will notify the PJ in writing with the reasons for disapproval, in accordance with [24 CFR 91.500\(c\)](#). If a PJ’s plan is disapproved, the PJ may revise or resubmit the plan for HUD review within 45 days after the first notification of disapproval. HUD will respond to accept or disapprove the resubmitted plan within 30 days of receiving the revisions or resubmission.

Once HUD notifies a PJ that the plan is accepted, the PJ must make the final HOME-ARP allocation plan available to the public in accordance with the same requirements in the PJ’s

current citizen participation plan that are followed to make the PJ's adopted consolidated plan and substantial amendments available to the public, including the availability of materials in a form accessible to persons with disabilities, and translated materials in different languages to accommodate LEP persons, upon request.

3. **HUD Review of the HOME-ARP Allocation Plan for Insular Areas:** In addition to the standards for review described in [Section V.D.2](#), HUD will review an insular area's HOME-ARP allocation plan in accordance with [24 CFR 92.62](#). If HUD cannot make a determination based on the information submitted that the HOME-ARP allocation plan complies with HOME-ARP allocation plan requirements, or if the eligible activities described in the plan are not within the insular area's management capability as demonstrated by past performance in housing and community development programs, HUD will notify the insular area within 30 days of receipt of the HOME-ARP allocation plan that supporting documentation is needed. The insular area will have a mutually agreed upon period to submit the necessary supporting information or to revise the eligible activities in its HOME-ARP allocation plan.

VI. ELIGIBLE ACTIVITIES

A. Administration and Planning

The PJ may expend, for payment of reasonable administrative and planning costs, up to 15 percent of its HOME-ARP allocation. Reasonable administrative and planning costs for the HOME-ARP program include:

1. Reasonable costs of overall HOME-ARP program management, coordination, monitoring, and evaluation. Such HOME-ARP costs include, but are not limited to, necessary expenditures for the following:
 - a. Salaries, wages, and related costs of the PJ's staff. If a PJ charges costs to this category, the PJ may either include the entire salary and related costs allocable to the HOME-ARP program of each person whose *primary* responsibilities with regard to the HOME-ARP program involves program administration assignments, or the prorated share of the salary, wages, and related costs of each person whose job includes *any* program administrative assignments. A PJ may only use one of these two methods. Program administration includes:
 - i. Developing systems and schedules for complying with HOME-ARP program requirements, including systems to prevent a duplication of benefits among beneficiaries of HOME-ARP activities;
 - ii. Developing interagency agreements and agreements with entities receiving HOME-ARP funds;
 - iii. Monitoring HOME-ARP activities for progress and compliance with HOME-ARP program requirements;
 - iv. Preparing HOME-ARP reports and other documents related to the HOME-ARP program for submission to HUD;

- v. Coordinating the resolution of audit and monitoring findings on HOME-ARP activities;
 - vi. Evaluating HOME-ARP program results against stated objectives in the HOME-ARP allocation plan, and
 - vii. Managing or supervising persons whose primary responsibilities with regard to the HOME-ARP program include such assignments as those described above.
- b. Travel costs incurred for official business in carrying out the HOME-ARP program.
 - c. Administrative services performed under third party contracts or agreements, including such services as general legal services, accounting services, and audit services.
 - d. Other costs for goods and services required for administering the HOME-ARP program, such as: rental or purchase of equipment, insurance, information systems necessary to track and implement beneficiaries of HOME-ARP activities in accordance with the requirements of this Notice, utilities, office supplies, and rental and maintenance (but not purchase) of office space.
 - e. Costs of administering HOME-ARP TBRA and HOME-ARP supportive services programs.
2. Staff and overhead costs of the PJ directly related to carrying out a HOME-ARP project, in accordance with [24 CFR 92.207\(b\)](#).
 3. The provision of information and other resources to residents and citizen organizations participating in the planning, implementation, or assessment of projects being assisted with HOME-ARP funds.
 4. Activities to affirmatively further fair housing (AFFH) in accordance with 24 CFR 5.151 and the PJ's certification as required under this Notice and 24 CFR 5.152. The AFFH definition in HUD's Interim Final Rule entitled, "Restoring Affirmatively Furthering Fair Housing Definitions and Certifications" (86 FR 30779, June 10, 2021), as amended, at 24 CFR 5.151, and the AFFH certification requirement, at 24 CFR 5.152, available at <https://www.federalregister.gov/documents/2021/06/10/2021-12114/restoring-affirmatively-furthering-fair-housing-definitions-and-certifications>.
 5. Indirect costs may be charged to the HOME-ARP program under a cost allocation plan prepared in accordance with [2 CFR part 200, subpart E](#), as amended.
 6. Preparation of the HOME-ARP allocation plan as required in this Notice. Preparation includes the costs of public hearing, consultations, and publications.
 7. Costs of complying with the applicable Federal requirements in [24 CFR part 92, subpart H](#). Project-specific environmental review costs may be charged as administrative or project costs in accordance with [24 CFR 92.206\(d\)\(8\)](#) and is at the discretion of the PJ.

Funds available under the HOME-ARP appropriation for administration and planning may not be used to pay costs attributable to the regular HOME Program.

PJs may provide all or a portion of its HOME-ARP administrative funds to subrecipients and contractors that are administering activities on behalf of the PJ (e.g., CoC entity, other non-Federal entity), in accordance with the requirements in this Notice. However, from the obligation date of the HOME-ARP funds in the HOME-ARP Grant Agreement and prior to HUD's acceptance of the PJ's HOME-ARP allocation plan, a subrecipient or contractor to the PJ may only incur and expend HOME-ARP funds for eligible administrative and planning costs if the subrecipient or contractor is responsible for the use of the PJ's entire HOME-ARP award and has executed a HOME-ARP written agreement that complies with [24 CFR 92.504](#) and this [Notice](#). The PJ must also identify the subrecipient or contractor administering the PJ's entire HOME-ARP award and describe the subrecipient or contractor's responsibilities in the PJ's HOME-ARP allocation plan.

All costs must comply with the Cost Principles contained in subpart E of the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards at [2 CFR part 200](#), as amended (Uniform Administrative Requirements).

Once HUD obligates the HOME-ARP funds, as described in [Section VIII.C.2](#) of this Notice, the PJ may incur and expend up to 5 percent of its HOME-ARP allocation on eligible administrative and planning costs, as described in this section and [24 CFR 92.207](#). Before HUD's acceptance of the PJ's HOME-ARP allocation plan, the PJ is only permitted to incur and expend HOME-ARP funds on eligible administrative and planning costs.

If the PJ does not submit a HOME-ARP allocation plan or if the PJ's plan is not accepted within a reasonable period of time, as determined by HUD, all HOME-ARP administrative and planning costs incurred by the PJ will be ineligible costs and any HOME-ARP funds expended by the PJ must be repaid to the PJ's HOME Investment Trust Fund Treasury account, in accordance with guidance issued by HUD. Moreover, if the PJ's HOME-ARP allocation plan does not identify or include a description of the responsibilities of the subrecipient or contractor that is responsible for the PJ's entire HOME-ARP award, if applicable, the administrative and planning costs incurred or expended by the subrecipient or contractor will also be ineligible and any HOME-ARP funds expended by the PJ's subrecipient or contractor must be repaid to the PJ's HOME Investment Trust Fund Treasury account, in accordance with guidance from HUD.

B. HOME-ARP Rental Housing

HOME-ARP funds may be used to acquire, rehabilitate, or construct affordable rental housing primarily for occupancy by households of individuals and families that meet the definition of one or more of the qualifying populations described in [Section IV.A](#) of this Notice (“**qualifying households**”). Unlike the regular HOME Program, which targets HOME-assisted rental units based on tenant income, 70 percent of all HOME-ARP units will admit households based only upon their status as qualifying households. This complicates the underwriting and operation of projects that include HOME-ARP units. As a result, the requirements for HOME-ARP rental housing provide significant flexibilities to enable HOME-ARP rental projects to remain

financially viable and affordable for the qualifying populations throughout the minimum compliance period.

Eligible HOME-ARP rental housing includes “housing” as defined at [24 CFR 92.2](#), including but not limited to manufactured housing, single room occupancy (SRO) units, and permanent supportive housing. Emergency shelters, hotels, and motels (including those currently operating as non-congregate shelter), facilities such as nursing homes, residential treatment facilities, correctional facilities, halfway houses, and housing for students or dormitories do not constitute housing in the HOME-ARP program. However, HOME-ARP funds may be used to acquire and rehabilitate such structures into HOME-ARP rental housing.

Developing financially feasible rental housing for qualifying households is challenging in the absence of project-based rental assistance. Most HOME-assisted rental projects rely on tenant rents to cover all or a portion of the debt service and project operating costs. Most HOME-ARP qualifying households will be unable to pay a rent that covers allocated debt service or operating costs, requiring PJs to use other techniques to determine that HOME-ARP units are affordable and that projects containing HOME-ARP units are sustainable throughout the minimum compliance period. PJs are encouraged to work with local PHAs and other state or local agencies to obtain project-based rental assistance for units funded with HOME-ARP. In the absence of such project-based rental assistance, the HOME-ARP units for qualifying households may require substantial capital investment through HOME-ARP and other Federal, state, local, or private sources to eliminate debt service on the units. ARP suspended the maximum per-unit subsidy limit for HOME-ARP units, enabling HOME-ARP funds to pay the entire cost to acquire, rehabilitate and/or construct the HOME-ARP rental units, eliminating the need for the HOME-ARP units to support debt. In mixed-income developments, revenue from market rate or higher income-restricted units may also provide an internal subsidy to cover a portion of the operating costs of HOME-ARP units.

To address these challenges and maintain affordability, HUD is using its HOME-ARP statutory authority to:

- Establish alternative rent requirements to [24 CFR 92.252\(b\)](#) and extend an owner’s ability to charge the maximum rent permissible under a rental assistance program (to units occupied by recipients of tenant-based rental assistance (e.g., Housing Choice Vouchers, HOME TBRA, HOME-ARP TBRA).
- Establish a minimum compliance period of 15 years for all HOME-ARP rental units irrespective of the amount of subsidy per unit or whether the units are acquired, rehabilitated, and/or newly constructed.
- Permit the use of HOME-ARP funds to provide ongoing operating cost assistance or capitalize a project operating cost assistance reserve to address operating deficits of the HOME-ARP units restricted for qualifying households during the compliance period.
- Allow not more than 30 percent of the total number of rental units assisted with HOME-ARP funds by the PJ to be restricted to households that are low-income as defined in [24 CFR 92.2](#) (“low-income households”). These units may only be located in projects containing HOME-ARP units restricted for qualifying households. The HOME-ARP rental units occupied by low-income households must operate under the regulations applicable to HOME rental units at [24 CFR 92.252](#) (i.e., be occupied by low-income

households and bearing a rent not greater than the lesser of a. the Fair Market Rent for existing housing for comparable units in the area, as established by HUD, or b. a rent equal to 30 percent of the adjusted income of a family with annual income at 65 percent of median income for the area, as determined by HUD, with adjustments for the number of bedrooms in the unit).

1. Targeting and Occupancy Requirements: ARP requires HOME-ARP activities to primarily benefit households in the qualifying populations. To improve the feasibility and maintain the long-term viability of projects with HOME-ARP rental units for qualifying households, a PJ may invest HOME-ARP funds in units that are not restricted for occupancy solely for qualifying populations as described in this section. Specifically, participating jurisdictions must comply with the following requirements:

a. Targeting: HOME-ARP funds can only be invested in units restricted for qualifying households or low-income households as follows:

- i. Not less than 70 percent of the total number of rental units assisted with HOME-ARP funds by the PJ must be restricted for occupancy by households that are qualifying households at the time of the household's initial occupancy; and,
- ii. Not more than 30 percent of the total number of rental units assisted with HOME-ARP funds by the PJ may be restricted to low-income households. These rental units do not have to be restricted for occupancy by qualifying households, however rental units restricted to low-income households are only permitted in projects that include HOME-ARP units for qualifying households.

b. Occupancy Requirements:

- i. **Qualifying Households.** Units restricted for occupancy by qualifying households must be occupied by households that meet the definition of a qualifying population at the time of admission to the HOME-ARP unit. A qualifying household after admission retains its eligibility to occupy a HOME-ARP rental unit restricted for qualifying populations, irrespective of the qualifying household's changes in income or whether the household continues to meet the definition of a qualifying population. As such, a unit restricted for a qualifying household remains in compliance with the HOME-ARP unit restriction as long as the unit is occupied by a qualifying household that met the definition of a qualifying population at the time of admission.
- ii. **Low-Income Households.** At initial occupancy, units restricted for low-income households must be occupied by households that meet the definition of low-income in [24 CFR 92.2](#). If a tenant's income increases above the applicable low-income limit during the compliance period, the unit will be considered temporarily out of compliance. Noncompliance requires the PJ to take action in accordance with the rent and unit mix requirements in [Sections VI.B.15](#) and [VI.B.17](#) of this Notice, respectively.

2. **Eligible Activities:** A PJ may use HOME-ARP funds for acquisition, construction, and rehabilitation, including reconstruction as defined in [24 CFR 92.2](#), of affordable rental housing for qualifying and low-income households. Acquisition of vacant land or demolition must be undertaken only with respect to a particular housing project intended to provide HOME-ARP rental housing within the timeframes provided in [Section VI.B.](#) of this Notice. A HOME-ARP rental project must meet the definition of *project* in [24 CFR 92.2](#).

HOME-ARP funds may be used to assist one or more units in a project. Only the eligible development costs of the HOME-ARP units may be charged to the HOME-ARP program. Cost allocation in accordance with [24 CFR 92.205\(d\)\(1\)](#) is required if the assisted and non-assisted units are not comparable. After project completion, the number of HOME-ARP units in a project cannot be reduced. During the HOME-ARP minimum compliance period and prior to the end of the HOME-ARP budget period, a PJ may invest additional HOME-ARP funds to provide operating cost assistance but is prohibited from investing additional HOME-ARP funds for capital costs except within the 12 months after project completion.

A qualifying household admitted to a HOME-ARP rental unit may still receive HOME-ARP supportive services or TBRA in accordance with the requirements in this Notice.

3. **Forms of Assistance:** The PJ may invest HOME-ARP funds in accordance with the eligible forms of assistance described in [24 CFR 92.205\(b\)](#). Each PJ has the right to establish the terms of assistance, subject to the HOME-ARP requirements described in this Notice.
4. **Minimum Amount of Assistance:** The minimum amount of HOME-ARP funds that must be invested in a rental housing project is \$1,000 times the number of HOME-ARP-assisted units in the project as established in [24 CFR 92.205\(c\)](#).
5. **Eligible Costs:** HOME-ARP funds may be used to pay for up to 100% of the following eligible costs associated with the acquisition, development, and operation of HOME-ARP rental units:
 - a. *Development hard costs* – defined in [24 CFR 92.206\(a\)](#).
 - b. *Refinancing* – the cost to refinance existing debt secured by a rental project that is being rehabilitated with HOME-ARP funds in accordance with [24 CFR 92.206\(b\)\(2\)](#) and the PJ's HOME-ARP refinancing guidelines, as stated in their HOME-ARP Allocation Plan.
 - c. *Acquisition* – the costs of acquiring improved or unimproved real property.
 - d. *Related soft costs* – defined in [24 CFR 92.206\(d\)](#).
 - e. *Relocation costs* – as defined in [24 CFR 92.206\(f\)](#), [24 CFR 92.353](#), and described in this Notice.
 - f. *Costs relating to payment of loans* – If the HOME-ARP funds are not used to directly pay a cost specified in this HOME-ARP rental housing section, but are used to pay off a

construction loan, bridge financing loan, or guaranteed loan, the payment of principal and interest for such loan is an eligible cost only if: (1) the loan was used for eligible costs specified in this HOME-ARP rental housing section, and (2) the HOME-ARP funds are part of the original financing for the project and the project meets the requirements of this Notice.

- g. Operating Cost Assistance – A PJ may pay ongoing operating cost assistance or capitalize an operating cost assistance reserve for HOME-ARP-assisted units restricted for occupancy by qualifying populations in a project where the PJ determines in its underwriting that the reserve is necessary to maintain the HOME-ARP units’ long-term operational feasibility. However, HOME-ARP funds cannot be used for both a capitalized operating cost assistance reserve and ongoing payments for operating cost assistance during the minimum compliance period. The allowable amount of the reserve shall not exceed the amount determined by the PJ to be necessary to provide operating cost assistance for HOME-ARP units restricted for occupancy by qualifying populations for the 15-year HOME-ARP minimum compliance period.

The operating cost assistance reserve for HOME-ARP units for qualifying households must be held by the project owner in a separate interest-bearing account and sized, based on an analysis of projected deficits remaining after the expected payments toward rent by qualifying households are applied to the units’ share of operating costs. Funds in a capitalized operating cost assistance reserve can only be drawn to address operating deficits associated with HOME-ARP units restricted for occupancy by the qualifying populations. A PJ must use the definition of operating costs in this Notice in its calculation of operating deficits to determine the amount of HOME-ARP funds needed for an operating cost assistance reserve or when providing operating cost assistance.

Unexpended operating cost assistance reserve amounts remaining at the end of the minimum compliance period must be returned in accordance with [Section VI.B.24](#) of this Notice.

A PJ may provide operating cost assistance to a HOME-ARP rental project to cover an operating deficit associated with HOME-ARP units restricted for occupancy by qualifying households except for when an operating cost assistance reserve is already established for the project. Operating cost assistance committed to a project cannot be provided beyond the HOME-ARP budget period, as described in [Section VIII.C.4](#) of this Notice.

Operating costs include costs for administrative expenses, property management fees, insurance, utilities, property taxes, and maintenance of a unit that is designated as a HOME-ARP-assisted unit and required to be occupied by a qualifying household. . Operating costs must be reasonable and appropriate for the area, size, population(s) served, and type of project.

Project administrative expenses include payroll costs, which are gross salaries and wages paid to employees assigned to the property, including payroll taxes, employee compensation, and employee benefits; employee education, training, and travel; advertising; and general administrative costs which are costs for goods and services

required for administration of the housing, including rental or purchase of equipment, supplies, legal charges, bank charges, utilities, telephone/internet services, insurance, and other administrative costs that are reasonable and customary for the general administration of a rental unit occupied by qualifying populations. HOME-ARP permits the pro-rated staffing costs of a Resident Services Coordinator to be included in the operating costs allocated to a HOME-ARP unit for low-income or qualifying households if such costs are not already paid by another source. Typically, the role of a Resident Services Coordinator is to arrange community activities for residents and link residents to outside service agencies as needed.

A property management fee includes the total fee paid to a management agent by the owner for the day-to-day management of a HOME-ARP rental unit restricted for occupancy by qualifying populations. A management agent must cover its costs of supervising and overseeing operations of a HOME-ARP unit out of the fee they receive.

A reserve for replacement must be based on the useful life of each major system and expected replacement cost in a HOME-ARP project. Scheduled payments to a reserve for replacement of major systems included in the operating costs allocated to a HOME- ARP unit restricted for a qualifying household may be made from the operating cost assistance reserve. A reserve for replacement allocated to the HOME-ARP units may also be capitalized in the initial year of the minimum compliance period of the HOME- ARP units. HOME-ARP funds cannot be used to both capitalize a reserve for replacement and provide payments to the reserve for replacement from a capitalized operating reserve during the minimum compliance period.

Supportive services costs are not eligible operating costs of HOME-ARP units, however, qualifying households occupying HOME-ARP rental units may receive supportive services through the HOME-ARP supportive services eligible activity.

6. **Prohibited Activities and Fees:** HOME-ARP may not be used for any of the prohibited activities, costs or fees in [24 CFR 92.214](#), as revised by the Appendix to this Notice.
7. **HOME-ARP Funds and Public Housing:** HOME-ARP funds must be used in accordance with the requirements in [24 CFR 92.213\(a\)-\(c\)](#).
8. **Commitment:** The affordable housing requirements in the definition of *Commitment* in [24 CFR 92.2](#), including the provisions in (2) *Commit to a specific local project*, apply to rental housing units assisted with HOME-ARP funds. This includes but is not limited to the requirements that the PJ and project owner have an executed legally binding written agreement under which HOME-ARP assistance will be provided to the owner for an identifiable project for which all necessary financing has been secured, a budget and schedule have been established, and underwriting has been completed and under which construction is scheduled to start within 12 months of the agreement date.
9. **Maximum Per-Unit Subsidy and Limitations on Costs:** The maximum per-unit subsidy established in NAHA does not apply to HOME-ARP units. PJs may pay up to 100 percent of the eligible and reasonable HOME-ARP costs allocated to a HOME-ARP unit, including

operating cost assistance associated with units restricted for occupancy by qualifying households. All costs paid by HOME-ARP funds must comply with the requirements of this Notice and the Cost Principles at [2 CFR part 200](#), subpart E of the Uniform Administrative Requirements, as amended.

- 10. Underwriting, Subsidy Layering:** Before the PJ can commit HOME-ARP funds to a project, it must evaluate the project to determine the amount of HOME-ARP capital subsidy and operating cost assistance necessary to provide quality affordable housing that meets the requirements of this Notice and is financially viable throughout the minimum 15-year HOME-ARP compliance period. The PJ must evaluate the project in accordance with underwriting and subsidy layering guidelines it has developed for HOME-ARP projects.

The PJ's project underwriting must include an in-depth review of underlying project assumptions, development sources and uses, and projected operating income and expenses, and the project's long-term financial viability to determine the project's need for HOME-ARP assistance while preventing over-subsidization of the project. HUD anticipates that project developers will rely on Low-Income Housing Tax Credit (LIHTC) financing, HOME funds, Housing Trust Fund grants, project-based vouchers, project-based rental assistance, operating cost reserves, state or local sources, or a combination of these and other resources to create a feasible HOME-ARP project and maintain compliance with HOME-ARP requirements. HOME-ARP units for qualifying households that do not receive a commitment of project-based vouchers or project-based rental assistance may require both deep capital subsidy and operating cost assistance to remain financially sustainable for the minimum 15-year HOME-ARP compliance period. However, the PJ, through its underwriting, must also determine that the HOME-ARP capital and operating subsidies do not result in over-subsidization of the project.

To secure HOME-ARP rental units for qualifying households, HOME-ARP funds may be invested in different types of projects, including permanent supportive housing, mixed-finance affordable housing, and market-rate projects. While the viability of the HOME-ARP units is the PJ's primary concern, it must not limit its underwriting analysis to the HOME-ARP units. The long-term viability of HOME-ARP units is contingent upon the financial health of the entire project. PJs must therefore take a holistic approach to underwriting that examines the overall feasibility of the entire project to determine that the property will be financially sustainable for the duration of the 15-year HOME-ARP compliance period.

For projects that will receive operating cost assistance through a capitalized operating cost assistance reserve or on-going operating cost assistance for a specific period, the on-going operating cost assistance or operating cost assistance reserve must be included in the underwriting. Unless placed into an operating cost assistance reserve, operating cost assistance committed to a project for a specific period cannot be provided beyond the budget period, as described in [Section VIII.C.4](#) of this Notice. HOME-ARP units that have commitments for a form of project-based rental assistance must be underwritten with the projected rental assistance and not with operating cost assistance. An operating cost assistance reserve must be sized based on an analysis of projected operating deficits

remaining after the expected payments toward rent by qualifying households are applied to the HOME-ARP unit's share of operating costs. While a PJ may offer on-going project operating cost assistance instead of providing an operating cost assistance reserve, it may find this approach makes it more difficult to develop HOME-ARP units.

- a. *Underwriting and Subsidy Layering Guidelines*: PJs must develop standardized underwriting guidelines for HOME-ARP rental projects. These guidelines must provide for underwriting that accommodates and is appropriate for different types of projects. For example, a standard market analysis does not provide the necessary data for a project where 100% of the units are restricted as permanent supportive housing for qualifying populations. In contrast, if a mixed-income property relies on rental income from market-rate units to subsidize the operating costs of permanent supportive housing units for which little or no tenant-paid rental income is projected, then a market study confirming that the proposed market rents are achievable is needed to demonstrate the long-term financial viability of the project.

PJs with existing HOME rental underwriting standards may use these standards as the foundation for their HOME-ARP underwriting guidelines, but all PJs are required to develop and implement standardized underwriting guidelines for HOME-ARP that require the following:

- i. An examination of the sources and uses of funds for the project and a determination that costs are necessary and reasonable. In examining a project's proposed sources and uses, a PJ must determine the amount of HOME-ARP development subsidy required to fill the gap between other committed funding sources and the cost to develop the project.

A developer fee is a permitted development cost under the HOME-ARP program, but the PJ must review the fee and determine that it is reasonable. A PJ may set limits on the developer fee and other fees (e.g., asset management fee, property management fee) to be paid by HOME-ARP funds that differ from other funding sources (e.g., LIHTC underwriting standards).

- ii. An assessment of the current market demand for the proposed project.
 - (1) For HOME-ARP units for qualifying households, a market assessment is not required. Rather, the PJ can demonstrate that there is unmet need among qualifying populations for the type of housing proposed through their gap analysis, CoC data, public housing and affordable housing waiting lists, point-in-time surveys, housing inventory count, or other relevant data on the need for permanent housing for the qualifying populations.
 - (2) For projects containing units restricted for occupancy by low-income households or market-rate households, the PJ must conduct a market assessment in accordance with [24 CFR 92.250\(b\)\(2\)](#). A third-party market assessment completed by the developer or another funder meets this requirement, but the PJ must review the assessment and provide a written, dated acknowledgement that it accepts the assessment's findings and conclusions. The market assessment and the PJ's written, dated

acknowledgement must be retained for recordkeeping purposes.

- iii. Review of and determination that the developer's experience and financial capacity are satisfactory based on the size and complexity of the project. When assessing the developer, the PJ must review, at minimum, prior experience with similar projects and the current capacity to develop the proposed project. When determining whether the developer has the financial capacity to undertake the project, the PJ should examine financial statements and audits to determine the developer's net worth, portfolio risk, pre-development funding, and liquidity.
- iv. Firm written financial commitments for the project.
- v. A careful review of the project's operating budget, including the basis for assumptions, projections of a project's net operating income, and reasonably expected changes in revenue and expenses during the minimum compliance period, to determine if any HOME-ARP-funded operating cost assistance is necessary and if applicable, an operating cost assistance reserve is sized appropriately. Operating income of the project must be sufficient to cover operating expenses throughout the minimum compliance period. For HOME-ARP units for qualifying households, the proforma or budget projections should include any anticipated ongoing operating cost assistance or draws from an operating cost assistance reserve, if applicable, that will offset operating deficits associated with those units to demonstrate sufficient operating support.
 - (1) If project-based vouchers or project-based rental assistance is or will be awarded, this analysis must include that rental assistance revenue because operating cost assistance cannot be used for units for qualifying households with project-based vouchers or project-based rental assistance.
 - (2) A PJ's underwriting standards may permit projects to generate reasonable net operating income throughout the minimum compliance period. However, HOME-ARP operating cost assistance may only be used to offset operating deficits, in accordance with the requirements of this Notice. Net operating income resulting from HOME-ARP operating cost assistance is not permitted and must be prohibited in the written agreement between the participating jurisdiction and the owner.
- vi. An assessment of the project's overall viability through the minimum compliance period based on the households (i.e., qualifying households, low-income households, market-rate households) it will serve.

11. Property Standards: HOME-ARP rental units must comply with all property standards applicable to rental projects required in [24 CFR 92.251](#) paragraphs (a) new construction, (b) rehabilitation projects, (c)(1) and (2) acquisition of standard housing, (e) manufactured housing, and (f) on-going property condition standards.

12. Determining Household Income: The PJ must require all HOME-ARP units to be restricted for eligible households (i.e., either qualifying or low-income households)

throughout the minimum compliance period. Qualifying households are eligible for admission to HOME-ARP rental units solely by meeting the definition of one of the qualifying populations (i.e., HOME-ARP does not impose income restrictions on units restricted for qualifying populations). If there is no income requirement in the qualifying population's definition, a PJ is not required to perform an initial determination of household income except as necessary to determine an affordable rental contribution by the qualifying household or to establish eligibility for another funding source in the unit that imposes income restrictions (e.g., LIHTC). Each subsequent year during the compliance period, starting 1 year after initial occupancy, the PJ must use the definition of annual income as defined in [24 CFR 5.609](#) to examine the income of qualifying households to determine the household's contribution to rent. For low-income households, the PJ must use the definition of annual income as defined in [24 CFR 5.609](#) to examine the household's income at initial occupancy and each subsequent year during the compliance period to determine the household's ongoing income eligibility and applicable rental contribution.

- a. *Qualifying populations*: For purposes of establishing the qualifying household's rental contribution after initial occupancy, a PJ must examine a HOME-ARP qualifying household's income using [24 CFR 92.203\(a\)\(1\)\(i\) or \(iii\)](#), starting 1 year after initial occupancy. Each year during the minimum compliance period, the owner must examine the household's annual income in accordance with any one of the options in [24 CFR 92.203\(a\)\(1\)](#) specified by the PJ. A project owner who re-examines household income through a statement and certification in accordance with [24 CFR 92.203\(a\)\(1\)\(ii\)](#), must examine the income of each household, in accordance with [24 CFR 92.203\(a\)\(1\)\(i\)](#), every sixth year of the compliance period. Otherwise, an owner who accepts the household's statement and certification in accordance with [24 CFR 92.203\(a\)\(1\)\(ii\)](#) is not required to examine the household's income unless there is evidence that the household's written statement failed to completely and accurately state information about the household's size or income.
- b. *Low-income Households*: In accordance with [24 CFR 92.252\(h\)](#), the income of each low-income household must be determined initially in accordance with [24 CFR 92.203\(a\)\(1\)\(i\)](#), and each year following the initial determination during the minimum compliance period in accordance with any one of the options in [24 CFR 92.203\(a\)\(1\)](#) specified by the PJ. An owner who re-examines household income through a statement and certification in accordance with [24 CFR 92.203\(a\)\(1\)\(ii\)](#), must examine the income of each household, in accordance with [24 CFR 92.203\(a\)\(1\)\(i\)](#), every sixth year of the minimum compliance period. Otherwise, an owner who accepts the household's statement and certification in accordance with [24 CFR 92.203\(a\)\(1\)\(ii\)](#) is not required to examine the household's income unless there is evidence that the household's written statement failed to completely and accurately state information about the household's size or income.
- c. *Households Assisted by Other Programs*: Notwithstanding paragraphs (a) and (b), if a family is applying for or living in a HOME-ARP-assisted rental unit, and the unit is assisted by a Federal or State project based rental subsidy then a PJ must accept a public housing agency, section 8 project owner, or CoC recipient or subrecipient's

determination of the family's annual income and adjusted income under that program's rules and does not need to obtain source documentation in accordance with [24 CFR 92.203\(a\)\(1\)](#) or calculate the annual income of the family. If a family is applying for or living in a HOME-ARP rental unit, and the family is assisted by a Federal tenant-based rental assistance program (e.g. housing choice vouchers) then a PJ may choose to accept the rental assistance provider's determination of the family's annual and adjusted income under that program's rules without need for review under [24 CFR 92.203\(a\)\(1\)](#).

13. Rent limitations: This Notice establishes rent limits for HOME-ARP units restricted for qualifying populations and for units that may be restricted for low-income households.

- a. *Units Restricted for Occupancy by Qualifying Households:* In no case can the HOME-ARP rents exceed 30% of the adjusted income of a household whose annual income is equal to or less than 50% of the median income for the area, as determined by HUD, with adjustments for number of bedrooms in the unit. HUD will publish the HOME-ARP rent limits on an annual basis.

Notwithstanding the foregoing, a unit that receives a Federal or state project-based rental subsidy and is occupied by a qualifying household that pays as a contribution to rent no more than 30 percent of the household's adjusted income, may charge the rent allowable under the Federal or state project-based rental subsidy program (i.e., the tenant rental contribution plus the rental subsidy allowable under that program). If a household receives tenant-based rental assistance, the rent is the rent permissible under the applicable rental assistance program (i.e., the tenant rental contribution plus the rental subsidy allowable under that rental assistance program).

The rent limits for HOME-ARP units for qualifying households include the rent plus the utility allowance established pursuant to [Section VI.B.13.d](#) of this Notice.

- b. *Rent limitations – low-income households:* HOME-ARP rental units occupied by low-income households must comply with the rent limitations in [24 CFR 92.252\(a\)](#) (i.e., the lesser of the Fair Market Rent for existing housing for comparable units in the area, as established by HUD, or a rent equal to 30 percent of the income of a family at 65 percent of median income for the area, as determined by HUD, with adjustments for number of bedrooms in the unit). Notwithstanding the foregoing, when a household receives a form of Federal tenant-based rental assistance (e.g., housing choice vouchers), the rent is the rent permissible under the applicable rental assistance program (i.e., the tenant rental contribution plus the rent subsidy allowable under the rental assistance program). The rent limits for low-income households apply to the rent plus the utility allowance established pursuant to [Section VI.B.13.d](#) of this Notice.
- c. *Rent limitations – Single Room Occupancy (SRO) Units:* A HOME-ARP rental project may consist of SRO units. For the purposes of HOME-ARP rental, a SRO unit is defined as a unit that is the primary residence of the occupant(s) and must at least contain sanitary facilities but may also contain food preparation facilities. A project's

designation as a SRO cannot be inconsistent with the building's zoning and building code classification.

If the SRO units have both sanitary *and* food preparation facilities, the maximum HOME-ARP rent is based on the zero-bedroom fair market rent. If the SRO unit has only sanitary facilities, the maximum HOME-ARP rent is based on 75 percent of the zero-bedroom fair market rent. The rent limits for SRO units must also include the utility allowance established pursuant to [Section VI.B.13.d](#) of this Notice.

- d. ***Initial Rent Schedule and Utility Allowance:*** The PJ must establish maximum allowances for utilities and services and update the allowances annually. The PJ may adopt the utility allowance schedule of the PHA.

The PJ must review and approve the HOME-ARP rents proposed by the owner, subject to the HOME-ARP rent limitations. For HOME-ARP units where the tenant is paying utilities and services (e.g., trash collection), the PJ must determine that the rent for the unit does not exceed the maximum rent minus the monthly allowance for utilities and services.

- 14. Tenant Contribution to Rent – Qualifying Households:** The PJ must determine that the qualifying household's contribution to rent is affordable to the qualifying household based on a determination of the household's income. If the household is receiving project-based or tenant-based rental assistance, the household cannot be required to contribute more towards rent than the amount permitted by the requirements of the applicable rental assistance program (See [Section VI.B.13.a](#) of this Notice). If a qualifying household is not receiving project-based or tenant-based rental assistance and cannot contribute any income toward rent, or the contribution is insufficient to cover the unit rent, the project owner may draw from the project's operating cost assistance reserve if projected rental revenue minus the operating costs of the unit results in a deficit. If an operating cost assistance reserve was not capitalized at project completion:

- The PJ may provide ongoing HOME-ARP operating cost assistance to cover the operating deficits associated with units occupied by qualifying households, subject to the requirements in this Notice.
- The qualifying household may receive HOME-ARP TBRA to remain housed in the HOME-ARP rental unit or the PJ may offer, in conjunction with a qualifying household's admittance into a HOME-ARP rental unit, a simultaneous award of supportive services to the qualifying household in accordance with [Section VI.D](#) of this Notice. Any provision of supportive services must comply with all requirements of [Section VI.D](#) of the Notice and the PJ's policies and procedures.
- Operating cost assistance, HOME-ARP TBRA, and supportive services funds committed to a project cannot be provided beyond the budget period for the HOME-ARP funds, as described in [Section VIII.C.4](#) of this Notice.

15. Changes in Income and Over-income Households:

A household that met the definition of one of the HOME-ARP qualifying populations at initial occupancy and whose annual income at the time of income re-certification is above

50 percent of median income for the area but at or below 80 percent of the median income for the area must pay the rent specified in [24 CFR 92.252\(a\)](#).

HOME-ARP-assisted units restricted for low-income households continue to qualify as HOME-ARP rental housing despite a temporary noncompliance caused by increases in the incomes of existing households if actions satisfactory to HUD are taken so that all vacancies are filled in accordance with HOME-ARP requirements until the noncompliance is corrected.

A qualifying or low-income household that is not low-income at the time of income recertification (i.e., whose income is above 80 percent of the median income for the area) must pay rent that complies with the over income regulatory requirements at [24 CFR 92.252\(i\)\(2\)](#), which includes requirements applicable to HOME units that also have LIHTC restrictions.

16. Unit Designation: The PJ must determine the number of HOME-ARP units in the project restricted for qualifying households and low-income households, respectively, and whether the units are fixed or floating units at the time of project commitment. The total number of HOME-ARP rental units restricted for occupancy by qualifying households and the total number of HOME-ARP rental units restricted for low-income households must be identified as separate totals in the written agreement. In a project containing HOME-ARP and other units, the PJ must designate fixed or floating HOME-ARP units in accordance with [24 CFR 92.252\(j\)](#). The PJ must maintain this unit mix throughout the compliance period.

17. Maintaining Unit Mix: At the time of admission to a HOME-ARP rental unit, a household must meet the definition for at least one qualifying population or be determined to be a low-income household, depending on the applicable HOME-ARP restriction on the rental unit to which it is being admitted and in accordance with the written agreement.

For HOME-ARP rental units restricted for occupancy by qualifying populations, a household that meets the definition of a qualifying population at the time of admission retains its eligibility to occupy a HOME-ARP rental unit restricted for occupancy by qualifying populations, irrespective of changes in income or whether the household continues to meet the definition of a qualifying population after initial occupancy. As an example, a household that qualifies as “Homeless” at admission does not meet the Homeless definition once the household occupies a HOME-ARP unit but remains a qualifying household and is eligible to remain in a HOME-ARP rental unit restricted for qualifying populations. Income determinations for qualifying households are therefore only for purposes of establishing a qualifying household’s rental contribution as described in [Section VI.B.15](#) of this Notice and not for maintaining continued eligibility in the HOME-ARP program. In a project with floating units, PJs are encouraged but not required to shift the HOME-ARP qualifying population designation to another unit to serve another qualifying household if the household’s income subsequently is certified to be at or above 80 percent AMI and the household no longer meets the definition of any qualifying population.

For HOME-ARP rental units restricted for occupancy by low-income households, units will be considered temporarily out of compliance if the household's income increases above 80 percent of area median income. The requirements for correcting any noncompliance using vacancies or redesignation of units depends on whether the HOME-ARP rental units are fixed or floating and whether other funding sources (e.g., LIHTC) impose income or other restrictions on the units. Please note, in accordance with the requirements in 24 CFR 92.253 and in [Section VI.B.19.c](#), an increase in a tenant's income does not constitute good cause to evict or refuse to renew a tenant's lease, regardless of program requirements associated with other funding sources such as LIHTC. In addition, compliance with unit restrictions for low-income households requires adjustment of rents as described in [Section VI.B.15](#) of this Notice.

18. Minimum Compliance Period: HOME-ARP-assisted units must comply with the requirements of this Notice for a minimum period of 15 years, irrespective of the amount of HOME-ARP funds invested in the project or the activity being undertaken. A PJ may impose a longer compliance period but should plan for the project's financial feasibility for the longer period without HOME-ARP funds. The PJ may not use HOME-ARP funds to provide operating cost assistance, including a capitalized operating cost assistance reserve, to cover deficits during a PJ's extended compliance period.

If a project-based rental assistance Housing Assistance Payments (HAP) contract is awarded to a HOME-ARP rental project, a PJ must impose a minimum compliance period that is the greater of 15 years or the term of the HAP contract. PJs are also encouraged to extend restrictions for occupancy of the HOME-ARP units in accordance with the requirements in this section to match the term of eligible HAP contract renewals.

The provisions at [24 CFR 92.252\(e\)\(1\)-\(4\)](#) apply, including the requirement that the PJ must impose the HOME-ARP rental requirements through a deed restriction, covenant running with the land, legally binding agreement restricting the use of the property and recorded on the property in accordance with State recordation laws, or other mechanisms approved by HUD. The chart providing minimum affordability periods based on rental housing activity that is contained in 24 CFR 92.252(e) does not apply. The enforceable restriction must provide that units assisted with HOME-ARP comply with the requirements of this Notice throughout the minimum 15-year compliance period, including:

- a. Units restricted for qualifying populations must be occupied by households that met the definition of a qualifying population at the time of initial occupancy. The household's contribution toward rent during this period must be affordable in accordance with [Section VI.B.14](#) of this Notice. The rents for these units must comply with the rent limitations established in this Notice, including the rent provisions specified in [24 CFR 92.252\(i\)\(2\)](#) for households whose income increases above 80 percent of area median income and whose contribution to rent complies with the requirements in [Section VI.B.15](#).
- b. Units available for low-income households must be continuously occupied by households who are income eligible. The rents for these units must comply with the rent

limitations established in this Notice, including the rent provisions specified in [24 CFR 92.252\(i\)\(2\)](#) for households whose income increases above 80 percent of area median income.

- c. The units must comply with the ongoing property condition standards of [24 CFR 92.251\(f\)](#) throughout the compliance period as demonstrated by an on-site inspection within 12 months of project completion and an on-site inspection at least once every three years thereafter as required by [24 CFR 92.504](#).
- d. Each household that occupies a HOME-ARP unit has an executed lease that complies with the tenant protections required in [Section VI.B.19](#) of this Notice.

19. Tenant Protections: PJs must verify that each household that occupies a HOME-ARP assisted unit has an executed lease that complies with the tenant protection requirements of this Notice. The lease must be either be between the project owner and the household or between the project owner and a HOME-ARP sponsor with a sublease between the qualifying household and HOME-ARP sponsor. A HOME-ARP sponsor is a nonprofit organization that provides housing or supportive services to qualifying households and facilitates the leasing of a HOME-ARP rental unit to a qualifying household or the use and maintenance of HOME-ARP TBRA by a qualifying household. PJs may permit a HOME-ARP sponsor to lease a HOME-ARP unit from an owner or execute a master lease with the owner of a HOME-ARP project for HOME-ARP units restricted for occupancy by qualifying households. The HOME-ARP sponsor may then sublease the HOME-ARP rental unit to the qualifying household. The sublease between the HOME-ARP sponsor and the qualifying household must comply with the rent limitations and tenant protection requirements of this Notice.

- a. *Lease Requirement:* There must be a lease between the qualifying household or the low-income household and the owner of the HOME-ARP-assisted project in accordance with [24 CFR 92.253\(a\)](#), except that a sublease is permitted if a HOME-ARP sponsor has executed a master lease or lease with the project owner for the leasing of the units restricted for occupancy by qualifying households.
- b. *Prohibited Lease Terms:* The lease between the low-income household, qualifying household, or HOME-ARP sponsor and the HOME-ARP project owner or the sublease between the HOME-ARP sponsor and a qualifying household may not contain any of the prohibited lease terms specified in [24 CFR 92.253\(b\)](#).
- c. *Termination of tenancy:* An owner may not terminate the tenancy or refuse to renew the lease of a tenant of a HOME-ARP unit or of a HOME-ARP sponsor with a sublease with a qualifying household except for serious or repeated violation of the terms and conditions of the lease; for violation of applicable Federal, State, or local laws; or for other good cause. Similarly, a HOME-ARP sponsor may not refuse to renew a sublease with a qualifying household except for serious or repeated violation of the terms and conditions of the sublease; for violation of applicable Federal, State, or local laws; or for

other good cause. An increase in the tenant's or sublessee's income does not constitute good cause.

In addition, if HOME-ARP funds were or are used to capitalize an operating cost assistance reserve or there is a current contract for the PJ to provide operating cost assistance to the project, an owner may not terminate the tenancy or refuse to renew the lease of a qualifying household because of the household's inability to pay rent during the minimum compliance period. A qualifying household's inability to pay rent shall mean that the qualifying household cannot pay more than 30 percent of the qualifying household's income toward rent, based on an income determination made by the PJ in the last 30 days.

Where there is no capitalized operating reserve or other operating cost assistance to cover the operating deficit for a HOME-ARP unit occupied by a qualifying household, the PJ may assist the qualifying household with HOME-ARP TBRA or supportive services in accordance with the requirements of this Notice.

The above tenant protections are necessary as HOME-ARP requires the PJ to perform underwriting that reviews the operating feasibility of units occupied by qualifying households for the 15-year compliance period to determine how HOME-ARP funds may address the potential for qualifying households to have little to no income to contribute toward rent.

To terminate or refuse to renew tenancy for any household occupying a HOME-ARP unit, the owner must serve written notice upon the tenant (and the HOME-ARP sponsor if the lease is between an owner and HOME-ARP sponsor) at least 30 days before termination of tenancy, specifying the grounds for the action. In the case of a sublease, to terminate or refuse to renew tenancy of a qualifying household, the HOME-ARP sponsor, in accordance with the policy established by the PJ, must notify the PJ in advance of serving written notice to the qualifying household and must serve written notice upon the qualifying household at least 30 days before termination of tenancy, specifying the grounds for the action.

20. Coordinated Entry and Project-Specific Waitlists: In accordance with [Section IV.C](#) of this Notice, PJs must determine whether an owner may use a CoC's CE, a CoC's CE and other referral sources, or a project-specific waitlist, to select qualifying households for HOME-ARP units restricted for occupancy by qualifying populations. PJs will make this determination on a project-by-project basis. Regardless of which method is selected, in all cases, the PJ must use a project-specific waitlist when selecting households to occupy units restricted for occupancy by low-income households. Any preferences among qualifying households must be disclosed in the HOME-ARP allocation plan through the PJ's public participation process in accordance with [Section V.C](#) of this Notice. The written agreement between the PJ and the project owner must specify the method the owner must use for selecting qualifying households for admission to HOME-ARP units.

- a. The owner of a HOME-ARP rental project must adopt and follow written tenant selection policies and criteria for HOME-ARP units that:

- i. Limits eligibility to households that meet one of the HOME-ARP qualifying populations definitions or low-income households in accordance with HOME-ARP requirements; Preferences for households in one or more of the HOME-ARP qualifying populations must comply with the PJ's preferences and the PJ's policies and procedures for applying those preferences, if any, and must not violate nondiscrimination requirements in [24 CFR 92.350](#).
 - ii. Do not exclude an applicant with a voucher under the section 8 Housing Choice Voucher Program ([24 CFR 982](#)), or an applicant participating in HOME, HOME-ARP or other Federal, state or local tenant-based rental assistance program because of the status of the prospective tenant as a holder of such a certificate, voucher, or comparable tenant-based assistance document;
 - iii. Limits eligibility or gives a preference to a particular qualifying population or segment of the qualifying population if permitted in its written agreement with the participating jurisdiction (and only if the limitation or preference is described in the participating jurisdiction's HOME-ARP allocation plan). A preference for households in one or more of the HOME-ARP qualifying populations must comply with the PJ's determined preference(s) and the PJ's policies and procedures for applying the preference(s), if any;
 - iv. Any limitation or preference must not violate nondiscrimination requirements in [24 CFR 92.350](#). If the PJ requires the use of a project-specific waitlist to select qualifying households and/or low-income households for occupancy of HOME-ARP units, provide for the selection of households from a written waiting list in the chronological order of their application, insofar as is practicable;
 - v. Gives prompt written notification to any rejected applicant of the grounds for any rejection; and,
 - vi. Complies with the VAWA requirements as described in [24 CFR 92.359](#).
- b. *Project-Specific Waitlist – Low-Income Households*: A project owner must use a project-specific waitlist to select households to occupy units restricted for occupancy by low-income households in accordance with the tenant selection requirements of [24 CFR 92.253\(d\)](#).

21. Project Completion and Occupancy: HOME-ARP rental projects must meet the definition of project completion at [24 CFR 92.2](#). If the PJ fails to complete a project within 4 years of project commitment, it must comply with the terminated project requirements at [24 CFR 92.205\(e\)\(2\)](#). If the HOME-ARP units are not occupied by eligible qualifying households or low-income households within six months following project completion, the PJ, as applicable, must submit to HUD information on its efforts to coordinate with a CoC, homeless service providers, social service, and other public agencies to fill units for qualifying households or must submit marketing information and, if appropriate, a marketing plan to fill units for low-income households. The PJ must repay any HOME-ARP funds invested in units that are not rented to eligible qualifying or low-income households within 12 months of project completion.

22. Penalties for Noncompliance: The PJ must repay HOME-ARP funds invested in rental housing that is terminated before completion or otherwise does not comply with initial or ongoing requirements of this Notice during the compliance period, as follows:

- a. If the noncompliance or termination occurs within the first 10 years of the compliance period, the PJ must repay the entire amount of HOME-ARP funds invested in the project.
- b. If the noncompliance or termination occurs in years 11 through 15, the repayment amount will be reduced by 20 percent for each year beyond the initial 10-years during which time the project was compliant.

Repayment of the HOME-ARP funds is not required if the project owner sells or transfers, either voluntarily or involuntarily, the HOME-ARP project during the compliance period if (1) the HOME-ARP restrictions remain, (2) the project and new project owner continues to comply with all HOME-ARP requirements, and (3) any HOME-ARP funds remaining in a project's operating cost assistance reserve or reserve for replacement remain with the project and convey upon sale or transfer of the project as a restricted operating cost assistance reserve or reserve for replacement subject to HOME-ARP Notice requirements.

23. Operating Cost Assistance Reserve - Management and Oversight: The PJ must require that any HOME-ARP funds expended for project operating cost assistance reserves are held by the project owner in a separate interest-bearing account. The PJ must require the project owner to request written approval from the PJ prior to disbursing funds from the project operating cost assistance reserve. The PJ must review each requested distribution from the operating cost assistance reserve, including supporting documentation, to determine that the distribution is reasonable and necessary to cover the operating deficit associated with HOME-ARP units occupied by qualifying households. The PJ must, no less than annually, review the operating cost assistance reserve account to determine that the account is appropriately sized based on the projected operating deficits of HOME-ARP units restricted for occupancy by qualifying households. The PJ may require the project owner to enter into a deposit account control agreement for the operating cost assistance reserve where the PJ must approve disbursements from the account.

24. End of Compliance Period and Return of Operating Cost Assistance Reserve: Any unexpended operating cost assistance reserve remaining at the end of the compliance period must be returned as follows:

- a. If the HOME-ARP rental project will continue to operate in accordance with the HOME-ARP requirements and serve qualifying households beyond the HOME-ARP 15- year compliance period as demonstrated by enforceable restrictions imposed by the PJ, the project can retain the operating cost assistance reserve amount to address any operating deficits associated with the HOME-ARP units occupied by qualifying households.
- b. If the HOME-ARP project will not continue to operate in accordance with the HOME-ARP requirements and serve qualifying households beyond the 15-year HOME-ARP compliance period and the HOME-ARP grant has expired or is closed out, the remaining operating cost assistance reserve funds must be deposited in the PJ's local HOME

account and recorded as HOME program income receipt in the Integrated Disbursement and Information System (IDIS) and used for eligible costs under [24 CFR part 92](#).

C. Tenant-Based Rental Assistance (TBRA)

HOME-ARP funds may be used to provide tenant-based rental assistance to qualifying households (“**HOME-ARP TBRA**”). In HOME-ARP TBRA, the PJ assists a qualifying household with payments to cover the entire or insufficient amounts that the qualifying household cannot pay for housing and housing-related costs, such as rental assistance, security deposits, and utility deposits. HOME-ARP TBRA assisted households may choose to rent a unit in a HOME-ARP rental project or any other eligible rental unit. HOME-ARP TBRA is a form of rental assistance that is attached to the household and not a particular rental unit.

Therefore, the HOME-ARP TBRA assisted household may choose to move to another unit with continued HOME-ARP TBRA as long as the new unit meets the applicable property standards of this Notice. If a HOME-ARP TBRA assisted household chooses to move, the rental assistance contract terminates and a new rental assistance contract for the new unit will be executed according to HOME-ARP TBRA requirements. The HOME-ARP TBRA assisted household must notify the PJ before moving in order to receive continued HOME-ARP TBRA.

- 1. Tenant Selection:** Only individuals and families in the qualifying populations are eligible to receive HOME-ARP TBRA assistance. PJs must perform tenant selection in accordance with [Section IV.C](#) of this Notice. The PJ must select qualifying households for HOME-ARP TBRA in accordance with written tenant selection policies and criteria that are based on local housing needs established in the HOME-ARP allocation plan. The PJ must follow written tenant selection policies and criteria that:
 - a. Limit eligibility to households that meet one of the HOME-ARP qualifying populations definitions in accordance with HOME-ARP requirements. Preferences for households in one or more of the HOME-ARP qualifying populations, if any, must comply with the preferences and/or method of prioritization in the PJ’s HOME-ARP allocation plan and the PJ’s policies and procedures for applying such preferences, if any, and must not violate nondiscrimination requirements in [24 CFR 92.350](#).
 - b. If the PJ selects HOME-ARP TBRA applicants off a waiting list, it must provide for the selection of qualifying households from a written waiting list in accordance with the PJ’s preferences or method of prioritization in the chronological order of their application, insofar as is practicable.
 - c. Give prompt written notification to any rejected applicant of the grounds for any rejection, and
 - d. Comply with the VAWA requirements as described in [24 CFR 92.359](#).

Finally, the PJ may offer, in conjunction with HOME-ARP TBRA assistance, a simultaneous award of services in accordance with [Section VI.D](#) of this Notice, and also provide particular types of other nonmandatory services that may be most appropriate for persons with a special need or a particular disability. Any provision of supportive services must comply with all requirements of [Section VI.D](#) of the Notice and the PJ’s policies and procedures.

2. **Tenant Protections:** PJs must require and verify that there is an executed lease between the qualifying household that receives HOME-ARP TBRA and the owner of the rental unit or between the owner of the rental unit and a HOME-ARP sponsor with a sublease between the qualifying households and the HOME-ARP sponsor, in accordance with [24 CFR 92.253\(a\)](#). A HOME-ARP sponsor is a nonprofit organization that provides housing or supportive services to qualifying households and facilitates the leasing of a rental unit to a qualifying household or the use and maintenance of HOME-ARP TBRA by a qualifying household. PJs may permit a HOME-ARP sponsor, as defined in [Section VI.B.19](#), to execute a lease or master lease with a project owner. The HOME-ARP sponsor must then sublease a unit to a qualifying household. The lease between the qualifying household and the rental unit owner or the sublease between the HOME-ARP sponsor and the qualifying household cannot contain any of the prohibited lease terms specified in [24 CFR 92.253\(b\)](#).
3. **Eligible Costs:** Eligible costs under HOME-ARP TBRA include rental assistance, security deposit payments, and utility deposit assistance to qualifying households. HOME-ARP funds may be used to pay for up to 100% of these eligible costs. A PJ may use HOME-ARP TBRA funds to provide loans or grants to qualifying households for security deposits for rental units regardless of whether the PJ provides any other HOME-ARP TBRA assistance. The amount of funds that may be provided for a security deposit may not exceed the equivalent of two months' rent for the unit. Utility deposit assistance is an eligible cost only if rental assistance or a security deposit payment is provided. Costs of inspecting the housing are also eligible as costs of HOME-ARP TBRA. Administration of HOME-ARP TBRA is an eligible cost only if executed in accordance with general management oversight and coordination at [24 CFR 92.207\(a\)](#), except that the costs of inspecting the housing and determining the income eligibility of the family are eligible project costs under HOME-ARP TBRA.
4. **Ineligible Costs:** HOME-ARP TBRA may not be used to pay for the homebuyer program as defined at [24 CFR 92.209\(c\)\(2\)\(iv\)](#).
5. **Portability of Assistance:** A PJ may require the HOME-ARP TBRA assisted household to use HOME-ARP TBRA within the PJ's boundaries or may permit the household to use the assistance outside its boundaries pursuant to [24 CFR 92.209\(d\)](#).
6. **Term of Rental Assistance Contract:** The requirements at [24 CFR 92.209\(e\)](#) defining the term of the rental assistance contract for providing assistance with HOME funds are waived for HOME-ARP TBRA. The PJ must determine the maximum term of the rental assistance contract. The rental assistance contract continues until the end of the rental assistance contract term, as determined by the PJ, or until the lease or sublease is terminated, whichever occurs first. The term of the rental assistance contract may be renewed, subject to the availability of HOME-ARP funds. The term of the rental assistance contract must begin on the first day of the term of the lease or sublease. HOME-ARP TBRA funds cannot be used after the end of the budget period.
7. **Maximum Subsidy:** The PJ must establish policies for the allowable maximum subsidy, which may differ from the maximum subsidy requirements at [24 CFR 92.209\(h\)](#). PJs may

provide up to 100 percent subsidy for rent, security deposit payments, and utility bills. The PJ must also establish policies for determining any household contribution to rent based on a determination of the qualifying household's income.

8. **Rent Standard:** Consistent with [24 CFR 92.209\(h\)\(3\)](#), PJs must also establish a rent standard for HOME-ARP TBRA by unit size that is based upon local market conditions or the section 8 Housing Choice Voucher program under [24 CFR part 982](#). The PJ must determine whether the rent for a HOME-ARP TBRA household complies with the rent standard established by the PJ for the HOME-ARP program and must disapprove a lease if the rent does not meet the PJ's rent standard for HOME-ARP TBRA.
9. **Housing Quality Standards:** Housing occupied by a household receiving HOME-ARP TBRA must comply with all housing quality standards required in [24 CFR 982.401](#) (or successor inspection standards issued by HUD) unless the tenant is residing in a HOME or HOME-ARP unit, in which case the PJ may defer to initial and ongoing inspection standards.
10. **Program Operation:** The PJ may operate HOME-ARP TBRA itself or may contract with a PHA or other entity with the capacity to operate a rental assistance program. In either case, the PJ or entity operating the program must approve the lease. HOME-ARP TBRA may be provided through an assistance contract with (1) an owner that leases a unit to a qualifying household; (2) the qualifying household, or (3) an owner and the qualifying household in a tri-party contract. In the case of HOME-ARP TBRA provided in coordination with a HOME-ARP sponsor, as described below, the PJ may require that payments be made directly to the HOME-ARP sponsor that will make rental payments to the owner on behalf of the qualifying household or require payments directly to the owner of the unit.
11. **HOME-ARP TBRA with a HOME-ARP Sponsor:** HOME-ARP TBRA may be provided in coordination with a HOME-ARP sponsor. As defined in [Section VI.B.19](#), a HOME-ARP sponsor is a nonprofit organization that provides housing or supportive services to qualifying households and facilitates the leasing of a HOME-ARP rental unit to a qualifying household or the use and maintenance of HOME-ARP TBRA by a qualifying household. A HOME-ARP sponsor may make rental subsidy payments and a security deposit payment on behalf of a qualifying household. Under HOME-ARP TBRA, a qualifying household may reside in housing leased by a HOME-ARP sponsor if there is a sublease that complies with HOME-ARP lease requirements between the HOME-ARP sponsor and the qualifying household.

- a. **Rental Assistance Contract:** There must be a rental assistance contract between the PJ and at least one of the following:
 - HOME-ARP sponsor;
 - Qualifying household; or
 - Owner of the housing.

Rental subsidy payments are made on behalf of the HOME-ARP TBRA household pursuant to a rental assistance contract. The rental assistance contract continues until the

lease is terminated or the term of the rental assistance contract expires (and is not renewed). Regardless of the role of the HOME-ARP sponsor, the HOME-ARP TBRA household has the right to continued HOME-ARP TBRA assistance if the household chooses to move from the unit. HOME-ARP TBRA funds cannot be used beyond the end of the HOME-ARP budget period.

The HOME-ARP sponsor may only receive the TBRA subsidy directly from the PJ on behalf of the qualifying household if the rental assistance contract is between the HOME-ARP sponsor and the PJ or the HOME-ARP sponsor and the PJ have entered into a written agreement as outlined below. The HOME-ARP sponsor must make rental subsidy payments to the owner on behalf of the qualifying household per the terms and conditions of the HOME-ARP TBRA contract or written agreement with the PJ. When the HOME-ARP TBRA assisted household moves to a new unit, the HOME-ARP sponsor is not required to continue its sponsor relationship with the HOME-ARP TBRA assisted household for the new rental unit but may do so with the consent of the HOME- ARP TBRA household.

The PJ must establish policies and procedures regarding termination of HOME-ARP TBRA assistance for qualifying households who are absent from the rental unit for a minimum of 60 days and where a HOME-ARP sponsor is leasing the rental unit and subleasing to the qualifying household or providing HOME-ARP TBRA rental subsidy payments on behalf of the household.

- b. *Lease and Sublease*: PJs must require and verify that each household that receives HOME-ARP TBRA assistance has an executed lease that complies with the tenant protection requirements of this Notice. The lease agreement may be between the project owner and the HOME-ARP TBRA household, or PJs may permit a HOME-ARP sponsor to execute a lease with an owner for an individual unit or a master lease for more than one unit restricted for occupancy by HOME-ARP TBRA households. If the lease agreement is between the HOME-ARP sponsor and owner, the HOME-ARP sponsor must execute a sublease agreement with a HOME-ARP TBRA household. The sublease between the HOME-ARP sponsor and the HOME-ARP TBRA household must meet the tenant protection requirements of this Notice.
- c. *Written Agreement with HOME-ARP Sponsor*: The PJ must enter into a written agreement with the HOME-ARP sponsor if the HOME-ARP TBRA rental assistance contract is not with the HOME-ARP sponsor and the HOME-ARP sponsor will receive the HOME-ARP TBRA subsidy directly from the PJ. The written agreement must specify the requirements for the HOME-ARP sponsor receiving the HOME-ARP TBRA subsidy on behalf of the qualifying household and the HOME-ARP sponsor's obligation to provide the HOME-ARP TBRA payment to the owner for the unit's required rent.

12. Project Completion: Project completion for a HOME-ARP TBRA project means the final drawdown has been disbursed for the project.

D. Supportive Services

HOME-ARP funds may be used to provide a broad range of supportive services to qualifying individuals or families as a separate activity or in combination with other HOME-ARP activities. Supportive services include: a) services listed in section 401(29) of the McKinney- Vento Homeless Assistance Act (“**McKinney-Vento Supportive Services**”)¹ (42 U.S.C. 11360(29)); b) homelessness prevention services , as described in [Section VI.D.3.](#) and [D.4](#) below; and c) housing counseling services.

1. **Eligible Program Participants**: Supportive services may be provided to individuals and families who meet the definition of a qualifying population under [Section IV.A](#) of this Notice and who are not already receiving these services through another program. Program participants in other HOME-ARP activities are eligible for supportive services under this Notice in accordance with policies and procedures developed by the PJ. These policies and procedures should identify the length of time that program participants may be served by HOME-ARP TBRA and/or HOME ARP rental housing before they will no longer be eligible as a qualifying population for purposes of this section.
2. **Client Selection**: HOME-ARP funds may only be used to provide supportive services to individuals or families that meet the definition of a qualifying population in [Section IV.A](#) of this Notice. PJs must develop policies and procedures for the selection of program participants for services under this section of the Notice that comply with [Section IV.C](#) and this section of this Notice.
3. **Eligible Supportive Services under HOME-ARP**: There are three categories specifically included as supportive services under HOME-ARP:
 - a. *McKinney-Vento Supportive Services*: McKinney-Vento Supportive Services under HOME-ARP are adapted from the services listed in section 401(29) of McKinney-Vento.
 - b. *Homelessness Prevention Services*: HOME-ARP Homelessness Prevention Services are adapted from eligible homelessness prevention services under the regulations at [24 CFR 576.102](#), [24 CFR 576.103](#), [24 CFR 576.105](#), and [24 CFR 576.106](#), and are revised, supplemented, and streamlined in [Section VI.D.4.c.i](#) below.
 - c. *Housing Counseling Services*: Housing counseling services under HOME-ARP are those consistent with the definition of housing counseling and housing counseling services defined at [24 CFR 5.100](#) and [5.111](#), respectively, except where otherwise noted. The requirements at [24 CFR 5.111](#) state that any housing counseling, as defined in [24 CFR 5.100](#), required under or provided in connection with any program administered by HUD shall be provided only by organizations and counselors certified by the Secretary under [24 CFR part 214](#) to provide housing counseling, consistent with [12 U.S.C. 1701x](#).

¹ The Consolidated Appropriations Act, 2021 (P.L. 116-260) enacted changes that renumbered section 401(27) to (29) of McKinney-Vento.

HUD-approved Housing Counseling Agencies can be found on HUD’s website at:
http://portal.hud.gov/hudportal/HUD?src=/program_offices/housing/sfh/hcc.

Program requirements and administration under [24 CFR part 214](#) apply to the provision of HOME-ARP Housing Counseling supportive services except those provisions related to current homeowners do not apply. Eligible HOME-ARP topics under Housing Counseling include but are not limited to the following examples:

Rental Housing Counseling Topics (24 CFR 214.300(e)(4))	Pre-Purchase Homebuying Topics (24 CFR 214.300(e)(1))	Homeless Services Topics (24 CFR 214.300(e)(5))
HUD rental and rent subsidy programs	Advice regarding readiness and preparation	Homeless assistance information regarding emergency shelter
Other federal, state, or local assistance	Federal Housing Administration insured financing	Other emergency services
Fair housing	Housing selection and mobility	Transitional housing
Rental search assistance	Housing search assistance	Referral to local, state, and federal resources (24 CFR 214.300(b)(2))
Landlord tenant laws	Fair housing and predatory lending	
Lease terms	Budgeting and credit	
Rent delinquency	Loan product comparison	
Referrals to local, state, and federal resources	Purchase procedures and closing costs	
	Referrals to local, state, and federal resources	

Housing Counseling surrounding the following topics are **ineligible** under HOME-ARP:

- Resolving or preventing mortgage delinquency, including, but not limited to default and foreclosure, loss mitigation, budgeting, and credit;
- Home maintenance and financial management for homeowners, including, but not limited to: Escrow funds, budgeting, refinancing, home equity, home improvement, utility costs, energy efficiency, rights and responsibilities of homeowners, and reverse mortgages.

In accordance with [24 CFR 214.300\(a\)\(2\)](#), housing counselors must establish an action plan for each participating qualifying individual or family. Additionally, as per [24 CFR](#)

[214.300\(c\)](#), housing counselors must also make reasonable efforts to have follow-up communications with participating qualifying individuals, when possible, to assure that the individual or family is progressing toward the housing goal established in the plan, to modify or terminate housing counseling, and to learn and report outcomes.

- 4. Eligible Costs of Supportive Services for Qualifying Individuals and Families:** HOME-ARP funds may be used to pay eligible costs associated with the HOME-ARP supportive services activity in accordance with the requirements in this Notice. Eligible costs that may be paid using HOME-ARP funds are limited to only those identified in [Section VI.D.4.c](#) below. Any ineligible costs paid using HOME-ARP funds must be repaid in accordance with the requirements of this Notice.

HUD has used its discretion in ARP to include eligible costs for supportive services that are necessary to assist the qualifying populations, prevent homelessness, or to enable qualifying households to obtain and maintain housing. The list of eligible costs associated with McKinney-Vento Supportive Services and Homelessness Prevention Services is in [Section VI.D.4.c.i](#) of this Notice.

While all qualifying households are eligible to receive supportive services under this activity, the PJ must establish requirements for documenting eligible costs for an individual or family in a qualifying population (as defined in [Section IV.A](#) of this Notice) as McKinney-Vento supportive services, homelessness prevention services, or Housing Counseling.

If a person is homeless, then the person is eligible to be provided the supportive services as McKinney-Vento supportive services for the costs allowable in [Section VI.D.4.c](#) below. If a person is housed and the supportive services are intended to help the program participant regain stability in the program participant's current permanent housing or move into other permanent housing to achieve stability in that housing then the person is eligible for homelessness prevention services for the costs allowable in [Section VI.D.4.c.i](#) below.

Housing Counseling services may be provided regardless of whether a person is homeless or currently housed.

PJs must document in their files which types of supportive services they wish to offer program participants. If PJs are using a supportive services provider, PJs must document in their written agreements with supportive service providers whether they are authorizing McKinney-Vento supportive services, homelessness prevention services, Housing Counseling services or some combination of the three. Only the supportive services that are authorized in the written agreement with the supportive service provider may be provided to program participants by that supportive service provider and only program participants that are eligible for those supportive services may be served. As such, supportive services providers must demonstrate through their documentation that the individuals served were eligible to receive the supportive services that were authorized under the written agreement in order for those costs to be eligible.

Consistent with the requirements in this section, the PJ may set a maximum dollar amount that a program participant may receive for each type of service described in [Section VI.D.4.c.](#) below and may also set a maximum period for which a program participant may receive any of the types of assistance or services.

- a. Oversight of Eligible Costs: All supportive service costs paid for by HOME-ARP must comply with the requirements of this Notice, including requirements in [2 CFR part 200](#), subpart E, Cost Principles that require costs be necessary and reasonable. If a qualifying household is already receiving the same eligible supportive service or has been approved to receive the same service through another program or provider, the program participant does not have a need for the HOME-ARP service and the costs related to the service do not comply with the Cost Principles. The PJ is responsible for establishing requirements that allow a program participant to receive only the HOME-ARP services needed so there is no duplication of services or assistance in the use of HOME-ARP funds for supportive services. This may include the use of systems such as Homeless Management Information Systems in coordination with local supportive service providers, CoCs, and other nonprofit organizations.
- b. Direct provision of services: PJs contracting with service providers engaged directly in the provision of services under the HOME-ARP eligible supportive services categories, shall have written agreements or contracts that comply with the requirements of this Notice and, to the extent practicable, enter into agreements or contracts in amounts that cover the actual total program costs and administrative overhead to provide the services contracted.

If the services outlined in paragraph c. below are being directly delivered by the PJ or a subrecipient, the following costs are eligible project delivery costs for those services:

- the costs of labor or supplies and materials incurred by the PJ or subrecipient in directly providing supportive services to program participants.
- the salary and benefit packages of the PJ and subrecipient staff who directly deliver the services.

These project delivery costs must be attributable to the identifiable objective of the service delivered, otherwise they are administrative costs of the PJ or subrecipient.

- c. Eligible Costs:
 - i. Eligible Costs for McKinney Vento Supportive Services and Homelessness Prevention Services: Eligible costs for supportive services under either of these two categories include costs associated with the following services:
 - (A) Child care: The costs of child care for program participants, including providing meals and snacks, and comprehensive and coordinated developmental activities, are eligible. The child care center must be licensed by the jurisdiction in which it operates in order for its costs to be eligible. The following conditions also apply:

- Children must be under the age of 13 unless the children have a disability.
 - Children with a disability must be under the age of 18.
- (B) Education services: The costs of improving knowledge and basic educational skills are eligible costs including:
- Instruction or training in consumer education, health education, substance abuse prevention, literacy, English as a Second Language, and General Educational Development (GED).
 - Screening, assessment, and testing; individual or group instruction; tutoring; provision of books, supplies, and instructional material; counseling; and referral to community resources.
- (C) Employment assistance and job training: The costs of establishing and/or operating employment assistance and job training programs are eligible, including classroom, online and/or computer instruction, on-the-job instruction, services that assist individuals in securing employment, acquiring learning skills, and/or increasing earning potential. The cost of providing reasonable stipends to program participants in employment assistance and job training programs is also an eligible cost.
- Learning skills include those skills that can be used to secure and retain a job, including the acquisition of vocational licenses and/or certificates.
 - Services that assist individuals in securing employment consist of:
 - Employment screening, assessment, or testing;
 - Structured job skills and job-seeking skills;
 - Special training and tutoring, including literacy training and pre-vocational training;
 - Books and instructional material;
 - Counseling or job coaching; and
 - Referral to community resources.
- (D) Food: The cost of providing meals or groceries to program participants is eligible.
- (E) Housing search and counseling services: Costs of assisting eligible program participants to locate, obtain, and retain suitable housing are eligible. Services are:
- Development of an action plan for locating housing;
 - Housing search;
 - Tenant counseling;
 - Securing utilities;
 - Making moving arrangements;
 - Outreach to and negotiation with owners;
 - Assistance submitting rental applications and understanding leases;
 - Assessment of housing for compliance with HOME-ARP requirements for TBRA assistance in [Section VI.C](#) of this Notice and financial

assistance for short-term and medium-term rental payments provided under [Section VI.D.4.c.i.\(R\)](#) below;

- Assistance obtaining utilities; and
- Tenant counseling;
- Mediation with property owners and landlords on behalf of eligible program participants;
- Credit counseling, accessing a free personal credit report, and resolving personal credit issues; and
- Payment of rental application fees;
- Other Housing counseling costs, as defined in [24 CFR 5.100](#), funded with or provided in connection with grant funds must be carried out in accordance with [24 CFR 5.111](#).

Please Note: When PJs or subrecipients provide housing services to eligible persons that are incidental to a larger set of holistic case management services, these services do not meet the definition of Housing counseling, as defined in [24 CFR 5.100](#), and therefore are not required to be carried out in accordance with the certification requirements of [24 CFR 5.111](#).

- (F) Legal services: Eligible costs are the fees charged by licensed attorneys and by person(s) under the supervision of licensed attorneys, for advice and representation in matters that interfere with a qualifying individual or family's ability to obtain and retain housing.
- Eligible subject matters are child support; guardianship; paternity; emancipation; legal separation; orders of protection and other legal remedies for victims of domestic violence, dating violence, sexual assault, human trafficking, and stalking; appeal of veterans and public benefit claim denials; landlord-tenant disputes; and the resolution of outstanding criminal warrants; landlord/tenant matters, provided that the services must be necessary to resolve a legal problem that prohibits the program participant from obtaining permanent housing or will likely result in the program participant losing the permanent housing in which the program participant currently resides.
 - Legal services for immigration and citizenship matters and for issues related to mortgages and homeownership are ineligible. Retainer fee arrangements and contingency fee arrangements are prohibited.
 - Services may include client intake, receiving and preparing cases for trial, provision of legal advice, representation at hearings, and counseling.
 - Fees based on the actual service performed (i.e., fee for service) are also eligible, but only if the cost would be less than the cost of hourly fees. Filing fees and other necessary court costs are also eligible. If the subrecipient is a legal services provider and performs the services itself, the eligible costs are the subrecipient's employees' salaries and other costs necessary to perform the services.

- (G) Life skills training: The costs of teaching critical life management skills that may never have been learned or have been lost during the course of physical or mental illness, domestic violence, dating violence, sexual assault, stalking, human trafficking, substance abuse, and homelessness are eligible. These services must be necessary to assist the program participant to function independently in the community. Life skills training includes:
- the budgeting of resources and money management, household management, conflict management, shopping for food and other needed items, nutrition, the use of public transportation, and parent training.
- (H) Mental health services: Eligible costs are the direct outpatient treatment of mental health conditions that are provided by licensed professionals.
- Mental health services are the application of therapeutic processes to personal, family, situational, or occupational problems in order to bring about positive resolution of the problem or improved individual or family functioning or circumstances. Problem areas may include family and marital relationships, parent-child problems, or symptom management.
 - Services are crisis interventions; counseling; individual, family, or group therapy sessions; the prescription of psychotropic medications or explanations about the use and management of medications; and combinations of therapeutic approaches to address multiple problems.
- (I) Outpatient health services: Eligible costs are the direct outpatient treatment of medical conditions when provided by licensed medical professionals including:
- Providing an analysis or assessment of a program participant's health problems and the development of a treatment plan;
 - Assisting program participants to understand their health needs;
 - Providing directly or assisting program participants to obtain and utilize appropriate medical treatment;
 - Preventive medical care and health maintenance services, including in-home health services and emergency medical services;
 - Provision of appropriate medication;
 - Providing follow-up services; and
 - Preventive and non-cosmetic dental care.
- (J) Outreach services: The costs of activities to engage qualified populations for the purpose of providing immediate support and intervention, as well as identifying potential program participants, are eligible.
- Eligible costs include the outreach worker's transportation costs and a cell phone to be used by the individual performing the outreach.
 - Costs associated with the following services are eligible: initial assessment; crisis counseling; addressing urgent physical needs, such as providing meals, blankets, clothes, or toiletries; actively connecting and providing people with information and referrals to homeless and

mainstream programs; and publicizing the availability of the housing and/or services provided within the PJ's geographic area.

- (K) Substance abuse treatment services: Eligible substance abuse treatment services are designed to prevent, reduce, eliminate, or deter relapse of substance abuse or addictive behaviors and are provided by licensed or certified professionals. The costs include:
- Program participant intake and assessment;
 - Outpatient treatment;
 - Group and individual counseling
 - Drug testing;
 - Inpatient detoxification and other inpatient drug or alcohol treatment are ineligible.
- (L) Transportation: Eligible costs are:
- The costs of program participant's travel on public transportation or in a vehicle provided by the PJ or subrecipient to and from medical care, employment, childcare, or other services eligible under this Notice;
 - Mileage allowance for service workers to visit program participants and to carry out housing inspections;
 - The cost of purchasing or leasing a vehicle in which staff transports program participants and/or staff serving program participants;
 - The cost of gas, insurance, taxes, and maintenance for the vehicle;
 - The costs of PJ or subrecipient staff to accompany or assist program participants to utilize public transportation; and
 - If public transportation options are not sufficient within the area, the PJ may make a one-time payment on behalf of a program participant needing car repairs or maintenance required to operate a personal vehicle, subject to the following:
 - Payments for car repairs or maintenance on behalf of the program participant may not exceed 10 percent of the Blue Book value of the vehicle (Blue Book refers to the guidebook that compiles and quotes prices for new and used automobiles and other vehicles of all makes, models, and types);
 - Payments for car repairs or maintenance must be paid by the PJ or subrecipient directly to the third party that repairs or maintains the car; and
 - PJs or subrecipients may require program participants to share in the cost of car repairs or maintenance as a condition of receiving assistance with car repairs or maintenance.
 - The PJ must establish policies and procedures surrounding payments for the cost of gas, insurance, taxes, the one-time payment for car repairs or maintenance described above, and maintenance for vehicles of program participants. Such costs must be limited to program participants with the inability to pay for such costs and who, without such assistance, would not be able to participate in eligible services under this [Section VI.D.4.c.i.](#)

- (M) Case management: The costs of assessing, arranging, coordinating, and monitoring the delivery of individualized services to meet the needs of the program participant(s) are eligible costs. PJs and subrecipients providing these supportive services must have written standards for providing the assistance. Eligible costs are those associated with the following services and activities:
- Conducting the initial evaluation, including verifying and documenting eligibility, for individuals and families applying for supportive services;
 - Counseling;
 - Developing, securing, and coordinating services;
 - Using a centralized or coordinated assessment system that complies with the requirements of [Section IV.C](#) of the Notice;
 - Obtaining federal, State, and local benefits;
 - Monitoring and evaluating program participant progress;
 - Providing information and referrals to other providers;
 - Providing ongoing risk assessment and safety planning with victims of domestic violence, dating violence, sexual assault, stalking, and human trafficking;
 - Developing an individualized housing and service plan, including planning a path to permanent housing stability; and
 - Conducting re-evaluations of the program participant's eligibility and the types and amounts of assistance the program participant needs.
- (N) Mediation: HOME-ARP funds may pay for mediation between the program participant and the owner or person(s) with whom the program participant is living, provided that the mediation is necessary to prevent the program participant from losing permanent housing in which the program participant currently resides.
- (O) Credit repair: HOME-ARP funds may pay for credit counseling and other services necessary to assist program participants with critical skills related to household budgeting, managing money, accessing a free personal credit report, and resolving personal credit problems. This assistance does not include the payment or modification of a debt.
- (P) Landlord/Tenant Liaison: Costs of liaison services between property managers/owners and program participants are eligible HOME-ARP costs and may include:
- Landlord outreach;
 - Physical inspections and rent reasonable studies as needed to secure units;
 - Rental application fees and security deposits for clients, in accordance with the financial assistance costs requirements in [\(R\)](#);
 - Mediation services in [\(N\)](#) for housing issues that may arise between owner, property manager, or other residents and clients;

- Coordination or assistance with the provision of other HOME-ARP eligible services to assist clients to maintain permanent housing.
- (Q) Services for special populations: HOME-ARP funds may be used to provide services for special populations, such as victim services, so long as the costs of providing these services are eligible under this section. The term victim services means services that assist program participants who are victims of domestic violence, dating violence, sexual assault, stalking, or human trafficking including services offered by rape crisis centers and domestic violence shelters, and other organizations with a documented history of effective work concerning domestic violence, dating violence, sexual assault, stalking, or human trafficking.
- (R) Financial assistance costs: HOME-ARP funds may be used to pay housing owners, utility companies, and other third parties for the following costs, as applicable:
- Rental application fees: Rental housing application fee that is charged by the owner to all applicants.
 - Security deposits: A security deposit that is equal to no more than 2 months' rent. This assistance is separate and distinct from the provision of financial assistance for First and Last Month's rent provided under this section and cannot be used to duplicate those costs.
 - Utility deposits: HOME-ARP funds may pay for a standard utility deposit or initiation fee required by the utility company or owner (if owner-paid utilities are provided) for all program participants for the following utilities:
 - Gas
 - Electric
 - Water
 - Sewer
 - Utility payments: HOME-ARP funds may pay for up to 24 months of utility payments per program participant, per service, including up to 6 months of utility payments in arrears, per service. A partial payment of a utility bill counts as one month. This assistance may only be provided if the program participant or a member of the same household has an account in his or her name with a utility company or proof of responsibility to make utility payments. Eligible utility services are gas, electric, water, and sewage. No program participant shall receive more than 24 months of utility assistance within any 3-year period.
 - Moving costs: HOME-ARP funds may pay for moving costs, such as truck rental or hiring a moving company. This assistance may include payment of temporary storage fees for up to 3 months, provided that the fees are accrued after the date the program participant begins receiving assistance under this section of the Notice and before the program participant moves into permanent housing. Payment of temporary storage fees in arrears is not eligible.

- First and Last month's rent: If necessary to obtain housing for a program participant, HOME-ARP funds may be used to make a pre-payment of the first and last month's rent under a new lease to the owner at the time the owner is paid the security deposit for the program participant's tenancy in the housing. This assistance must not exceed two month's rent and must be tracked for purposes of determining the total short- and medium-term financial assistance for rent that the program participant may receive. This assistance is separate and distinct from financial assistance for Security Deposits provided under this section and cannot be used to duplicate those costs.
 - Payment of rental arrears: HOME-ARP funds may be used for a one-time payment for up to 6 months of rent in arrears, including any late fees or charges on those arrears, if necessary for the household to maintain their existing housing or, for those without housing, if necessary to remove a demonstrated barrier to obtaining housing.
- (S) Short-term and medium-term financial assistance for rent: Subject to the following conditions, a PJ may provide a program participant with short-term or medium-term financial assistance for rent, provided that the total financial assistance provided, including any pre-payment of first and last month's rent as described above, does not exceed 24 months of rental payments over any 3-year period.
- Short-term means up to 3 months.
 - Medium-term means more than 3 months but not more than 24 months.
 - The PJ may make rental payments only to an owner with whom the PJ has entered into a financial assistance agreement for rental payment. The financial assistance agreement must set forth the terms under which rental payments will be provided, including the requirements that apply under this Notice. The financial assistance agreement must provide that, during the term of the agreement, the owner must give the PJ a copy of any notice to the program participant to vacate the housing unit or any complaint used under State or local law to commence an eviction action against the program participant. The owner must serve written notice upon the program participant at least 30 days before termination of tenancy specifying the grounds for the action. Each financial assistance agreement that is executed or renewed must comply with the requirements in [24 CFR 92.359](#).
 - The PJ must make timely payments to each owner in accordance with the financial assistance agreement. The financial assistance agreement must contain the same payment due date, grace period, and late payment penalty requirements as the program participant's lease. The PJ is solely responsible for paying late payment penalties that it incurs with non-HOME-ARP funds.
 - Rental payments cannot be provided unless the rent does not exceed the Fair Market Rent established by HUD, as provided under [24 CFR](#)

[part 888](#), and complies with HUD's standard of rent reasonableness, as established under [24 CFR 982.507](#).

- Each program participant receiving financial assistance for rental payments must have a legally binding, written lease for the rental unit, unless the assistance is solely for rental arrears. The lease must be between the owner and the program participant. Where the financial assistance is solely for rental arrears, an oral agreement may be accepted in place of a written lease, if the agreement gives the program participant an enforceable leasehold interest under state law and the agreement and rent owed are sufficiently documented by the owner's financial records, rent ledgers, or canceled checks. New leases must have an initial term of 1 year unless a shorter period is agreed upon by the program participant and owner. The lease requirements in [24 CFR 92.359](#) apply to this financial assistance.
- PJs must establish requirements to prevent the provision of short- or medium-term financial assistance for rent for the same period for which a program participant is receiving rental assistance or living in housing provided with ongoing assistance (such as project-based rental assistance or operating subsidies).
- If a program participant receiving financial assistance for short- or medium-term rental payments under this section meets the conditions for an emergency transfer under [24 CFR 5.2005\(e\)](#), HOME-ARP funds may be used to pay amounts owed for breaking a lease to effectuate an emergency transfer. These costs are not subject to the 24-month limit on rental payments.

Ineligible costs - Financial assistance cannot be provided to a program participant who is receiving the same type of assistance through other public sources. Financial assistance also cannot be provided to a program participant who has been provided with replacement housing payments under the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (42 USC 4601 et seq.) and its implementing regulations at [49 CFR part 24](#), or Section 104(d) of the Housing and Community Development Act of 1974 (42 USC 5304(d) and its implementing regulations at [24 CFR part 42](#), during the period of time covered by the replacement housing payments.

- ii. *Eligible Costs Associated with Housing Counseling under 24 CFR 5.100 and 5.111*: Costs associated with housing counseling services as defined at [24 CFR 5.100](#) and [5.111](#) are eligible under HOME-ARP. As homeowner assistance and related services are not eligible HOME-ARP activities, costs for the provision of services related to mortgages and homeownership to existing homeowners are also not eligible under HOME-ARP. If a program participant is a candidate for homeownership, costs associated with pre-purchase homebuying counseling, education and outreach are eligible under HOME-ARP. Eligible costs are those costs associated with the services listed in [24 CFR part 214](#) and include, but are not limited to:

- (A) Staff salaries and overhead costs of HUD-certified housing counseling agencies related to directly providing eligible housing counseling services to HOME-ARP program participants;
- (B) Development of a housing counseling workplan;
- (C) Marketing and outreach;
- (D) Intake;
- (E) Financial and housing affordability analysis;
- (F) Action plans that outline what the housing counseling agency and the client will do to meet the client's housing goals and that address the client's housing problem(s);
- (G) Follow-up communication with program participants.

5. Termination of assistance to program participants:

- a. *Termination of assistance:* The PJ may terminate assistance to a program participant who violates program requirements or conditions of occupancy or no longer needs the services as determined by the PJ. Termination under this section does not bar the PJ from providing further assistance at a later date to the same individual or family under this Notice.
- b. *Due process:* The PJ must establish policies and procedures for termination of assistance to program participants. In terminating assistance to a program participant, the PJ must provide a formal process that recognizes the rights of individuals receiving assistance under the due process of law. This process, at a minimum, must consist of:
 - i. Providing the program participant with a written copy of the program rules and the termination process before the participant begins to receive assistance;
 - ii. Written notice to the program participant containing a clear statement of the reasons for termination;
 - iii. A review of the decision, in which the program participant is given the opportunity to present written or oral objections before a person other than the person (or a subordinate of that person) who made or approved the termination decision; and
 - iv. Prompt written notice of the final decision to the program participant.

During this process, the PJ must provide effective communication and accessibility for individuals with disabilities, including the provision of reasonable accommodations. Similarly, the PJ must provide meaningful access to persons with LEP.

- 6. Commitment:** For supportive services, commitment means that before disbursing any HOME-ARP funds to any entity, the PJ executed a legally binding written agreement that complies with HOME-ARP requirements with the contractor or subrecipient providing the supportive service (that includes the date of the signature of each person signing the agreement).
- 7. Policies and Procedures:** PJs must establish the following policies and procedures in compliance with this notice:

- a. Tenant selection procedures in accordance with [Section IV.C.2](#) and this section;
 - b. Eligibility of program participants in other HOME-ARP activities for supportive services under [Section VI.D.4.c.i](#) above including the length of time that program participants may be served by HOME-ARP TBRA and/or HOME ARP rental housing before they will no longer be eligible as a qualifying population for purposes of this section;
 - c. If the PJ chooses to set maximum amounts and/or maximum periods for assistance or services, the maximum dollar amount that a program participant may receive for each type of service described in [Section VI.D.4.c.i](#) above and/or maximum periods for which a program participant may receive any of the types of assistance or services under this section;
 - d. Documentation of eligible costs;
 - e. Requirements that allow a program participant to receive only the HOME-ARP services needed so there is no duplication of services or assistance in the use of HOME-ARP funds for supportive services;
 - f. Payments for the cost of gas, insurance, taxes, the one-time payment for car repairs or maintenance described above, and maintenance for vehicles of program participants;
 - g. Financial assistance for short-term and medium-term rental payments under this Notice, including requirements to prevent a duplication of rental or financial assistance provided to a program participant;
 - h. Housing stability case management; and
 - i. Termination of assistance to program participants.
8. **Project Completion**: Project completion for a HOME-ARP Supportive Services project means the final drawdown has been disbursed for the project.

E. Acquisition and Development of Non-Congregate Shelter

A non-congregate shelter (NCS) is one or more buildings that provide private units or rooms as temporary shelter to individuals and families and does not require occupants to sign a lease or occupancy agreement. HOME-ARP funds may be used to acquire and develop HOME-ARP NCS for individuals and families in qualifying populations. This activity may include but is not limited to the acquisition of land and construction of HOME-ARP NCS or acquisition and/or rehabilitation of existing structures such as motels, hotels, or other facilities to be used for HOME-ARP NCS. 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 HOME-ARP NCS can remain viable through the restricted use period specified in this Notice.

During the restricted use period, HOME-ARP NCS may:

- Remain as HOME-ARP NCS in compliance with the requirements of this Notice.
- Be used as a non-congregate emergency shelter under the Emergency Solutions Grants (ESG) program (Subtitle B of title IV of the McKinney-Vento Homeless Assistance Act) (42 USC 11371 et seq.), in which case the non-congregate shelter must be operated in compliance with all requirements at [24 CFR part 576](#) that apply when ESG funds are provided for operating costs or essential services in the shelter. During any period for which ESG funds are provided, the applicable ESG requirements shall govern in the event of any conflict with HOME-ARP requirements.
- Be converted to permanent affordable housing according to the requirements established in [Section VI.E.11](#) of this Notice.
- Be converted to permanent housing as defined in Subtitle C of title IV of the McKinney-Vento Homeless Assistance Act (42 USC 11381 et seq.) according to requirements of this Notice and [24 CFR part 578](#).

1. **Admission and Occupancy:** HOME-ARP NCS units may only be occupied by individuals or families that meet the criteria for one or more of the qualifying populations as defined in [Section IV.A.](#) of this Notice. Where applicable, occupancy of NCS units by qualifying populations must be in accordance with the requirements in [Section IV.C](#) of this Notice. The PJ must not allow qualifying populations to be charged occupancy fees or other charges to occupy a HOME-ARP NCS unit unless the PJ determines such fees and charges to be customary and reasonable and the charges comply with [24 CFR 578.77\(b\)](#).

To ensure that access to HOME-ARP NCS by qualifying populations is effectively integrated with other assistance and services, PJs are encouraged to incorporate each HOME-ARP NCS into the CE established by the CoC(s) for the area the NCS is funded to serve, provided that the CE is used in accordance with [Section IV.C](#) of this Notice. Whether or not packaged with NCS funding, HOME-ARP supportive services may also be provided as needed to qualifying individuals and families served by the HOME-ARP NCS in accordance with the requirements contained in [Section VI.D](#) of this Notice.

No individual or family may be denied admission to or removed from a HOME-ARP NCS unit on the basis or as a direct result of the fact that the individual or family is or has been a victim of domestic violence, dating violence, sexual assault, stalking, or human trafficking if the individual or family meets the criteria of one of the qualifying populations.

2. **Eligible Activities:** HOME-ARP funds may be used to acquire and/or rehabilitate or construct HOME-ARP NCS units to serve qualifying populations. Acquisition of vacant land or demolition of existing structures may be undertaken only as part of a HOME-ARP NCS project. HOME-ARP NCS units acquired and/or developed with HOME-ARP funds must meet the requirements of this Notice, i.e., be used as HOME-ARP NCS or used as emergency shelter under ESG for the restricted use period established in [Section VI.E.9](#) of this Notice.
3. **Eligible Costs:** HOME-ARP funds may be used for actual costs of acquiring NCS or developing HOME-ARP NCS as follows:

- a. *Acquisition Costs*: Costs to acquire improved or unimproved real property.
- b. *Demolition Costs*: Costs of demolishing existing structures for the purpose of developing HOME-ARP NCS.
- c. *Development Hard Costs*: Costs identified in [24 CFR 92.206\(a\)](#) to rehabilitate or construct HOME-ARP NCS units, except costs must be for meeting the physical standards established in [Section VI.E.7](#) of this Notice.
- d. *Site Improvements*: Costs to make improvements to the project site, including installation of utilities or utility connections, and the construction or rehabilitation of laundry, community facilities, on-site management, or supportive service offices.
- e. *Related Soft Costs*: Reasonable and necessary costs incurred by the PJ and owner associated with the financing, acquisition, and development of HOME-ARP NCS projects, including costs identified in [24 CFR 92.206\(d\)](#) with the following exceptions:
 - i. Costs to provide information services such as affirmative marketing to prospective homeowners and tenants are not eligible.
 - ii. Costs of funding an initial operating deficit reserve are not eligible.
 - iii. Costs of project-specific assistance to community housing development organizations, including technical assistance and site control loans or seed money loans as specified in [24 CFR 92.301](#) are not eligible.
- f. *Replacement Reserve*: Costs to capitalize a replacement reserve to pay the reasonable and necessary costs of replacing major systems and their components whose useful life will end during the restricted use period. Major systems include structural support, roofing, cladding, and weatherproofing, plumbing, electrical and HVAC. The costs of replacing major systems must be determined through a Capital Needs Assessment or documented in writing after an inspection by the PJ or PJ-selected contractor to assess the remaining useful life of major systems expected upon completion of the HOME-ARP NCS project. The costs of a replacement reserve must be included in the project budget in the written agreement along with a list of major systems to be replaced with the reserve and projected replacement schedule during the restricted use period (i.e., reserve for replacement analysis). Rehabilitation planned to be completed with HOME-ARP NCS reserve funds at a later date must be included in IDIS as a rehabilitation activity at initial commitment.

4. Prohibited Costs: HOME-ARP funds **may not** be used to:

- a. Pay any operating costs of a HOME-ARP NCS project.
- b. Provide additional HOME-ARP investment in a HOME-ARP NCS project during the restricted use period, except that additional HOME-ARP funds can be invested in the project up to one year after project completion in IDIS for eligible costs.

- c. Pay costs of a conversion of HOME-ARP NCS as described in [Section VI.E.11](#) of this Notice.
 - d. Provide non-Federal matching contributions required under any other Federal program.
 - e. Provide assistance for uses authorized under section 9 of the U.S. Housing Act of 1937 (42 U.S.C. 1437g) (Public Housing Capital and Operating Funds).
 - f. Provide assistance to eligible low-income housing under [24 CFR part 248](#) (Prepayment of Low-Income Housing Mortgages).
 - g. Pay for the acquisition of property owned by the PJ, except for property acquired by the PJ with HOME-ARP NCS funds, or property acquired in anticipation of carrying out a HOME-ARP NCS project.
 - h. Pay delinquent taxes, fees, or charges on properties to be assisted with HOME-ARP NCS funds.
 - i. Pay for any cost that is not eligible under this Notice.
5. **Commitment**: PJs must commit HOME-ARP funds before disbursing funds for a HOME-ARP NCS project. HOME-ARP funds are committed to a HOME-ARP NCS project when the PJ executes a legally binding written agreement that meets the requirements in this Notice.

If the project is an acquisition-only activity, the PJ may commit HOME-ARP funds if it reasonably expects the project will be operated as HOME-ARP NCS within 6 months of the date of acquisition. Acquisition-only HOME-ARP NCS projects may be performed when the PJ reasonably determines that the units acquired will not require rehabilitation to meet the property standards in [Section VI.E.7](#) of this Notice. If the project is not in active use as HOME-ARP NCS within 6 months of the acquisition, HUD may require the PJ to submit a schedule for placing the project into operation within a period determined by HUD or may require the PJ to repay the funds to its HOME-ARP Treasury Account.

For projects that will involve rehabilitation or new construction with or without acquisition, the PJ may commit HOME-ARP funds if it reasonably expects development to begin within 12 months of the date of commitment.

6. **Project Development Due Diligence**: HOME-ARP NCS projects must meet the requirements of this Notice for the restricted use period. Consequently, before awarding HOME-ARP funds to a HOME-ARP NCS project, PJs must determine that acquisition and/or development is financially feasible. The PJ is responsible for maintaining continued operation of the NCS in accordance with this Notice throughout the restricted use period. Therefore, the PJ must consider whether the HOME-ARP NCS project has secured or has a high likelihood of securing operating funding because operating costs cannot be paid with HOME-ARP.

PJs must assess HOME-ARP NCS projects, including a review of information from the owner and/or developer that demonstrates the project's financial feasibility throughout the restricted use period. Before awarding funds for HOME-ARP NCS, the PJ must:

- Require that the developer submit evidence of appropriate skills and experience related to the development of shelters or similar facilities.
- Require the owner to submit evidence of prior experience with operating shelters.
- Require an acquisition or development budget, timeline, and sources and uses statement for the acquisition and/or development of the project be submitted for review.
- Require the owner to submit a proposed operating budget, including secured sources for operating costs and any operating gap that will require additional assistance. If there is a gap in the operating budget, the PJ should require the owner to submit a plan for securing additional private, local, state, or Federal funding sufficient for successful operation of the project.

Before committing funds, PJs should also determine whether the owner intends to continue operating the project as HOME-ARP NCS or emergency shelter NCS under ESG for the entire full restricted use period or plans to convert the HOME-ARP NCS to permanent affordable housing or CoC permanent housing during the restricted use period, once the minimum use period for HOME-ARP NCS established in this section is completed. If a HOME-ARP NCS project owner intends to convert the project to CoC permanent housing or permanent supportive housing during the restricted use period, the PJ is encouraged to pursue partnership and leveraging opportunities with the CoC early in the planning stage of a HOME-ARP NCS project. In such instances, the PJ should consider the physical design needs of an eventual conversion in its evaluation of the HOME-ARP NCS project.

- 7. Property and Habitability Standards:** HOME-ARP NCS projects must meet the minimum HOME-ARP property standards prior to occupancy and the HOME-ARP NCS ongoing property standards throughout the restricted use period as described in this Notice. An "acquisition only" project must meet the HOME-ARP NCS minimum property standards described in paragraph a. below at the time of acquisition. If the project requires rehabilitation or repair to meet the minimum property standards, the project is considered acquisition and rehabilitation irrespective of the source of funds used for the rehabilitation or repair and must meet the NCS rehabilitation standards in paragraph b. below. In addition, PJs must meet the standards required in this Notice for rehabilitation or new construction, as applicable. The PJ must determine that construction contracts and documents describe the work to be completed in adequate detail to establish a basis for inspection to determine that all work was completed to contracted specifications and that the project met the HOME-ARP NCS property standards. Project classification as rehabilitation or new construction is determined by the PJs local code requirements based on specific work to be completed. PJs may also choose to adopt a standard that exceeds the minimum standards described here. The written agreement must impose the HOME-ARP NCS property standards or the PJ's locally developed standards and require that the PJ or its representatives have access to the property to perform inspections during development and throughout the restricted use period.

- a. *Minimum HOME-ARP NCS Property Standards:* All HOME-ARP NCS units and common areas must meet all applicable State and local codes, ordinances, and requirements and the applicable provisions of HUD’s Lead Safe Housing Rules at [24 CFR Part 35](#). In addition, all HOME-ARP NCS projects must meet the following minimum safety, sanitation, accessibility, and privacy standards:
- i. Must be structurally sound to protect occupants from the elements and not pose any threat to health and safety of the occupants.
 - ii. Must be accessible in accordance with section 504 of the Rehabilitation Act ([29 U.S.C. 794](#)) and implementing regulations at [24 CFR part 8](#); the Fair Housing Act ([42 U.S.C. 3601 et seq.](#)) and implementing regulations at [24 CFR part 100](#); and Title II of the Americans with Disabilities Act ([42 U.S.C. 12131 et seq.](#)) and implementing regulations at [24 CFR part 35](#), all as applicable.
 - iii. Must provide each individual or family with an acceptable, individual room to sleep which includes adequate space and security for themselves and their belongings.
 - iv. Must have a natural or mechanical means of ventilation. The interior air must be free of pollutants at a level that might threaten or harm the health of occupants.
 - v. Must have a water supply free of contamination.
 - vi. Must have in-unit sanitary facilities that are in proper operating condition and are adequate for personal cleanliness and the disposal of human waste.
 - vii. Must provide necessary heating/cooling facilities in proper operating condition.
 - viii. Must have adequate natural or artificial illumination to permit normal indoor activities and support health and safety. There must be sufficient electrical sources to permit the safe use of electrical appliances.
 - ix. Food preparation areas, if any, must contain suitable space and equipment to store, prepare, and serve food in a safe and sanitary manner.
 - x. Must provide one working smoke detector and one working carbon monoxide detector in each unit. All smoke and carbon monoxide detectors and alarm systems must be designed for hearing-impaired residents. All public areas of the shelter must have at least one working smoke detector and one carbon monoxide detector. There must also be a second means of exiting the building in the event of fire or other emergency.

Minimum HOME-ARP NCS Rehabilitation Standards: HOME-ARP NCS rehabilitation projects must meet all applicable State and local codes, ordinances, and requirements, or in the absence of such codes, International Residential Code or the International Building Code (as applicable), and must comply with the Lead Safe Housing Rule at [24 CFR Part 35](#). Additionally, PJs must consider the remaining useful life of major systems. PJs are encouraged to use a Capital Needs Assessment to determine the reasonable and necessary investment of HOME-ARP funding in rehabilitation projects and expected cost of ongoing replacement needs during the restricted use period. If HOME-ARP funding will capitalize a replacement reserve, the PJ must determine the remaining useful life of major systems through a Capital Needs Assessment or other PJ inspection documented in writing, in accordance with requirements for capitalized replacement reserve costs in [VI.E.3](#).

Minimum HOME-ARP NCS New Construction Standards: HOME-ARP NCS projects that are newly constructed must meet all applicable State and local codes, ordinances, and requirements, or in the absence of such codes, the International Residential Code or the International Building Code (as applicable to the type of structure). HOME-ARP funds cannot be used to fund a replacement reserve for newly constructed HOME-ARP NCS.

- b. *On-going Property Standards and Inspections:* PJs must develop ongoing inspection procedures to verify that HOME-ARP NCS projects meet the minimum HOME-ARP NCS property standards established in this Notice throughout the restricted use period. A PJ's inspection procedures must require annual inspections that are applied consistently to all HOME-ARP NCS projects. When deficiencies are identified, a follow-up inspection to verify that deficiencies are corrected must occur within 6 months. The PJ may establish a list of non-hazardous deficiencies for which correction can be verified by third party documentation (e.g., paid invoice or work order) rather than reinspection. If life-threatening deficiencies exist, the owner or operator of the HOME-ARP NCS must correct such deficiencies immediately. In such instances, the PJ must reinspect to verify the deficiency has been corrected within 14 days.

8. Project Completion: Project Completion for HOME-ARP NCS means:

- All necessary title transfer requirements and construction work has been performed;
- The project complies with the requirements of this Notice, including the HOME-ARP NCS property standards as evidenced by a final inspection;
- The project is actively operating as a HOME-ARP NCS;
- Final drawdown of HOME-ARP funds has been disbursed; and
- Project completion information is entered into IDIS.

All HOME-ARP NCS projects must be completed within 4 years of the date of commitment of the HOME-ARP funds based on the date of the last signature on the written agreement.

If the PJ fails to complete a project within 4 years of project completion, it must comply with the terminated project requirements at [24 CFR 92.205\(e\)\(2\)](#). HOME-ARP NCS rehabilitation and new construction projects must begin operating as active shelters within 6 months after the date of completion of the construction work. If the HOME-ARP NCS project is not in use within 6 months, HUD may require the PJ to submit a schedule for placing the project into operation as an active shelter within a period determined by HUD or may require the PJ to repay the HOME-ARP funds to its HOME-ARP Treasury Account.

- 9. Restricted Use Period:** HOME-ARP NCS projects must comply with the requirements of this Notice for not less than the restricted use period specified in this Notice. PJs must impose the HOME-ARP NCS requirements through a deed restriction, covenant running with the land, legally binding agreement restricting the use of the property and recorded on the property in accordance with State recordation laws, or other mechanism approved by HUD. The use restriction should not identify that the property is prioritized for victims of domestic violence, dating violence, sexual assault, stalking or human trafficking. This use restriction must require that the property is operated as HOME-ARP NCS or non-congregate emergency shelter under ESG for the required restricted use period except that HOME-ARP

NCS projects may be converted to permanent affordable housing or CoC permanent housing after being operated as HOME-ARP NCS for the applicable minimum use period prior to conversion as described in [Section VI.E.11](#). If the HOME-ARP NCS is converted, the PJ must amend its use restriction to reflect the change in requirements for the remainder of the restricted use period.

The restricted use period begins at project completion as defined in [Section VI.E.8](#) of this Notice and must be imposed for at least the following periods:

- a. *New Construction*: Newly constructed HOME-ARP NCS units must be operated as HOME-ARP NCS units for qualifying populations for a restricted use period of 15 years, regardless of the amount of HOME-ARP funds invested in the project.
- b. *Rehabilitation*: HOME-ARP NCS units which receive any amount of HOME-ARP funds for rehabilitation but are not designated as new construction by the PJ's state or local building code requirements must be operated as HOME-ARP NCS units for qualifying populations for a restricted use period of 10 years.
- c. *Acquisition Only*: Units acquired for use as HOME-ARP NCS that do not require rehabilitation for occupancy must serve the qualifying populations for a restricted use period of 10 years.
- d. PJs may impose longer restricted use periods but must require the project remain financially viable for the extended period.

10. Return of Replacement Reserve: HOME-ARP funds may capitalize a replacement reserve for HOME-ARP NCS projects performing rehabilitation as described in [Section VI.E.3](#) of this Notice. Any unexpended HOME-ARP funds remaining in a project's replacement reserve at the completion of the restricted use period or upon conversion must be used or returned as follows:

- a. If the HOME-ARP NCS project will continue to operate in accordance with the HOME-ARP NCS requirements and serve qualifying households beyond the HOME-ARP NCS restricted use period demonstrated by enforceable restrictions imposed by the PJ in accordance with [Section VI.E.9](#), the project can retain the replacement reserve to pay reasonable and necessary costs of replacing major systems and their components.
- b. If the HOME-ARP NCS project will not continue to operate in accordance with the HOME-ARP NCS requirements because the NCS is being converted to either CoC permanent housing or permanent affordable housing as described in [Section VI.E.11](#) of this Notice and the HOME-ARP grant is still open, the remaining HOME-ARP funds in the replacement reserve must be returned to the PJ's HOME Investment Trust Fund Treasury account.
- c. If the HOME-ARP NCS grant has expired or is closed out, any remaining HOME-ARP funds in the replacement reserve must be deposited in the PJ's local HOME account,

recorded as a program income receipt in IDIS and used for eligible costs under [24 CFR part 92](#).

11. Conversion of Non-Congregate Shelter to Rental Housing: The ARP authorizes the conversion of HOME-ARP NCS units into permanent housing under subtitle C of title IV of McKinney-Vento or permanent affordable housing as described in this section, during the restricted use period. No HOME-ARP funds may be used for conversion. The written agreement between the PJ and the owner of the HOME-ARP NCS project must describe conversion as a possible outcome of the HOME-ARP NCS project; specify the conditions under which conversion will be permitted; and require that the PJ approve any conversion in advance.

- a. Minimum Use Period: All HOME-ARP NCS projects must be operated as NCS for a minimum period of time prior to conversion. The minimum use period prior to conversion varies based on the original HOME-ARP NCS eligible activity undertaken and the amount of funds invested in the project. If the HOME-ARP NCS project involves rehabilitation, the minimum use period prior to conversion is based on the total cost of the rehabilitation as a percentage of the total appraised value of the improved property. A larger investment for rehabilitation will require operation as HOME-ARP NCS for a longer minimum use period prior to conversion.
 - i. Acquisition Only: HOME-ARP NCS activities not requiring rehabilitation for occupancy must be operated as HOME-ARP NCS for no less than 3 years from project completion prior to conversion.
 - ii. Moderate Rehabilitation: Occurs when an NCS HOME-ARP project requires rehabilitation and the total rehabilitation expenditure from all sources of less than 75 percent of the total appraised value of the improved property. HOME-ARP NCS projects that receive moderate rehabilitation must be operated as HOME-ARP NCS for no less than 5 years from project completion prior to conversion.
 - iii. Substantial Rehabilitation: Occurs when an NCS HOME-ARP project requires rehabilitation and the total rehabilitation expenditure from all sources exceeds 75 percent of the total appraised value of the improved property. HOME-ARP NCS projects that receive substantial rehabilitation must be operated as HOME-ARP NCS for no less than 10 years from project completion before conversion.
 - iv. New Construction: Any HOME-ARP NCS project defined by the PJ's state or local code requirements as new construction must be operated as HOME-ARP NCS for no less than 10 years from project completion prior to conversion.

Requirements for conversions vary depending on the type of conversion, as follows:

- b. Permanent Affordable Housing: During the HOME-ARP NCS restricted use period but only after the HOME-ARP NCS minimum use period, a PJ may provide written approval to convert the project from HOME-ARP NCS to permanent affordable housing (e.g., affordable multifamily rental housing, transitional housing) in accordance with the requirements prescribed in the PJ's written agreement with the HOME-ARP NCS owner.

The converted permanent affordable housing project must meet the following requirements:

- i. Additional HOME-ARP Investment: The PJ is prohibited from investing additional HOME-ARP funds to pay for the cost of converting the project from HOME-ARP NCS to permanent affordable housing or to pay for operating the project as permanent affordable housing. However, the PJ must determine that adequate financial resources are committed to the project to bring it into compliance with the property standards of [Section VI.B.11](#) of this Notice and maintain the financial feasibility of the project to be operated as permanent affordable housing for the qualifying populations throughout the remaining restricted use period. If permitting conversion of HOME-ARP NCS into permanent affordable housing, a PJ must develop and evaluate the project in accordance with standardized underwriting guidelines for conversion. At minimum, the PJ's underwriting guidelines for conversion must include an examination of the sources and uses of funds for the conversion and a careful review of the project's operating budget, including the assumptions, projections, and reasonably expected increases in expenses throughout the minimum compliance period defined in the section below, to determine that the project will remain financially feasible to serve the qualifying populations for the remainder of the restricted use period.

The PJ may assist households living in affordable rental housing units in converted projects by providing HOME-ARP TBRA in accordance with [Section VI.C](#) of this Notice or financial assistance services in accordance with [Section VI.D.4.c.i.R.](#)

- ii. Minimum Compliance Period: The minimum compliance period for converted housing is the period that the housing must continue to comply with the requirements of this Notice and is equal to the balance of the HOME-ARP NCS restricted use period. A PJ may impose a longer compliance period but should plan for the project's financial feasibility for the longer period. The PJ may not use HOME-ARP funds to provide operating assistance, including a capitalized operating reserve, to cover deficits during the minimum or an extended compliance period.

The PJ must amend the use restriction for HOME-ARP NCS to reflect the conversion to permanent affordable housing. The provisions for imposing affordability requirements at [24 CFR 92.252\(e\)\(1\) through \(e\)\(4\)](#) apply to the amended use restriction. In addition, the amended use restriction for the permanent affordable housing must be enforceable to maintain compliance with the requirements of this Notice for the minimum compliance period, including the following:

- (1) The same number of units that were operated as HOME-ARP NCS for qualifying populations must be restricted for and must be occupied by households that meet the definition of a qualifying population at the time of initial occupancy of the permanent affordable housing. The household's contribution toward rent during this period must be affordable in accordance with [Section VI.E.11](#) of this Notice.

- (2) The units must comply with the ongoing property condition standards of [24 CFR 92.251\(f\)](#) throughout the minimum compliance period as demonstrated by an on-site inspection within 12 months of project completion and an on-site inspection at least once every three years thereafter as required by [24 CFR 92.504\(d\)\(ii\)](#).
 - (3) Each household that occupies a HOME-ARP assisted rental unit must have an executed lease that complies with the tenant protections required in [Section VI.B.18](#) of this Notice.
- iii. Property Standards: For the remaining restricted use period, the PJ must require that project owners maintain the housing as decent, safe and sanitary housing in good repair in accordance with the ongoing property condition standards of [24 CFR 92.251\(f\)](#) as demonstrated by an on-site inspection at least once every three years in accordance with [24 CFR 92.504\(d\)\(ii\)](#).
- iv. Tenant Contribution to Rent: The PJ must confirm that the qualifying household's contribution to rent is affordable to the household based on a determination of the household's income. If the household is receiving project-based or tenant-based rental assistance, it cannot contribute towards rent more than is permitted in accordance with the requirements of the applicable program. If a qualifying household cannot contribute to rent, or the contribution is insufficient to cover the unit rent, the PJ may provide HOME-ARP TBRA or supportive services to assist the qualifying household but may not provide operating cost assistance or fund an operating cost assistance reserve.
- v. Tenant Protections: Following conversion, each qualifying household that occupies a permanent affordable housing unit must have an executed lease or sublease that complies with the tenant protections requirements of this Notice.
 - (1) Lease Requirement: There must be a lease between the qualifying household and the owner of the permanent affordable housing project or, if there is a sublease with a qualifying household, a lease between a HOME-ARP sponsor and the owner in accordance with [24 CFR 92.253\(a\)](#).
 - (2) Prohibited Lease Terms: The lease between the qualifying household and the owner, lease between HOME-ARP sponsor and the owner, and sublease between a HOME-ARP sponsor and qualifying household may not contain any of the prohibited lease terms specified in [24 CFR 92.253\(b\)](#).
 - (3) Termination of tenancy: An owner may not terminate the tenancy or refuse to renew the lease of a qualifying household (or of a HOME-ARP sponsor with a sublease with a qualifying household) in a permanent affordable housing unit except for serious or repeated violation of the terms and conditions of the lease; for violation of applicable Federal, State, or local laws, or for other good cause. An increase in the qualifying household's income does not constitute good cause.

To terminate or refuse to renew tenancy, the owner must serve written notice upon the qualifying household and the HOME-ARP sponsor if the lease is between an owner and HOME-ARP sponsor, specifying the grounds for the action at least 30 days before termination of tenancy. In the case of a sublease, to terminate or refuse to renew tenancy of a qualifying household, the HOME-ARP sponsor, in accordance with the policy established by the PJ, must notify the PJ in advance of serving written notice to the qualifying household and must serve written notice upon the qualifying household at least 30 days before termination of tenancy, specifying the grounds for the action.

- vi. Coordinated Entry and Project-Specific Waitlists: On a project-by-project basis, the PJ must use the method of tenant selection in [Section VI.B.19](#) of this Notice to select qualifying households for occupancy of permanent affordable housing.
 - vii. Penalties for Noncompliance: The PJ must repay HOME-ARP funds invested in HOME-ARP NCS that was converted to permanent affordable housing if the permanent affordable housing does not comply with initial or ongoing requirements of this Notice during the compliance period.
- c. CoC Permanent Housing: During the HOME-ARP NCS restricted use period but only after the HOME-ARP NCS minimum use period, a PJ may permit the conversion of a HOME-ARP NCS project to permanent housing or permanent supportive housing under [24 CFR 578.43](#) (acquisition) and/or [24 CFR 578.45](#) (rehabilitation) of the CoC program regulations. Conversions may only occur in accordance with the requirements prescribed in the PJ's written agreement with the HOME-ARP NCS owner. If conversion is approved by the PJ, the HOME-ARP NCS use restrictions must remain in place until the project is approved for CoC funding and the required CoC restrictions are imposed on the property.

Conversion to CoC permanent housing or permanent supportive housing may serve the following eligible households as defined in [24 CFR 578.3](#), subject to any further eligibility conditions that may apply to the use of CoC Program funds to provide rental assistance in the housing or otherwise support the project:

- Chronically homeless individuals
- Homeless individuals or families

PJs are prohibited from investing additional HOME-ARP funds to pay for the cost of converting the project to CoC permanent housing or permanent supportive housing. The CoC designates eligible applicants for grant funds under [24 CFR Part 578](#), which includes nonprofit organizations, States, local governments, and instrumentalities of State or local governments. For-profit entities are not eligible to apply for CoC grants or to be subrecipients of grant funds. Consequently, if a HOME-ARP NCS project owner intends to convert the project to CoC permanent housing or permanent supportive housing during the restricted use period, the PJ is encouraged to pursue partnership and leveraging opportunities with the CoC early in the planning stage of a HOME-ARP NCS

project. Additionally, PJs may provide supportive services or HOME-ARP TBRA to qualifying households that must move because of the conversion. (See [Section VII.F.4.b](#) for more information on relocations involving shelter occupants).

F. Nonprofit Operating and Capacity Building Assistance

A PJ may use up to 5 percent of its HOME-ARP allocation to pay operating expenses of CHDOs and other nonprofit organizations that will carry out activities with HOME-ARP funds. A PJ may also use up to an additional 5 percent of its allocation to pay eligible costs related to developing the capacity of eligible nonprofit organizations to successfully carry out HOME- ARP eligible activities.

PJs may award operating expense assistance or capacity building assistance to a nonprofit organization if it reasonably expects to provide HOME-ARP funds to the organization for any of the eligible HOME-ARP activities within 24 months of the award.

1. Eligible Costs

- a. *Operating Expense Assistance*: Operating expenses are defined as reasonable and necessary costs of operating the nonprofit organization. These costs include employee salaries, wages and other employee compensation and benefits; employee education, training, and travel; rent; utilities; communication costs; taxes; insurance; equipment, materials, and supplies.

HOME-ARP funds used for operating expenses must be used for the “**general operating costs**” of the nonprofit organization. These operating costs must not have a particular final cost objective, such as a project or activity, or must not be directly assignable to a HOME-ARP activity or project. For example, HOME-ARP funds for operating expenses may *not* be used for staffing costs to provide supportive services or develop HOME-ARP-rental housing (as operating costs to develop HOME-ARP rental housing are paid for by a developer fee which is a project delivery or soft cost). Because ARP does not permit any HOME-ARP funds to be used to operate a shelter, all costs related to operating a non-congregate shelter (e.g., allocable overhead and staffing costs, insurance, utilities) also cannot be paid with HOME-ARP funds.

The actual costs of implementing a specific activity or project, including staff costs to deliver supportive services or administer HOME-ARP TBRA, are considered HOME- ARP project delivery costs or project soft costs and are not eligible costs under Nonprofit Operating and Capacity Building Assistance. HOME-ARP project delivery costs are those allowable costs incurred for implementing and carrying out eligible HOME-ARP projects or activities, such as supportive services. All project delivery costs are allocable to a HOME-ARP project, including direct project and related delivery costs integral to developing the project or providing the activity. HOME-ARP project delivery costs may be paid, if eligible, by HOME-ARP funds provided under a written agreement for the activity or project and must not be paid with nonprofit operating expense or capacity building assistance.

b. Capacity Building Assistance: Capacity building expenses are defined as reasonable and necessary general operating costs that will result in expansion or improvement of an organization's ability to successfully carry out eligible HOME-ARP activities. Eligible costs include salaries for new hires including wages and other employee compensation and benefits; costs related to employee training or other staff development that enhances an employee's skill set and expertise; equipment (e.g., computer software or programs that improve organizational processes), upgrades to materials and equipment, and supplies; and contracts for technical assistance or for consultants with expertise related to the HOME-ARP qualifying populations.

2. Limitations on Assistance: NAHA and the HOME regulations limit the amount of operating expense assistance that an organization can receive annually. ARP extends this limitation to the capacity building assistance paid with HOME-ARP funds.

In any fiscal year, operating assistance provided to a nonprofit organization may not exceed the greater of 50 percent of the general operating expenses of the organization, as described above, for that fiscal year or \$50,000.

In any fiscal year, capacity building assistance provided to a nonprofit organization may not exceed the greater of 50 percent of the general operating expenses of the organization, as described above, or \$50,000.

If an organization receives both operating assistance and capacity building assistance in any fiscal year, the aggregate total amount of assistance it may receive is the greater of 50 percent of the organization's total operating expenses for that fiscal year or \$75,000.

To implement the above limitations on assistance, HUD has established separate fund types in IDIS for operating expense assistance and capacity building assistance. This will facilitate accurate tracking and ensure that PJs do not exceed the limits established in NAHA and ARP.

3. Commitment of Operating Expense and Capacity Building Assistance: A PJ commits operating expense assistance or capacity building assistance when it enters into a legally binding agreement with the nonprofit organization to provide the assistance.

VII. OTHER FEDERAL REQUIREMENTS

HOME-ARP funds are federal financial assistance and, therefore, are subject to requirements applicable to such funds. PJs must comply with the following requirements: [24 CFR part 92, subpart H](#), 92.352 – Environmental review; 92.353 – Displacement, relocation, and acquisition; and 92.355 – Lead-based paint.

A. Other Federal Requirements and Nondiscrimination

The requirements in [24 CFR 92.350](#) apply to the HOME-ARP program. PJs must comply with the Federal requirements set forth in [24 CFR part 5, subpart A](#), including: nondiscrimination and equal opportunity; disclosure requirements; debarred, suspended or ineligible contractors; drug-free work; and housing counseling and the nondiscrimination requirements at section 282 of NAHA. The requirements in section 282 of NAHA are waived in connection with the use of HOME-ARP funds on lands set aside under the Hawaiian Homes Commission Act, 1920 (42 Stat. 108). PJs must also comply with the Violence Against Women Act (VAWA) requirements set forth in 24 CFR 92.359.

B. Affirmative Marketing and Minority Outreach

The requirements in [24 CFR 92.351](#) apply to HOME-ARP activities.

C. National Environmental Policy Act of 1969 (NEPA) (42 U.S.C. 4321) and Related Laws

The environmental requirements in [24 CFR 92.352](#) apply to eligible activities under this Notice. The environmental effects of each activity carried out with HOME-ARP funds must be assessed in accordance with the provisions of NEPA and the related authorities listed in HUD's implementing regulations at [24 CFR part 58](#). The applicability of the provisions of [24 CFR part 58](#) is based on the HOME-ARP project as a whole (i.e., all individual project activities, such as acquisition and rehabilitation, aggregated according to the requirements at [24 CFR 58.32](#)), not on the type of the cost paid with HOME-ARP funds. In accordance with the provisions in [24 CFR part 58](#), activities undertaken with HOME-ARP funds are subject to environmental review by a PJ or State recipient. The PJ or State recipient (referred to as the "Responsible Entity" or "RE") must assume responsibility for environmental review, decision making, and action for each activity that it carries out with HOME-ARP funds, in accordance with the requirements at [24 CFR Part 58](#). A state PJ must assume responsibility for approval of Requests for Release of Funds and Certification (RROF/C) submitted by State recipients.

No funds may be committed to a HOME-ARP activity or project before the completion of the environmental review and approval of the RROF/C, as applicable. Neither a HOME-ARP recipient nor any participant in the development process, including public or private nonprofit or for-profit entities, or any of their contractors, may commit HUD assistance on an activity or project until the environmental review has been completed and HUD or the state has approved the recipient's RROF/C from the RE as applicable. In addition, until the RROF/C have been approved, neither a HOME-ARP recipient nor any participant in the development process may commit non-HUD funds on or undertake a HOME-ARP activity or project if the activity or project would have an adverse environmental impact or limit the choice of reasonable alternatives. Therefore, it is important for REs to begin and complete any required environmental reviews as soon as possible.

1. HOME-ARP TBRA and Supportive Services

HOME-ARP TBRA and supportive services as defined at [24 CFR 58.35\(b\)](#) are categorically excluded, not subject to the Federal laws and authorities at [24 CFR 58.5](#) (CENST) or exempt from review under NEPA. A RE may complete a single CENST review categorized under [24 CFR 58.35\(b\)](#) for their supportive services program or their HOME-ARP TBRA program where participants choose their own unit and are not restricted to units within a pre-determined specific project site or sites. There is no need to complete reviews for every unit selected by participants.

2. HOME-ARP Rental Housing

Acquisition of a structure to be used as HOME-ARP rental housing is categorically excluded, subject to the Federal laws and authorities referenced at [24 CFR 58.5](#) (CEST) under [24 CFR 58.35\(a\)\(5\)](#) (with the possibility of converting to exempt under [24 CFR 58.34\(a\)\(12\)](#)) if the structure acquired will be retained for the same use (e.g., residential). Rehabilitation of buildings for residential use with one to four units for HOME-ARP rental housing is CEST under [24 CFR 58.35\(a\)\(3\)\(i\)](#), if the density is not increased beyond four units, and the land use is not changed. Rehabilitation of buildings for use as HOME-ARP multifamily rental housing is CEST [under 24 CFR 58.35\(a\)\(3\)\(ii\)](#) only if:

1. the unit density is not changed more than 20 percent;
2. the project does not involve changes in land use from residential to non-residential; and
3. the estimated cost of rehabilitation is less than 75 percent of the total estimated cost of replacement after rehabilitation.

Rehabilitation for HOME-ARP rental housing that does not meet the thresholds for multifamily residential buildings listed above requires completion of an Environmental Assessment in accordance with [24 CFR Part 58, Subpart E](#). An Environmental Assessment is also required for new construction, demolition, acquisition of vacant land for new construction, and acquisition of non-residential structures for demolition and new construction.

3. HOME-ARP NCS

HOME-ARP NCS activities are subject to environmental review by the RE under [24 CFR part 58](#). Acquisition of a structure to be used as HOME-ARP NCS is CEST under [24 CFR 58.35\(a\)\(5\)](#) (with the possibility of converting to exempt under [24 CFR 58.34\(a\)\(12\)](#)) if the structure acquired will be retained for the same use (e.g., residential). Rehabilitation of a structure for HOME-ARP NCS is CEST if the project meets the thresholds listed at [24 CFR 58.35\(a\)\(3\)\(i\) or \(ii\)](#). Rehabilitation that does not meet these thresholds requires completion of an Environmental Assessment pursuant to [24 CFR part 58, subpart E](#). An Environmental Assessment is also required for new construction, demolition, acquisition of vacant land for new construction, and acquisition of non-residential structures for demolition and new construction.

HOME-ARP NCS projects which may convert to emergency shelter or permanent housing pursuant to Sec. 3204(a)(4)(B) or (C) of the ARP may complete a single environmental review that covers all proposed HUD funding sources and project activities. Conversion to a program using project-based rental assistance is CEST and requires completion of an environmental review. If conversion or other additional HUD funding sources are proposed after the

environmental review has been completed, a CENST review for supplemental assistance under [24 CFR 58.35\(b\)\(7\)](#) can be performed if the review is completed by the same RE that conducted the original review and if re-evaluation is not required by [24 CFR 58.47](#).

The PJ or subrecipient, or any contractor of the PJ or subrecipient, may not acquire, rehabilitate, convert, repair, dispose of, demolish, or construct property for a HOME-ARP NCS project, or commit or expend HUD or non-HUD funds for NCS under HOME-ARP, until the RE has completed an environmental review under [24 CFR part 58](#) and received HUD or state approval of the RROF/C, as applicable.

D. Labor Standards

The requirements in [24 CFR 92.354](#) apply to HOME-ARP activities.

E. Lead Hazard Control Requirements

The Lead-Based Paint Poisoning Prevention Act (42 U.S.C. 4821-4846), the Residential Lead- Based Paint Hazard Reduction Act of 1992 (42 U.S.C. 4851-4856), and implementing regulations at [24 CFR Part 35](#), subparts A, B, J, K, M, and R apply to HOME-ARP-assisted activities.

For HOME-ARP NCS, a project must comply with [24 CFR part 35, Subpart K](#) when the HOME-ARP activity is acquisition only. HOME-ARP NCS projects that involve rehabilitation of pre-1978 facilities, whether the rehabilitation is funded with HOME-ARP or other funds, must comply with the requirements of [24 CFR part 35, Subpart J](#).

F. Uniform Relocation Assistance and Real Property Acquisition Policies Act, Section 104(d), and HOME-ARP Displacement, Relocation and Acquisition Program Requirements

HOME-ARP funding is subject to the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 and section 104(d) of the Housing and Community Development Act of 1974, in addition to the Displacement, Relocation and Acquisition regulatory requirements of [24 CFR 92.353](#). This Notice also includes HOME-ARP program specific relocation requirements applicable to HOME-ARP-assisted projects. PJs must comply with all applicable requirements, as described in this section.

1. Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970:

Costs incurred to comply with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, (42 U.S.C. § 4601 *et seq.*) (URA) are eligible HOME-ARP project costs pursuant to this Notice and [24 CFR 92.206\(f\)](#). The URA establishes minimum requirements for the acquisition of real property and the displacement of persons from their homes, businesses, or farms as a direct result of acquisition, rehabilitation, or demolition for federally-assisted programs and projects. The URA implementing regulations at [49 CFR part 24](#) establish:

- Requirements for the provision of replacement housing assistance, advisory services, and moving costs to persons displaced as a result of a program or project that receives federal financial assistance;
- Requirements for acquisitions, including the payment of just compensation pursuant to [49 CFR part 24, subpart B](#), and provisions for voluntary acquisitions set forth in [49 CFR 24.101](#).
- Minimum requirements for temporary relocation of persons, businesses, or farms as a result of a project or program that receives federal financial assistance. These requirements are found in [Appendix A, Section 24.2\(a\)\(9\)\(ii\)\(D\)](#).

Additional HUD URA policy and guidance is available in [HUD Handbook 1378](#).

2. **Section 104(d) of the Housing and Community Development Act of 1974:** HOME-ARP is HOME funding and subject to the requirements in section 104(d) of the Housing and Community Development Act of 1974, as amended, (42 USC § 5304(d)), (“section 104(d)”) unless waived, as described in this section and Appendix. Costs incurred to comply with section 104(d) requirements are eligible HOME-ARP project costs under [24 CFR 92.206\(f\)](#). section 104(d) applies to the demolition or conversion, as defined in [24 CFR 42.305](#), of a lower-income dwelling unit in connection with a HOME or Community Development Block Grant Program (CDBG) assisted activity. section 104(d) includes the following requirements:

- A PJ must have a residential anti-displacement and relocation assistance plan (RARAP);
- A PJ must provide relocation assistance to displaced lower-income persons; and
- A PJ must perform one-for-one replacement of lower-income dwellings demolished or converted to a use other than a lower-income dwelling unit. A lower-income dwelling unit is defined in [24 CFR 42.305](#) as a dwelling unit with a market rent (including utility costs) that does not exceed the applicable Fair Market Rent (FMR) for existing housing, as defined by HUD.

Section 104(d) implementing federal regulations can be found at [24 CFR part 42 Subpart C](#).

HOME-ARP Section 104(d) Waiver / One-for-One Replacement Housing. For purposes of , the one-for-one replacement housing requirements of section 104(d)(2)(A)(i) and (ii) and (d)(3) (42 U.S.C. 5304(d)(2)(A)(i) and (ii) and 42 U.S.C. 5304(d)(3)) and [24 CFR 42.375](#), lower-income dwelling units shall not include single-room occupancy (SRO) units or residential hotel or motel units in jurisdictions where those units are considered dwelling units under state or local law. All other section 104(d) requirements, including but not limited to the requirement that the PJ have and follow a RARAP, remain in effect. (See [24 CFR 92.353\(e\)](#) and [24 CFR part 42, subpart C](#)).

3. **HOME Program Displacement, Relocation and Acquisition Regulations:** In addition to the URA and section 104(d) requirement described above, the HOME program’s Displacement, Relocation and Acquisition regulations at [24 CFR 92.353](#) also apply to projects funded with HOME-ARP funds. Some of these requirements differ from those

of the URA and section 104(d), including but not limited to the expanded temporary relocation protections at [24 CFR 92.353\(b\) and \(c\)](#); optional relocation assistance policies in [24 CFR 92.353\(d\)](#); and the right to return to a building or complex, if feasible, upon completion of a HOME project, in accordance with [24 CFR 92.353\(a\)](#). PJs must follow these program-specific requirements in HOME-ARP assisted projects.

PJs are encouraged to develop optional relocation policies to address individuals that may not be eligible for URA or section 104(d) assistance due to their length of occupancy in a unit, ineligibility of their dwelling unit, or other factors beyond their control. Such policies must be in writing, applied consistently, and must not violate any other federal law or regulation. Costs incurred to comply with [24 CFR 92.353](#), including optional relocation policies, are eligible HOME-ARP project costs under [24 CFR 92.206\(f\)](#).

4. Additional HOME-ARP Program Relocation Related Requirements: The following additional HOME-ARP program relocation requirements apply:

- a. *Acquisition and/or rehabilitation of hotels, motels and other non-residential property:* In states where hotels and motels are not considered dwelling units or residential property, the acquisition of non-residential property such as hotels and motels for the production of HOME-ARP NCS units or HOME-ARP rental housing will not make a person occupying those properties eligible for relocation assistance under the URA, section 104(d) or [24 CFR 92.353](#). HOME PJs may provide HOME-ARP assistance, as defined by this Notice, including the provision of HOME-ARP supportive services, HOME-ARP TBRA, the ability to stay in HOME-ARP NCS units, or the ability to rent a HOME-ARP rental unit, if the individuals or families can demonstrate that—
- i. they have been in continuous residence at the property for 30 or more calendar days, and
 - ii. they are a qualifying household, as defined by this Notice.

Any assistance provided pursuant to this section may be provided without regard to any preferences, project-specific waiting lists, or any other form of prioritization the PJ has developed pursuant to this Notice. For purposes of HOME-ARP, costs associated with activities under this provision of the Notice may be charged as either project delivery costs or relocation costs eligible under [24 CFR 92.206\(f\)](#).

- b. *Conversion of HOME-ARP NCS:* If HOME-ARP NCS units are occupied and converted to either permanent housing under CoC or permanent affordable housing as described in [Section VI.E.11](#) of this Notice, persons occupying the shelter would not normally be eligible for relocation assistance under the URA, section 104(d) or [24 CFR 92.353](#) because they are not displaced from a dwelling unit. However, since the individuals or families occupying such shelter units are already qualifying households under HOME-ARP, HOME PJs may immediately provide such occupants with HOME- ARP assistance, as defined by this Notice, including the provision of HOME-ARP supportive services, HOME-ARP TBRA, the ability to stay in other HOME-ARP

NCS units, or the ability to rent a HOME-ARP rental unit. Additionally, the PJ may provide the occupants with assistance for moving costs or advisory services, as appropriate, as HOME-ARP administrative costs or under the HOME-ARP supportive services activity in [Section VI.D](#) of this Notice. Any assistance provided pursuant to this section may be provided without regard to any preferences, project-specific waiting lists, or any other form of prioritization the PJ has developed pursuant to this Notice, as the persons occupying the NCS units were already determined to be qualifying households under the HOME-ARP.

5. **Persons Ineligible for HOME-ARP Assistance and Ineligible for URA, Section 104(d), or assistance pursuant to 24 CFR 92.353:** If a person is required to move as a direct result of a HOME-ARP project and is determined ineligible for HOME-ARP housing assistance under the preceding [Section VII.F.4](#) and also determined ineligible as a displaced person under the URA, section 104(d) or HOME program rules, the PJ may provide such persons advisory services as an eligible HOME-ARP administrative cost, as the PJ determines to be reasonable and necessary.

G. Section 3 Economic Opportunities for Low- and Very Low-Income Persons

Section 3 requirements established at [24 CFR Part 75](#) apply to HOME-ARP-assisted projects.

H. Conflicts of Interest

HOME-ARP is subject to the following conflicts of interest requirements:

1. **Conflicts of Interest:** PJs, State recipients, and subrecipients engaging in any of the activities defined this Notice shall be subject to the conflicts of interest provisions at [24 CFR 92.356](#), including but not limited to the conflicts of interest exception process defined in [24 CFR 92.356\(d\)-\(e\)](#). Owners and developers of HOME-ARP NCS and HOME-ARP rental housing shall be subject to [24 CFR 92.356\(f\)](#).
2. **Organizational Conflicts of Interest:** The provision of any type or amount of HOME-ARP TBRA or supportive services may not be conditioned on an individual's or family's acceptance or occupancy of a shelter or housing unit owned by the PJ; State recipients; the subrecipient; or a parent, affiliate, or subsidiary of the subrecipient. No subrecipient may, with respect to individuals or families occupying housing owned by the subrecipient, or any parent, affiliate, or subsidiary of the subrecipient, administer financial assistance that includes rental payments, utility deposits, security deposits, or first and last month's rent provided pursuant to this Notice. All contractors of the PJ, State recipients, or subrecipient must comply with the same requirements that apply to subrecipients under this section.
3. **Written Standards of Conduct:** PJs, State recipients, and subrecipients must maintain written standards of conduct covering the conflicts of interest and organizational conflicts of interest requirements under this Notice and [2 CFR 200.318](#). The written standards of conduct must also provide for internal controls and procedures to require a fair and open selection process for awarding HOME-ARP funds pursuant to this Notice. These standards

must include provisions on if and how Continuum of Care board members may participate in and/or influence discussions or resulting decisions concerning the competition or selection of an award or other financial benefits made pursuant to the HOME-ARP Notice, including internal controls on when funds may be awarded to the organization that the member represents.

4. **Requesting Exceptions to Organizational Conflicts of Interest**: Any request for an exception to the organizational conflicts of interest provisions in this Notice shall be in writing and shall be considered by HUD only after the PJ or State recipient has provided the following:
 - a. A written disclosure of the nature of the conflict, accompanied by an assurance that there has been public disclosure of the conflict and a description of how the public disclosure was made; and
 - b. An opinion of the PJ's or State recipient's attorney that the interest for which the exception is sought would not violate State or local law.

5. **Granting Exceptions to Organizational Conflicts of Interest**: HUD shall determine whether to grant an exception to the organizational conflicts of interest on a case-by-case basis when it determines that the exception will serve to further the purposes of HOME-ARP. HUD shall consider the following factors, as applicable, in determining whether to grant such an exception:
 - c. Whether the exception would provide a significant cost benefit or an essential degree of expertise to the program or project which would otherwise not be available
 - d. Whether undue hardship will result to the PJ, State recipient, subrecipient or the person affected when weighed against the public interest served by avoiding the prohibited conflict;
 - e. Whether conditioning approval on changes to the PJ, State recipient, or subrecipient's policies or procedures can adequately address the organizational conflict of interest; and
 - f. Any other factors relevant to HUD's determination, including the timing of the requested exception.

VIII. PROGRAM ADMINISTRATION

A. PJ Responsibilities

The PJ is responsible for managing the day-to-day operations of its HOME-ARP program, ensuring that HOME-ARP funds are used in accordance with all program requirements and written agreements, and taking appropriate action when performance problems arise. The use of State recipients, subrecipients, or contractors does not relieve the PJ of this responsibility.

B. Written Agreement Requirements

Before disbursing any HOME-ARP funds to any entity, the PJ must enter into a written agreement with that entity pursuant to [24 CFR 92.504](#). Similarly, before disbursing any HOME

funds to a State recipient, subrecipient, or contractor which is administering all or a part of the HOME-ARP program on behalf of the PJ, the PJ must also enter into a written agreement with that entity that complies with [24 CFR 92.504](#) and the requirements described below. A written agreement cannot commit to providing HOME-ARP funds after the end of the HOME-ARP budget period.

The written agreement must require compliance with the requirements of this Notice. The content of the written agreement will vary depending upon the role the entity is asked to assume or the type of project undertaken.

This section details basic requirements by activity and the minimum provisions, in addition to those at [24 CFR 92.504](#) that must be included in a written agreement. The written agreement provisions in [24 CFR 92.504](#) that reference the requirements of [24 CFR 92.350](#), [24 CFR 92.351](#), and [24 CFR 92.359](#) are not waived and apply for all HOME-ARP written agreements.

1. **Rental Housing**: The PJ must execute a written agreement with the project owner/developer prior to the expenditure of HOME-ARP funds. The written agreement must comply with [24 CFR 92.504](#) and contain the following additional provisions:
 - a. *Use of HOME-ARP funds for Rental Housing*: The agreement between the owner/developer must describe the address of the project or legal description of the property if a street address has not been assigned to the property, the use of the HOME-ARP funds and other funds for the project, including the tasks to be performed for the project, a schedule for completing the tasks and the project, and a complete budget, including any HOME-ARP funds used to capitalize an operating cost reserve for qualified HOME-ARP units. These items must be in sufficient detail to provide a sound basis for the PJ to effectively monitor performance under the agreement to achieve project completion and compliance with HOME-ARP requirements.
 - b. *Operating Cost Assistance*: If the PJ will provide HOME-ARP funds for operating cost assistance, the agreement must specify whether the PJ will provide assistance through periodic payments or capitalize the operating cost assistance reserve based on the operating deficit projected for the 15-year compliance period. If the PJ is providing ongoing assistance, the amount of assistance must be based on the actual operating deficit associated with the HOME-ARP units restricted for occupancy by qualifying households. The written agreement must specify the frequency of operating assistance payments made to the owner (e.g., monthly, quarterly, etc.) and state that the amount of assistance will be equal to the deficit demonstrated and/or incurred. The written agreement may only provide for HOME-ARP funds to be used for operating assistance payments during the budget period defined in [Section VIII.C.4](#) below. If operating cost assistance will be required beyond the budget period, the PJ should capitalize an operating reserve before the expiration of the budget period for HOME-ARP funds in accordance with [Section VI.B.23](#). If the PJ is capitalizing the operating reserve for the 15-year HOME-ARP compliance period, the amount of assistance must be based on the project's underwriting and the total anticipated operating deficit associated with the HOME-ARP units restricted for occupancy by qualifying households. The written

agreement must specify the amount of the capitalized reserve and the restrictions on its use during the minimum compliance period in [Section VI.B.18](#). Net operating income resulting from HOME-ARP operating cost assistance is not permitted and must be prohibited in the written agreement between the participating jurisdiction and the owner.

- c. *Sublease/Master Lease of HOME-ARP Units*: If the PJ will permit a project owner to execute a sublease or master lease with a nonprofit organization for HOME-ARP units restricted for occupancy by qualifying households, the agreement must specify the duration of the sublease or master lease, applicable rents, lease requirements and tenant protections.
- d. *On-going compliance*: The agreement must require rental housing assisted with HOME-ARP funds to comply with the on-going requirements of [Section VI.B](#) of this Notice or require repayment in accordance with [Section VI.B.22](#).
- e. *Property Standards*: The agreement must require the housing to meet the property standards required in [24 CFR 92.251](#) paragraphs (a) new construction, (b) rehabilitation projects, (c)(1) and (2) acquisition of standard housing and (f) on-going property condition standards.
- f. *Records and reports*: The agreement must specify the particular records that must be maintained and the information or reports that must be submitted to assist the PJ in meeting its recordkeeping and reporting requirements. The owner/developer of rental housing must annually provide the PJ with information on rents and occupancy of HOME-ARP assisted units to demonstrate compliance with this Notice. If the rental project has floating HOME-ARP units, the project owner/developer must provide the PJ with information regarding unit substitution and filling vacancies so that the project remains in compliance with the HOME-ARP occupancy requirements. The agreement must specify the reporting requirements, (including copies of financial statements) to enable the PJ to determine the financial condition and continued financial viability of the project.
- g. *Enforcement of the agreement*: The agreement must provide for a means for the PJ to enforce compliance with HOME-ARP requirements. This means of enforcement may include liens, deed restrictions, covenants running with the land, use restriction, or other mechanism approved by HUD under which the PJ has the right to require specific performance. In addition, the agreement must specify remedies for breach of the provisions of the agreement.
- h. *Request for disbursement of funds*: The agreement must specify that the owner/developer may not request disbursement of funds under the agreement until the funds are needed for payment of eligible costs. The owner/developer may request capitalization of a project operating cost assistance reserve for the qualifying units once all necessary title transfer requirements and construction work have been performed. The amount of each request must be limited to eligible costs in the amount needed, as described in [Section VI.B.5.g](#).

- i. *Duration of the agreement*: The agreement must be in effect for at least the 15-year HOME-ARP minimum compliance period.
 - j. *On-site Inspections and Financial Oversight*: The PJ must comply with the on-site inspections and financial oversight requirements of [24 CFR 92.504\(d\)\(1\) and \(2\)](#). In addition, if the PJ will permit the capitalization of a project operating cost assistance reserve, the PJ must, no less than annually, oversee the administration of the operating cost assistance reserve account to verify that the account is appropriately sized and draws from the account are used to cover any deficits associated with units occupied by qualifying households.
 - k. *Tenant Selection*: The written agreement must contain provisions explaining the method of tenant selection to be used in accordance with the requirements of [Section IV.C](#) and [VI.B.20](#) of this Notice. This section must be in sufficient detail to determine which method of tenant selection is being used for the qualifying population (i.e., use of CE, use of CE with other referral methods, or project-specific waiting list), the method of tenant selection for low-income households (See [Section VI.B.20.b](#) and [24 CFR 92.253\(d\)](#)), and any required policies and procedures around the use of a CE or project-specific waiting list. This section must also be in sufficient detail to determine compliance with the PJ's preferences and/or method of prioritization, if any, as well as all applicable fair housing, civil rights, and nondiscrimination requirements, including but not limited to those requirements listed in [24 CFR 5.105\(a\)](#).
2. **TBRA (subrecipient or contractor)**: The requirements at [24 CFR 92.504](#), apply to the use of HOME-ARP funds for TBRA. The written agreement provisions in 24 CFR 92.504 that reference the requirements of [24 CFR 92.350](#), [24 CFR 92.351](#), and [24 CFR 92.359](#) are not waived and still apply for HOME-ARP written agreements. The written agreement must contain the following provisions:
- a. *Use of HOME ARP funds*: At a minimum, the written agreement must describe the amount and use of the HOME-ARP funds, the tasks to be performed, or services to be provided. HOME-ARP funds cannot be provided after the end of the HOME-ARP budget period.
 - b. *Records and reports*: The agreement must specify the particular records that must be maintained and the information or reports that must be submitted to assist the PJ in meeting its recordkeeping and reporting requirements.
 - c. *Duration of agreement and disbursement of funds*: The agreement must specify the duration of the agreement and state that disbursement of funds under the agreement may not be requested until the funds are needed.
 - d. *Compliance with HOME-ARP program requirements*: The written agreement must require compliance with HOME-ARP program requirements for the HOME-ARP TBRA activity as outlined in [Section VI.C](#) of this Notice.

- e. *Rental assistance contract*: There must be a rental assistance contract between the PJ and either the HOME-ARP sponsor, the HOME-ARP TBRA assisted household, or the property owner. The PJ must determine the terms of the rental assistance contract. The rental assistance contract continues until the lease is terminated. If the rental assistance is being provided through a HOME-ARP sponsor, the PJ must determine the term of the rental assistance contract between the PJ and HOME-ARP sponsor.

If HOME-ARP TBRA is provided in coordination with a HOME-ARP sponsor, the PJ must enter into a written agreement with the HOME-ARP sponsor if the HOME-ARP TBRA rental assistance contract is not with the HOME-ARP sponsor and the HOME- ARP sponsor will be receiving the HOME-ARP TBRA subsidy directly from the PJ. The written agreement must specify the requirements for the HOME-ARP sponsor receiving the TBRA subsidy on behalf of the HOME-ARP TBRA household and the HOME-ARP sponsor's obligation to use the HOME-ARP TBRA payment to pay rent for the unit to the property owner or management agent. If HOME-ARP TBRA is provided in coordination with a HOME-ARP sponsor, the sponsor must enter into a sublease with the HOME-ARP TBRA assisted household that must specify the duration of the sublease, applicable rents, lease requirements and tenant protections, all in accordance with the requirements of this Notice.

- f. *Tenant Selection*: The written agreement must require the owner to comply with the method of tenant selection determined by the PJ and applicable requirements of [Section IV.C](#) and [VI.C.1](#) of this Notice. The written agreement must include a description of the required method of tenant selection for the qualifying populations (i.e., use of CE, use of CE with other referral methods, project-specific waiting list), the method of tenant selection for low-income households (See [Section VI.B.20.b](#) and [24 CFR 92.253\(d\)](#)), and any required policies and procedures around the use of a CE or project-specific waiting list. This section of the written agreement must be in sufficient detail to determine compliance with the PJ's preferences and/or method of prioritization, if any, as well as all applicable fair housing, civil rights, and nondiscrimination requirements, including but not limited to those requirements listed in [24 CFR 5.105\(a\)](#).

- 3. **Supportive Services (subrecipient or contractor)**: The requirements at [24 CFR 92.504](#), apply to the use of HOME-ARP funds for supportive services. The provisions of the written agreement will depend on the role the entity is asked to assume. At a minimum, the written agreement must contain the following provisions:

- a. *Use of HOME funds*: The written agreement must describe the amount and uses of the HOME-ARP funds, the tasks to be performed, the services to be provided, and include a budget. The written agreement cannot agree to provide HOME-ARP funds after the end of the HOME-ARP budget period.
- b. *Records and Reports*: The agreement must specify the particular records that must be maintained and the information or reports that must be submitted in order to assist the PJ in meeting its recordkeeping and reporting requirements as required under [Section VIII.F](#) of this Notice.

- c. *Duration of the agreement and Disbursement of Funds*: The agreement must specify the duration of the agreement, and state that disbursement of funds under the agreement may not be requested until the funds are needed.
 - d. *Compliance with HOME-ARP Program Requirements*: The written agreement must also require compliance with HOME-ARP program requirements for the HOME-ARP supportive services activity as described in [Section VI.D](#) of this Notice.
4. **HOME-ARP Non-Congregate Shelter (owner/developer)**: Written agreements must be executed between the PJ and the owner for all HOME-ARP NCS projects. A legally binding HOME-ARP NCS written agreement must include the date of the signature of each person signing the agreement. PJs are responsible for entering into written agreements before disbursing HOME-ARP funding. Contents of written agreements can vary based on specific needs of the PJ, the owner, and the project. Agreements for the acquisition, development, and rehabilitation of HOME-ARP NCS units must contain the following provisions:
- a. *Use of HOME-ARP funds*: The agreement between the PJ and owner must include the address of the project or legal description of the property if a street address has not been assigned to the property, the use of the HOME-ARP NCS funds and other funds for the project, including the tasks to be performed for the project, a schedule for completing the tasks and the project, and a complete budget. These items must be in sufficient detail to provide a sound basis for the PJ to effectively monitor performance under the agreement to achieve project completion and compliance with HOME-ARP requirements. The written agreement cannot agree to provide HOME-ARP funds after the end of the HOME-ARP budget period.
 - b. *Habitability and Property Standards*: The agreement must require the HOME-ARP NCS project to meet the habitability and property standards as described in [Section VI.E.7](#) of this Notice based on the type of project completed.
 - c. *Project Requirements*: The agreement must require the HOME-ARP NCS project to meet the project requirements as described in this Notice.
 - d. *Other program requirements*: The agreement must require the PJ and owner to carry out the project in compliance with the other Federal requirements of [24 CFR 92 subpart H](#) and [24 CFR 92.505](#).
 - e. *Records and reports*: The agreement must specify the particular records that must be maintained and the information or reports that must be submitted to assist the PJ in meeting its recordkeeping and reporting requirements.
 - f. *Restricted Use Period*: The agreement must require the project to meet the Restricted Use Period as described in [Section VI.E.9](#) of this Notice based on project type.
 - g. *Enforcement of the agreement*: The agreement must provide for a means for the PJ to enforce compliance with HOME-ARP requirements. This means of enforcement may include liens, deed restrictions, covenants running with the land, use restriction, or other

mechanism approved by HUD under which the PJ has the right to require specific performance. In addition, the agreement must specify remedies for breach of the provisions of the agreement.

- h. *Plan of Conversion*: PJs that intend to allow conversion of HOME-ARP NCS projects to other permanent affordable housing as permitted in this Notice must describe conversion as a possible outcome of the HOME-ARP NCS project; specify the conditions under which conversion will be permitted; and require that the PJ approve the terms and conditions of any conversion before the conversion occurs.
 - i. *Additional PJ Conditions and Requirements*: PJs may include additional program and project requirements as determined necessary.
5. **Non-Profit Operating and Capacity Building**: The requirements at [24 CFR 92.504\(c\)\(6\)](#), apply to the use of HOME-ARP funds for non-profit operating and capacity building assistance. The written agreement must describe the amounts and uses of HOME-ARP funds for operating expenses or capacity building. If the non-profit organization is not also receiving HOME-ARP funds to carry out a HOME-ARP project, the agreement must provide that the organization is expected to receive funds for a HOME-ARP project within 24 months of the date of receiving the funds for operating or capacity building expenses and must specify the terms and conditions upon which this expectation is based and the consequences of failure to receive funding for a project.

When a PJ provides both operating assistance and capacity building assistance to an organization, it must enter into either one written agreement for both types of assistance or separate written agreements for operating expense assistance and capacity building assistance. If a PJ chooses to enter into one written agreement, the PJ must separately identify the scope of assistance, eligible uses and costs, and a budget for each type of funds.

C. Grants Management

1. **HOME-ARP Grant Agreement**: HUD will make HOME-ARP funds available to the PJ pursuant to a HOME-ARP Grant Agreement, consistent with [Section VIII.C.2](#) below. Subject to the provisions of the grant agreement and requirements in this Notice, HUD will obligate HOME-ARP funds to the PJ upon execution of the agreement by both parties. In the grant agreement, the PJ agrees that funds invested in affordable housing under this Notice are repayable if the housing no longer meets the requirements of this Notice during the compliance period or the NCS no longer meets the requirements of this Notice during the restricted use period. The PJ also agrees to assume all responsibility for environmental review, decision making, and actions, as specified and required in regulation at [24 CFR 92.352](#) and [24 CFR Part 58](#). The PJ agrees to comply with [24 CFR 92.505](#) and applicable Uniform Administrative Requirements at [2 CFR part 200](#), as amended. The PJ agrees to comply with requirements established by the Office of Management and Budget (OMB) concerning the unique entity identifier and System for Award Management (SAM) requirements in [Appendix I](#) to 2 CFR part 200, as amended, and the Federal Funding Accountability and Transparency Act (FFATA) in [Appendix A](#) to 2 CFR part 170. The PJ

agrees to comply with the federal nondiscrimination and equal opportunity requirements at [24 CFR 92.350](#) and affirmative marketing requirements in [24 CFR 92.351](#) and the VAWA requirements set forth in [24 CFR 92.359](#). The HOME-ARP grant is obligated when the HUD Authorized Official signs the memorandum obligating HOME-ARP grants. The HOME-ARP Grant Agreement must be signed by the CPD Field Office Director and counter-signed by the PJ’s authorized signatory. Once the CPD division in the local field office receives the fully executed HOME-ARP Grant Agreement, it will send the agreement to HUD’s CFO Accounting Office for processing. As described in [Section VIII.C.2](#) of this Notice, funds will become available to the PJ in IDIS once HUD’s CFO Accounting Office processes the grant.

2. **Access to Administrative Set-aside Funds:** Upon issuance of this Notice, HUD will obligate all HOME-ARP grants to PJs through the signing of the HOME-ARP obligating memorandum, after which each HOME-ARP Grant Agreement must be signed by both parties. After obligation, HUD will permit the PJ to use 5 percent of its award for eligible administrative and planning costs under [Section VI.A](#) of this Notice. **The PJ may not expend any funds for non-administrative and planning costs before the HOME-ARP allocation plan is accepted by HUD as described in [Section V.D.2 and 3](#) of this Notice.** HUD will make the remaining HOME-ARP grant funds available to the PJ once HUD accepts the HOME-ARP allocation plan. If the PJ does not submit a HOME-ARP allocation plan or if the PJ’s plan is not accepted within a reasonable period of time, as determined by HUD, any costs incurred or HOME-ARP funds expended by the PJ will be considered ineligible costs and must be repaid with non-Federal funds in accordance with guidance from HUD.

3. **HOME-ARP Grant Number:** The PJ’s HOME-ARP grant number is similar to its HOME grant number with the exception of the source type code. All HOME-ARP grants have the program identifier “M” and the source year of the grant “21.” The different source type codes are identified in the table below.

Source Type Description	HOME Source Type Code	HOME-ARP Source Type Code
HOME Consortium	DC	DP
Metropolitan City	MC	MP
State	SG	SP
Insular Area	ST	IP
Urban County	UC	UP

The unique grantee identifier portion of the grant number will be the same for HOME-ARP grants as it is for HOME grants. See examples of HOME-ARP grant numbers with the different source type codes in the table below.

Participating Jurisdiction	HOME Grant Number	HOME-ARP Grant Number
Maryland	M21SG240100	M21SP240100
Baltimore	M21MC240200	M21MP240200

4. **Budget Period**: The budget period for HOME-ARP grants begins on the Federal Award Date, which is the date of the HUD Authorized Official’s signature specified on the HOME-ARP Grant Agreement. The budget period for HOME-ARP grants ends on September 30, 2030. The PJ may not expend any HOME-ARP funds after September 30, 2030. After September 30, 2030, any HOME-ARP funds remaining in the PJ’s HOME Investment Trust Fund Treasury account will be cancelled and not available for obligation or expenditure for any purpose (per [31 U.S.C. 1552](#)).
5. **Period of Performance**: The period of performance for HOME-ARP grants begins on the Federal Award Date, which is the date of the HUD Authorized Official’s signature specified on the HOME-ARP Grant Agreement. The period of performance for HOME-ARP grants ends on September 30, 2030.
6. **Audit**: Audits of the PJ, State recipients, and subrecipients must be conducted in accordance with [2 CFR part 200, subpart F](#).
7. **Closeout**: HOME-ARP funds will be closed out in accordance with [2 CFR part 200, subpart D](#). The PJ will use HUD’s data system to closeout HOME-ARP grants once all HOME-ARP funds have been expended, all HOME-ARP activities are completed in accordance with the requirements of this Notice, and the proper beneficiary data has been entered. In order to closeout its HOME-ARP grants, the PJ must not have any open CPD monitoring findings or audits related the HOME-ARP funds. HUD will provide closeout guidance and instructions at a later date.

D. Applicability of Uniform Administrative Requirements.

The requirements of [2 CFR part 200](#), as amended apply to PJs, State recipients, and subrecipients receiving HOME-ARP funds, except for the following provisions: [2 CFR 200.306](#), [200.307](#), [200.308](#) (not applicable to participating jurisdictions), [200.311](#) (except as provided in [24 CFR 92.257](#)), [200.312](#), [200.329](#), [200.333](#), and [200.334](#). The provisions of [2 CFR 200.305](#) apply as modified by [24 CFR 92.502\(c\)](#) and this Notice. If there is a conflict between definitions in [2 CFR part 200](#) and [24 CFR part 92](#), the definitions in [24 CFR part 92](#), govern. Moreover, if there is a conflict between the provisions of [2 CFR part 200](#) and the provisions of this Notice, the provisions of this Notice govern.

Where regulations in [24 CFR part 92](#) refer to specific regulations of [2 CFR part 200](#) that were or are renumbered or revised by amendments to [2 CFR part 200](#), the requirements that apply to the

use of HOME-ARP funds are the applicable requirements in [2 CFR part 200](#), as amended, notwithstanding the renumbered regulatory reference.

E. Financial Management

- 1. The HOME Investment Trust Fund:** HUD will establish a HOME-ARP Investment Trust Fund Treasury account (Treasury account) for a PJ's HOME-ARP funds. The Treasury account includes all HOME-ARP funds allocated to the PJ by formula and any HOME-ARP funds repaid by the PJ.

The PJ must establish a HOME-ARP Investment Trust Fund local account (local account) as described in [24 CFR 92.500](#). The PJ may use either a separate local account or, a subsidiary account within its general fund (or other appropriate fund) as the local account. The PJ may not use the same local account for HOME-ARP that it uses for its HOME local account.

The local account includes deposits of HOME-ARP funds disbursed from the Treasury account. The local account must be interest-bearing.

HUD will reduce or recapture any HOME-ARP funds that are in the Treasury account that are not expended (drawn down) by September 30, 2030. Due to end-of-year financial system closeouts that begin before this date and prevent electronic access to the payment system, requests to draw down the funds must be made at least 7 full business days before this date so that the funds still can be drawn from the Treasury account through IDIS.

- 2. Program Income:** Program Income means gross income received by the PJ generated from the use of HOME-ARP funds during the grant period of performance. This includes, but is not limited to, principal and interest payments from a loan made with HOME-ARP funds, or other income or fees received from project owners in connection with HOME-ARP funds, and interest earned by the PJ on program income before its disposition.

Program income earned as a result of the use of HOME-ARP funds is HOME program income and must be used in accordance with the requirements of [24 CFR part 92](#). All program income must be recorded in IDIS. Program income must be deposited in the PJ's HOME-ARP local account (unless the PJ allows a State recipient or subrecipient to retain the program income for additional HOME projects pursuant to such terms and conditions in the written agreement and this Notice). The PJ must enter HOME-ARP program income retained by the State recipient or subrecipient as a HOME program income receipt in IDIS and subgrant the program income to the State recipient or subrecipient that retained the program income. The PJ is responsible to report on the use of its program income in IDIS, including program income it allowed a State recipient or subrecipient to retain.

- 3. Repayments:** Any HOME-ARP funds used for costs that are not eligible under this Notice, funds invested in a project that is terminated before completion, either voluntarily or otherwise, or funds invested in HOME-ARP rental housing and NCS that does not meet the requirements in this Notice for the applicable period specified in this Notice must be repaid by the PJ to its Treasury account. If the funds are repaid after September 30, 2030, they will be recaptured by the U.S. Department of Treasury and the PJ will not be able to re-use the

funds for eligible HOME-ARP activities. HOME-ARP funds may not be repaid to the PJ's local account.

- 4. Integrated Disbursement and Information System (IDIS):** The PJ will use IDIS to administer its HOME-ARP funds. The PJ will request disbursements of HOME-ARP funds from its Treasury account and collect and report information on the use of HOME-ARP funds through IDIS. (For purposes of reporting in IDIS, a HOME-ARP project is an activity.) The PJ must report all program income in IDIS.

The requirements of [24 CFR 92.502\(c\)\(3\)](#) do not apply to HOME-ARP funds.

In accordance with this Notice, a HOME-ARP written agreement providing HOME-ARP funds to a project or the CHDO/nonprofit must be signed and dated by:

- a. the PJ and project owner for HOME-ARP rental and HOME-ARP NCS;
- b. the PJ and service provider for HOME-ARP supportive services;
- c. the PJ and landlord, tenant, and/or HOME-ARP sponsor, as applicable, for HOME-ARP TBRA; and,
- d. the PJ and CHDO/nonprofit organization for HOME-ARP Operating Expenses and Capacity Building Assistance.

This must occur before any HOME-ARP funds are disbursed. Federal funds cannot be drawn from the Treasury account in advance of the need to pay an eligible cost.

Consequently, HOME-ARP funds cannot be drawn from the U.S. Treasury and placed in escrow or advanced in lump sums to State recipients, subrecipients, project owners, service providers, or landlords or tenants, except funds drawn down for a HOME-ARP rental project for an operating cost assistance reserve or reserve for replacement pursuant to [Section VI.B.5.g.](#) of this Notice or a HOME-ARP NCS project for a replacement reserve pursuant to [Section VI.E.](#)

Once funds are drawn from the PJ's Treasury account, they must be expended for an eligible HOME-ARP cost within 15 days. Any interest earned within the 15-day period may be retained by the PJ as HOME program income and recorded in IDIS as a program income receipt. Any funds that are drawn down and not expended for eligible costs within 15 days of the disbursement must be returned to HUD for deposit in the PJ's Treasury account.

Interest earned after 15 days belongs to the United States and must be remitted to the United States as provided in [2 CFR 200.305\(b\)\(9\)](#), except interest amounts up to \$500 per year may be retained for the PJ's administrative expenses.

Additional HOME-ARP funds may be committed to a project up to one year after project completion.

HUD will govern access to IDIS by other entities participating in the HOME program (e.g., State recipients). Only PJs and State recipients (if permitted by the State) may request disbursement.

F. Recordkeeping

Each PJ must establish and maintain sufficient records to enable HUD to determine whether the PJ has met the requirements of this Notice. At a minimum, the following records are needed:

1. Program Records:

- a. Records evidencing that all HOME-ARP funds used by a PJ for TBRA, supportive services, and acquisition and development of non-congregate shelter units benefit individuals and families in qualifying populations.
- b. Records evidencing that not less than 70 percent of affordable rental housing units acquired, rehabilitated, and/or constructed with HOME funds by a PJ are restricted for occupancy by households in the qualifying populations.
- c. Records documenting compliance with the 15 percent limitation on administrative and planning costs.
- d. Records documenting compliance with the 5 percent limitation on CHDO and non-profit operating and capacity building costs.
- e. The underwriting and subsidy layering guidelines adopted in accordance with [Section VI.B.10](#) of this Notice that support the PJ's HOME-ARP allocation plan certification.
- f. If existing debt is refinanced for multifamily rehabilitation projects, the HOME-ARP refinancing guidelines established in the HOME-ARP in the HOME-ARP Allocation Plan.
- g. If HOME-ARP funds are used for TBRA, records supporting the PJ's written selection policies and criteria; supporting documentation for preferences for specific categories of qualifying individuals; and records supporting the rent standard and minimum tenant contribution established in accordance with [Section VI.C.7 and 8](#) of this Notice.
- h. Confidentiality.
 - i. The PJ's written policies and procedures for maintaining confidentiality of qualifying households as individuals or families fleeing, or attempting to flee domestic violence, dating violence, sexual assault, stalking, or human trafficking in accordance with [Section VIII.H](#).
 - ii. The PJ's written policies and procedures for maintaining confidentiality in compliance with the VAWA protections contained in [24 CFR Part 5, Subpart L](#).

- 2. Project Records:** PJs are required to retain the following records for HOME-ARP-assisted projects, as specified by activity type.
- a. A full description of each project assisted with HOME-ARP funds, including the location (address of project), form of HOME-ARP assistance, and the units, families, or qualifying households assisted with HOME-ARP funds, subject to confidentiality requirements in this Notice.
 - b. The source and application of funds for each project, including supporting documentation in accordance with [2 CFR 200.302](#); and records to document the eligibility and permissibility of the project costs, including the documentation of the actual HOME-ARP-eligible development costs of each HOME-ARP-assisted unit as defined in this Notice.
 - c. Records (i.e., written agreements) demonstrating compliance with the written agreement requirements in [Section VIII.B](#) of this Notice.
 - d. Records (e.g., inspection reports) demonstrating that each HOME-ARP rental project meets the property standards in [Section VI.B.11](#) of this Notice at project completion and through the applicable minimum compliance period. In addition, during a HOME-ARP rental project's minimum compliance period, records demonstrating compliance with the property standards and financial oversight pursuant to [24 CFR 92.504\(d\)](#) and the operating cost assistance reserve management and oversight required by [Section VI.B.23](#) of this Notice.
 - e. Records (e.g., inspection reports) demonstrating that each unit occupied by a qualifying household receiving HOME-ARP TBRA, meets the housing quality standards of [Section VI.C.9](#) of this Notice at initial occupancy and throughout the household's term of assistance.
 - f. Records (e.g., inspection reports) demonstrating that each NCS project meets the property and habitability standards of [Section VI.E.7](#) of this Notice at project completion and throughout the applicable restricted use period.
 - g. Records demonstrating that each qualifying household is eligible for HOME-ARP assistance based on the requirements of the ARP and [Section IV](#) of this Notice.
 - h. Records demonstrating that each household qualifying as homeless, records that meet the requirements in [24 CFR 576.500\(b\)\(1\), \(2\), \(3\), or \(4\)](#), as applicable (except that youth aged 24 and under must not be required to provide third-party documentation to show they are homeless to receive any shelter, housing, or services for which ESG or CoC Program funds may be used to supplement the HOME-ARP assistance).
 - i. Records demonstrating that each household qualifying as "at risk of homelessness," records that meet the requirements in [24 CFR 576.500\(c\)\(1\) or \(2\)](#), as applicable, and include the following documentation of annual income:

- i. Income evaluation form containing the minimum requirements specified by HUD and completed by the recipient or subrecipient; and
 - ii. Source documents for the assets held by the household and income received over the most recent period for which representative data is available before the date of the evaluation (e.g., wage statement, unemployment compensation statement, public benefits statement, bank statement);
 - iii. To the extent that source documents are unobtainable, a written statement by the relevant third party (e.g., employer, government benefits administrator) or the written certification by the recipient's or subrecipient's intake staff of the oral verification by the relevant third party of the income the household received over the most recent period for which representative data is available; or
 - iv. To the extent that source documents and third-party verification are unobtainable, the written certification by the household of the amount of income the household received for the most recent period representative of the income that the household is reasonably expected to receive over the 3-month period following the evaluation.
- j. Records demonstrating compliance with the household income requirements in accordance with [Section VI.B.12](#) of this Notice for each HOME-ARP rental project.
 - k. Records demonstrating that each HOME-ARP rental and NCS project meets the minimum compliance period or restricted use period described in [Sections VI.B.18](#) and [VI.E.9](#) respectively, of this Notice.
 - l. Records demonstrating that for each HOME-ARP rental housing unit or for each household receiving HOME-ARP TBRA, compliance with the tenant protection requirements of [Sections VI.B.19](#) and [VI.C.2](#), respectively, of this Notice. For HOME-ARP TBRA or rental projects under a master lease, the PJ must retain records demonstrating that a master lease for housing leased by a HOME-ARP sponsor and each sublease between a qualifying household and HOME-ARP sponsor complies with the tenant and participant protections of [24 CFR 92.253](#) and this Notice. Records must be kept for each household.
 - m. Records demonstrating compliance with the return of the HOME-ARP rental capitalized operating cost assistance reserve and/or the NCS replacement reserve at the end of the compliance or restricted use period in accordance with [Sections VI.B.24](#) and [VI.E.10](#) respectively, of this Notice.
 - n. Records demonstrating that each HOME-ARP rental and each NCS project meets the underwriting and subsidy layering or due diligence requirements of [Section VI.B.10](#) or [VI.E.6](#) of this Notice.
 - o. Records demonstrating that each HOME-ARP rental housing project meets the rent limitations of [Sections VI.B.13](#) and [VI.B.15](#) of this Notice for the 15-year minimum compliance period. Records must be kept for each household assisted.

- p. Records demonstrating that each multifamily HOME-ARP rental housing project involving rehabilitation with refinancing complies with the refinancing guidelines established in accordance with [24 CFR 92.206\(b\)](#).
- q. Records demonstrating that a site and neighborhood standards review was conducted for each HOME-ARP rental housing project involving new construction under [Section VI.B](#) of this Notice to determine that the site meets the requirements of [24 CFR 983.57\(e\)\(2\) and \(e\)\(3\)](#), in accordance with [24 CFR 92.202](#).
- r. Records demonstrating that any conversion of HOME-ARP NCS complies with the requirements established by [Section VI.E](#) of this Notice, including that conversion of NCS only occurred after the end of the applicable minimum use period defined in [Section VI.E.11](#).
- s. For all HOME-ARP NCS projects the following documents must be maintained, as applicable:
 - i. Purchase contract, closing documents, settlement statement and title work for acquisitions.
 - ii. Appraisal or other estimation of value to justify acquisition expenditure.
 - iii. Architectural and engineering contracts and completed designs, plans, and specifications for rehabilitation and new construction activities.
 - iv. Invoices, pay requests, and proof of payment for all project expenditures.
 - v. Proof of insurance.
 - vi. Project and program audits.
- t. For all HOME-ARP Supportive Services projects pursuant to McKinney-Vento or Homelessness Prevention Supportive Services:
 - i. Records, where applicable, demonstrating compliance with the termination of assistance requirement as described in [Section VI.D.5](#) of this Notice.
 - ii. Records of all solicitations of and agreements with subrecipients and contractors, records of all payment requests by and dates of payments made to subrecipients, and documentation of all monitoring and sanctions of subrecipients, as applicable including any findings and corrective actions required.
 - iii. Records of all procurement contracts and documentation of compliance with the procurement requirements in [2 CFR part 200, subpart D](#), as revised by [Section VIII.D](#) of this Notice.
 - iv. Records evidencing the use of the written procedures required under [Section VI.D.2](#) and records evidencing compliance with [Section IV.C.2](#) of this Notice.

- v. Records of all leases, subleases, and financial assistance agreements for the provision of rental payments, documentation of payments made by the PJ to owners, HOME-ARP sponsor, or qualifying households for the provision of financial assistance for rental payments, and supporting documentation for these payments, including dates of occupancy by qualifying individuals and families.
- vi. Records that document the monthly allowance for utilities (excluding telephone) used to determine compliance with the rent restriction.
- vii. Records of the types of services provided under the PJ's program and the amounts spent on these services.
- viii. Records demonstrating subrecipient compliance with the recordkeeping requirements in [Section VIII.F](#) of this Notice.
- u. For all HOME-ARP Housing Counseling Services projects as defined in [24 CFR part 5](#), each participating housing counseling agency must maintain a recordkeeping and reporting system in accordance with [24 CFR 214.315](#) and [24 CFR 214.317](#). The system must permit HUD to easily access all information needed for a performance review.
- v. For all HOME-ARP-assisted nonprofit operating expense and capacity building assistance activities:
 - i. Records concerning the use of funds for nonprofit operating expense and capacity building assistance must be maintained to enable HUD to determine whether the PJ has met the requirements of [Section VI.F](#) of this Notice.
 - ii. Written agreements between the PJ and the nonprofit organization providing nonprofit operating expense assistance or capacity building assistance must be retained for five years after the agreement terminates.

3. Financial records:

- a. Records, in accordance with [2 CFR 200.302](#), identifying the source and application of HOME-ARP funds. Identification must include, as applicable, the Assistance Listing program title and number (formerly Catalogue of Federal Domestic Assistance), Federal award identification number and year, name of the Federal agency, and name of the pass-through entity, if any.
- b. Records concerning the HOME-ARP Investment Trust Fund Treasury account and local account required to be established and maintained by this Notice, including deposits, disbursements, balances, supporting documentation and any other information required by IDIS.
- c. Records identifying the source and application of program income and repayments.
- d. Records demonstrating adequate budget control and other records required by [2 CFR 200.302](#), including evidence of periodic account reconciliations.

4. Program administration records:

- a. Records demonstrating compliance with the written agreements required by [Section VIII.B](#) of this Notice.
- b. Records demonstrating compliance with the applicable uniform administrative requirements required by [Section VIII.D](#) of this Notice.
- c. Records documenting required inspections, monitoring reviews and audits, and the resolution of any findings or concerns.

5. Records concerning other Federal requirements:

- a. Equal opportunity and fair housing records.
 - i. Data on the extent to which each racial and ethnic group, and single-headed households by gender of household head) have applied for, participated in, or benefited from, any program or activity funded in whole or in part with HOME-ARP funds.
 - ii. Documentation that the PJ submitted a certification that it will affirmatively further fair housing consistent with HUD's Interim Final Rule entitled Restoring Affirmatively Furthering Fair Housing Definitions and Certifications (86 FR 30779, June 10, 2021) (codified at 24 CFR 5.151 and 5.152;), [available at https://www.federalregister.gov/documents/2021/06/10/2021-12114/restoring-affirmatively-furthering-fair-housing-definitions-and-certifications](https://www.federalregister.gov/documents/2021/06/10/2021-12114/restoring-affirmatively-furthering-fair-housing-definitions-and-certifications).
 - iii. Records demonstrating compliance with the nondiscrimination and equal opportunity requirements of [24 CFR 92, Subpart H](#).
- b. Affirmative marketing and MBE/WBE records.
 - i. Records demonstrating compliance with the affirmative marketing procedures and requirements of [24 CFR 92.351](#) and this Notice.
 - ii. Documentation and data on the steps taken to implement the jurisdiction's outreach programs to minority-owned (MBE) and female-owned (WBE) businesses including data indicating the racial/ethnic or gender character of each business entity receiving a contract or subcontract of \$25,000 or more paid, or to be paid, with HOME-ARP funds; the amount of the contract or subcontract, and documentation of participating jurisdiction's affirmative steps to assure that minority business and women's business enterprises have an equal opportunity to obtain or compete for contracts and subcontracts as sources of supplies, equipment, construction, and services.
- c. Records demonstrating compliance with the environmental review requirements of [24 CFR 92.352](#), [24 CFR part 58](#), and this Notice including flood insurance requirements.

- d. Records demonstrating compliance with the requirements of [24 CFR 92.353](#) and the provisions of [Section VII.F](#) of this Notice regarding displacement, relocation, and real property acquisition, including but not limited to:
 - i. project occupancy lists identifying the name and address of all persons occupying the real property on the date described in [24 CFR 92.353\(c\)\(2\)\(i\)\(A\)](#), moving into the property on or after the date described in [24 CFR 92.353\(c\)\(2\)\(i\)\(A\)](#), and occupying the property upon completion of the project;
 - ii. lists of all individuals or families occupying hotels and motels and other nonresidential properties acquired, rehabilitated, and/or demolished and newly constructed to become HOME-ARP NCS or HOME-ARP rental housing that qualify for assistance under this Notice as members of a qualifying population, as well as records indicating whether such persons were assisted by the HOME-ARP program by the PJ following the closure of the nonresidential properties because of HOME-ARP activities
 - iii. lists of all individuals or families occupying HOME-ARP NCS that were converted during the required use period that qualify for assistance under this Notice, as well as records indicating whether moving costs or advisory services were provided as part of HOME-ARP administrative costs or under the HOME-ARP supportive services activity in [Section VI.D](#) of this Notice, and records indicating whether such persons were assisted by the HOME-ARP program by the PJ following the conversion of the HOME-ARP NCS units.
 - iv. Documentation that the PJ has and followed a RARAP in accordance with [24 CFR 92.353](#) and [24 CFR 42.325](#).
- e. Records demonstrating compliance with the labor requirements of [24 CFR 92.354](#), including contract provisions and payroll records.
- f. Records demonstrating compliance with the lead-based paint requirements of [24 CFR part 35](#), subparts A, B, J, K, M and R, as applicable.
- g. Records supporting compliance with conflict of interest requirements in [24 CFR 92.356](#), as revised by [Section VII.H](#) of this Notice, as well as documentation of any exceptions granted by HUD or a state PJ, as applicable, to the conflict of interest provisions in [24 CFR 92.356](#), as revised by [Section VII.H](#) of this Notice.
- h. Records demonstrating compliance with debarment and suspension requirements in [2 CFR part 2424](#).
- i. Records concerning intergovernmental review, as required by [24 CFR 92.357](#).
- j. Records of emergency transfers requested under [24 CFR 5.2005\(e\)](#) and [24 CFR 92.359](#) pertaining to victims of domestic violence, dating violence, sexual assault, or stalking, including data on the outcomes of those requests.

- k. Documentation of actions undertaken to meet the requirements of [24 CFR part 75](#) which implements section 3 of the Housing Development Act of 1968, as amended (12 U.S.C. 1701u).
6. **State Recipients and Subrecipients:** A PJ that distributes HOME-ARP funds to State recipients or subrecipients must require the State recipients or subrecipients to keep the records required by paragraphs 1. program records, 2. project records, 3. financial records, 4. program administration records, and 5. records concerning other federal requirements of [Section VIII.F](#) of this Notice, and such other records as the PJ determines to be necessary to enable the PJ to carry out its responsibilities under this Notice. The PJ need not duplicate the records kept by the State recipients or subrecipients. The PJ must keep records concerning its annual review of the performance and compliance of each State recipient and subrecipient as required under [24 CFR 92.504\(a\)](#).
7. **Period of record retention:** All records pertaining to HOME-ARP funds must be retained for five years, except as provided below.
- a. For HOME-ARP rental housing projects, records may be retained for five years after the project completion date; except that records of individual tenant income verifications, project rents and project inspections must be retained for the most recent five-year period, until five years after the affordability period terminates.
 - b. For HOME-ARP TBRA projects, records must be retained for five years after the period of rental assistance terminates.
 - c. Written agreements must be retained for five years after the agreement terminates.
 - d. Records covering displacements and acquisition must be retained for five years after the date by which all persons displaced from the property and all persons whose property is acquired for the project have received the final payment to which they are entitled in accordance with [24 CFR 92.353](#).
 - e. If any litigation, claim, negotiation, audit, monitoring, inspection, or other action has been started before the expiration of the required record retention period records must be retained until completion of the action and resolution of all issues which arise from it, or until the end of the required period, whichever is later.
8. **Access to records:** The PJ must provide citizens, public agencies, and other interested parties with reasonable access to records, consistent with applicable state and local laws and any other applicable grant conditions from other federal grant programs regarding privacy and obligations of confidentiality.

The PJ, subrecipient, contractor, or owner may create a program participant identifier code or number that can be used on a file and maintained internally, in such a way that the number itself does not inadvertently identify the program participant, (i.e., no use of initials, date of birth, or other pieces of information that might suggest the identity of the program participant). The “key” or “cypher” for the program participant identifier code would itself be confidential and would not leave the provider. In the circumstance of HUD programs, the

Unique Personal Identification Number which is generated within the comparable database could be used with auditors to identify records of services to distinct individuals, subject to the below requirement.

HUD and the Comptroller General of the United States, any of their representatives, have the right of access to any pertinent books, documents, papers, or other records of the PJ, state recipients, and subrecipients, in order to make audits, examinations, excerpts, and transcripts. If a provider of services or operator of an NCS is subject to state or local laws or other federal grant programs that require that HUD not be given access to records detailing PII of victims, then auditors or evaluators may be given access to representative files without any sharing of individual identifying information.

G. Reporting and Performance Reports.

The PJ must submit reports in a format and at such time as prescribed by HUD. In addition, HUD and Office of the Inspector General (OIG) staff must be given access, upon reasonable notice, to all information related to the selection, award, and use of HOME-ARP funds.

Each PJ must enter the required HOME-ARP data elements timely in IDIS.

1. For HOME-ARP rental activities under [Section VI.B](#) of this Notice, the PJ must enter complete project completion information when it completes the activity in IDIS, except the assisted units can be marked vacant until they are occupied by eligible households.
2. For HOME-ARP NCS activities under [Section VI.E](#) of this Notice, the PJ must enter complete project completion information when it completes the activity in IDIS. In addition, the PJ must report the disposition of any HOME-ARP-assisted NCS activity that is converted to another eligible use at the time of conversion.
3. For HOME-ARP TBRA activities under [Section VI.C](#) of this Notice, the PJ must report beneficiary information in IDIS at the time assistance is provided.
4. For HOME-ARP Supportive Services activities under [Section VI.D](#) of this Notice, the PJ must report in IDIS quarterly, by the 30th day after the end of each calendar quarter, on the number of homeless and not homeless households assisted with supportive services and housing counseling, including the race and ethnicity, household size, and household type of the households assisted.

HUD will issue guidance about reporting on HOME-ARP activities in the PJ's consolidated annual performance and evaluation report (CAPER) required under [24 CFR 91.520](#), at a later date.

H. Confidentiality Requirements

1. All entities assisted by HOME-ARP funds must develop, implement, and maintain written procedures to require that –

- a. All records containing personally identifying information of any individual or family who applies for and/or receives HOME-ARP assistance will be kept secure and confidential;
 - b. The address or location of any NCS or HOME-ARP rental housing exclusively for individuals fleeing or attempting to flee domestic violence, dating violence, sexual assault, stalking, or human trafficking will not be made public, except as necessary where making the address or location public does not identify occupancy of the NCS or HOME-ARP rental housing, when necessary to record use restrictions or restrictive covenants in accordance with [Section VI.B](#) or [VI.E](#), or with written authorization of the person or entity responsible for the operation of the NCS or HOME-ARP rental housing; and
 - c. The address or location of any program participant that is a fleeing or attempting to flee domestic violence, dating violence, sexual assault, stalking, or human trafficking will not be made public, except as provided under a privacy policy of the PJ consistent with state and local laws and any other grant conditions from other federal grant programs regarding privacy and obligations of confidentiality.
2. Documenting status of a qualifying population that is fleeing or attempting to flee domestic violence, dating violence, stalking, sexual assault, or human trafficking:
- a. If an individual or family qualifies because the individual or family is fleeing or attempting to flee domestic violence, dating violence, sexual assault, stalking, or human trafficking then acceptable evidence includes an oral or written statement by the qualifying individual or head of household seeking assistance that they are fleeing that situation. An oral statement may be documented by either –
 - i. a written certification by the individual or head of household; or
 - ii. a written certification by a victim service provider, intake worker, social worker, legal assistance provider, health-care provider, law enforcement agency, legal assistance provider, pastoral counselor, or an intake worker in any other organization from whom the individual or family sought assistance.

The written documentation need only include the minimum amount of information indicating that the individual or family is fleeing or attempting to flee domestic violence, dating violence, sexual assault, stalking, or human trafficking and need not include any additional details about the conditions that prompted the individual or family to seek assistance.

IX. PERFORMANCE REVIEWS

HUD will review the performance of each PJ in carrying out its responsibilities for the use of HOME-ARP funds and its compliance with the requirements of this Notice. Such reviews may take the form of remote or on-site monitoring, review of IDIS data or reports, assessment of documents requested from the PJ, subrecipient, or other entity carrying out HOME-ARP activities, and inquiries resulting from external audit reports, media reports, citizen complaints,

or other sources of relevant information. HUD may also review a PJ's timely use of HOME- ARP funds for eligible activities, including the progress of expenditures for individual projects or activities, the requirement to place a project in service in accordance with requirements in this Notice, and compliance of HOME-ARP rental housing and NCS with the 4-year deadline for completing projects.

If HUD preliminarily determines that a PJ has not met a requirement of this Notice or an applicable requirement of the HOME regulations at [24 CFR Part 92](#), HUD will communicate its determination in writing and provide the PJ with the opportunity to demonstrate, based on substantial facts, documentation, and data, that it has done so. HUD may extend any time period it provided to the PJ to demonstrate its compliance if upon request of the PJ, HUD determines that it is infeasible for the PJ to provide a full response within the prescribed period.

If the PJ fails to demonstrate to HUD's satisfaction that it has met the requirement, HUD will take corrective or remedial action in accordance with this section or [24 CFR 92.552](#).

A. Corrective and Remedial Actions

Corrective or remedial actions for a performance deficiency (e.g., failure to meet a provision of this Notice or an applicable provision of [24 CFR Part 92](#)) will be designed to prevent a continuation of the deficiency; mitigate, to the extent possible, its adverse effects or consequences; and prevent its recurrence. HUD may impose corrective or remedial actions including but not limited to the following:

1. HUD may instruct the PJ to submit and comply with proposals for action to correct, mitigate and prevent a performance deficiency, including:
 - a. Preparing and following a schedule of actions for carrying out the affected activities, consisting of schedules, timetables, and milestones necessary to implement the affected activities;
 - b. Establishing and following a management plan that assigns responsibilities for carrying out the remedial actions;
 - c. Canceling or revising activities likely to be affected by the performance deficiency, before expending HOME-ARP funds for the activities;
 - d. Reprogramming HOME-ARP funds that have not yet been expended from affected activities to other eligible activities;
 - e. Reimbursing its HOME-ARP grant in any amount not used in accordance with the requirements of this Notice;
 - f. Suspending disbursement of HOME-ARP funds for affected activities; and
 - g. Establishing procedures to ensure compliance with HOME-ARP requirements.

2. HUD may also:

- a. Change the method of payment from an advance to a reimbursement basis and may require supporting documentation to be submitted for HUD review for each payment request before payment is made;
- b. Determine the PJ to be high risk and impose special conditions or restrictions on the use of HOME-ARP funds in accordance with [2 CFR 200.208](#); and
- c. Take other remedies that may be legally available, including remedies under [2 CFR 200.339](#) and [200.340](#).

B. Sanctions

The requirements at [24 CFR 92.552](#) apply to HOME-ARP funds, except that the provision at [24 CFR 92.552\(a\)\(2\)\(iv\)](#) related to failure to comply with matching contribution requirements shall not apply.

X. FINDING OF NO SIGNIFICANT IMPACT

A Finding of No Significant Impact (FONSI) with respect to the environment has been made in accordance with HUD regulations at [24 CFR part 50](#), which implement section 102(2)(C) of the National Environmental Policy Act of 1969 (42 U.S.C. 4332(2)(C)). The FONSI is available for inspection at HUD's Funding Opportunities web page at: https://www.hud.gov/program_offices/spm/gmomgmt/grantsinfo/fundingopps.

ATTACHMENT C

CERTIFICATIONS

The following are made a part of this contract:

1. Office of Management and Budget Circular A-87 as applied to cost principles for State and local governments;
2. 24 CFR Part 85 as applied to Administrative Requirements for Grants and Cooperative Agreements to State, Local and Federally Recognized Indian Tribal Governments;
3. Title VI of the Civil Rights Act of 1964;
4. Title VIII of the Civil Rights Act of 1968, known as the Fair Housing Act;
5. Drug Free Workplace Act;
6. Provisions of 24 Code of Federal Regulations Part 92.357 as related to debarred, suspended or intelligible contractors;
7. National Historic Preservation Act of 1966;
8. 24 Code of Regulations Part 92 containing regulations for the HOME-ARP Investment Partnerships Program;
9. Furthering fair housing; and Executive Order 11063;
10. Section 109 of the Housing and Community Development Act of 1974 (the Act), as amended; and regulations issued pursuant thereto regarding prohibited discriminatory actions;
11. Requirements as set forth in 24 CFR Part 92.354;
12. The National Environmental Policy Act, as related to environmental standards and regulations contained in 24 CFR Part 58;
13. Section 202(a) of the Flood Disaster Protection Act of 1973, as amended, relating to the National Flood Insurance Program in accordance with 44 CFR Parts 59 – 79 and 24 CFR Part 92.358;

14. The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 and HUD implementing regulations in 24 CFR Part 92.353;
15. Executive Order 11246, as amended by Executive Order 112086 and regulations issued pursuant thereto (41 CFR Chapter 60), relating to employment and contracting opportunities;
16. Section 401(b) of the Lead-Based Paint Poisoning Prevention Act and implementing regulations contained in 24 CFR Part 35, Subpart B and 24 CFR 92.355 prohibiting the use of lead-based paint in residential structures;
17. The prohibition against employing, awarding of contracts to, or engaging the services of any contractor or subcontractor debarred, suspended or ineligible for federal funds under 24 CFR Part 24 and 24 CFR Part 92.537;
18. The conflict of interest provisions contained in 24 CFR Part 85.36 and 24 CFR Part 92.356 in the procurement of supplies, equipment, construction and services;
19. Executive Order 12372 Concerning intergovernmental review of federal programs including implementing regulations contained in 24 CFR Part 52;
20. Section 3 of the Housing and Urban Development Act of 1968, as amended, concerning Affirmative Action in the provision of training employment and business opportunities;
21. Americans with Disabilities Act (ADA).

CABARRUS COUNTY



BOARD OF COMMISSIONERS WORK SESSION

**February 6, 2023
4:00 PM**

AGENDA CATEGORY:

Discussion Items for Action

SUBJECT:

Sheriff's Office - Law Enforcement Services Agreement with Town of Harrisburg

BRIEF SUMMARY:

For many years, the Sheriff through his office and employees has provided law enforcement protection to and for the Town, through the assignment of deputies to conduct the usual and customary law enforcement duties within Town limits. Both parties desire to continue this relationship for the next fiscal years, with modifications to the general arrangements, as provided in the attached agreement. Key terms:

1. 10-year term with an option to renew for an additional five-year term.
2. Maintains County funding of two (2) deputy sheriff positions.
3. Shifts billing to actual rather than estimated expenses.

REQUESTED ACTION:

Motion to approve the law enforcement services contract and authorize the County Manager to execute the contract between Cabarrus County and the Town of Harrisburg, subject to revision by the County Attorney.

EXPECTED LENGTH OF PRESENTATION:

5 Minutes

SUBMITTED BY:

Van Shaw, Sheriff
James Bailey, Chief Deputy

BUDGET AMENDMENT REQUIRED:

No

COUNTY MANAGER'S RECOMMENDATIONS/COMMENTS:

ATTACHMENTS:

- Law Enforcement Agreement



TOWN OF HARRISBURG AND SHERIFF LAW ENFORCEMENT AGREEMENT

This **TOWN OF HARRISBURG AND SHERIFF LAW ENFORCEMENT AGREEMENT** (“Agreement”) is made and entered into effective July 1, 2022 by and between the **TOWN OF HARRISBURG**, North Carolina (“Town”) and **VAN W. SHAW** as Sheriff of Cabarrus County (“Sheriff”) and **CABARRUS COUNTY**, North Carolina (“County”).

RECITALS

1. For many years, the Sheriff through his office and employees has provided law enforcement protection to and for the Town, through the assignment of deputies to conduct the usual and customary law enforcement duties within Town limits.
2. The Town does not have a police department, so services provided by the Sheriff to the Town have been the law enforcement substitute for a municipal police force.
3. The Town has generally compensated the Sheriff by reimbursing his office for the direct cost of all the deputies assigned to the Town, except two deputies assigned to the Town paid by Cabarrus County.
4. The parties desire to continue this relationship for the next fiscal years, with modifications to the general arrangements, as provided in the Terms below.

In consideration of the above Recitals and the Terms set forth below, which the parties agree constitute sufficient consideration to make this Agreement legally binding and enforceable, the parties agree as follows.

TERMS

1. LAW ENFORCEMENT SERVICES.

The Sheriff shall provide general law enforcement services to the citizens and businesses located in the Town. These services include enforcement of municipal ordinances and state statutes, patrol, traffic enforcement, crime reduction, investigations, educational services provided to the public as determined appropriate by the Sheriff, response to emergencies and calls for police assistance and protection of Town citizens and businesses and their property and any other services regularly

provided by the Sheriff’s Department. Operational decisions in law enforcement are, and shall continue to be, made by the Sheriff based on professional judgment. All calls for service, dispatch, complaint or special request and duty assignments shall go through the official channels of the Cabarrus County Sheriff’s Office pursuant to Sheriff’s Office policies and procedures.

2. ASSIGNMENT OF AND ADDITIONS TO PERSONNEL.

The Sheriff shall assign the following full-time personnel to the Town with the following general assignments:

Positions	FY2023	FY2024	FY2025	FY2026
Captain	1	1	1	1
Lieutenant	1	1	1	1
Detective Sergeant	-	1	1	1
Patrol Sergeant	2	2	2	2
Detective	-	2	2	2
Crime Reduction Deputy	-	2	2	2
Deputy Sheriff	18	16	20	20
Administrative Support	-	-	-	1
Total	22	25	29	30

Note: The position counts shown above include two positions funded by Cabarrus County.

The Sheriff will make every effort to provide the additional personnel during the fiscal years noted above. The Captain of the Harrisburg Division, Town Management and the Sheriff shall discuss annually the upcoming personnel additions and may change the order in which the noted positions are added. The Sheriff, in his sole discretion, shall decide deputies assigned to the Town pursuant to this Agreement and may change any assignment at any time. The Sheriff will make every effort to assign deputies with at least one year of patrol experience, unless assigning a deputy on a temporary basis. Neither the Town nor any of its employees or elected officials shall have the right to control, direct or supervise the activities of the deputies assigned to the Town for purposes of this Agreement.

It is understood by the parties that the Town is growing and that its law enforcement needs will increase during the term of this Agreement. Additional personnel, vehicles and equipment required by the Town will be paid for in the same fashion as existing personnel, vehicles and equipment are paid for under this Agreement. The Town shall give the Sheriff at least ninety (90) days prior written notice of any increase in personnel, vehicles, or equipment that it requires.

The County shall provide for an additional two (2) full-time deputies (“County Deputies”) at no cost to the Town for the length of this contract. County Deputies shall patrol and answer calls for service within Town Limits and adjacent patrol zones at the sole discretion of the Sheriff.

If a deputy position(s) for the Town is vacant, the Sheriff will make all efforts to fill the position within ninety (90) days. The Captain of the Harrisburg Division will report any vacancy to the Town Manager, County Finance Department, Town Finance Department and the County Manager's Office within ten (10) business days of such vacancy.

3. SCHEDULE OF PERSONNEL.

The deputies shall work the same rotation schedule (24/7 service) as the Sheriff's Office patrol division or as set forth by the Sheriff, unless changed for special purposes or due to the deputies being on vacation, holiday, sick leave, FMLA or in-service training. In such circumstances, the Town shall not be entitled to a refund, reduction in cost, or replacement/substitute deputy. At least one deputy shall be on duty for each shift, whether a normally assigned deputy, or another deputy covering service calls for the town. Each of the personnel assigned to the Harrisburg Division shall dedicate all of their time to the benefit of the Town of Harrisburg, excluding standard mutual aid, vacation, holiday, sick leave, FMLA or in-service training.

4. SERVICE COVERAGE.

The primary responsibility of the deputies, while on duty, is to patrol and answer calls for service within the Town limits and deliver any other service provided by the Sheriff's Office to the citizens of Cabarrus County, which includes, but is not limited to:

- a) Responding to incidents outside of the Town limits upon order of the Sheriff or his designee;
- b) Responding to an emergency call for assistance from another officer;
- c) Conducting an investigation of an incident that occurred within the Town limits, such as an automobile accident or criminal offense;
- d) Answering a call within the patrol zone surrounding the Town in the event the zone officer is not then available and the call requires a quicker response, but only with supervisor approval; or
- e) Necessary training, court proceedings, or other matters which require the officer to leave the Town.
- f) Any other instance the Sheriff deems necessary, subject to the Sheriff's policies and procedures.

The Sheriff's Office will provide reciprocal response when a non-Town deputy is closer to a call within Town limits and in need of immediate assistance.

The Sheriff's Office will continue to provide adequate staffing for the Town's annual July 4th Parade at no additional cost to the Town.

5. TRAINING AND SUPERVISION OF TOWN DEPUTIES.

The Sheriff, through his Office, shall provide all supervision and training for deputies and other of his personnel responding to calls within Town limits. The Sheriff's Office considers all deputies equally for promotions and other advancement opportunities, which shall include annual evaluations and consideration for merit pay increases.

6. VEHICLES AND EQUIPMENT.

All vehicles (cars, trucks, SUVs, motorcycles) and related equipment for deputies assigned to the Town shall be purchased and paid for by the County and be for the use by the Sheriff for law enforcement purposes. Each deputy will have an assigned take home vehicle. County Fleet Services shall maintain the vehicles, including, but not limited to, the replacement of tires, brakes and other maintenance services. The County will maintain a sufficient quantity of spare vehicles with Town branding. The Town of Harrisburg will directly provide fuel for the vehicles used as described in this agreement instead of reimbursement. Deputies will be provided 24/7 access to the Town fueling station located at the Harrisburg Public Works Department.

Primary patrol vehicles used to provide services pursuant to this Agreement shall be replaced after the lesser of six (6) years in-service or 100,000 miles unless earlier replacement is agreed to in writing by both parties. Spare vehicles may exceed these replacement thresholds.

Upon execution of this Agreement, the Town shall deed all law enforcement vehicles currently owned by the Town and operated as part of the Agreement over to the County. The County will restripe all existing vehicles within six (6) months of this agreement.

The County shall insure all vehicles used pursuant to this Agreement.

All new and replacement vehicles purchased pursuant to this agreement shall be branded with the approved Harrisburg Division design.

The County shall credit the salvage value received from vehicles used pursuant to this agreement upon retirement from the fleet.

7. UNPLANNED VEHICLE REPLACEMENT.

In the case of a total vehicle loss, the vehicle shall be replaced by the County as soon as possible to ensure continuity of operations. Vehicle cost shall be based on the prevailing State contract pricing for a Ford Police Interceptor SUV or other vehicle selected by the Sheriff. The County shall insure all vehicles used pursuant to this agreement.

8. OFFICE SPACE.

The Town shall provide adequate office space for the deputies assigned to the Town as well as furnish, stock, clean and maintain the facility.

9. ADMINISTRATIVE SERVICES FEE.

The Town shall pay the County quarterly an administrative services fee not to exceed \$75,000 per year. The fee reimburses the County for the indirect costs required to support this Agreement such as accounting and personnel management.

10. PAYMENT OF SERVICES.

The Town agrees to pay the County:

- a) Personnel costs, including salaries and benefits, based on actual compensation paid for positions assigned to the Town.

- b) Actual vehicle, equipment, and supply costs for positions assigned to the Town.
- c) Administrative Services Fee.
- d) The County will provide all supplies necessary for its employees, including, but not limited to, office supplies, printer toner, common equipment, safety equipment, IT services, uniforms and gear. These costs will be included in and accounted for in the Administrative Services Fee referenced in sections 9 and 10.c in this agreement. The Town agrees to purchase and maintain any additional equipment or supplies it deems necessary, such as battery-operated speed radar signs and specialty LIDAR units. The Town also agrees to provide any Town-identified training it deems necessary.
- e) The County Manager's Office shall **estimate** the annual costs, in cooperation with the Sheriff's Office and the Town of Harrisburg, and will communicate the total cost to the Town no later than March 1st of each year, the total projected contract cost.
- f) The County shall bill the Town at the conclusion of each quarter, for the actual costs including the Administrative Services Fee for that quarter. Such amount shall be paid by the Town within thirty-days (30) of receipt.

11. RECORD KEEPING AND EQUIPMENT.

The Sheriff shall provide all record keeping, investigations and communications regarding the operational function of the deputies. The Sheriff shall also supply all equipment provided to each such deputy.

12. OPERATIONAL CHANGES.

Advance notice of at least six (6) months is required if the County intends to permanently reduce the number of deputies assigned to the Town below the annually agreed upon staffing level or substantially alter other operational aspects of this Agreement as determined by the Sheriff. The County shall notice such change in writing from the Sheriff or his designee to the Town Manager. The Town may also request operational changes to this Agreement in writing with at least six (6) months' notice. The Town shall notice a requested change in writing from the Town Manager or his designee to the Sheriff and County Manager. Any such operational change, if unacceptable, shall entitle the affected party to terminate this Agreement.

13. LIAISON.

Discussions concerning the implementation and conduct of this Agreement shall be between the Town Manager and the Captain of the Harrisburg Division of the Sheriff's Office. Each party shall work cooperatively with the other to help assure the seamless provision of law enforcement services by the Sheriff to the Town.

14. TERM.

The initial term of this Agreement shall be ten (10) years from the Effective Date of this Agreement. The Agreement shall automatically renew for an additional five (5) year period beginning at the expiration of the preceding term, unless either party gives the

other party two (2) years prior written notice, or unless the County or the Town vote not to appropriate funds for the next fiscal year.

15. STATUTORY AUTHORITY.

This Agreement is an interlocal agreement permitted by the provisions of N.C. Gen. Stat. §160A-460.

16. CHOICE OF LAW.

This Agreement shall be interpreted and enforced pursuant to North Carolina law.

IN WITNESS, the parties have executed this Agreement as indicated below.

SHERIFF:

TOWN:

Van W. Shaw
Cabarrus County Sheriff

Jennifer Teague
Mayor of Harrisburg

Date: _____

Date: _____

This instrument has been pre-audited in the manner required by the Local Government Budget and Fiscal Control Act:

By: _____
Finance Director (or designee), Cabarrus County

By: _____
Finance Director (or designee), Town of Harrisburg

Mike Downs – County Manager
Cabarrus County

Exhibit A: Estimated Cost for Fiscal Year 2023

The following estimated costs for the upcoming fiscal year will be agreed upon by the Town Manager's Office and the County's Manager's Office by March 1st each year.

Position	# of FTEs	Estimated Personnel Cost
Captain	1	\$ 127,057
Lieutenant	1	111,156
Detective Sergeant	1	-
Patrol Sergeant	2	201,538
Detective	2	-
Crime Reduction Deputy	2	-
Deputy Sheriff	14	1,164,992
Deputy Sheriff (County)	2	-
Administrative Support	-	-
Total	25	\$ 1,604,743

Item	Cost Per FTE	Estimated Operating Cost
Supplies	4,000	\$ 92,000
(Body Camera, Radio, Taser, Gun, Vest, Light, Computer and other major supplies and equipment)		
Vehicle Costs		
New Vehicle Purchases (6)	62,500	375,000
Vehicle Maintenance		35,000
Property and Liability Insurance		15,000
Administrative Fee		75,000
Total Estimated Operating		\$ 592,000

Total Estimated Costs		\$ 2,196,743
------------------------------	--	---------------------

CABARRUS COUNTY



BOARD OF COMMISSIONERS WORK SESSION

**February 6, 2023
4:00 PM**

AGENDA CATEGORY:

Discussion Items for Action

SUBJECT:

Tax Administration - Advertisement of 2022 Delinquent Taxes

BRIEF SUMMARY:

NC General Statute 105-369 requires counties to report the amount of unpaid taxes for the current year, 2022, that are liens on real property, less bankruptcies and Property Tax Commission (PTC) appeals; and to set the advertisement date.

2022 REAL ESTATE	\$12,879,363.17	
Less: Bankruptcies	4760.87	
PTC Appeals		0.00
TOTAL	12,874,602.30	

Date of Advertisement of Tax Liens: March 26, 2023

REQUESTED ACTION:

Motion to approve the report for the 2022 outstanding delinquent taxes that are a lien on real property and to order the Tax Administrator to advertise these liens on March 26, 2023.

EXPECTED LENGTH OF PRESENTATION:

5 Minutes

SUBMITTED BY:

David Thrift, Tax Administrator

BUDGET AMENDMENT REQUIRED:

No

COUNTY MANAGER'S RECOMMENDATIONS/COMMENTS:

ATTACHMENTS:

- ▣ Order to Advertise



ORDER OF THE BOARD OF COUNTY COMMISSIONERS
IN ACCORDANCE WITH N.C.G.S. 105-369

State of North Carolina
County of Cabarrus

To: M. David Thrift, Tax Administrator of Cabarrus County

You are hereby authorized, empowered, and commanded to advertise tax liens on real property for failure to pay 2022 property taxes. You shall advertise said liens by posting a notice of liens at the county courthouse and by publishing each lien at least one time in a newspaper having general circulation in the taxing unit. Advertisement of liens shall be made on Sunday March 26, 2023.

This order shall be a full and sufficient authority to direct, require, and enable you to advertise said tax liens in accordance with North Carolina General Statute 105-369.

Witness my hand and official seal, this 20th day of February, 2023.

Stephen M. Morris, Chairman
Cabarrus County Board of Commissioners

Attest:

Lauren Linker
Clerk to the Board of County Commissioners

CABARRUS COUNTY



BOARD OF COMMISSIONERS WORK SESSION

**February 6, 2023
4:00 PM**

AGENDA CATEGORY:

Discussion Items for Action

SUBJECT:

County Manager - Jail Behavioral Health Services

BRIEF SUMMARY:

Currently, behavioral health services are provided to the Cabarrus County jail by three and a half internal resources, managed by the Human Services Department. There are also supplemental agreements with vendors to satisfy requirements of the Stepping Up initiative, which is focused on reducing the impact of mental illness on inmates and state required suicide and special watch requirements. Due to a loss of supervision on the Human Services team, staff has researched alternatives regarding management of these programs to improve the delivery of services. It is recommended to move management of these programs to the Cabarrus Health Alliance. This would impact three current staff and a total of three and a half positions.

REQUESTED ACTION:

Motion to approve the transition of behavioral health service of the jail, including the three and a half positions, to the management of Cabarrus Health Alliance and approve the updated budget ordinance.

EXPECTED LENGTH OF PRESENTATION:

10 Minutes

SUBMITTED BY:

Rodney Harris, Deputy County Manager
Lundee Covington, HR Director
Van Shaw/James Bailey, Sheriff's Office

BUDGET AMENDMENT REQUIRED:

Yes

COUNTY MANAGER'S RECOMMENDATIONS/COMMENTS:

CABARRUS COUNTY



BOARD OF COMMISSIONERS WORK SESSION

**February 6, 2023
4:00 PM**

AGENDA CATEGORY:

Approval of Regular Meeting Agenda

SUBJECT:

BOC - Approval of Regular Meeting Agenda

BRIEF SUMMARY:

The proposed agenda for the February 20, 2023 regular meeting is attached.

REQUESTED ACTION:

Motion to approve the agenda for the February 20, 2023 regular meeting as presented and schedule the public hearing for 6:30 p.m. or as soon thereafter as persons may be heard.

EXPECTED LENGTH OF PRESENTATION:

1 Minute

SUBMITTED BY:

Lauren Linker, Clerk to the Board

BUDGET AMENDMENT REQUIRED:

No

COUNTY MANAGER'S RECOMMENDATIONS/COMMENTS:

ATTACHMENTS:

- Proposed February 20, 2023 Regular Meeting Agenda

CABARRUS COUNTY



BOARD OF COMMISSIONERS REGULAR MEETING

**February 20, 2023
6:30 PM**

MISSION STATEMENT

THROUGH VISIONARY LEADERSHIP AND GOOD STEWARDSHIP, WE WILL ADMINISTER STATE REQUIREMENTS, ENSURE PUBLIC SAFETY, DETERMINE COUNTY NEEDS, AND PROVIDE SERVICES THAT CONTINUALLY ENHANCE QUALITY OF LIFE

CALL TO ORDER BY THE CHAIRMAN

PRESENTATION OF COLORS

INVOCATION

A. APPROVAL OR CORRECTIONS OF MINUTES

1. Approval or Correction of Meeting Minutes

B. APPROVAL OF THE AGENDA

C. RECOGNITIONS AND PRESENTATIONS

1. Human Resources - Recognition of Captain Aaron Rankin on His Retirement from Cabarrus County Sheriff's Office
2. Human Resources - Recognition of Lieutenant Ray Gilleland on His Retirement from Cabarrus County Sheriff's Office
3. Human Resources - Recognition of Senior Deputy Lewis Burgess on His Retirement from Cabarrus County Sheriff's Office

D. INFORMAL PUBLIC COMMENTS

E. OLD BUSINESS

F. CONSENT AGENDA

(Items listed under consent are generally of a routine nature. The Board may take action to approve/disapprove all items in a single vote. Any item may be withheld from a general action, to be discussed and voted upon separately at the discretion of the Board.)

1. Appointments - Home and Community Care Block Grant Advisory Committee
2. Appointments and Removals - Human Services Advisory Board
3. Appointments and Removals - Juvenile Crime Prevention Council
4. Appointments and Removals - Mental Health Advisory Board
5. Budget - Budget Amendment to Appropriate Board Contingency Funds for Legal Fees
6. County Manager - Jail Behavioral Health Services
7. County Manager - Rob Wallace Park Timing of Phase IIB
8. County Manager - U-5956 - Rock Hill Church Rd/Union Cemetery Road Realignment Easement Settlement
9. CVB - Mondo Track at Jay M. Robinson High School
10. DHS - Budget Amendment for ERA Program
11. Finance - Budget Amendment and Capital Project Ordinance
12. Finance - Reimbursement Resolution
13. Infrastructure and Asset Management - Stonewall Jackson Training School (SJTS) Parcels Timber Harvesting Plan Approval
14. ITS - Memorandum of Agreement for the Courtroom Upgrades for Remote Proceedings
15. Legal - Ad Hoc Amendment to Central Area Land Use Plan Interlocal Agreement for 2101 NC 73 HWY, Further Identified as PIN 5641-00-5282
16. Legal - Ad Hoc Amendment to Central Area Land Use Plan Interlocal Agreement for 380 Patience Drive, Further Identified as PIN 5641-00-1839
17. Planning and Development - Community Development Budget Amendment
18. Planning and Development - HOME ARP Contract
19. Sheriff's Office - Acceptance of Grant Funds to Support Additional Officers
20. Sheriff's Office - Award of Service Weapon to Captain Aaron Rankin Upon His Retirement
21. Sheriff's Office - Award of Service Weapon to Deputy Lewis Burgess upon His Retirement
22. Sheriff's Office - Award of Service Weapon to Lieutenant Ray Gilleland Upon His Retirement
23. Sheriff's Office - Law Enforcement Services Agreement with Town of Harrisburg
24. Tax Administration - Advertisement of 2022 Delinquent Taxes
25. Tax Administration - Refund and Release Reports - January 2023

G. NEW BUSINESS

1. Planning and Development - 2023-2024 Community Development Programs - Public Hearing 6:30 p.m.

H. REPORTS

1. BOC - Receive Updates from Commission Members who Serve as Liaisons to Municipalities or on Various Boards/Committees
2. BOC - Request for Applications for County Boards/Committees

3. Budget - Monthly Budget Amendment Report
4. Budget - Monthly Financial Update
5. County Manager - Monthly Building Activity Reports
6. County Manager - Monthly New Development Report
7. EDC - January 2023 Monthly Summary Report

- I. **GENERAL COMMENTS BY BOARD MEMBERS**
- J. **WATER AND SEWER DISTRICT OF CABARRUS COUNTY**
- K. **CLOSED SESSION**
- L. **ADJOURN**

Scheduled Meetings

February 24	Board Retreat	4:00 p.m.	Cabarrus Arena
February 25	Board Retreat	8:00 a.m.	Cabarrus Arena
March 6	Work Session	4:00 p.m.	Multipurpose Room
March 20	Regular Meeting	6:30 p.m.	BOC Meeting Room
April 3	Work Session	4:00 p.m.	Multipurpose Room
April 13	Budget Meeting	4:00 p.m.	Multipurpose Room
April 17	Regular Meeting	6:30 p.m.	BOC Meeting Room
April 19	Cabarrus Summit	6:00 p.m.	Cabarrus Arena

Mission: Through visionary leadership and good stewardship, we will administer state requirements, ensure public safety, determine county needs, and provide services that continually enhance quality of life.

Vision: Our vision for Cabarrus is a county where our children learn, our citizens participate, our dreams matter, our families and neighbors thrive, and our community prospers.

**Cabarrus County Television Broadcast Schedule
Cabarrus County Board of Commissioners' Meetings**

The most recent Commissioners' meeting is broadcast at the following days and times. Agenda work sessions begin airing after the 1st Monday of the month and are broadcast for two weeks up until the regular meeting. Then the regular meeting begins airing live the 3rd Monday of each month and is broadcast up until the next agenda work session.

Sunday - Saturday	1:00 P.M.
Sunday - Tuesday	6:30 P.M.
Thursday & Friday	6:30 P.M.

In accordance with ADA regulations, anyone who needs an accommodation to participate in the meeting should notify the ADA Coordinator at 704-920-2100 at least forty-eight (48) hours prior to the meeting.

CABARRUS COUNTY



BOARD OF COMMISSIONERS WORK SESSION

**February 6, 2023
4:00 PM**

AGENDA CATEGORY:

Closed Session

SUBJECT:

Closed Session - Pending Litigation

BRIEF SUMMARY:

A closed session is needed to discuss matters related to pending litigation as authorized by NCGS 143-318.11(a)(3).

REQUESTED ACTION:

Motion to go into closed session to discuss matters related to pending litigation as authorized by NCGS 143-318.11(a)(3).

EXPECTED LENGTH OF PRESENTATION:

30 Minutes

SUBMITTED BY:

Mike Downs, County Manager

BUDGET AMENDMENT REQUIRED:

No

COUNTY MANAGER'S RECOMMENDATIONS/COMMENTS:
