

HOME-ARP Allocation Plan Submission Requirement FAQs

**CPD Notice 22-013, Revisions to HOME-ARP Allocation Plan Requirements and Final Submission Deadline for all HOME-ARP Allocation Plans
October 31, 2022**

Plan Submission Deadline

Q: Is there a final deadline to submit a HOME-ARP allocation plan?

Yes, there is a final deadline of March 31, 2023, for all HOME-ARP participating jurisdictions to submit a HOME-ARP allocation plan. On October 31, 2022, HUD issued Notice CPD 22-013, which amends the HOME-ARP Implementation Notice (CPD-21-010: “Requirements for the Use of Funds in the HOME-American Rescue Plan Program”) (the “HOME-ARP Notice”) to establish the March 31, 2023 deadline for participating jurisdictions to submit their HOME-ARP allocation plans to HUD.

Q: Can a participating jurisdiction submit its HOME-ARP allocation plan after March 31, 2023 and gain access to its HOME-ARP allocation?

No. If a participating jurisdiction or insular area fails to submit its HOME-ARP allocation plan on or before March 31, 2023, the full grant amount will be subject to automatic recapture by HUD without opportunity for hearing.

Q: What if HUD disapproves a HOME-ARP allocation plan submitted by the deadline? Is there a deadline for HUD’s acceptance of a HOME-ARP allocation plan?

Upon receipt, HUD will review a HOME-ARP allocation plan in accordance with Section V.D.2. of the HOME-ARP Notice. As described in the HOME-ARP Notice, HUD may disapprove a participating jurisdiction’s HOME-ARP allocation plan as substantially incomplete or inconsistent with section 3205 of the American Rescue Plan Act of 2021 (P.L. 117-2) (“ARP”). If HUD disapproves the plan, HUD will notify the participating jurisdiction in writing with the reasons for disapproval and the participating jurisdiction may revise or resubmit the plan for HUD review within 45 days after the first notification of disapproval. HUD will accept or disapprove the resubmitted plan within 30 days of receipt. If the participating jurisdiction’s resubmitted plan is disapproved, it would follow the previously described disapproval process for revision and resubmission of its plan.

HUD Notice CPD 22-013 does not include a final deadline for HUD’s acceptance of the plan as substantially complete and consistent with ARP.

Guidance and Tools

Q: What help is available to assist a participating jurisdiction with developing its HOME-ARP allocation plan?

To assist participating jurisdictions with developing and submitting a HOME-ARP allocation plan, HUD provides policy guidance, tools, and recorded trainings on the HOME-ARP webpages on [HUD.gov](https://www.hud.gov) and the [HUD Exchange](#).

Q: What guidance and tools are available to help participating jurisdictions to develop their plans?

HUD has issued the following guidance:

- [HOME-ARP Policy Brief: Preferences, Methods of Prioritization, and Limitations](#) explains and clarifies the HOME-ARP requirements for establishing preferences and limitations in the allocation plan.
- An overview of [common issues](#) with HOME-ARP allocation plan submissions.
- HOME-ARP allocation plan [FAQs](#).
- [HOME-ARP Program Fact Sheet: HOME-ARP Allocation Plan](#) provides a concise overview of the allocation plan requirements in the [HOME-ARP Notice](#) (pages 12-18).

In addition, HUD has issued the following tools:

- An [optional Allocation Plan Template](#) designed to clarify requirements and an accompanying annotated template which includes guidance and tips for participating jurisdictions to submit their HOME-ARP allocation plan.
- [HOME-ARP Allocation Plan Checklist](#) is used by HUD Field Offices to review all plans.
- [HOME-ARP Housing Production Goal Calculation Worksheet and FAQ](#) to assist participating jurisdictions with estimating the number of affordable rental units that a participating jurisdiction will support or produce with HOME-ARP funds.

Training

Q: Is there training available on developing allocation plans?

The following recorded webinars are available on the HUD Exchange.

- [Understanding HOME-ARP Preferences, Referral Methods, and Allocation Plan Requirements Webinar](#) explains the HOME-ARP requirements related to establishing preferences, limitations and referral methods for HOME-ARP projects or activities and the required elements of a HOME-ARP allocation plan.
- [HOME-ARP Notice Webinar: Notice CPD-21-10, Qualifying Populations, and Allocation Plan Requirements](#) provides participating jurisdictions and their partners with a general overview of the HOME-ARP Notice, reviews the HOME-ARP qualifying

populations, and explains the requirements for developing the HOME-ARP allocation plan.

- [HOME-ARP Webinar Series: Planning Process](#) reviews the requirements for the consultation process and public participation processes in the development of the needs assessment, gaps analysis, priority needs, and HOME-ARP activities.
- [HOME-ARP Public Participation Video FAQ](#) is a detailed summary of the public participation requirements for the HOME-ARP allocation plan.
- [Submitting Your HOME-ARP Allocation Plan in IDIS Tutorial](#) demonstrates how to upload and submit an allocation plan as an amendment to the 2021 Annual Action Plan through the eCon Planning Suite in the Integrated Disbursement and Information System (IDIS).

Questions and Technical Assistance

Q: How can participating jurisdictions obtain answers to questions about allocation plan requirements?

Participating jurisdictions may send HOME-ARP allocation plan questions to the CPD Division of their local HUD Field Office, by submitting it question through the [Ask A Question \(AAQ\) portal](#), or by contacting HUD's Office of Affordable Housing Programs at HOMEARP@hud.gov.

Q: Is there direct technical assistance available to assist a participating jurisdiction that is struggling to develop its HOME-ARP allocation plan?

Yes. HUD has available resources to assign its TA providers to assist a participating jurisdiction or cohort of participating jurisdictions (i.e., states or consortia) with the development of their HOME-ARP allocation plans through direct TA. During such engagements, TA providers may conduct training, explain HOME-ARP requirements, provide guidance, and review and comment on draft allocation plans, depending on the need of the participating jurisdiction(s). In addition, direct TA engagements may be focused on specific HOME-ARP allocation plan topics (e.g., preferences, consultation, needs assessment) or more comprehensive in scope.

Participating jurisdictions may submit a request for direct TA [on the HUD Exchange](#) on the development of its HOME-ARP allocation plan through the HUD Exchange or their local HUD field office. In its request, a participating jurisdiction should detail its specific needs so that HUD can make an appropriate assignment to one of its TA providers.

Jurisdictions Not Participating in HOME-ARP

Q: May a participating jurisdiction decline or return its HOME-ARP allocation before March 31, 2023?

Yes. A participating jurisdiction that would like to decline its HOME-ARP allocation may notify its HUD Field Office of its decision in writing. HUD will include the participating

jurisdiction's declined HOME-ARP allocation in the amount available for reallocation and will reallocate the funds according to the requirements of HUD Notice CPD 22-013.

Q: Will HUD require repayment of HOME-ARP funds drawn down and expended for administration and planning costs if a participating jurisdiction or insular area does not submit a HOME-ARP allocation plan on or before March 31, 2023?

Yes. If a participating jurisdiction or insular area does not submit a HOME-ARP allocation plan on or before the final deadline of March 31, 2023, any funds expended by the participating jurisdiction or insular area, including those expended by a subrecipient or contractor, will be for ineligible costs and must be repaid with non-Federal funds to the HOME Investment Trust Fund Treasury account on or before May 30, 2023. HUD will recapture any repaid funds upon their deposit into the participating jurisdiction's or insular area's Treasury account without opportunity for a hearing.

Q: If a participating jurisdiction submits a HOME-ARP allocation plan on or before March 31, 2023, but never submits a plan that is accepted by HUD as substantially complete and consistent with the purposes of ARP, will HUD require the participating jurisdiction or insular area to repay any HOME-ARP funds expended for administrative and planning costs?

Yes. If the participating jurisdiction or insular area submits a HOME-ARP allocation plan on or before March 31, 2023 but never submits a plan that is accepted by HUD as substantially complete and consistent with the purposes of ARP, the participating jurisdiction must repay any HOME-ARP funds expended with non-Federal funds to its HOME Investment Trust Fund Treasury account within 60 days of HUD's final disapproval of the participating jurisdiction's HOME-ARP allocation plan. HUD will recapture any repaid funds upon their deposit into the participating jurisdiction's or insular area's Treasury account without opportunity for a hearing.

Reallocation of HOME-ARP Funds

Q: What will happen to the HOME-ARP allocation of a local participating jurisdiction that does not submit a HOME-ARP allocation plan on or before March 31, 2023?

If a local participating jurisdiction does not submit a HOME-ARP allocation plan on or before March 31, 2023, HUD will recapture the local participating jurisdiction's HOME-ARP allocation without opportunity for a hearing. If the local participating jurisdiction is located in a state that is a HOME-ARP State participating jurisdiction that has submitted a HOME-ARP allocation plan to HUD in accordance with the HOME-ARP Notice, HUD will reallocate the local participating jurisdiction's HOME-ARP allocation to that State participating jurisdiction. The State participating jurisdiction, in distributing reallocated HOME-ARP funds, must give preference to the use of the reallocated funds within the boundaries of the local participating jurisdiction from which HUD recaptured the HOME-ARP funds.

If the local participating jurisdiction is located in a state that is not a HOME-ARP participating jurisdiction or a State participating jurisdiction that did not submit a HOME-ARP allocation plan to HUD on or before the March 31, 2023 deadline, HUD will reallocate the local participating jurisdiction's recaptured HOME-ARP funds by formula to local participating jurisdictions within the state that have submitted HOME-ARP allocation plans to HUD in accordance with the HOME-ARP Notice and agree to accept the funds.

Q: What happens to the HOME-ARP allocation of a State participating jurisdiction that does not submit a HOME-ARP allocation plan by March 31, 2023?

If a State participating jurisdiction does not submit a HOME-ARP allocation plan on or before March 31, 2023, HUD will recapture the State's HOME-ARP allocation without opportunity for hearing. The State participating jurisdiction's HOME-ARP allocation will be reallocated by formula to local participating jurisdictions within the state that have submitted a HOME-ARP allocation plan in accordance with the HOME-ARP Notice and agree to accept the funds.

Q: What happens to the allocation of an insular area that does not submit a HOME-ARP allocation plan by March 31, 2023?

If an insular area does not submit a HOME-ARP allocation plan on or before March 31, 2023, HUD will recapture its HOME-ARP allocation without opportunity for hearing. The insular area's allocation will be reallocated proportionally to the remaining insular areas participating in the HOME-ARP program that have submitted a HOME-ARP allocation plan in accordance with the HOME-ARP Notice and agree to accept the funds.

Q: Will HUD notify HOME-ARP participating jurisdictions that are eligible to receive reallocated funds?

Yes. HUD will notify HOME-ARP participating jurisdictions in writing of their eligibility to receive reallocated HOME-ARP funds. HUD will require a HOME-ARP participating jurisdiction eligible for a reallocation to accept or decline, in writing, the reallocated HOME-ARP funds within 30 days of HUD's notification.

Q: When will HUD reallocate HOME-ARP funds from participating jurisdictions that did not submit allocation plans on or before March 31, 2023?

HUD will reallocate funds when it determines there are sufficient funds to warrant making reallocations. For efficiency's sake, HUD will attempt to minimize the number of times its makes reallocations but will reallocate any available HOME-ARP funds at least once during the period in which HOME-ARP funds are available for obligation.

For a State participating jurisdiction that will receive reallocated funds from a local participating jurisdiction that did not submit its HOME-ARP allocation plan on or before March 31, 2023, HUD will reallocate those funds to the State participating jurisdiction once it reconciles all available HOME-ARP funds from local participating jurisdictions within the state that did not submit HOME-ARP allocation plans. HUD will notify the State participating jurisdiction of the amount of the reallocation and the State participating jurisdiction must accept or decline the

reallocated funds, in writing. If the State accepts the reallocated funds, HUD will amend the State's HOME-ARP grant agreement to reflect the reallocated funds and send it to the State for execution.

If a State participating jurisdiction does not accept the HOME-ARP funds from the reallocation, HUD will develop proposed formula allocations for all HOME-ARP local participating jurisdictions within the state and notify each HOME-ARP local participating jurisdiction in writing of the amount of its reallocation. The HOME-ARP local participating jurisdiction must accept or decline, in writing, the reallocated amount. Once HUD determines which HOME-ARP local participating jurisdictions will accept reallocated amounts, HUD will run the formula again, if necessary, with only those HOME-ARP local participating jurisdictions that accepted the reallocated amounts. HUD will amend each HOME-ARP local participating jurisdiction's HOME-ARP grant agreement to reflect reallocated HOME-ARP funds and send the amended agreement to the HOME-ARP local participating jurisdiction for execution.

Q: If a participating jurisdiction agrees to accept reallocated HOME-ARP funds, what steps must it take to receive the reallocated funds?

Once HUD notifies a participating jurisdiction or insular area of the amount of reallocated funds it will receive and the participating jurisdiction or insular area has notified HUD that it will accept the reallocated funds, the participating jurisdiction or insular area must amend its HOME-ARP allocation plan to include the amount of any reallocated HOME-ARP funds in accordance with the HOME-ARP Notice and its citizen's participation plan. Participating jurisdictions must submit amended HOME-ARP allocation plans to HUD. If the amount of reallocated funds added to the plan would trigger a substantial amendment under the participating jurisdiction's citizen participation plan, then the participating jurisdiction or insular area must follow the substantial amendment process described in section V.C.6. of the HOME-ARP Notice. If the required amendment does not constitute a substantial amendment, participating jurisdictions are encouraged, but not required, to carry out public participation.