

City of Fayetteville HOME-ARP Allocation Plan

Consultation Process

The City of Fayetteville's consultation process included reviewing system-level data as well as seeking input from community partners regarding their identification of needs and gaps. The Continuum of Care provided information from the 2021 and 2022 Point-In-Time count. The City of Fayetteville reached out to various organizations and service providers to collect diverse viewpoints to assess the needs and priorities these resources could address.

Organizations consulted:

Agency/Org Consulted	Type of Agency/Org	Method of Consultation	Feedback
Homes 4 All	Tiny Home builder	Zoom Consultation Meeting	Funding is needed to build additional housing units
Kingdom CDC	Community development/Housing Counselor	Zoom Consultation Meeting	Funding is needed to build additional housing units
Cumberland Health Net	Coordinated health care	Zoom Consultation Meeting	Constantly see clients that lack quality affordable housing, which further complicates illness and care plan
Fayetteville Urban Ministry	Nonprofit	Zoom Consultation Meeting	Clients need additional affordable housing units
Fayetteville Area Habitat for Humanity	CHDO/Developer	Zoom Consultation Meeting	Need additional funding to build affordable homeownership units
Latinos United	Nonprofit/Civil Rights Agency	Zoom Consultation Meeting	Clients need additional affordable housing units
CARE Center	Domestic violence program	Zoom Consultation Meeting	Clients need additional affordable housing units
Chacola Dream House	Supportive housing provider	Zoom Consultation Meeting	Funding is needed to build additional housing units

United Way	Nonprofit/Persons with Disabilities	Zoom Consultation Meeting	Clients need additional affordable housing units
Endeavors	Permanent supportive housing for homeless women and families	Zoom Consultation Meeting	Funding is needed for rehabbing existing affordable units
Fayetteville Metropolitan Housing Authority	Public Housing Authority	Zoom Consultation Meeting	Funding is needed for rehabilitation and new development of affordable housing. Additional need for smaller 1 and 2-bedroom units.
Fayetteville/Cumberland County CoC	Continuum of Care	Zoom Consultation Meeting	Provided Point-In-Time data
Fayetteville Cumberland Human Relations Commission	Fair Housing	Zoom Consultation Meeting	Need for additional affordable housing

Feedback received and results of upfront consultation with these entities:

An overview of the HOME-ARP allocation plan was presented during the consultation meeting. After the presentation, the partners discussed the lack of affordable rental housing. Despite having housing choice vouchers and tenant-based rental assistance subsidies, clients still have difficulty locating rental units. Discussion ensued, and each agency voiced agreement that the lack of affordable units posed the biggest threat to the vulnerable populations. They agreed that the highest priority for the HOME-ARP funds is producing affordable rental housing that would best serve the need. The City will continue to rely on the Fayetteville Cumberland Human Relations Commission to educate and enforce fair housing practices.

Public Participation

- ***Date(s) of public notice: 5/8/2022***
- ***Public comment period: start date - 5/8/2022 end date - 5/23/2022***
- ***Date(s) of public hearing: 5/23/2022***

Public participation process:

The Public Comment period for the HOME-ARP Allocation Plan began on Sunday, May 8, 2022, and concluded on Monday, May 23, 2022. Three public notices were posted: the Fayetteville Observer on May 8, 2022, with information regarding the proposed plan and the scheduled public hearing; at City Hall; and on the City's website. A virtual meeting via Zoom was held for citizen participation on May 12, 2022, via Zoom. There were no public comments

received during the citizen participation meeting. The public hearing occurred on Monday, May 23, 2022, at 7 pm, as a part of the City Council's regular meeting. There were no public comments submitted for the public hearing.

Efforts to broaden public participation:

In addition to the Public Notice publication, a consultation email was sent requesting community stakeholders to participate in a virtual consultation meeting to comment on needs and priorities. The meeting included social service organizations, homeless service providers, advisory boards, and other nonprofit organizations. An additional public forum was hosted and publicized to accept further comments from citizens. Public Notices included ESL and ADA accessibility information. The notices were also available in Spanish.

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

There were no public comments or suggestions received.

Summary of any comments or recommendations not accepted and why:

No comments were rejected.

Needs Assessment and Gaps Analysis

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	#	#	74	#	#								
Transitional Housing	#	#	40	#	#								
Permanent Supportive Housing	#	#	16	#	#								
Other Permanent Housing	#	#	#	#	#								
Sheltered Homeless						#	83	#	#				
Unsheltered Homeless						#	392	#	#				
<i>Current Gap</i>										365	#	#	#

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	20088		
Rental Units Affordable to HH at 30% AMI (At-Risk of Homelessness)	1958		
Rental Units Affordable to HH at 50% AMI (Other Populations)	7123		
0%-30% AMI Renter HH w/ 1 or more severe housing problems (At-Risk of Homelessness)		12450	
30%-50% AMI Renter HH w/ 1 or more severe housing problems (Other Populations)		11679	
Current Gaps			15048

Description of the size and demographic composition of qualifying populations within the City of Fayetteville’s boundaries:

Homeless as defined in 24 CFR 91.5

A City survey identified 475 homeless persons within the city limits as of January 27, 2022. The total was an increase of 75% from 2020.

At Risk of Homelessness as defined in 24 CFR 91.5

Characteristics attributed to housing instability and increased risk of homelessness include having a household less than 30% AMI and experiencing housing cost burden of more than 50% of income. The affordable housing study identified 12,450 persons at risk of homelessness and only 1,958 housing units affordable to this population.

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

None of the data gathered from the point in time count identified those fleeing or attempting to flee, domestic violence, dating violence, sexual assault, stalking, or human trafficking.

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

Persons on a fixed income, persons with disabilities and other chronic health issues, substance abuse, mental health, poor credit history, and persons with a record of criminal history all have barriers that put them at risk of homelessness. These persons require supportive services to help maintain housing stability. Examples of supportive services include housing counseling, financial assistance and counseling as well as employment services.

Current resources available to assist qualifying populations:

There are limited housing resources available within the City of Fayetteville. We currently have a deficit of over 300 shelter units. The Continuum of Care consists of area nonprofits and agencies to provide supportive services. Still, they all see the lack of quality permanent affordable housing, which hinders achieving self-sufficiency.

Description of unmet housing and service needs of qualifying populations:

Homeless as defined in 24 CFR 91.5

The recent point in time count identified 475 homeless persons; however, our current inventory of available beds is 110, including permanent supportive housing.

At Risk of Homelessness as defined in 24 CFR 91.5

Those at risk of homeless are severely cost burdened, paying over 30% of their monthly income toward housing expenses. In Fayetteville, for households making less than \$50,000 per year, 69% are housing cost-burdened. For renter households, it's even higher at 75% housing cost-burdened.

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

Two service providers offer 16 beds total for women and families fleeing domestic violence.

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

The City of Fayetteville will not identify additional characteristics to refine the definition of "other populations further."

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

The City of Fayetteville's population has continued to grow over the last decade while the number of housing units constructed has declined, consequently constraining the housing supply.

More than 20% of Cumberland County's housing units, including Fayetteville, were built over 60 years ago and do not have accessibility features. In comparison, 16.6% of the County's population is classified as disabled. This mismatch challenges low- and moderate-income households with accessibility needs. The City of Fayetteville and Cumberland County have an ample supply of rental housing that does not meet the minimum property standards, and 35.9% of all households are cost-burdened and spend 30% or more of their monthly income on housing. Further, Fayetteville's proximity to Ft. Bragg, the nation's largest military base, further complicates the housing market. According to Ft. Bragg's Community-Relations Department data, more than double the number of military persons residing off-post (34,754) than residing on-post (16,863). There is a total of 6,536 on-post housing units. The large portion of the military community living off-post has negatively affected Fayetteville's housing market, specifically rental housing. The market is fast due to the high number of renters in the military. Military members typically have higher incomes and lease for shorter terms, influencing and inflating the rental market through higher-than-average square footage costs.

Under Section IV.4.2.ii.G of the HOME-ARP Notice, a PJ may provide additional characteristics associated with instability and increased risk of homelessness in their HOME-ARP allocation plan. These characteristics will further refine the definition of "other populations" that are "At Greatest Risk of Housing Instability," as established in the HOME-ARP Notice:

The City of Fayetteville will not identify additional characteristics to further refine the definition of "other populations."

Priority needs for qualifying populations:

Based on the consultation, priority needs include additional affordable housing options. Community partners indicated that there are extremely long waiting lists for the limited affordable housing options within the City of Fayetteville.

Determination of the level of need and gaps in shelter and housing inventory and service delivery systems based on the data presented in the plan:

The level of need and gaps in housing inventory and service delivery systems were determined through careful review and analysis of available, affordable housing study and the Point-In-Time Data. The 2022 point-in-time data numbers are classified as "preliminary" as of the date of this plan.

HOME-ARP Activities

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

Pending HUD approval of its HOME-ARP allocation plan, the City of Fayetteville will issue a Request for Proposals (RFP) for interested and experienced developers of permanent supportive and affordable housing. The goal of the NOFA will be to develop at least 75 new units of permanent supportive or affordable housing. Aside from the HOME-ARP funds, additional funds will be used to create a Housing Trust fund for future affordable housing development.

Administration of eligible activities:

The City of Fayetteville will administer the eligible activities directly. The City has developed new affordable housing program guidelines and will establish a revolving loan fund. By issuing the Request for Proposals and establishing an evaluation review panel, the City of Fayetteville will ensure that proposals meet the minimum criteria to be eligible for gap financing. Projects funded with HOME-ARP funding must adhere to the fifteen year affordability compliance period.

The City will not allocate funds to a subrecipient or contractor to administer the HOME-ARP grant.

In accordance with Section V.C.2. of the Notice (page 4), the amount of HOME-ARP funding planned for each eligible HOME-ARP activity type including any planned funding for nonprofit organizations, operating assistance, nonprofit capacity building, and administrative costs is detailed below:

Use of HOME-ARP Funding

	Funding Amount	Percent of the Grant	Statutory Limit
Supportive Services	\$ #		
Acquisition and Development of Non-Congregate Shelters	\$ #		
Tenant-Based Rental Assistance (TBRA)	\$ #		
Development of Affordable Rental Housing	\$ 3,397,564		
Non-Profit Operating	\$ #	# %	5%
Non-Profit Capacity Building	\$ #	# %	5%
Administration and Planning	\$ #	# %	15%
Total HOME-ARP Allocation	\$ 3,397,564		

Distribution of HOME-ARP funds in accordance with priority needs identified in needs assessment and gap analysis:

The City will follow all procurement standards and procedures defined by the City of Fayetteville's Purchasing Division. Any direct financing to developers will be awarded through a Request for Proposals process and administered by the City of Fayetteville staff.

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 City of Fayetteville will develop additional affordable housing that aligns with the needs identified in the gap analysis. The recent affordable housing study identified a gap above 15,000 units.

HOME-ARP Production Housing Goals

Estimate of the number of affordable rental housing units for qualifying populations that will be produced or supported with its HOME-ARP allocation:

The City of Fayetteville estimates that it will produce a minimum of 75 new affordable rental units with the HOME-ARP allocation.

The specific affordable rental housing production goal that will be achieved and how the production goal will address priority needs:

The City of Fayetteville aims to produce rental housing that will meet the needs of qualified populations. The initiative includes, but is not limited to, the production of affordable and accessible rental units priced for individuals earning below 30% AMI. The 2021 Affordable Housing Study suggests that this is the greatest need for the City. It is anticipated that developers will need more significant subsidies to produce and operate these affordable units.

Preferences

The City of Fayetteville will not give a preference to any one qualifying population over another for any eligible activity or project.

Limitations in a HOME-ARP rental housing or NCS project

The City of Fayetteville does not intend to limit eligibility for admission to HOME-ARP rental housing.

HOME-ARP Refinancing Guidelines

The City of Fayetteville does not intend to use HOME-ARP funds to refinance existing debt secured by multifamily rental housing.