

**City of Montgomery, Alabama
Substantial Amendment
to the
PY 2021 Annual Action Plan**

For the use of the following Funds:

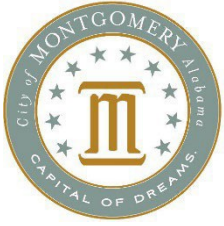
**HOME Investment Partnership Act / American Rescue
Plan (HOME-ARP) Program**



**Prepared by
The Department of Community Development
Community Development Division**

Submission on March 31, 2023 to:

**U.S. Department of Housing and Urban Development
Birmingham Field Office
Medical Forum Building
417 20th Street North,
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Birmingham, AL 35203**



Department of Community Development
Steven L. Reed, Mayor

The City of Montgomery, Alabama

HOME-ARP Allocation Plan

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Participating Jurisdiction (PJ): City of Montgomery, Alabama (City)

Executive Summary

The U.S. Department of Housing and Urban Development (HUD) allocated \$3,288,603 of HOME Investment Partnerships American Rescue Program (HOME-ARP) funds to the City of Montgomery. To receive the HOME-ARP allocation, The Department of Community Development, on behalf of the City, has developed a HOME-ARP Allocation Plan that will become part of the City's FY 2021 Annual Action Plan by substantial amendment.

To encourage public participation, the HOME-ARP Allocation Plan was advertised via public notice in the local newspaper, *Montgomery Advertiser*, in English and Spanish (with information on how to request reasonable accommodations for translation services or accommodation for individuals with a disability) and on the City's website. To ensure broad input into the HOME-ARP Allocation Plan, the City engaged in consultations with the public and stakeholders including listening groups, virtual presentations, one-on-one meetings, online survey/questionnaires, phone conferences and a public hearing. Residents had the opportunity to comment on the draft plan during a 15-day public comment period.

The needs and gaps conducted during January through March, 2023, also included data from the following sources:

- In February 2022, the annual Point in Time (PIT) count revealed that 232 people were residing in emergency housing, either in shelter or transitional housing. Another 46 people were unsheltered on the streets, in tents or makeshift shelters, or in cars, vans, RVs or campers.
- 2015-2019 CHAS Data from HUD reported 13,310 households with incomes at or below 30% AMI are at risk of homelessness in the City.
- The 2015-2019 HUD CHAS data indicates there are 9440 renter households with an annual income at or below 30% AMI with a housing cost burden that places them at greatest risk of housing instability.
- The CHAS data reports there are 5,775 renter households with incomes more than 30% but equal to or less than 50% AMI that are at risk of homelessness in the City because of at least one of the housing problems as defined by HUD.
-

The greatest need for services to support the qualifying populations is in the areas of

1. Affordable Housing;
2. Transportation;and
3. Tenant-based Rental Assistance (TBRA).

To address these needs within the community, the City will utilize HOME- ARP funds for developing at least six (6) affordable housing units for the HOME-ARP program. The City will solicit applications from interested parties to administer eligible activities and/or to implement development of shelter and/or housing. A Request for Proposals: CITY OF MONTGOMERY HOME-ARP ALLOCATION PLAN (RFP) will be issued. The RFP will, at a minimum, specify eligible activities; eligible applicants; minimum and maximum funding amounts; application thresholds; and qualifications and capacity of providers and owner/developers; and will provide instructions on how to submit a proposal.

Introduction

Through the American Rescue Plan (ARP) Act of 2021 and the U.S. Department of Housing and Urban Development (HUD), the City of Montgomery, Alabama received a one-time allocation of HOME Investment Partnerships American Rescue Program (HOME-ARP) funding, in the amount of \$3,288,603. These funds are intended to address the need for homeless services and housing/shelter in City of Montgomery. HOME-ARP funding must primarily benefit qualifying individuals and families who are (1) experiencing homelessness; (2) those at-risk of homelessness; (3) those fleeing or attempting to flee domestic violence and other victims of violence; and (4) other vulnerable or at-risk populations. Funds can be used for a limited number of activities, including: (1) development of affordable housing; (2) tenant-based rental assistance (TBRA); (3) provision of supportive services; (4) acquisition and development of non-congregate shelter units; (5) nonprofit capacity building and operating assistance; and (6) program planning and administration.

HUD issued guidance for the utilization of the HOME-ARP funds through CPD-Notice 21-10 on September 13, 2021 to ensure the funds are intended to benefit qualifying populations and to be used for specific activities not normally permitted under the existing HOME program. This HOME-ARP Allocation Plan includes the following:

- A summary of the consultation process and the results of consultation;
- A summary of comments received through the public participation process and a summary of any comments or recommendations not accepted, including 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 planned use of HOME-ARP funds for eligible activities based on the assessment of unmet needs of the local qualifying populations;
- An estimate of the number of housing units for qualifying populations the City will produce or preserve with its HOME-ARP allocation;
- A description of any selected preferences for individuals and families in a particular qualifying population, or for a segment of a qualifying population;
- HOME-ARP refinancing guidelines; and
- Certifications and SF-424, SF-424B, and SF-424D Forms.

The Community Development Department, on behalf of the City of Montgomery, Alabama, develops the Five-year Consolidated Plan and Annual Action Plans which include the use of CDBG, ESG, and HOME programs designed for creating a viable urban community by providing public services, decent housing, and a suitable living environment for low- and moderate-income persons, as well as programs that will address the needs of homeless and at-risk homeless persons. The following HOME-ARP Allocation Plan follows the guidance provided in HUD Notice CPD- 21-10.

Guidance requirements for the use of HOME-ARP Program funds were appropriated under Section 3205 of the American Rescue Plan Act of 2021 in order to extend certain benefits available in the HOME Investment Partnerships (HOME) Program to provide homelessness assistance and supportive services. The American Rescue Plan Act (ARP) defines qualifying individuals or families, including Veterans, that are:

1. Homeless persons, as defined in section 103(a) of the McKinney-Vento Homeless Assistance Act;
2. Those at risk of homelessness, as defined in section 401 of the McKinney-Vento Homeless Assistance Act;
3. Persons fleeing or attempting to flee domestic violence, dating violence, sexual assault, or stalking (as defined by HUD in 24 CFR 5.2003) or human trafficking (as outlined in the Trafficking Victims Protection Act of 2000 as amended [22 USC 7102]); and
4. Other populations, where providing supportive services or assistance under section 212(a) of the National Affordable Housing Act 42 USC 12472(a) would:
 - a. prevent a family's homelessness; and/or
 - b. serve those with the greatest risk of housing instability.

Consultation

HUD requires each HOME-ARP Participating Jurisdiction to consult with agencies and service providers whose clientele includes the HOME-ARP qualifying populations. The City of Montgomery has consulted with the Continuum of Care serving the local geographic area; homeless and domestic violence service providers; veterans' groups; public housing agencies (PHAs); and public agencies that address fair housing, civil rights, and the needs of persons with disabilities. The City has provided opportunities for the public to comment on the proposed Allocation Plan, including the amount of HOME-ARP funds that will be received and the range of activities that the City may undertake. To broaden stakeholder and public input into this HOME-ARP Allocation Plan, the City included a virtual consultation session; a survey of stakeholders and the public; a 15-day public comment period; and a public hearing.

Consultation Process

Throughout the development of the HOME-ARP Allocation Plan, the City consulted with numerous public and private entities, with which it partners on an on-going basis, that have relevant knowledge about the needs, service gaps, and potential activities that would best benefit its qualified populations. Consultations included the local area's Continuum of Care (CoC) provider, Mid Alabama Coalition for the Homeless (MACH), which is responsible for examining homelessness issues; devising methods to alleviate homelessness; providing services to the homeless and to those at risk of becoming homeless; and conducting the Point in Time (PIT) count, a yearly survey of homeless individuals within its geographic boundaries.

Consultations were also conducted with the administrator of HandsOn River Region, which administers the City's Homeless Management Information System (HMIS). As part of its Continuum of Care activities, MACH partners with HandsOn River Region using HMIS to provide standardized and timely information to improve access to housing and services, and to strengthen efforts to end homelessness.

Consultations included input on eligible activities, qualifying populations, and the proposed budget, via:

- virtual presentations
- phone conferences
- surveys & questionnaires
- one-on-one meetings; and
- listening groups

City staff analyzed and assimilated the consultants' written and verbal feedback on gaps in services and/housing needs, as summarized in the table below, and will continue to meet with stakeholders throughout the implementation of the HOME-ARP Program to evaluate ongoing needs of qualifying populations and service providers.

Table 1
Agency/Organizations Consulted

Agency/Org Consulted	Type of Agency/Org	Method of Consultation	Feedback
Friendship Mission	Homeless Service Provider	Virtual Presentation, Survey	Provider attended the consultation meeting but did not provide feedback.
Montgomery Area Family Violence Program	Domestic Violence Service Provider	Virtual Presentation, Survey	Develop affordable housing
Mid Alabama Coalition for the Homeless	Continuum of Care, Homeless Service Provider	In Person Meeting, Virtual Presentation, Survey, Phone	Provider stated that a high number of services requested pertained to housing services but does not have the staff to effectively carry out programs due to turnover and burnout among employees. Provider stated there were not enough shelters for married couples or intact families. There is a need for more supportive services and shelter space or designated site for unaccompanied youth and LGBTQ+ youth. Coordinated Entry to more affordable housing sources was a priority mentioned. Provider advocated for transportation, case management and outreach services. Provider also advocated increased funding for salaries and healthcare for staff. Improved collaboration between homeless providers to effectively serve the community needed.
HandsOn River Region	Homeless Service Provider, HMIS	Virtual Presentation, Survey, Phone	There is a lack shelters for married couples or intact families. More opportunity for coordinated entry to affordable housing. Montgomery is in desperate need for more shelters but for shelters that are focused on long term care.

			<p>Montgomery needs more case management for individuals suffering from drug addiction with emphasis on shelters while going through rehab. More supportive services for those with no insurance. Montgomery is in desperate need for housing for families that suffer from mental illness.</p>
The Housing Authority of the City of Montgomery	Public Housing Agency	Virtual Presentation, Survey	<p>Combine HOME-ARP with other funding sources to build affordable housing Deficit in affordable housing stock; limited vouchers and subsidized housing administered by agency. Rent deposits identified as an unmet need.</p>
Central Alabama Fair Housing	Fair Housing Agency	Virtual Presentation, Survey	<p>Barriers to housing, such as criminal record bans or certain credit requirements. Rental assistance provided directly to individuals.</p>
Alabama Alliance for Human Trafficking	Domestic Violence Services Provider	Virtual Presentation, Survey, Phone	<p>Requesting more assistance for victims of human trafficking and for families consisting of fathers and children. Stated they do not have staff member assigned to the human trafficking division due to employee turnover.</p>

Reality in Truth Ministries	Homeless Service Provider	Virtual Presentation, Survey	As time has gone on, I have seen more families and young teens, that come alone to get our services. This applies to even persons who work and have jobs. So many of the people that are experiencing homelessness or are the working poor do not have the mental capacity and or skills to fill out all the paperwork and make the phone calls and then physically go to the locations to fill out forms etc. It is very difficult to receive legitimate help especially for those who cannot read or write and many have untreated mental illness. With adequate funding many of these obstacles could be removed.
One Place Family Justice Center	Domestic Violence Service Provider, Civil Rights	Virtual Presentation, Survey	Provider attended the consultation meeting but did not provide feedback.
Aletheia House	Permanent Supportive Housing for Veterans	Virtual Presentation, Survey	Identified needs for job training, permanent supportive housing We don't think it would be a good idea to use these funds to start services that the community will come to rely on that are unsustainable after HOME-ARP funds end. We think it would be best to use it to fund construction of new permanent supportive housing units.
AGAPE	Foster Care, Adoption	Virtual Presentation, Survey	Provider attended the consultation meeting but did not provide feedback.
Montgomery Pride United	LGBTQ+ Rights and Advocacy, Homeless Service Provider	Virtual Presentation, Survey	Provider attended the consultation meeting but did not provide feedback.
Gulf Coast Housing Partnership	Construction and Development Services	Virtual Presentation, Survey	Provider attended the consultation meeting but did not provide feedback.

CITY OF MONTGOMERY

The Low-Income Housing Coalition of Alabama	Low Income Housing Advocacy	Virtual Presentation, Survey	Provider attended the consultation meeting but did not provide feedback.
Prevail Coffee Shop	Local Business	Listening Group	Lack of day shelters and supportive services for the homeless.
Southern Poverty Law Center	Non-Profit, Advocacy	Listening Group	Provide more housing and homeless services for felons
River Region United Way	Non-Profit	Listening Group	Provided general responses during session.
Central Alabama Community Foundation	Public Charity	Listening Group	Nonprofits serving the homeless have identified needing more administrative funding (too small a percentage accompanies federal dollars), additional beds, and added security equipment to meet the growing demand for services. The equipment is to address safety concerns due to people indicating they feel safer on the street than in a shelter that does not screen for weapons, etc. Nonprofits providing mental health services have identified recruitment and retainment of an adequate number of therapeutic staff and caseworkers as a challenge, along with funding for staff and transitional/crisis housing costs. Other nonprofits are concerned by the length of time it takes for their clients to receive appointments for mental health treatment and medication.

Community Action	Public Agency	Survey	The gap in creating affordable options for those facing homelessness is continuing to increase due to the lack of stock, increased construction cost, rising interest rates, lack of equitable opportunities, etc. Mental health and substance abuse services are limited in their capacity and systems have created gaps in services. Creation of affordable housing/shelter surrounded by on-site, supportive, residential services.
Vantage Development, LLC	Construction, Development and Management	Listening Group	Lack of affordable housing. More partnerships to create affordable housing options for low-income individuals and families
American Civil Liberties Union of Alabama	Civil Rights	Listening Group	Provide more housing and homeless services for felons
Montgomery Commissions	Public Agency	Listening Group	Provided general responses during session.
Quiet Storm Outreach Group	Non-profit	Survey	No long-term solution for shelter for the homeless Shelter and transportation for the homeless during intake procedures of the homeless Funding should be used for Outreach homeless organizations who provide basic human life services such basic hygiene necessities, food water, and provide shelter for the homeless in the Montgomery River Region area

Summary of Feedback

The City held one on one virtual consultations with the local Continuum of Care, and one live consultation with the local HMIS administrator. Listening groups were conducted in a round table discussion to discuss creative solutions to address housing instability and hear testimonies of individuals who experienced homelessness. The City also created a survey and questionnaire for interested parties to provide comments on the HOME-ARP qualifying populations, eligible activities, and the potential prioritization of funding. Those providing comments represented emergency shelters, domestic violence/sexual assault assistance providers, veterans service agencies, CoC members, philanthropic/private funders, community mental health agencies, public housing authority, organizations serving those with disabilities, faith-based organizations, and recovery services. Most comments supported the creation of more affordable housing units, along with service funding for the new units created; leveraging other funding sources (due to the increased cost of construction materials resulting from the Covid-19 pandemic and inflation); and the importance of coordinating supportive service activities with the CoC.

Other key feedback received includes the following comments:

- Waiting lists for housing is extensive for housing authority and other affordable housing providers, and can lead to homelessness.
- Service providers should be rooted in trauma informed care, dignity and respect.
- The City should consider funding legal services to decrease evictions.
- The City should implement inclusive tenant selection guidelines to lessen the disproportionate impact of housing disparities on formerly incarcerated and justice-involved people.
- The city should consider a tiny home community to address homelessness.
- People experiencing homelessness need help accessing all systems; need to shorten the timeframes for completing paperwork and determining eligibility.
- Supportive services are critical to support youth and families; case managers should be utilized to help apply for public benefits and case management to keep them housed.
- Case management/supportive services may be temporary for some, but permanent for others. Need flexibility funding to account for that.
- Need to develop affordable housing, including rehab/conversion of existing under-utilized structures and abandoned buildings.
- There needs to be income protections put in place for these vulnerable populations.
- Development of affordable housing is critical, but also consider reallocation of current rental units to be income-based.
- More housing options needed for those with criminal history or credit issues.
- Making housing affordable enough so that families can afford health foods, childcare, transportation, and health care.
- Supportive services for Permanent Supportive Housing (PSH) are critical to ending homelessness in our community; however, supportive services are massively underfunded.
- Having a non-barrier shelter in our area to support the identified need.
- Gap financing is necessary to subsidize the cost of construction so that communities can increase the supply of affordable rental units.

- More affordable 1 bedroom housing options; landlord incentives to increase rental stock.

The City considered all feedback received when developing its HOME-ARP allocation plan. The City then considered the HOME-ARP qualifying populations in its jurisdiction, HOME-ARP eligible activities, and the available amount of funding for its allocation plan, as provided by HUD. A description of the activities is located later in this plan under “HOME-ARP Activities Description.”

Public Participation

Public Participation Process

- ***Date of public notice: 1/29/2023***
- ***Public comment period: start date – 2/7/2023 end date – 2/23/2023***
- ***Date of public hearing: 2/7/2023***

Describe the public participation process:

Prior to posting the draft Allocation plan, City staff developed a survey with questionnaire to solicit comments from the general public. The survey was made available on the City’s website (Google Forms), as well as via hard copy that could be mailed to the Community Development office or submitted in-person. The survey provided information about the HOME-ARP funding being allocated to the City and background information on the qualifying populations and eligible activities. Responders were asked to share their opinions about which qualifying populations would best be served by the HOME-ARP funds, and which eligible activities were most needed in the community. In addition to the survey, staff provided a dedicated Community Development email address, to which the public could submit general comments.

The City held a virtual public hearing on February 7, 2023 to solicit input on the amount and priority for potential uses of HOME-ARP funding and the needs of the qualifying populations. Notice of the public hearing, comment period and substantial amendment were published both in the local newspaper, the *Montgomery Advertiser*, and on the Community Development Division website. The public was invited to review and comment on the draft HOME-ARP Allocation Plan after its availability to the public on February, 7 2023.

The City observed a 15-day public comment period on the draft Allocation Plan beginning on February 7, 2023. Notice of the comment period was available for viewing on the Community Development Division web page, and in hard copy at the Community Development Division office. Comments were received through February 23, 2023 at 5:00 p.m. Central Standard Time. In addition, the City notified the public of the publication of its HOME-ARP Allocation Plan via notice in the *Montgomery Advertiser*; a link to the Plan on the City’s website; and by email to all consulted parties and local homeless service providers. The email list included local domestic violence service providers; veterans’ groups; public housing agencies; and public agencies that address the needs of the qualifying populations; as well as public and private organizations that address fair housing, civil rights, and the needs of persons with disabilities.

Efforts to broaden public participation:

The City used various methods to broaden public participation. Surveys were posted on the City of Montgomery's Facebook page and on the Community Development Division web page. The February 7th public hearing was conducted virtually, to increase participation potential. Public notices were published in English and Spanish, inviting the public to contact the Community Development office to request reasonable accommodation such as translation services or accommodations to enable participation by individuals requiring access assistance. Virtual invitations and graphic presentations, notices and surveys encouraged the public to contact the Community Development office by phone, email or U.S. mail to submit comments on the HOME-ARP plan.

Community Development also facilitated listening groups via a round-table discussion, with representatives from various sectors including legal, transportation, homeless service providers, and businesses, to discuss gaps in services and creative solutions for providing safe and decent housing for individuals and families experiencing or at risk of homelessness. Formerly homeless individuals were invited to share their experience and to provide valuable insight regarding gaps in services, mental, emotional and physical trauma that results from being homeless and accessibility of services that led to self-sufficiency.

Summary of comments and recommendations received orally or in writing through the public participation process at a public hearing:

No comments or recommendations were received orally or in writing at a public hearing.

Summary of comments or recommendations not accepted and the reasons why:

No comments or recommendations were received orally or in writing at a public hearing.

Needs Assessment and Gaps Analysis

The following section outlines the size and demographics composition of each qualifying population within the City of Montgomery.

TABLE 2

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	19	7	50	15	32								
Transitional Housing	0	0	10	4	0								
Permanent Supportive Housing	0	0	157	91	0								
Other Permanent Housing	0	0	0	0	0								
Sheltered Homeless						26 total HOH 16 Children	180	33	0				
Unsheltered Homeless						0	118	0	0				
Current Gap										0	50*	0	50*

Data sources: 2022 Point in Time Count (PIT) and *Consultation

TABLE 3

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	35,635		
Rental Units Affordable to HH at 30% AMI (At-Risk of Homelessness)	9,440		
Rental Units Affordable to HH at 50% AMI (Other Populations)	6,910		
0%-30% AMI Renter HH w/ 1 or more severe housing problems (At-Risk of Homelessness)		7,395	
30%-50% AMI Renter HH w/ 1 or more severe housing problems (Other Populations)		5,775	
Current Gaps			3,180

Data Sources: Comprehensive Housing Affordability Strategy (2015-2019) American Community Survey (2020)

Size and demographic composition of qualifying populations within the PJ’s boundaries:

General population of the City of Montgomery: According to the U.S. Census Bureau (ACS), the population in 2020 was 200,567. In Montgomery, 21.2% of residents lived below the federal poverty level. The median household income was \$49,989. The median value of an owner-occupied home was \$125,600 and the median gross rent in the community from 2017- 2021 was \$939/ month.

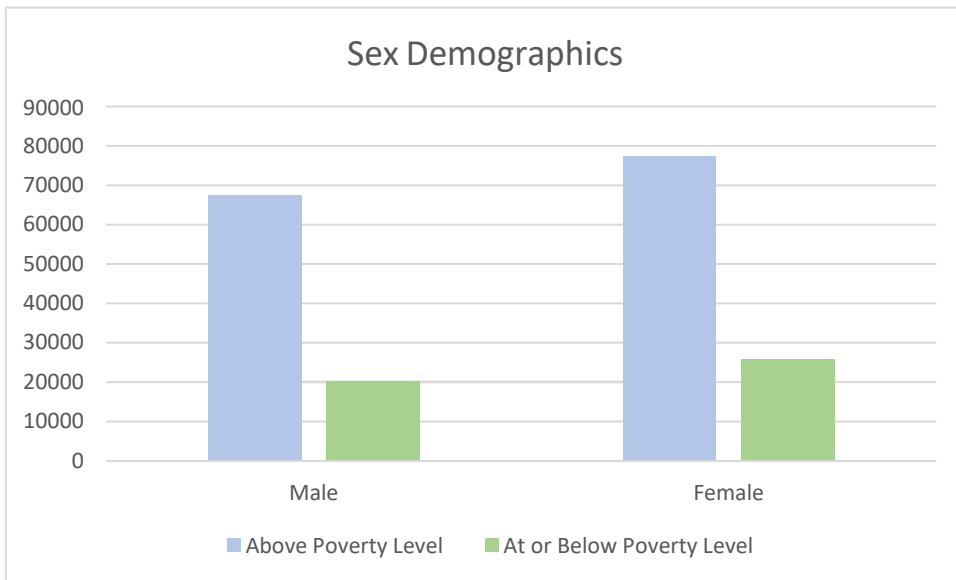
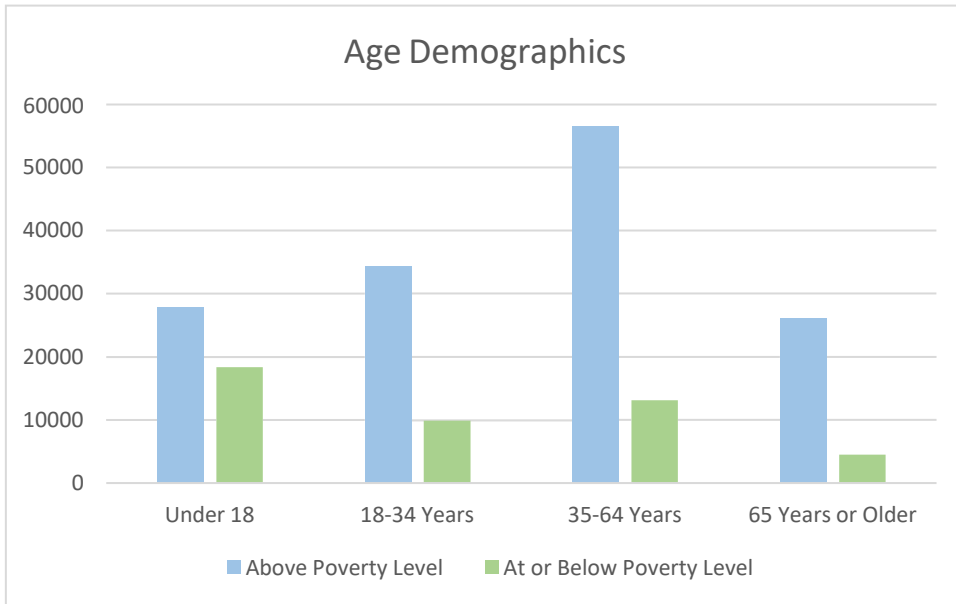
1. Homeless as defined in 24 CFR 91.5

The number of Montgomery residents that meet the definition of homeless under 24 CFR 91.5 was derived from the 2022 PIT Count conducted by the Continuum of Care on January 22, 2022. A total of 278 persons were counted as homeless: 232 were sheltered and 46 were unsheltered. Of the 232 sheltered homeless persons, 211 were in emergency shelters and 21 were in transitional housing.

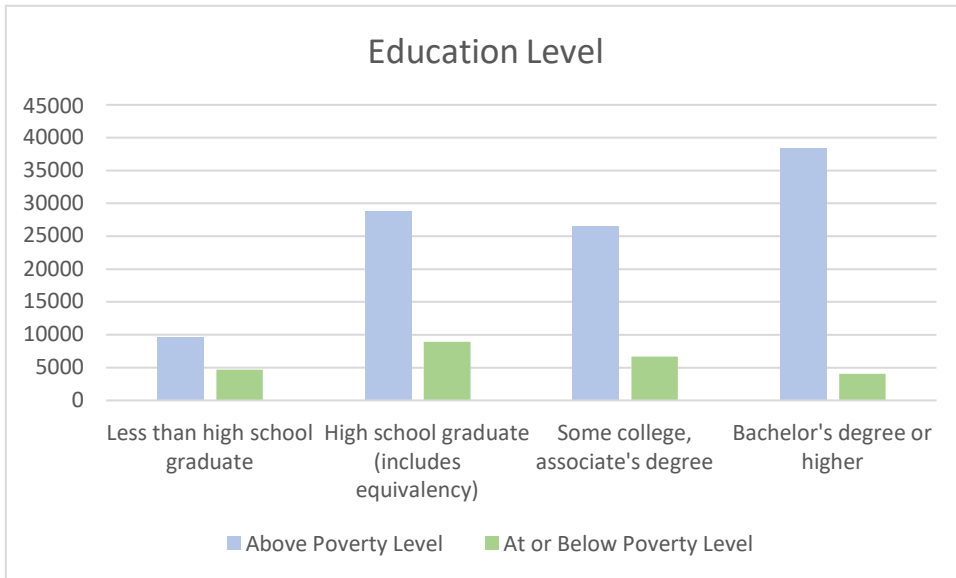
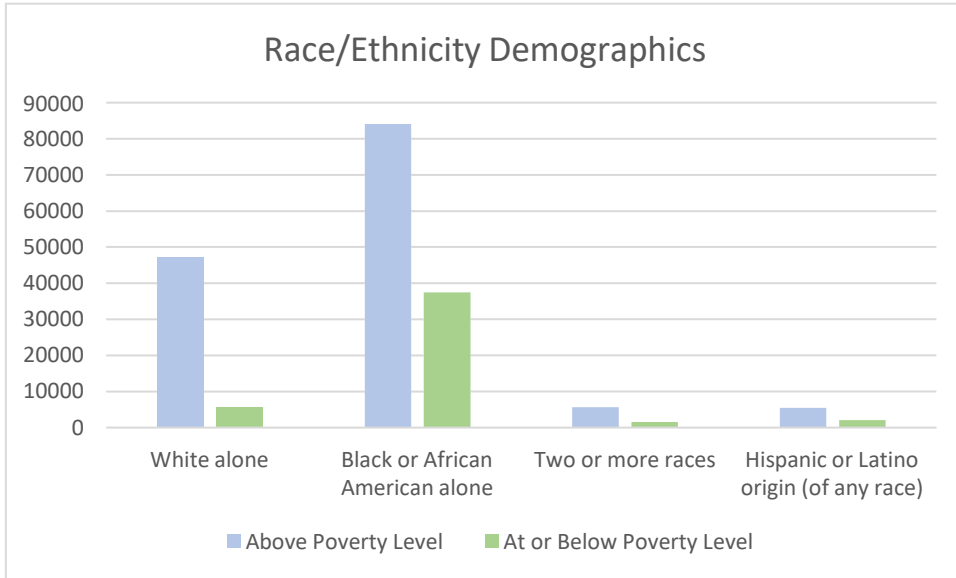
In 2022, more than half of the sheltered homeless population in Montgomery was male. 61.6% of the general population are Black or African American, 3.3% are Asian, less than 1% are American Indian and Alaska Natives, and people identifying as two or more races comprise 3% of the population. An analysis of Montgomery's last full PIT count (2022) reveals distinctions in how different racial groups are represented among the homeless population compared to the general population. Montgomery counted 478 people experiencing homelessness in January 2021. White individuals comprised 27% of the homeless population (compared to 30.6% of the general population). At the same time, Black or African American individuals comprised 53.9% of the homeless population (compared to 61.6% of the general population). While Asian and American Indian, Alaskan Native, Indigenous individuals are underrepresented in the homeless population, Black or African Americans were almost three times more likely to be homeless than the general population.

The City of Montgomery was able to obtain aggregate data from the HMIS vendor that looked at the year 2022. During that time, 1951 unique individuals accessed homeless services. Less than one percent were young adults. For that time period, HMIS data shows that 27.9% of the individuals identified as female, with 71.8 identifying as male, and less than 1% identified as transgender. For the racial composition of people tracked in HMIS, 15.6% of those in HMIS identified as White, 58.1 % identified as Black, 1% identified as multiple races, while all other races comprised less than 1% of the population in HMIS. Less than 1 percent of the total HMIS populated identified as Hispanic or Latino.

Table 4
Homeless QP Demographics



**Table 4
Homeless QP Demographics**



2. At risk of homelessness as defined in 24 CFR 91.5

HUD defines those at risk of homelessness as individuals and families who have an income below 30% of the area median income (AMI), do not have sufficient resources or support networks to prevent them from becoming homeless or live in instability, for instance, moving two or more times during the prior 60 days due to economic hardships.

HUD defines “Other populations” as those who 1) have previously qualified as homeless, 2) are currently housed with temporary or emergency assistance, and 3) need additional housing assistance or supportive services to avoid a return to homelessness. In addition, HUD defines those “other populations” that are at greatest risk of housing instability as households that have an annual income less than 30% of AMI and are experiencing a severe housing cost burden, or those that have an income less than 50% of AMI and meet a certain condition, such as living in someone else’s home or living in a hotel due to an economic hardship. While there are no data sources that perfectly reflect “other populations”, the following data points support the size and demographic composition for both at-risk and other populations defined in the HUD Notice.

According to the Comprehensive Housing Affordability Strategy (CHAS), about 13,310 households in Montgomery had incomes below 30% of AMI while also exhibiting at least one of the following housing problems: lacking kitchen or plumbing; having more than 1 person per room; or enduring cost burden greater than 30%. Another 10,470 households earned between 30% and 50% of AMI while having one of the four housing problems listed. All told, about 29.9% of Montgomery households were in either of these income and housing condition groups.

3. Fleeing, or attempting to flee, domestic violence, dating violence, sexual assault, stalking, or human trafficking, as defined by HUD in the Notice

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. It 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. The city consulted with the Family Sunshine Center who provides services to individuals and families fleeing, or attempting to flee, domestic violence, dating violence, sexual assault, stalking, or human trafficking. In the period of 2020-2021 FSC received 1,344 crisis calls on the 24-hour hotline. Of those call 86% identified as female while 12.42% identified as male and less than 2% did not opt to share their gender. Majority of the services requested included case management, financial and employment counseling and housing advocacy.

According to the National Coalition Against Domestic Violence;

- 37.5% of Alabama women and 29.5% of Alabama men experience intimate partner physical violence, intimate partner sexual violence and/or intimate partner stalking in their lifetimes.
- 16 % of violent offenses in Alabama in 2017 were domestic violence incidents.
- A firearm was used in 4 percent of these offenses.
- 30 domestic violence victims were killed in Alabama in 2017.
- In 2017, there were 3,867 domestic violence aggravated assaults and 32,178 domestic violence simple assaults in Alabama.
- A firearm was used in 70% of 2017 Alabama domestic violence homicides.⁶
- As of December 31, 2019, Alabama had submitted one domestic violence misdemeanor record and zero protective orders to the NICS Index.

During 2020 (and continuing through the pandemic), many counties across Alabama saw an increase in the number of domestic violence occurrences. This corresponds with the 2021 national study from the National Commission on COVID-19 and Criminal Justice that found there was an 8.1% increase in the number of domestic violence incidents during 2020. The Alabama Coalition to End Sexual and Domestic Violence expresses concerns that further increases in rates are still to come.

Understanding that 2020's increase in numbers most likely reflects the tip of the iceberg, this has significant impact for preparing to assist homeless families within Alabama. Domestic violence was the most common reason women gave for their homelessness in 2017. The National Law Center on Homelessness and Poverty published in 2012 that 28% of cities cited domestic violence as a leading cause of homelessness among families with children.

According to the National Human Trafficking Hotline 50,123 signals (electronic messaging) was received by the hotline in 2021. In the same year Alabama received 285 signals, of which 101 were from victims or survivors of human trafficking. Eighty cases were identified. Two hundred sixteen victims were involved, with some cases involving multiple victims. According to the National Human Trafficking Hotline, people contact the hotline to report a tip, request a referral or reach out for crisis-related services such as immediate shelter or crisis response. In the 80 cases identified in 2021; 52 reported a trafficking tip, 25 accessed service referrals, and 3 requested crisis assistance. The case demographics include: 48 adults and 28 minors; 57 females and 19 males; 8 foreign nationals and 5 US citizens lawful permit residents. Reliable data for the jurisdiction was not obtained through consultation or online research.

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

HUD defines “Other populations” as those who 1) have previously qualified as homeless, 2) are currently housed with temporary or emergency assistance, and 3) need additional housing

assistance or supportive services to avoid a return to homelessness. In addition, HUD defines those “other populations” that are at greatest risk of housing instability as households that have an annual income less than 30% of AMI and are experiencing a severe housing cost burden, or those that have an income less than 50% of AMI and meet a certain condition, such as living in someone else’s home or living in a hotel due to an economic hardship. While there are no data sources that perfectly reflect “other populations”, the following data points support the size and demographic composition for both at-risk and other populations defined in the HUD Notice.

According to the Comprehensive Housing Affordability Strategy (CHAS), about 13,310 households in Montgomery had incomes below 30% of AMI while also exhibiting at least one of the following housing problems: lacking kitchen or plumbing; having more than 1 person per room; or enduring cost burden greater than 30%. Another 10,470 households earned between 30% and 50% of AMI while having one of the four housing problems listed. All told, about 29.9% of Montgomery households were in either of these income and housing condition groups.

The United States Census Bureau reports 15.9% of residents in the city of Montgomery are 65 years and older. The city has an estimate of 14.6% individuals requiring one or more types of accessibility assistance. Types of assistance needs are represented below:

- Hearing 3.5%
- Vision 2.8%
- Cognitive 6.9%
- Ambulatory 10.1%
- Self-care 3.1%
- Independent living 7.3%

Reports reveal that living independently may not be a safe option for those requiring accessibility assistance, or those needing to age in place. Lack of resources, such as ADA compliant units, limited advocacy and fixed incomes can increase the likelihood of an elderly and/or persons requiring accessibility assistance to experience homelessness.

Identification and consideration of 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:

The City and the local Continuum of Care providers and other organizations have access to funding sources that are used to assist qualifying populations obtain stable housing, shelter, and/or supportive services.

For people experiencing homelessness, the City of Montgomery provides the following resources:

- Emergency Solutions Grant (ESG) -- ESG funding in the City of Montgomery supports:
 - the Continuum of Care’s local Coordinated Entry (CE),
 - rapid Rehousing) - shelter operations, rent payments, security deposits, rental arrears, application fees, and moving expenses.
 - operations and maintenance of homeless shelter program for women and children
- Emergency Solutions Grant – Cares Act (ESG-CV) supports:
 - rapid rehousing,
 - congregate shelter operations and essential services,
 - non-congregate emergency hotel assistance,
 - street outreach, and
 - case management.
- Community Development Block Grant (CDBG)
 - infrastructure improvements in support of affordable housing for low-income tenants
- Continuum of Care (CoC)
 - administers rapid rehousing, permanent supportive housing, streetoutreach, Coordinated Entry services
- Public Housing Authority
 - Emergency Housing Vouchers (EHVs) administered through the to assist individuals and families who are homeless, at-risk of homelessness, fleeing, or attempting to flee, domestic violence, dating violence, sexual assault, stalking, or human trafficking, or were recently homeless or have a high risk of housing instability
 - Housing Choice Vouchers (HCVs) to assist very low-income families, the elderly, and the disabled to afford decent, safe, and sanitary housing in the private market. HCVs can be dedicated or prioritized for homeless households

HOME Investment Partnerships Funds

- 200+ affordable apartments and single family homes for low-income tenants at 15 developments throughout the city; approximately 112 additional units under planning and development at this writing.

For people at risk of homelessness, the City of Montgomery provides the following resources:

- Community Development Block Grant (CDBG)
 - infrastructure improvements in support of affordable housing for low-income tenants
- Emergency Solutions Grant (ESG) -- ESG funding in the City of Montgomery supports:
 - the Continuum of Care’s local Coordinated Entry (CE),
 - rapid rehousing – congregate/non-congregate shelter operations, rent payments, security deposits, rental arrears, application fees, and moving expenses,
 - operations and maintenance of homeless shelter program for women and children
- Emergency Solutions Grant – Cares Act (ESG-CV) supports:

-
- rental and utility financial assistance,
 - a legal services clinic that provides eviction assistance and advice
 - Public Housing Authority
 - Emergency Housing Vouchers (EHVs) administered through the to assist individuals and families who are homeless, at-risk of homelessness, fleeing, or attempting to flee, domestic violence, dating violence, sexual assault, stalking, or human trafficking, or were recently homeless or have a high risk of housing instability
 - Housing Choice Vouchers (HCVs) to assist very low-income families, the elderly, and the disabled to afford decent, safe, and sanitary housing in the private market. HCVs can be dedicated or prioritized for homeless households

For people fleeing domestic violence or human trafficking, the City of Montgomery provides the following resources:

- Community Development Block Grant (CDBG)
 - infrastructure improvements in support of affordable housing for low-income tenants
- Continuum of Care (CoC)
 - rapid rehousing for people fleeing domestic violence.
- Emergency Solutions Grant (ESG)
 - operations and maintenance of homeless shelter program housing victims of domestic violence, sexual assault, dating violence, and stalking
 - rent payments, security deposits, rental arrears, application fees, and moving expenses
- Emergency Solutions Grant – Cares Act (ESG-CV)
 - 24-hour crisis hotline and emergency shelter operations and essential services for people fleeing domestic violence

For other special populations, the City of Montgomery provides the following resources:

- Continuum of Care (CoC)
 - administers RRH, permanent supportive housing, street outreach, Coordinated Entry services
- Emergency Solutions Grant (ESG)
 - City contributions of ESG assistance toward RRH for other special populations
- Emergency Solutions Grant – Cares Act (ESG-CV)
 - used for RRH, rental and utility financial assistance, a legal services clinic that provides eviction assistance and advice emergency hotel assistance, and case management services for people in the emergency hotels
- HOME Program
 - Funds are used in the form of loans for construction and/or permanent or gap financing to develop affordable rental housing units for low-income senior citizens.

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- Community Development Block Grant (CDBG)
 - infrastructure improvements in support of affordable housing for low-income tenants
- Continuum of Care (CoC)
 - rapid rehousing for people fleeing domestic violence.
- Emergency Solutions Grant (ESG)
 - operations and maintenance of homeless shelter program housing victims of domestic violence, sexual assault, dating violence, and stalking
 - rent payments, security deposits, rental arrears, application fees, and moving expenses.
- Emergency Solutions Grant – Cares Act (ESG-CV)
 - 24-hour crisis hotline and emergency shelter operations and essential services for people fleeing domestic violence.

For other special populations, the City of Montgomery provides the following resources:

- Continuum of Care (CoC)
 - administers RRH, permanent supportive housing, street outreach, Coordinated Entry services
- Emergency Solutions Grant (ESG)
 - City contribution of ESG assistance toward RRH for other special populations
- Emergency Solutions Grant – Cares Act (ESG-CV)
 - used for RRH, rental and utility financial assistance, a legal services clinic that provides eviction assistance and advice emergency hotel assistance, and case management services for people in the emergency hotels
- HOME Program
 - used in the form of loans for construction and/or permanent or gapfinancing to develop affordable rental housing units for low-income senior citizens.

Description of the unmet housing and service needs of qualifying populations:

- ***Sheltered and unsheltered homeless populations***

Community partners providing outreach activities report growth in unsheltered homelessness during the COVID-19 pandemic, as well as increases in the number of people to whom they are serving with food and providing tents and clothing. Persons with direct experience working in the local homeless system of care indicate that the number of people experiencing unsheltered homelessness has risen sharply. Feedback from the consultation process indicates that there are unmet housing needs and services for people experiencing homelessness. Those working within the homeless system of care also expressed a great concern that shelters currently available in Montgomery have admission requirements that can tend to present a barrier for them to participate in the given shelter system. For instance, some shelters have an identification requirement, or time of arrival or stay requirement, for shelter admission, which may present hindrances to admission.

There are also other barriers – ranging from requiring people to have jobs, or limits on admission to family or singles only. While most of the shelter beds available are open to male-identified individuals, very few shelters serve couples without children. We heard from stakeholders that there is no shelter that serves youth, young adults, or LGBTQ+ individuals. The city also learned that access to vital transportation is one of the supportive services that is lacking in the City of Montgomery. People experiencing homelessness shared in survey responses that the existing public transportation system only runs during traditional work hours and does not run at all on Sundays. For people experiencing homelessness and others, who need to physically connect with services and jobs, or even go look at an apartment for rent, the inability of many to get around the area to meet these needs is one of the primary barriers to ending homelessness. Stakeholders shared that some of the jobs most available to people experiencing homelessness or at risk of homelessness are either located outside the current public transportation system’s reach, or are require their attendance during shifts when the transportation system is not operating, i.e., evenings, night shifts, or on the weekends.

- ***Those currently housed populations at risk of homelessness***

Community partners report that nearly all persons experiencing homelessness have incomes between 0 and 30% of the area median income (AMI). According to 2015-2019 CHAS data, there are 16.7% of area households in this income tier, indicating that a substantial portion of the population could be considered at-risk of homelessness, based

on income alone. Community partners also reported that households that receive rapid rehousing assistance need more than twelve months of supportive services and financial assistance to maintain housing. Chronic homelessness is an ongoing issue for many families, so additional resources are needed to ensure continued stability for these households.

According to 2020 census data, a single mother is more likely to be evicted than any other demographic. This data is corroborated by reports from local stakeholders who frequently engage with eviction cases: their empirical experience reveals that the most likely recipient of an eviction is a low-income, single, disabled, minority mother.

Similar to people experiencing homelessness, limitations of the public transportation system's services impact the ability for people at risk of homelessness to retain stable housing. As stated previously, people at risk of homelessness who need to connect with services, get to a job, or even go look at an apartment for rent, cannot adequately get around the city. Being able to maintain a steady job to pay rent and retain their stable housing is difficult because of transportation challenges in the city of Montgomery. For people at risk of homelessness, stable employment may be located outside the transportation systems reach or is available during shifts when the transportation system is not running (in the evenings, night shifts, or on the weekends).

The city also learned from stakeholders that there are significant problems with access to affordable housing for very low-income and extremely low-income households. Individuals experiencing homelessness shared that landlords and property managers require three times the rent in-hand in order to rent to an applicant. Many people experiencing homelessness, as well as shelter/service providers, shared that substandard housing and absentee landlords are on the rise.

- ***Other families requiring services, housing assistance, or to prevent homelessness***

According to 2019 ACS data, households with a single female householder have a median household income equal to 41.6% of the jurisdiction's median household income for all households of \$46,957. This drops significantly when children are present in the household, placing many single female family households significantly below the poverty and in low-income status. Anecdotal evidence from staff experience and several

comments received in the public input survey highlight the struggles of female households, both with and without children. Single female households tend to be much more vulnerable to the “one unexpected expense away from eviction” scenario discussed for low- and extremely low-income households. This extreme edge makes them more susceptible to instability and homelessness. Housing instability can lead to evictions, as alluded to in several of the scenarios here.

Housing costs can be a significant factor in housing instability and risk of homelessness. The more a household spends on their housing, the less income is left for other necessities. Anecdotally, if an unexpected expense occurs like a medical bill or car repair, many low-income households must make decisions on what does and does not get paid that month. If their housing cost is a significant part of their income, then missing a payment likely means they will not catch back up, ultimately leading to housing loss. In addition, this build-up of missed payments damages credit histories. With lower credit scores, households are forced into substandard housing and follow a nearly inescapable cycle of housing loss and substandard housing options.

A lack of education regarding tenant rights can lead to housing instability as well. Tenants who do not know their full rights may be taken advantage of by landlords. They may not know what they can file complaints about, what the rights laid out in their lease are, and more. They may not understand the eviction process and their rights during the process. Financial literacy has a similar connection. Households without proper financial literacy may not be able to plan for unexpected expenses, even whether or not they actually have the funds. The ability to form a holistic budget that factors in every expected expense is also important. A lack of financial literacy may lead to confusion in paying bills, the importance of credit history, and the impact of payments on credit history. Confusion on these topics may lead to housing instability through mismanagement of budget and missed payments.

- ***Those at greatest risk of housing instability or in unstable housing situations***

Special populations that do not have the knowledge or ready access to public resources require additional services to ensure housing stability. Non-English speakers have difficulty navigating the public service systems that are in place to address housing instability. Language barriers such as the lack of program materials in native languages and the reluctance to have an interpreter that may know the person in crisis hinders open and easy access to needed public assistance. Persons living with disabilities, persons

living with HIV/AIDS, at-risk youth, and LGBTQ+ individuals may frequently require supportive services such as in-home care, transportation, healthcare, etc., to make living independently a viable option, in addition to finding the inclusive and affordable housing opportunities they need in the community.

Increasing the amount of safe, decent, and affordable housing is a goal for the City of Montgomery and a longstanding city priority. However, limited public resources and limited private incomes continue to result in housing disparities. Certain groups could conceivably have a more difficult time finding housing and may require specialized services and assistance. Due to unique circumstances, older adults, the older adults with disabilities, persons with disabilities, large households, female-headed households, persons with substance abuse problems, homeless households, victims of domestic violence, persons with criminal convictions, and persons with HIV/AIDS are more likely to have low or moderate incomes.

From discussions with groups that serve populations with special needs with regard to housing, the PJ knows that:

- Access to transportation options is very limited, which restricts the options for areas in which people may choose to live.
- Victims of domestic violence are told by the local public housing authority that there is a long waiting list for available units.
- Rental property owners rarely are willing to adjust their properties in order to accommodate disabled residents.
- Many persons requiring accessibility assistance in Montgomery are not in accessible units.

According to HUD, households spending more than 30% of their income on housing are referred to as “cost burdened” and are at an increased risk of housing instability and of homelessness. Severe cost-burdened owners and tenants pay more than 50% of their income for housing. For renters, housing costs usually include utilities. For owners, housing costs include mortgage payment, taxes, insurance and utilities. Other housing problems such as overcrowding, and lack of proper kitchen and plumbing facilities are also key indicators of at-risk households.

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

After consulting with the CoC, HMIS administrator and other providers (via Zoom, phone conference and in person), several gaps within the current shelter and housing inventory and service delivery were identified.

- Lack of sufficient units of affordable and accessible permanent housing;
- Inadequate or lack of transportation to shelters, services, and employment for residents; lack of transportation for individuals and families in need of immediate assistance (ex: those attempting to flee domestic violence) ; lack of transportation for individuals for follow up care
- Lack of low-barrier, housing-focused shelters that individuals and families can access without pre-conditions or service participation;
- Few relationships with private market landlords to increase the availability of housing stock for households experiencing economic or housing insecurity;
- No dedicated temporary housing and day services for youth (including unaccompanied minors) and LGBTQ+ individuals;
- Insufficient supportive services, including on-site case management and wrap-around services including mental health and substance use treatment services;
- Limited outreach services that can't meet the variety of needs of people living unsheltered;
- Mental health, disability identified as a barrier to accessing shelter and housing
- Waiting lists for voucher availability and permanent housing are extremely extensive and require substantial amount of paperwork
- Staff turnover/burnout leading to low quality services
- Staff transitions due to low compensation and/or lack of benefits
- Lack of funding for capacity building
- Inflation of rent/Covid-19 pandemic effects on cost of living, mental health
- Lack of education and awareness of programs and service availability
- Data inaccuracy; the only providers utilizing HMIS are those required by HUD
- Lack of agency coordination of programs and services
- Lack of landlord participation in programs such as Rapid Rehousing
- Rapid Rehousing has become a lengthy process
- More needs than resources available

Identify priority needs for qualifying populations:

The purpose of coordinated entry systems is to ensure that resources and services are responsive and effective at quickly ending an experience of homelessness or preventing one from occurring. Qualifying populations require affordable housing and effective support services delivered at the right time, with the appropriate intensity. In the past and currently the city of Montgomery has administered funds to nonprofits for rental assistance, security deposits, moving expenses, landlord incentives, utility assistance and furniture, all matched with emergency funds to provide case management support. The key missing links now for most qualifying populations are:

- available permanent housing opportunities for very low- and extremely low-income families and individuals to call home;
- financial assistance for households with rental arrears facing possible loss of housing and/or homelessness due to eviction;
- enough well-trained direct service provider staff to sustainably support the growing needs of households to access or maintain housing;
- increased non-congregate shelter space to ensure safety and improved access in areas with insufficient shelter space; and
- transportation assistance.

Specifically, there is a critical need for additional housing units that are priced affordably for very and extremely low-income households and the services to accompany them. Most formerly homeless households require very little support long-term, but some require long-term on-going support. The evidence base suggests a system that is equipped to provide the right intensity of services at the right time. These services can be as simple as teaching someone how to pay their rent and signing up for food vouchers, to more complicated support such as coordinating urgent behavioral healthcare.

How the PJ determined the level of need and gaps in the PJ's shelter and housing inventory and service delivery systems based on the data presented in the plan:

The PJ has identified gaps in affordable housing and transportation within its jurisdictional limits, through its gap analysis. Priority needs were based on an extensive consultation period with key community partners, surveys, public feedback, HMIS data and current wait lists for services. Via these methods, the priority needs were determined to be 1) Supportive Services and a tie between 2) Development of Affordable Housing and 3) Tenant Based Rental Assistance. Please see Exhibit "A" for further information.

Funding sources that are available and accessible to the City of Montgomery (including federal sources such as ARPA, as well as state sources), offer opportunities for the City to leverage dollars toward affordable housing, TBRA, and/or supportive services. To bring more permanent resources into the community, the City of Montgomery plans to leverage the

one-time HOME-ARP dollars to support organizations willing to create access to affordable housing-focused services, with creative transportation solutions, to support homeless or at risk homeless individuals and families in our community.

HOME-ARP Activities

1. Method(s) that will be used for soliciting applications for funding and/or selecting developers, service providers, subrecipients and/or contractors:

The PJ will refer to its adopted Citizen Participation Plan (CPP) to solicit competitive proposals through a Request for Proposal (RFP process), for HOME-ARP assistance that will be awarded to one or more affordable housing owner/developers, who will develop and operate affordable rental units. Requirements of the RFP will include providing transportation services for all QPs within the PJ's jurisdiction, under direction of the CoC and HMIS administrators.

The Request for Proposals specifies the type of project, anticipated start date, and lists evaluation criteria with relative importance that will be used to rank proposals. To encourage inclusiveness, the PJ will take measures to encourage minority and women-owned business enterprises (MWBE) and small business participation during the procurement process.

2. About whether the PJ will administer eligible activities directly:

The PJ will not administer HOME-ARP activities directly, with the exception of planning and administrative actions as required to implement the program.

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

No portion of the PJ's HOME-ARP administrative funds are provided to a subrecipient or contractor prior to HUD's acceptance of the HOME-ARP allocation plan.

**Table 5
Use of HOME-ARP Funding**

	Funding Amount	Percent of the Grant	Statutory Limit
Supportive Services	\$ 445,313	14%	
Acquisition and Development of Non-Congregate Shelters	\$ 0		
Tenant Based Rental Assistance (TBRA)	\$ 200,000	6%	
Development of Affordable Rental Housing	\$ 2,150,000	65%	
Non-Profit Operating	\$ 0	0 %	5%
Non-Profit Capacity Building	\$ 0	0 %	5%
Administration and Planning	\$ 493,290	15 %	15%
Total HOME ARP Allocation	\$ 3,288,603		

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

The PJ will solicit competitive proposals through a Request for Proposal (RFP process), for HOME-ARP assistance that will be awarded to one or more affordable housing owner/developers, who will develop and operate affordable rental units. Requirements of the RFP will include providing transportation services for all QPs within the PJ’s jurisdiction, under direction of the CoC and HMIS administrators. All proposals will be assessed based upon qualifications including, but not limited to, availability and capacity of developers/owners to undertake/complete proposed projects and availability of HOME-ARP sponsors to provide housing and/or supportive services.

5. 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:

The PJ has identified gaps in affordable housing and transportation within its jurisdictional limits, through its gap analysis. Priority needs were based on an extensive consultation period with key community partners, surveys, public feedback, HMIS data and current wait lists for services. Via these methods, the priority needs were determined to be 1) Supportive Services and a tie between 2) Development of Affordable Housing and 3) Tenant Based Rental Assistance. Please see exhibit A for further information.

HOME-ARP Production Housing Goals

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

The PJ utilized the HUD issued resource, Housing Production Goal Calculation Worksheet, to estimate the number of affordable rental housing units to support the qualifying populations. Gap analysis has identified the need for more 1–3-bedroom affordable housing for families or individuals, and associated services, such as transportation and TBRA. The per-unit development cost is estimated for 6 units, similar to projects subject to the local 2021 HOME maximum per-unit subsidy limit for 3-bedroom housing at \$293,762 per unit. Final production plans may include the potential for some smaller or larger-sized units. Therefore, the PJ's production estimate is set at 6 units, for which the PJ reasonably hopes to achieve construction start by 1/01/2025, with all units in service by 12/31/2025. This goal and the affordable housing estimate will address priority needs by adding at least 6 units of affordable housing to existing stocks, while simultaneously providing associated services, i.e., TBRA and transportation assistance, for example. Estimated ongoing operating cost assistance reserve is calculated at \$4,750 per unit per year (6 units x 15 years). Estimated amounts from other housing development funding sources is yet to be determined, as it becomes available.

2. Description of the specific affordable rental housing production goal that the PJ hopes to achieve and describe how the production goal will address the PJ's priority needs:

The PJ hopes to achieve contract award and start of construction by January 1, 2025, with all units placed in service by December 31, 2025. Transportation needs as prioritized under the Coordinated Entry system could begin to be met earlier, pending acquisition of equipment and setup of service operations by the provider.

Preferences

1. 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:

The PJ has determined that it will not give preference to one or more QPs, or subpopulations thereof, for any eligible activity or project.

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

The PJ has determined that it will not give preference to one or more QPs, or subpopulations thereof.

Referral Methods

- 1. Identify the referral methods that the PJ intends to use for its HOME-ARP projects and activities. PJ's may use multiple referral methods in its HOME-ARP program. (Optional):**

The PJ intends to use its existing Coordinated Entry system established by the CoC, which currently serves the needs of all HOME-ARP qualifying populations.

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

All HOME-ARP qualifying populations will be included in the CE process.

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

TBD

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

TBD

Limitations in a HOME-ARP rental housing or NCS project

- 1. Regarding the PJ’s intentions on limiting eligibility for a HOME-ARP rental housing or NCS project to a particular qualifying population or specific subpopulation of a qualifying population identified in section IV.A of the Notice:**

The Montgomery PJ does not intend to implement any limitations in its HOME-ARP rental housing or NCD projects.

- 2. Regarding PJ intentions about a limitation, and why the use of a limitation is necessary to address the unmet need or gap in benefits and services received by individuals and families in the qualifying population or subpopulation of a qualifying population, consistent with the PJ’s needs assessment and gap analysis:**

The Montgomery PJ does not intend to implement any limitations in its HOME-ARP rental housing or NCD projects.

- 3. PJ intentions about a limitation, as to how the PJ will address the unmet needs or gaps in benefits and services of the other qualifying populations that are not included in the limitation through the use of HOME-ARP funds (i.e., through another of the PJ’s HOME-ARP projects or activities):**

The Montgomery PJ does not intend to implement any limitations in its HOME-ARP rental housing or NCD projects.

HOME-ARP Refinancing Guidelines

- 1. Regarding the establishment of a minimum level of rehabilitation per unit or a required ratio between rehabilitation and refinancing to demonstrate that rehabilitation of HOME-ARPrental housing is the primary eligible activity**

The Montgomery PJ has determined that its allocation of HOME-ARP funds may NOT be used for purposes of any refinancing of existing properties.

- 2. Regarding the requirement of 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.**

The Montgomery PJ has determined that its allocation of HOME-ARP funds may NOT be used for purposes of any refinancing of existing properties.

- 3. Regarding a statement as to whether the new investment is being made to maintain current affordable units, create additional affordable units, or both.**

The Montgomery PJ has determined that its allocation of HOME-ARP funds may NOT be used for purposes of any refinancing of existing properties.

- 4. Regarding specification of the required compliance period, whether it is the minimum 15 years or longer.**

The Montgomery PJ has determined that its allocation of HOME-ARP funds may NOT be used for purposes of any refinancing of existing properties.

- 5. Regarding the potential use of HOME-ARP funds to refinance multifamily loans made or insured by any federal program, including CDBG.**

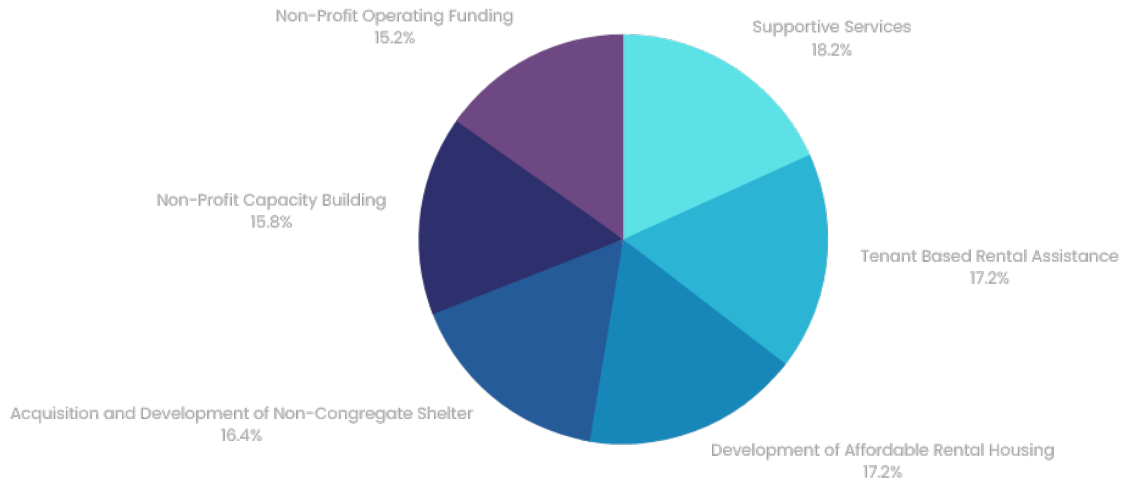
The Montgomery PJ has determined that its allocation of HOME-ARP funds may NOT be used for purposes of any refinancing of existing properties.

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

No other requirements of PJ guidelines are applicable under this plan.

EXHIBIT A

Eligible Activity Priorities Per Consultation



Perceived Needs In Montgomery Per Public Survey

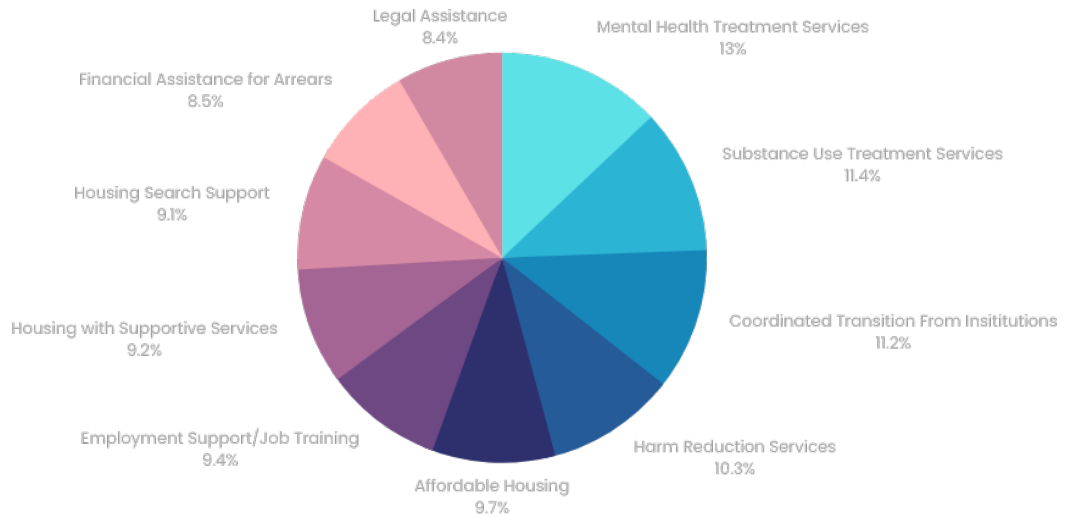


EXHIBIT B

City of Montgomery, Alabama PJ - Housing Production Goals for the HOME-ARP Allocation Plan Housing Production Goal Calculation Worksheet

	HOME-ARP Rental Housing Project (#1)	HOME-ARP Rental Housing Project (#2)	HOME-ARP Rental Housing Project Example	Notes
Housing characteristics required by the qualifying populations				
Qualifying populations targeted for HOME-ARP rental housing (average household size)				Families:
Average household size				:
Unit size needed (number of bedrooms)				:
Amenities				Supportive services office
HOME-ARP Funding				
Total amount of HOME-ARP funding allocated to jurisdiction	\$ 3,288,603.00		\$ 3,288,603.00	
Amount of HOME-ARP expected to be used for admin, NFP operating and capacity building	\$ 493,290.00		\$ 493,290.00	
Amount of HOME-ARP available for HOME-ARP eligible activities	\$ 2,795,313.00	\$ -	\$ 2,795,313.00	
Amount of HOME-ARP allocated to non-rental housing eligible activities	\$ 645,312.00		\$ 645,312.00	
Amount of HOME-ARP available for rental housing operations and reserves	\$ 2,150,000.00	\$ -	\$ 2,150,001.00	
Estimated amount for ongoing operating costs or operating cost assistance reserve	\$ 427,500.00	\$ -	\$ 427,500.00	Communities can estimate this amount as a percentage of the available HOME-ARP resources (in this example it is 20% of the available HOME-ARP resources) or as a fixed amount per unit per year.
Amount of HOME-ARP available for rental housing development	\$ 1,722,500.00	\$ -	\$ 1,722,501.00	
Estimated amount from other housing development funding sources	\$ 1,722,500.00	\$ -	\$ 1,722,501.00	
Total amount available for rental housing development				
Average per unit development cost for qualifying population	\$ 287,083.00		\$287,083	PJs should consider the unit size and amenities needed for the qualifying populations being served in the project when estimating the per unit development cost.
Estimated HOME-ARP Housing Production Goal	6	#DIV/0!	6	

Narrative: Use the area below to document the assumptions used in this worksheet. This will assist with the development of the required narrative in the allocation plan.

Gap analysis has identified the need for more 1-3 bedroom affordable housing for families or individuals.

(1) The per-unit development cost is estimated for 6 units as if subject to the local 2021 HOME maximum per-unit subsidy limit for 3-bedroom housing at \$293,762 per unit. Final production plans may include the potential for some smaller or larger-sized units.

(2) Therefore, the PJ's production estimate is set at 6 units, for which the PJ reasonably hopes to achieve construction start by 1/01/2025, with all units in service by 12/31/2025.

(3) This goal and the affordable housing estimate will address priority needs by adding at least 6 units of affordable housing to existing stocks, while simultaneously providing associated services, i.e., TBRA and transportation assistance, for example.

Estimated ongoing operating cost assistance reserve is calculated at \$4,750 per unit per year (6 units x 15 years).

Estimated amounts from other housing development funding sources is TBD.