



HOME American Allocation Plan – FY2021 (HOME-ARP Plan)



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Guidance

- To receive HOME Investment Partnerships American Rescue Plan (HOME-ARP) allocation, a Participating Jurisdiction (PJ) must:
 - Engage in consultation with at least the required organizations;
 - Provide for public participation including a 15-day public comment period and one public hearing, at a minimum; and,
 - Develop a plan that meets the requirements in the HOME-ARP Notice.
- To submit: a PJ must upload a Microsoft Word or PDF version of the plan in IDIS as an attachment next to the “HOME-ARP allocation plan” option on either 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).
- PJs must also submit an SF-424, SF-424B, and SF-424D, and the following certifications as an attachment on either the AD-26 or AD-25 screen, as applicable:
 - Affirmatively Further Fair Housing;
 - Uniform Relocation Assistance and Real Property Acquisition Policies Act and Anti-displacement and Relocation Assistance Plan;
 - Anti-Lobbying;
 - Authority of Jurisdiction;
 - Section 3; and,
 - HOME-ARP specific certification.

Participating Jurisdiction: Maryland Consultation

Date: 1/27/2023

Before developing its plan, a Participating Jurisdiction (PJ) must consult with the Continuum of Care (CoC) 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, at a minimum. State PJs are not required to consult with every PHA or CoC within the state’s boundaries; however, local PJs must consult with all PHAs (including statewide or regional PHAs) and CoC serving the jurisdiction.

Summarize the consultation process:

The State of Maryland Department of Housing and Community Development (DHCD) consulted with over 100 stakeholders in the process to develop its plan. DHCD conducted four HOME-ARP consultation listening sessions with stakeholders from each of the recommended entities. These sessions were held on February 7th, 17th, 18th and 24th. The sessions included an overview of the HOME-ARP program, an overview of key data points of the program, qualifying populations and eligible activities. Participants were asked to provide input on local needs and gaps in the shelter and housing system, financial and logistical challenges in creating and operating affordable housing projects, and unmet supportive service needs. Additionally, DHCD staff presented on the HOME-ARP planning process and solicited input from stakeholders at a Maryland Interagency Council on Homelessness meeting, a statewide convening of Local Management Boards, a statewide meeting of Continuums of Care lead agencies, and the Maryland Balance of State Continuum of Care Board meeting. A survey was also sent out to acquire written feedback from various community organizations and all 11 Continuums of Care in the State. Thirteen written responses were received.

Agencies Consulted and Summaries of Feedback Received

The following are key summaries of the consultations from community members and a brief overview of the feedback provided – for a complete record of the information provided in the feedback sessions and a full list of required organizations that participated in consultations. Enclosed is a link to the addendum: <https://dhcd.maryland.gov/Pages/ConsolidatedPlan.aspx>

House of Ruth Maryland

Agency Type: Intimate Partner and Sexual Violence organization & non-profit

Method of Consultation: Virtual Listening Session & Written Survey

Feedback Summary

- Overall lack of affordable rental housing
- Landlords are less willing to rent to individuals and families exiting homelessness including imposing numerous barriers
- Lack of housing available for youth
- There is a need for more Permanent Supportive Housing (PSH)
- Survivors of domestic violence are less likely to be offered PSH or Rapid Re-Housing (RRH) slots due to being excluded from Coordinated Entry
- Vulnerability assessments do not account for lethality of abusive partners
- Insufficient RRH in many locations
- Unmet need for behavioral and mental health services

Allegheny County Department of Social Services

Agency Type: Social service office

Method of Consultation: Virtual Listening Session & Written Survey

Feedback Summary

- Lack of employment and affordable housing in Allegheny County
- Shelters are typically full so there is an unsheltered homeless population
- Lack of mental health services for the homeless population
- Large number of the homeless population are couch surfing because they cannot afford housing on their own
- Lack of bed availability at shelters means that it is difficult to keep families together
- Community issues with human trafficking
- Unmet housing and service needs of veterans, most HUD vouchers for veterans are full and veterans meet one of the HOME-ARP qualifying populations
- Unmet housing and service needs in the community
- Agency cannot purchase and/or renovate a facility to serve as a shelter
- Rental rates have been steadily risen in the area, with a large percentage of the population that are on a fixed income, it makes it difficult to identify affordable housing.
- Community would benefit from more income-based housing
- The community would benefit from larger homeless shelter in the community
- Largest need is behavioral and mental health services.

Home Partnership of Cecil County, Inc

Agency Type: Non-profit housing organization

Method of Consultation: Virtual Listening Session & Written Survey

Feedback Summary

- Lack of affordable housing is the greatest obstacle to overcoming homelessness
- Most people experiencing homelessness do not believe that there are enough services in Cecil County and cite need for shelters, affordable housing, and employment
- Unmet service needs for substance abuse disorders
- Planning to develop non-congregate shelter facilities
- Hoping to develop a site based PSH project that will include a scattered site component

Prince George's County Department of Housing and Community Development

Agency Type: Large local Government Agency (direct recipient of Federal HOME and Community Development Block Grant (CDBG) funding)

Method of Consultation: Virtual Listening Session & Written Survey

Feedback Summary

- Lack of permanent supportive housing and accessible affordable housing
- Need for Veterans Affairs Supportive Housing (VASH) vouchers for veterans currently outweighs the availability, though Housing Authority has applied for additional VASH
- Permanent source for operating support will be crucial in addressing long term housing stability
- Does not intend to develop non-congregate shelter

Interfaith Housing Alliance

Agency Type: Community Housing Development Organization (CHDO), low income housing, landlord supportive service provider

Method of Consultation: Virtual Listening Session & Written Survey

Feedback Summary

- Agency not geared towards homeless services, though it is a component of Interfaith Housing Coalition's work.
- Needs funds to rehab a 23-unit senior housing project in Frederick, MD in a way that will not displace current residents.

Washington County Community Action Council

Agency Type: Private non-profit 501(c)(3)

Method of Consultation: Virtual Listening Session & Written Survey

Feedback Summary

- Current unmet need for affordable rental housing.
- Many landlords are increasing their rental rates in a manner not sustainable for the local economy.
- Concerned about increased housing instability once Emergency Rental Assistance Program (ERAP) funding is exhausted
- Many rental units in community need repair and lack enough insulation, resulting in energy costs that are too high for most tenants

- Seeking housing managed by organizations providing wrap-around services.
- Need for year-round shelter that does not have time limits for length of stay
- Limited veteran-designated housing
- Landlords are increasing rent for clients without good credit scores which is making it difficult to economically recover from a downfall
- Permanent supportive housing is not available in the community and not financially sustainable
- Would like to add to current 37 units
- Agency has no plans for non-congregate shelter due to unsustainability.

Carroll County

Agency Type: Continuum of Care

Method of Consultation: Virtual Listening Session & Written Survey

Feedback Summary

- Lack of immediate night-by-night beds for families with minor children
- Emergency family shelter typically has a waitlist
- Need increased funding for both permanent housing and case management
- Need more services, shelter, and permanent housing oriented towards youth homelessness
- Gap in services for speakers of other languages, mostly Spanish
- Have added a homeless outreach worker to the outreach team. Worker has greatly increased capacity and partnerships
- Has funds to provide for eviction prevention, however, there are a lack of supportive services in the homeless prevention area
- Greatest need is housing, but there are also mental health, substance abuse, and income barriers
- County has acquired new building for family shelter, but renovations are required. Goal to provide a more child-friendly space.
- Would benefit from more supportive services both for homeless outreach and diversion/prevention, rental assistance, along with supportive services and development of non-congregate shelter
- Does not have funding to maintain level of Emergency Solutions Grant Cares Act (ESG-CV) funding support

Southern Maryland

Agency Type: Continuum of Care, Balance of State LHC

Method of Consultation: Written Survey

Feedback Summary

- There is a need for additional case management support to meet the growing community needs
- Insufficient housing stock to accommodate persons with disabilities
- Limited employment, education and training shortages, lack of affordable daycare & transportation
- Need additional funding to coordinate outreach and hire additional outreach workers
- The awarded prevention assistance is sufficient, but more may be needed in the future.
- Has not developed a plan for increasing non-congregate, but plans to discuss it more
- Several organizations have been identified that would potentially support 47-units for chronically homeless individuals and families
- Section-8 waitlist in Charles and Calvert County are closed and St. Mary's County has a waitlist that exceed 4,500 applicants
- All HOME-ARP eligible activities would be beneficial in Southern Maryland
- Once ESG-CV housing expires, overall rapid re-housing capacity will be reduced by 30-50 households. However, HUD RRH, Homelessness Solutions Program (HSP), and Supportive Services for Veteran Families (SSVF) will be used to provide support to clients in need of rehousing after the end of ESG-CV

Washington County

Agency Type: Continuum of Care, Balance of State LHC

Method of Consultation: Written Survey

Feedback Summary

- County has a lack of emergency shelter beds during and beyond the cold-weather season
- 30-40 unsheltered individuals within Coordinated Entry list
- Lack of supportive on-site health services for clients in shelter
- Can only provide limited services to unsheltered locations
- Severe housing shortage, despite continuing to increase and support landlords, prices for housing have been drastically increasing, such as a \$1,700 price tag on a studio apartment
- Landlords have increased the number of barriers on the population such as increasing minimum credit scores and barring people for criminal history

- Does not currently have a plan for increasing non-congregant shelter
- Does not currently have plans for future PSH housing projects, though PSH units were expanded 2 years ago
- Hope to use HOME-ARP funding to create 50–80-unit affordable rental housing
- Hope to develop a whole family center, computer center, workforce development, and health services center onsite.
- Center is nearby existing homeless services
- Hope that further funding is available to sustain RRH beyond ESG-CV

Harford County

Agency Type: Continuum of Care, Balance of State LHC

Method of Consultation: Written Survey

Feedback Summary

- Increased need for permanent supportive housing and residential rehabilitative program beds through Office of Mental Health
- Need for additional family shelter beds
- Coordinated Entry systems does not properly prioritize those experiencing domestic violence if they happen to score low on lethality factors and there is a overall lack of coordination with domestic violence providers
- Challenges getting clients with criminal justice history into employment
- Lack of transportation
- Eviction prevention funding is needed as there are a large volume of households not affected by COVID-19 who need support from eviction prevention funding.
- Extensive case management programs are needed for households of a variety of different needs including those not experiencing a COVID-19 incident
- Households experiencing chronic homelessness decline referrals to congregate shelter – increases in non-congregate shelter would likely increase chronic clients seeking shelter services
- Lack of available affordable housing
- Market value listed rental prices are too expensive for most households and the housing market is getting incredibly competitive and expensive
- 191 adults and 110 children are identified as unstably housed in past year, though there may be some data quality issues.
- Ongoing discussions of shelter expansion for non-congregate shelter.
- Need for more permanent supportive housing. Home funds could assist a small project aimed to address lack of PSH options.
- Currently 5 project-based or tenant-based rental assistance providers in Harford County

- Most beneficial projects would be development of affordable rental housing and non-congregate shelter
- After the end of ESG-CV funds, county plans to transition to HSP funded RRH and support with private donor funding

Mid-Shore

Agency Type: Continuum of Care, Balance of State LHC

Method of Consultation: Written Survey

Feedback Summary

- Limited shelter capacity and lack of shelter for individuals with special needs
- Lack of suitable shelter for large families
- Limited funding hire shelter staff at competitive rate. Need for staff with mental health training, substance use knowledge, and trauma-informed practices
- Lack of dedicated Street Outreach workers in the county – many people trying to do multiple jobs and limited specialization
- Homeless prevention funds have taken a back seat to focus on rapid re-housing and emergency shelter. While logical, these funds are backlogged due to lack of housing inventory, so those already in housing end up in the homeless system with nowhere to go.
- Emergency housing vouchers are being dispersed throughout the community.
- Biggest priorities: development of affordable housing, development of non-congregate shelter, more tenant-based rental assistance, and supportive services with more competitive salaries.
- Concern that the community does not have the manpower to implement the largest goals

Public Participation

PJs must provide for and encourage citizen participation in the development of the HOME-ARP allocation plan. Before submission of the plan, PJs must provide residents with reasonable notice and an opportunity to comment on the proposed HOME-ARP allocation plan of **no less than 15 calendar days**. The PJ must follow its adopted requirements for “reasonable notice and an opportunity to comment” for plan amendments in its current citizen participation plan. In addition, PJs must hold **at least one public hearing** during the development of the HOME-ARP allocation plan and prior to submission.

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

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

Describe the public participation process, including information about and the dates of the public comment period and public hearing(s) held during the development of the plan:

DHCD consulted with over 100 stakeholders in the process to develop its plan. DHCD conducted four HOME-ARP consultation listening sessions with stakeholders from each of the recommended entities. These sessions were held on February 7th, 17th, 18th and 24th. The sessions included an overview of the HOME-ARP program, an overview of key data points of the program, qualifying populations and eligible activities. Participants were asked to provide input on local needs and gaps in the shelter and housing system, financial and logistical challenges in creating and operating affordable housing projects, and unmet supportive service needs. Additionally, DHCD staff presented on the HOME-ARP planning process and solicited input from stakeholders at a Maryland Interagency Council on Homelessness meeting, a statewide convening of Local Management Boards, a statewide meeting of Continuums of Care lead agencies, and the Maryland Balance of State Continuum of Care Board meeting. A survey was also sent out to acquire written feedback from various community organizations and all 11 Continuums of Care in the State.

- *Public comment period: start date - March 18, 2022, end date -April 18, 2022.*
- *Public hearing: February 14, 2022, February 15, 2022, April 5, 2022 and April 6, 2022*

The February 14, 2022 public hearing included eight staff members and four members of the public. Hearings were also held on February 15, 2022 which included 10 staff members and 3 members of the public, April 5, 2022 with 7 staff members and 5 members of the public and April 6, 2022 with 6 staff members. One written comment was received during the public comment period.

The State followed its Citizen Participation Plan and reached out to local, regional and state organizations, CoCs and other interested parties. Public hearing notices were placed on the State's website and published in the newspaper, and stakeholder groups were notified of each hearing via email. The State invited all interested parties to attend the virtual public hearings to solicit input regarding the FY 2022 Annual Action Plan and the development of the HOME-ARP Allocation Plan. The invitation link was also provided. The virtual hearings were accessible to persons with disabilities and translators were available upon request.

Those unable to attend were invited to submit written comments via emails or schedule a phone call to share their thoughts. In addition, information regarding the HOME-ARP process was posted on the State's website. The public hearings provided (1) an overview of the HOME-ARP notice to inform attendees of the amount of HOME-ARP funds available, the qualifying

populations and the eligible activities; (2) an overview of the Allocation Plan timeline and submission process; and (3) an opportunity for participants to ask clarifying questions, and to provide input into needs and gaps, priority populations and activities. A survey was also available online and invited representatives from multiple agencies, groups, and organizations to rank the qualifying populations and eligible activities and services in order of perceived need, and the best approach for carrying out those activities for the community.

Describe any efforts to broaden public participation:

Notice of the public hearing dates, time and call-in information was distributed via press release and at each of the various consultation meetings that occurred. Outreach efforts took place both in-person and through virtual meetings. The public hearing for the HOME-ARP Allocation Plan was combined with the public hearings for the DHCD Annual Action Plan Hearing for FY 23. In addition to the consultation sessions with recommended entities, a consultation session was held with other State of Maryland entitlement areas throughout the State that are recipients of HOME-ARP funding for feedback.

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.

Summarize the comments and recommendations received through the public participation process:

Commenters repeatedly noted the most pressing need is to increase availability of affordable rental housing with supportive services, especially for households earning below 50% of the Area Median Income. Housing developers and organizations running site-based housing programs noted ongoing challenges with funding new construction, operations, and maintenance, particularly considering inflation due to the COVID-19 pandemic. Additionally, many Continuums of Care noted increasing challenges with identifying and securing funding for supportive service for existing permanent supportive housing, as HUD Continuum of Care grants do not include increases for supportive services year over year. This creates staff retention and capacity challenges, impacting the quality of permanent supportive housing that can be provided to the most vulnerable households with greatest service needs. Organizations attending the consultation sessions also reported a need for more programs that provide support for at-risk youth and adults unable to receive benefits due to entanglement with the judicial system.

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

All comments and survey results were reviewed and have been part of the decision-making process on the allocation of the HOME-ARP funds. There were no specific recommendations in the public participation process that were not accepted. Across all consultation sessions and public hearings, there was uniform recognition of the priority need for the creation of new

supportive and affordable units in the non-entitlement jurisdictions of the State, and there were no recommendations to prioritize tenant-based rental assistance under HOME-ARP.

Needs Assessment and Gaps Analysis

PJs 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. The PJ may use the optional tables provided below and/or attach additional data tables to this template.

Homeless Needs Inventory and Gap Analysis Table

Homeless													
	Current Inventory					Homeless Population				Gap Analysis			
	Family		Adults Only		Vets	Family HH (at least 1 child)	Adult HH (w/o child)	Vets	Victims of DV	Family		Adults Only	
	# of Beds	# of Units	# of Beds	# of Units	# of Beds					# of Beds	# of Units	# of Beds	# of Units
Emergency Shelter	1,675	407	2,325	N/A	140								
Transitional Housing	586	186	1,047	N/A	317								
Permanent Supportive Housing	3,816	1,209	4,131	N/A	1,486								
Rapid Re-Housing	1,211	413	364	N/A	147								
Other Permanent Housing	441	172	113	N/A	0								
Homeless Persons						1,758	3,592	303	321				
<i>Nightly Emergency Shelter Gap</i>										*	*	*	*
<i>Annual Rapid Re-Housing Gap</i>										4,083	1,361	8,343	N/A
<i>SFY2023 Permanent Supportive Housing Gap</i>										509	169	3,157	N/A

Data Sources:

Inventory Data: HUD 2021 Housing Inventory Count Report

Homeless Data: 2022 Point-In-Time Count Data, self-reported by Maryland Continuums of Care. Homeless data includes both unsheltered and sheltered populations during the 2022 PIT Count.

Gap Data: Program comparison/evaluation of 2022 PIT Count Data, SFY2022 Annual Homeless Data from CoCs, and 2021 HIC Data and housing placement needs.

*See unmet housing and service needs section for more information on shelter gaps.

Housing Needs Inventory and Gap Analysis Table

Non-Homeless			
	Current Inventory	Level of Need	Gap Analysis
	# of Units	# of Households	# of Households
Total Rental Units	730,055		
Rental Units Affordable to HH at 30% AMI (At-Risk of Homelessness)	101,550		
Rental Units Affordable to HH at 50% AMI (Other Populations)	184,370		
0%-30% AMI Renter HH w/ 1 or more severe housing problems (At-Risk of Homelessness)		127,445	
30%-50% AMI Renter HH w/ 1 or more severe housing problems (Other Populations)		43,755	
<i>Current Gaps</i>			171,200

Data Source: Comprehensive Housing Affordability Strategy (CHAS) data based on 2015-2019 ACS 5-year estimates.

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

1. Homeless as defined in 24 CFR 91.5

The total annual number of people who received street outreach, emergency shelter, or transitional housing program services from a Maryland Continuum of Care in State Fiscal Year 2022 was 24,851.

Of the 4,934 Maryland residents counted as meeting HUD's definition of homeless during the 2022 Point In Time Count, the following demographics were identified:

- 64% were adults with no children, 36% were in a family with children
- 20% were children under 18, 6% were age 18-24, 74% were adults 25 and over
- 59% were male, 40% were female, less than 1% transgender and gender non-conforming
- 60% were Black, 35% were white, 6% Hispanic/Latino, 5% Asian and American Indian, Hawaiian or Pacific Islander, and Multiple Races
- 18% were unsheltered
- 50% reported having at least one disabling condition
- 20% were chronically homeless
- 19% were fleeing domestic violence or intimate partner violence

Marylanders who identify as Black are 3 times as likely to experience homelessness than their white counterparts.

2. At Risk of Homelessness as defined in 24 CFR 91.5

While it is difficult to estimate the total universe of households statewide that may meet the definition of "At-Risk of Homelessness", some data is available to estimate need. In SFY2022, Maryland DHCD-funded programs provided homeless prevention assistance to over 540 households that met the definition of at-risk of homeless. This data includes households aided through State HSP funds and ESG/ESG-CV funds for non-entitlement areas of the State and does not include homeless prevention services provided to households through ESG/ESG-CV funds in entitlement areas. Of the 1,257 people that received State-funded homeless prevention assistance, approximately:

- 52% were in families with children, 48% were adults with no children
- 42% were children under 18, 58% were adults 18 and older
- 53% were Black, 39% were white, 6% Hispanic/Latino, 5% Asian and American Indian, Hawaiian or Pacific Islander, and Multiple Races
- 21% of adults reported having at least one disabling condition
- 60% were female, 40% were male

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

Domestic and Dating Violence - Centers for Disease Control and Prevention data estimates that nearly 2 million Maryland residents, 34.4% of women and 28.8% of men, will experience intimate partner physical violence, intimate partner rape and/or intimate partner stalking over the course of their lifetime. In a 2019 point-in-time survey of Maryland domestic violence programs, agencies reported serving over 700 survivors and their children, with another 135 requests for services left unmet due to lack of resources to assist them. That same year, Maryland courts held nearly 25,000 hearings for final protective orders.

Human Trafficking and Exploitation - In a survey done by the Maryland Human Trafficking Task Force (MHTTF), victim service providers in Maryland identified 396 victims of sex and labor trafficking served in 2014. Of the 396 individual victims, 381 were sex trafficking victims and 15 were victims of labor trafficking. Of the sex and labor trafficking victims whose ages were reported, 56% were children. According to the National Human Trafficking Resource Center, in 2019 there were 187 human trafficking cases reported in Maryland. This represents an 11% increase from reports to the hotline in Maryland in 2018 and a 55% increase from Maryland's 2017 reports. Of the 2019 cases of human trafficking reported to the national hotline, 68% involved sex trafficking, 19% involved labor trafficking, and 6% involved sex and labor trafficking.

4. Other populations requiring services or housing assistance to prevent homelessness and other populations at greatest risk of housing instability, as defined by HUD in the Notice

Other qualifying populations include households who are at 0-30% of the Area Median Income and have at least one severe housing burden, having either incomplete kitchen facilities, incomplete plumbing facilities, more than 1.5 persons per room, or paying more than 50% of their income towards rent. The total estimated households who fall in this category is 198,295.

Describe the unmet housing and service needs of qualifying populations, including but not limited to:

1. Homeless as defined in 24 CFR 91.5

Of the 24,851 Marylanders that experienced homelessness in SFY2023, approximately:

- 15% (3,666 persons) were chronically homeless and need permanent supportive housing resources
 - 10% of families with children are chronically homeless
 - 27% of adult-only households are chronically homeless
- 50% (12,425) experienced prolonged homelessness and need short- to medium-term financial assistance and services to re-stabilize in permanent housing, such as rapid re-housing
- 40% (8,760) experienced temporary homelessness and returned to housing within 14 days of entering an emergency shelter, typically with minimal to no financial assistance (includes returning to family/friends, rental housing, or other permanent housing)

Emergency Shelter Needs: At a statewide level, there were more emergency shelter beds available for both families and adult-only households than people experiencing homelessness on the night of the 2022 PIT Count. However, availability of shelter varies widely between CoCs. This is reflected in part by the 891 people who were unsheltered on the night of the PIT. Urban CoCs provided feedback that there is a continued need for increases in family shelter beds as well as more non-congregate, low-barrier, high-quality shelter options for adult-only households - particularly after CARES Act resources are fully utilized.

Permanent Housing Needs:

- On an annual basis, there is a gap of approximately 9,704 rapid re-housing placements for households that are unsheltered or staying in emergency shelter and transitional housing. This gap includes 1,361 placements for families with children and 8,343 placements for adult-only households.
- An additional 3,326 units of permanent supportive housing are needed for current chronically homeless households (note this does not include households who age into chronic homelessness in future years). This gap includes 169 units for families with children and 3,157 units for adult-only households.
- Rural communities and non-entitlement areas report significant difficulty identifying suitable and affordable rental units for homeless households for scattered-site rapid re-housing and permanent supportive housing due to low vacancy rates and actual rents exceeding published Fair Market Rent (FMR). Site-based, permanently subsidized housing options paired with intensive supportive services are a critical need.
- CoCs expressed challenges with helping homeless households' access Low-Income Housing Tax Credits (LIHTC) and other subsidized/income-based rental properties due to high caseloads and requirements to apply to individual properties with varying eligibility requirements. CoCs reported that typically, homeless households are not given a preference/priority on waitlists. CoCs expressed a strong preference for being able to access dedicated homeless units through Coordinated Entry (in lieu of submitting applications for each household to every property).

Supportive Service Needs: Continuums of Care expressed need for increased immediate-access, wraparound mental health and substance use treatment services. Additional resources are also needed for dedicated homeless beds in inpatient and residential treatment programs, as well as Assertive Community Treatment (ACT) teams. Additionally, CoCs reported that a significant challenge to increasing permanent supportive housing is a lack of long-term supportive services funding, which is difficult to fund through philanthropy. While Maryland has initiated a pilot to fund housing-based case management from the Medicaid 1115 waiver expansion, those funds are only available to local governments and require a 50% local match.

2. At Risk of Homelessness as defined in 24 CFR 91.5

In addition to the general need for more affordable rental units, community partners noted that households at-risk of homelessness need greater support with accessing behavioral health services, emergency financial assistance, and assistance diverting from shelter. Continuums of Care expressed a need for more diversion and homeless prevention resources, especially those

that can serve households above 30% AMI as current funding streams are restricted to extremely low-income households.

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

On a given night in 2019, over 135 households fleeing domestic violence were unable to access Domestic Violence (DV)-specific emergency shelter or safe housing resources. Approximately 6% of people experiencing homelessness during the 2022 PIT Count reported that they were a recent survivor of domestic violence or currently fleeing domestic violence.

4. Other populations requiring services or housing assistance to prevent homelessness and other populations at greatest risk of housing instability, as defined by HUD in the Notice

There is a gap regarding the housing needs of persons vulnerable to Human Immunodeficiency Virus (HIV), particularly youth who are homeless or living in unstable housing conditions. This situation increases their vulnerability to HIV. Currently The Maryland HIV program doesn't have any funding available to assist these persons.

Of the 189,866 Maryland renter households that are extremely low-income, there is an unknown number who are facing eviction, behind on rent, and not otherwise counted in this data. Over 72% of extremely low-income renters are considered severely cost-burdened. The National Low-Income Housing Coalition's most recent state housing needs report notes that there is a shortage of 125,483 housing units available to people who are extremely low income.

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:

DHCD currently has HOME Investment Partnership funds that are used in tandem with other funding sources to provide Acquisition, Rehabilitation and New Construction of low/income multi-family rental housing units as well as for shelter and transitional housing.

Maryland has 5,634 year-round emergency shelters, transitional housing, and safe haven beds. Additionally, Maryland has 10,076 permanent housing beds which include 1,574 rapid re-housing beds and 8,501 permanent supportive housing beds. Most the State's permanent supportive housing is funded through the HUD Continuum of Care Program. The State is the recipient of federal Continuum of Care (CoC) funds. Under the FY 2021 CoC Competition, the State was awarded a total of \$4,548,542 in CoC funds. These funds cover the costs of providing rental assistance, leasing, and supportive services to the homeless. Additionally, the State receives federal Housing Opportunities for Persons with AIDS (HOPWA) funds. The goal of the HOPWA program to ensure that affordable housing options and related housing services are available to low-income persons with acquired immunodeficiency syndrome or related diseases and their families and to assist such persons in achieving and maintaining housing stability, thereby avoiding homelessness and improving their access to and engagement in HIV/AIDS treatment and care.

DHCD and the 8 Maryland counties receiving Emergency Rental Assistance Program funds will likely utilize all funding available for broad rent relief by Spring 2023. At that time, rental assistance will resume normal levels through homeless prevention programs - primarily being funded by ESG or State Homelessness Solutions Program allocations.

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

Counties throughout the state have emergency shelters of various types, however there are numerous counties that do not have sufficient shelters to meet their needs for those experiencing homelessness. The unsheltered homeless rate of 17% signifies the gap in safe and welcoming emergency shelter beds across the State. There is a need for current shelters to create permanent non-congregate sleeping quarters for individuals and families to feel safe and secure during a housing crisis. Furthermore, few emergency shelter programs can accommodate all household compositions, pets, gender identities, and/or operate in a low-barrier, harm reduction manner. This was noted in conversations with local CoC staff, domestic violence service providers, and was identified in a recent study by the Maryland Department of Health's harm reduction housing workgroup as a key barrier to people accepting shelter.

CoC scattered-site permanent supportive housing programs struggle to find handicap-accessible units within the private rental market and report difficulty accessing adequate services for households who are elderly, aging in place, or need assistance with activities of daily living (ADLs). CDC data indicates one in five (21.6%) Maryland adults have one or more disabilities. One in 9 adults reported having a mobility disability.

Additionally, a common if not universal concern raised by stakeholders and people experiencing homelessness was the challenge in providing or accessing supportive services to promote health, recovery/wellbeing, and income stability. This is a challenge in both urban and rural parts of Maryland. The inability of most homeless organizations to bill Medicaid for eligible supportive services were noted. Also noted was the lack of trained staff available to serve all parts of the state who could assist people experiencing homelessness with employment and case management supports (including child care, transportation, and legal services) regardless of their diagnosis.

Statewide, there is a need for:

- 9,704 additional rapid re-housing placements every year
- 3,326 new units of permanent supportive housing for current chronically homeless households (note this does not include households who age into chronic homelessness in future years)
- 125,483 affordable housing units for extremely low-income renters
- Increased behavioral health services and inpatient/residential treatment beds prioritized for people experiencing homelessness
- Increased supportive services funding for existing and new permanent supportive housing projects
- Increased case management/housing navigation services for homeless households seeking housing

Identify the characteristics of housing associated with instability and an increased risk of homelessness if the PJ will include such conditions in its definition of “other populations” as established in the HOME-ARP Notice:

Maryland DHCD will not be including additional conditions in its definition of “other populations.”

Identify priority needs for qualifying populations:

The priority needs among all qualifying populations is to provide affordable rental housing not only for populations that are currently homeless but also those at greatest risk of housing instability due to household incomes below 50% of median area income. There is also a need for supportive services.

Explain how the level of need and gaps in its shelter and housing inventory and service delivery systems based on the data presented in the plan were determined:

DHCD reviewed statewide data from a variety of sources to determine specific unit need projections:

- HUD 2021 Housing Inventory Count Report
- 2022 Point-in-Time Count Reports, provided by Maryland Continuums of Care
- SFY2022 Annual Homeless Services Data, provided by Maryland Continuums of Care
- Comprehensive Housing Affordability Strategy (CHAS) data based on 2015-2019 ACS 5-year estimates

This data was combined with qualitative feedback from Continuums of Care regarding the needs and gaps in their shelter and housing inventory systems. CoC feedback included comments on the types of beds/units that were gaps (ex: insufficient family space, not enough parenting youth beds, etc.) as well as the housing needs of special populations (ex: handicap/mobility accessible housing units).

CoCs reported a significant challenge to increasing permanent supportive housing is the lack of long-term supportive services funding, which is difficult to fund through philanthropy. Many homeless service providers are active throughout the state; however, the CoCs reported and the gap analysis data confirms that there is a gap in funding that funding and staffing shortfalls continue to be the limiting factor to providing required supportive services to families and single adults.

HOME-ARP Activities

Describe the 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:

DHCD will utilize open, competitive solicitations to select affordable rental housing development projects.

The State will solicit applications in order to choose projects and developers to receive HOME-ARP funds through an annual competitive funding round. A notice of funds available will be issued. In addition to soliciting applications through a HOME-ARP competitive funding round the State will provide funds to applicants that have applied for other funding sources available through the State that may require additional funding needs that can be met through leveraging of the HOME-ARP program.

Applicants will be awarded funding in order of scoring results. The applicants will be developers who must describe their own experience as well as that of any service providers, contractors, or consultants with whom they intend to partner. Application exhibits must demonstrate the financial feasibility of the projects, commitments for services and other funding sources, site control, compliance with land use requirements, and detailed construction plans. Preference will be given to otherwise qualified Community Housing Development Organizations (CHDOs).

Supportive services funds will be awarded competitively to local government or nonprofit organizations that are serving the jurisdictions where rental housing projects developed with HOME-ARP funds are located, in jurisdictions with Public Housing Authorities that receive(d) voucher allocations through the HUD Emergency Housing Voucher Program and HUD Stability Voucher Program (PIH Notice PIH 2022-24), in jurisdictions with Continuums of Care that receive new project funding under the Continuum of Care NOFO or Special Unsheltered/Rural NOFO, and in jurisdictions where other affordable housing units have been dedicated/prioritized for homeless households.

If any portion of the PJ's HOME-ARP administrative funds were provided to a subrecipient or contractor prior to HUD's acceptance of the HOME-ARP allocation plan because the subrecipient or contractor is responsible for the administration of the PJ's entire HOME-ARP grant, identify the subrecipient or contractor and describe its role and responsibilities in administering all of the PJ's HOME-ARP program:

N/A

PJs must indicate the amount of HOME-ARP funding that is planned for each eligible HOME-ARP activity type and demonstrate that any planned funding for nonprofit organization

operating assistance, nonprofit capacity building, and administrative costs is within HOME-ARP limits. The following table may be used to meet this requirement.

Use of HOME-ARP Funding

	Funding Amount	Percent of the Grant	Statutory Limit
Supportive Services	\$ 2,000,000		
Acquisition and Development of Non-Congregate Shelters	\$ 0		
Tenant Based Rental Assistance (TBRA)	\$ 0		
Development of Affordable Rental Housing	\$ 17,177,247.15		
Non-Profit Operating	\$ 599,289	2.5 %	5%
Non-Profit Capacity Building	\$ 599,289	2.5 %	5%
Administration and Planning	\$ 3,595,733.85	15 %	15%
Total HOME ARP Allocation	\$ 23,971,559.00		

Additional narrative, if applicable:

Enter narrative response here.

Describe how the characteristics of the shelter and housing inventory, service delivery system, and the needs identified in the gap analysis provided a rationale for the plan to fund eligible activities:

Funding for the development of affordable rental housing was prioritized based on the analysis which identified a gap of over 3,300 units of permanent supportive housing in 2023. Partners also identified the development of affordable and permanent supportive housing as a key priority during the consultation phase and funding for supportive services was also identified as a priority through both the gaps analysis and by partners supporting existing permanent supportive housing projects. The gaps analysis revealed that an additional \$7,500 per unit in services funding annually would be needed to provide robust assistance to chronically homeless tenants in permanent supportive housing. DHCD will work with other grant programs, private philanthropy, and the Maryland Department of Health’s Medicaid team to leverage supportive services funding in addition to the \$2,000,000 allocated in the HOME-ARP budget. Funding additional tenant-based rental assistance has not been identified as a priority need at this time due to the current availability of Tenant-Based Rental Assistance (TBRA) resources at the state and local levels and a concern that the lack of housing stock will prevent additional TBRA from being utilized. Partners identified the acquisition and development of non-congregate shelter as a last priority, and the gaps analysis supported this through the identification of surplus shelter beds statewide.

HOME-ARP Production Housing Goals

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

Through the acquisition, rehabilitation and new construction of approximately 12 potential low/income rental housing projects and transitional/sheltered housing units we estimate that approximately 70 units will be produced.

Describe the specific affordable rental housing production goal that the PJ hopes to achieve and describe how it will address the PJ's priority needs:

One of the goals in the State's 2020-2024 Consolidated Plan is to reduce homelessness and increase housing stability for special needs populations, particularly for people experiencing chronic homelessness. The last three Point-in-Time counts have shown about 80% of the State's homeless population are sheltered and 20% are unsheltered. The goal is to use HOME-ARP funds to develop Permanent Supportive Housing (PSH) units, which will reduce the number of chronically homeless people residing in emergency shelters and on the street, thereby addressing the priority of reducing homelessness. Potential residents of these PSH units will come from the Coordinated Entry (CE) system for the geographic area where the new rental housing units are located.

As noted, Maryland DHCD estimates that it can support the creation of 70 units by filling gaps and leveraging other funding sources through the State Tax Credit, Housing Trust Fund (HTF), HOME and other sources. Efforts will be made to leverage other financing tools to maximize unit production.

Maryland will provide supportive service dollars when applicable to meet the needs of the tenants.

Preferences

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:

- 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).
- PJs are not required to describe specific projects to which the preferences will apply.

DHCD is establishing a preference for households who meet the definition of “Homeless” as defined in 24 CFR 91.5 for all HOME-ARP activities. This definition also includes households who are fleeing domestic violence, stalking, harassment, or trafficking; have no other residence; and who lack support networks or resources to obtain other permanent housing.

All four qualifying populations will be considered eligible and have the opportunity to apply or be referred for supportive services and rental housing units created through HOME-ARP.

If a preference was identified, explain how the use of a preference or method of prioritization will address the unmet need or gap in benefits and services received by individuals and families in the qualifying population or category of qualifying population, consistent with the PJ’s needs assessment and gap analysis:

Due to the severe shortage of permanent supportive housing for homeless households identified in the HOME-ARP needs/gaps analysis and the subsequent homeless preference established by DHCD, the local Continuum of Care Coordinated Entry System will be utilized to prioritize and refer eligible households to HOME-ARP projects funded in their geographic area. DHCD will enter into a memorandum of understanding with the local Continuum of Care, the designated service provider, and each rental housing project to establish the referral process to accept all new tenants from Coordinated Entry and ensure all household eligibility requirements are met.

If a preference was identified, describe how the PJ will use HOME-ARP funds to address the unmet needs or gaps in benefits and services of the other qualifying populations that are not included in the preference:

N/A.

HOME-ARP Refinancing Guidelines

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

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

N/A The State does not plan to use HOME-ARP funds to refinance existing debt secured by multifamily housing that is rehabilitated with HOME funds or CDBG funds. Therefore, refinancing guidelines pursuant to 24 CFR 92.206(b) are not applicable to this HOME-ARP Allocation Plan.”

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

N/A.

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

N/A

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

N/A

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

N/A.

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

N/A