

DRAFT

HOME-American Rescue Plan Grant Allocation Plan



City of Paterson, NJ
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Public review and comments period from

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Table of Contents

<i>Introduction</i>	3
<i>Consultation</i>	4
<i>Public Participation</i>	10
<i>Needs Assessment and Gaps Analysis</i>	11
<i>HOME-ARP Activities</i>	18
<i>HOME-ARP Production Housing Goals</i>	20
<i>Preferences</i>	20
<i>HOME-ARP Refinancing Guidelines</i>	20

HOME-ARP Allocation Plan

Participating Jurisdiction: Paterson, NJ

Date: 9/16/2022

Introduction

In September 2021, the U.S. Department of Housing and Urban Development announced the allocation of \$5,301,454 to Paterson, New Jersey for a new grant called the Home Investment Partnership American Rescue Plan Program (HOME-ARP). The purpose of HOME-ARP funds is to provide homelessness assistance and supportive services through several eligible activities. Eligible activities include acquisition and development of non-congregate shelter, tenant based rental assistance, supportive services, HOME-ARP rental housing development, administration and planning, and nonprofit operating and capacity building assistance.

HOME-ARP funds must assist people in HOME-ARP "qualifying populations", which include:

- Sheltered and unsheltered homeless populations
- Those currently housed populations at risk of homelessness
- Those fleeing or attempting to flee domestic violence or human trafficking
- Other families requiring services or housing assistance or to prevent homelessness
- Those at greatest risk of housing instability or in unstable housing situations

To receive funding, the City must develop a HOME-ARP Allocation Plan which describes the distribution of HOME-ARP funds and identifies any preferences for eligible activities. This plan will be submitted and approved by HUD. The development of the HOME-ARP Allocation Plan must also be informed through stakeholder consultation and public engagement. The following is the City's HOME-ARP Allocation Plan.

Consultation

Describe the consultation process including methods used and dates of consultation:

The City's consultation process consisted of developing and disseminating an online stakeholder survey as well as hosting direct meetings with the Continuum of Care (CoC) Executive Board and conducting a CoC Meeting with stakeholders in order to capture broad assessments of the community needs and areas for ARP allocation.

The online survey was open from June 27, 2022, through August 31, 2022. The survey included seven ARP program-specific questions and two open ended comments for community needs assessment and service delivery feedback. The survey received 23 organizational responses, including those representing homeless services providers, the Continuum of Care (CoC), Fair Housing agencies, affordable housing developers, domestic violence advocacy groups, and others. The CoC hosted a stakeholder meeting to discuss the City of Paterson HOME-ARP allocation plan and local needs on August 24, 2022.

The City also serves on the local Continuum of Care (CoC) board, and has been attending meetings with the CoC to ascertain their input into the HOME-ARP plan. We have also solicited feedback from members of the Municipal Council on their perspective of the needs in the community.

List the organizations consulted, and summarize the feedback received from these entities.

Agency/Org Consulted	Type of Agency/Org	Method of Consultation	Feedback
Continuum of Care (CoC) Board	CoC	CoC Board meeting	Unmet needs include lack of affordable housing and lack of assistance for Low-income families and QPs in need of outside support. Development of affordable housing is highly needed along with rental assistance that can help prevent eviction or families becoming homeless.
Passaic County Department of Human Services	Continuum of Care Lead	Survey/ CoC Board meeting	There are not enough shelters for women and children, Married couples, homeless people that have no cell phones to reach out for services, when a homeless person is placed in an apartment often times, they have nothing at all; there needs to be more outreach for donated furniture and household items to get them started in their new homes. More affordable units are needed.

Paterson Housing Authority			
Center of United Methodist Aid to the Community (CUMAC)	Homeless Service Provider, Organization Serving People with Disabilities, Continuum of Care Staff/ Member	Survey / CoC Board meeting	There is not nearly enough affordable housing. And a lot of the housing in the city is not suitable for people to live in. The city housing authorities further traumatize those who come for assistance. So many landlords now check credit and that is not something our population often has a history of. Which means they are forced to move into less than adequate housing owned by landlords that do not maintain their properties. I have heard stories of roaches and/or mice, faulty sparking electricity, no heat, leaky roofs, windows or ceilings. Tenants do not know their rights or the correct way to fight a non-responsive landlord and end up with evictions. There isn't enough financial understanding and people get in over their heads and end up not having enough money to pay rent, utilities and provide food. There seems to be gaps in the communication with housing providers and outreach specialists that assist eligible residents through the housing process.
Passaic County Lived Experience Advisory Board	Domestic Violence Service Provider, Homeless Service Provider, Continuum of Care Member	Survey/ CoC Board meeting	Biggest gaps in system: lack of case management for homeless Individuals in shelters. The lack of affordable and equitable housing. There should be more funds put into supportive services and case management. The city has more than enough rental units they need to be more attainable and affordable. More funds should be placed in rapid rehousing. Racial equity should also be addressed
CUMACECHO, INC	Homeless Service Provider, Anti-Hunger	Survey	The gaps that are mostly seen are, the lack of safe, affordable housing, the service delivery system is not consistent or updated frequently and those who already have housing after being homeless often lack support to stay in their homes. The main challenge that is faced is the lack of access to available services/resources and the delivery care system is not efficient at moving those in need through the system.
Paterson Coalition for Housing	Fair Housing Advocacy, Transitional/Permanent Supportive Housing	Survey	No Proactive advocacy for homeless or imminently homeless individuals. Prevention of Homelessness goes beyond money. Best use of funds would be supportive services

			and development of more units. Prevention is key.
Health Coalition of Passaic County	Addressing Social determinants of health	Survey	Insufficient units are the biggest gap. There are known issues with housing quality and affordability that prevent those in need from accessing housing as a resource. There are an unquantifiable number of illegal/unsafe housing units in the city that need to be accounted for. They unnecessarily put people at risk and they generally do not speak up out of fear due to their legal status or that they may be asked to vacate leaving them homeless.
Paterson FC	Veterans' Group	Survey	Top need: Homelessness Prevention and more affordable housing. Not nearly enough permanent supportive housing for unhoused folks, especially veterans.
211	Homeless Service Provider, Continuum of Care Staff/ Member	Survey	Biggest gaps: primarily, affordable/subsidized housing stock secondarily supportive services. Limited intake capacity and hours at emergency shelters. Limited coordination for people using varied services (SNAP, WFNJ, methadone treatment, etc.)
St. Paul's Community Development Corporation	Homeless Service Provider, Organization Serving People with Disabilities	Survey / CoC Board meeting	The availability of quality, affordable housing units is a significant challenge for Paterson residents. In addition, the artificial inflation of rental rates caused by an oversaturation of housing subsidies (i.e. housing vouchers) without price controls, coupled with an influx of "luxury apartment units" being constructed, make Paterson unaffordable for many individuals who seek to reside in the city. the need for a low-barrier facility for which the current street homeless can be invited to for services and a night off the street is critically needed. Many street homeless in Paterson suffer from severe addiction and mental health challenges that preclude them from seeking or successfully accessing services through the mainstream shelter programs that are known throughout the city. At the same time, it would be extremely helpful to those mainline facilities, if additional dollars were made available so that the capacity restraints on these facilities for staffing, supplies, facility costs and training could be

			addressed. We cannot help those who need the help the most if the funding to support the hiring of professional mental health and drug addiction counselors is not available. At present, the city of Paterson awards on an annual basis less than \$300,000 in HESG funding to its mainline shelter providers. Challenges that our population has experienced is the stigma associated with homelessness. Clients trying to secure housing are met with landlords using their homeless status as a stigma. The criteria to move into an apartment is unprecedented. People are being asked to be able to make 3-4 times what the rent is.
St. Peter's Haven	Homeless Service Provider	Survey	There are not enough affordable apartments for people. Our biggest issue is trying to move our shelter clients into permanent housing. Outreach services and mental health are highly needed.
Straight & Narrow, Inc.	Organization Serving People with Disabilities; substance abuse treatment facility	Survey/ CoC Board meeting	Not enough family shelters and transitional housing with case management components. TBRA is highly needed and development of NCS and supportive services.
Calvary Baptist Church	Faith-based Social Service Organization	Survey	NCS is highly needed, as well as more affordable housing. Rent assistance is needed.
Paterson Alliance	Coalition of Housing and Homelessness Partners	Survey	Not enough affordable housing in Paterson, also need a low-barrier shelter. TBRA also needed. I understand there are vacancies in market rate housing. It would be great to find a way to use that housing as affordable.
Paterson Task Force HHFS	Homeless Service Provider	Survey/ CoC Board meeting	Supportive Services - Homelessness Prevention, affordable housing and TBRA are highly needed.
Preparing Adolescents and Adults Ideologies Now	Homeless Service Provider	Survey	Gaps in Homeless shelters for women. Lack of outreach. Mental health and substance abuse issues not being met. Need more affordable housing via conversion or new.
Paterson Counseling Center, Inc.	Substance Abuse Treatment	Survey	Availability of clean, safe, affordable housing / housing for single men. New affordable housing needed and TBRA is needed. Section 8 Housing is NOT enough.
United Passaic Organization	Homeless Service Provider; Homeless Prevention	Survey / CoC Board meeting	There are not enough shelters and transitional homes to serve the homeless. Need all supportive services.

CAPCO Resource Inc.	Homeless Service Provider, Organization Serving People with Disabilities, Continuum of Care Member	Survey	Gap in services for undocumented, single men, MSM, LBGQT. Best use would be TBRA followed by supportive services. We need more available housing for the homeless, a better vouching system, allowing more than 211 participants to be placed at the top of the list.
Hyacinth Foundation	Homeless Service Provider	Survey	Biggest unmet need is affordable rental units and rental assistance. Housing is needed for low-income men and women who are not using. Best use would be developing affordable units and TBRA.
Mckinney-Vento Education for Homeless Children and Youth Program	Homeless Service Provider	Survey	We need to develop more affordable housing and provide supportive services for homeless.
Catholic Family & Community Services	Homeless Service Provider, Organization Serving People with Disabilities, Veterans' Group, Continuum of Care Member	Survey/ CoC Board meeting	Primary need: affordable units. Not enough units available that anyone can afford. Landlords keep raising rent and adding more stipulations for renting. ex. 700+ credit scores. Because of the high cost of rents, many renters must combine more than one family to pay the rent. This leads to conflict and abuse in many situations.
Eva's Village	Homeless Service Provider; DV support	Survey/ CoC Board meeting	Unmet needs: case management services for clients leaving the shelters and entering into apartment living. TBRA will be a great use of funds, as well as supportive services.
Passaic County PATH Program	Homeless Service Provider	Survey	Need TBRA and supportive services (homeless prevention). As a caseworker we have daily challenges with finding shelter placement for the street homeless population. We assist clients in contacting NJ-211 and there has been a significant decrease in shelter availability. Also, when clients obtain some sort of assistance (ex: TBRA) it is nearly impossible to find an affordable apartment.
Center for Family Resources, Inc. (CFR)	Non-profit community organization	CoC Board meeting	Affordable housing and TBRA would be best use of funds. Hard to find housing units currently-even with assistance.
Heart of Hannah's Women Center	Women's Service Provider/ Housing	CoC Board meeting	Prevention would be key. Offering supportive services or TBRA to help maintain and stabilize families.

New Jersey Community Development Corporation (NJCDC)	Affordable housing development; community development	CoC Board meeting	Questions included whether alterations or updates to allocation budget/plan were possible.
WINNCO	Affordable housing development; community development	CoC Board meeting	No feedback.

Summarize feedback received and results of upfront consultation with these entities:

Stakeholders ranked the need for affordable rental housing development as the number one need among the eligible activities. TBRA and McKinney-Vento Supportive Services (outreach, shelter, transitional housing, supportive services, short-term rent subsidies, etc.) were ranked as the second and third priorities. Comments and insights noted the lack of affordable housing as inadequate to meet the city’s needs, especially the QPs. Affordable rental housing development was also ranked highest for best use of funds among stakeholders.

Public Participation

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

- ***Date(s) of public notice 9/23/2022***
- ***Public comment period: start date - 10/1/2022 end date - 10/17/2022***
- ***Public hearing: 9/28/2022***

The City of Paterson held one public hearing to discuss the development of the HOME-ARP Allocation Plan, which incorporated information and discussion of community needs and eligible activities related to HOME-ARP, along with an opportunity for the public to provide comments on the proposed budget and activities. A list of eligible HOME-ARP activities and the City's proposed HOME-ARP budget was also presented.

The draft Allocation Plan was also posted on the City's website for public viewing and comment.

Describe any efforts to broaden public participation:

The public notice was posted in English, Spanish and Arab. The City also posted the public notice, draft HOME-ARP allocation plan, and presentations on the City's website.

A PJ must consider any comments or views of residents received in writing, or orally at a public hearing, when preparing the HOME-ARP allocation plan.

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

Enter narrative response here.

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

Enter narrative response here.

Needs Assessment and Gaps Analysis

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

Homeless as defined in 24 CFR 91.5

The CoC releases an annual Point-in-Time (PIT) Count that includes valuable data for addressing the needs of residents who are experiencing homelessness. The 2020 Paterson/ Passaic County CoC PIT count data was used to capture the most recent and relevant homeless population data due to alterations in methodology during the 2021 count to mitigate the effects of the COVID-19 pandemic. It is noted that the Continuum of Care's jurisdiction is the entirety of Passaic County so the data reflected in the PIT count is for the county, some numbers may not accurately capture the precise counts of the jurisdiction. Therefore, estimates and rates combined with stakeholder input have led the overall content of estimated composition.

According to the 2020 PIT count, Black or African American residents are the largest demographic of people experiencing homelessness. 50% of people experiencing homelessness are Black or African American, 45% are White/Caucasian, and the remainder are American Indian or Alaskan Native, Native Hawaiian or Other Pacific Islander, or multi-racial. 33% percent of overall homeless are Hispanic/ Latino. 58% of homeless individuals identify as Male. 74% are over the age of 24 and 18.5% being under the age of 18, mostly in households with other adults. About 21% were reported as chronically homeless. 176 individuals reported having a mental illness, 189 reported having a substance use disorder, 20 are veterans, 33 are unaccompanied youth, and 22 are victims of domestic violence.

Homeless Needs Inventory and Gap Analysis Table

	Homeless														
	Current Inventory					Homeless Population						Gap Analysis			
	Family		Adults Only	Youth Only*	Vets	Persons Families (with children)	Family HH (with children)	Persons Adult HH (w/o children)	Persons Youth Only HH*	Vets	Victims of DV	Family		Adults Only	Youth Only*
	# of Beds	# of Units	# of Beds	# of beds	# of Beds							# of Beds	# of Units	# of Beds	# of Beds
Emergency Shelter	232	85	152	0	0										
Transitional Housing	24	4	0	10	0										
Sheltered Homeless						159	58	229	5	11	19				
Unsheltered Homeless						2	1	187	1	9	3				
Current Gap												95	30	-264	4

Data Sources: 1. Point in Time Count (PIT); 2. Continuum of Care Housing Inventory Count (HIC); 3. Consultation

*Youth Only includes Youth (18-24) and Child only (Under 18)

Populations 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 at or below 30% of the area median income (AMI), do not have sufficient resources or support networks to prevent them from becoming homeless, or live with instability. Using HUD's 2014-2018 CHAS data, the city has 16,400 households with incomes at or below 30% AMI, (over 36% of all city households). Ninety percent of these households are renter households. Households at-risk of homelessness include an estimated 13,925 households who are severely cost burdened, paying over 50% of their income toward housing and 24,125 who are cost burdened (above 30%, less than 50%). Of the severely cost burdened, 9,320 are renting households who are also in the extremely low-income range ($\leq 30\%$) and considered at greatest risk of housing instability. An estimated 17,760 LMI ($\leq 80\%$ AMI) renters are cost burdened at the 30% mark, approximately 40% of total households in the City.

In Paterson, an affordable unit for extremely low-income households has a rent of approximately \$900 or less. According to the census data there are 10,272 rental units that are affordable to extremely low-income households. Considering the number of extremely low-income households noted above, there is a need for approximately 6,000 units with a rent of \$900 or less to meet the city's needs.

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

According to the National Coalition Against Domestic Violence 35.8% of women and 27.4% of men in New Jersey experience intimate partner physical violence, intimate partner sexual violence and/or intimate partner stalking in their lifetimes. Statistics from the New Jersey State Police document that there was a total of 1,080 domestic violence incidences reported in the city of Paterson during 2019.

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

There is a large overlap between those at-risk of homelessness (above data) and households in need of assistance to prevent homelessness or at greatest risk of housing instability. Lack of affordability is the primary issue highlighted in data and consultation. According to CHAS, of the severely cost burdened, 9,320 are renting households who are also in the extremely low-income range ($\leq 30\%$) and considered at greatest risk of housing instability. Additionally, according to ACS data, 43% (7,583 households) of cost burdened renters earned less than \$20,000 between 2016-2020, while only approximately 3,129 rental units offer a gross rent price within the needed range to prevent being cost burdened. In other words, there is a lack of about 4,454 affordable rental units for households making under \$20,000 a year.

While we do not have data that matches the exact definition of QP #4, we can glean general demographics and need from looking at the City's poverty levels. Poverty is often a direct correlation as it relates to households requiring housing assistance to prevent homelessness or to those being at-risk of housing instability. According to ACS, there are 36,270 (22.7% of City) residents below the poverty level, of which 37.5% are under 18 years old. Of those living under

the poverty level, an estimated 10,662 are White, 8,429 are Black or African American, 1,665 are Asian, 22,462 are Latino, and 3,515 are mixed race. There are more females (19,754) under the poverty level than males (16,516).

Describe the unmet housing and service needs of qualifying populations:

Homeless as defined in 24 CFR 91.5

The primary unmet need as it pertains to homeless needs inventory is the availability of beds and units for adults who are experiencing homelessness. There is a need for approximately 250 beds in order to provide housing services for all unsheltered adults identified in the PIT Count. Additionally, beds specifically for people with mental illnesses and critical health issues were recognized as a specific need.

Challenges of a lack of affordable housing, supportive services, case management, and a need for emergency shelter were common unmet need themes highlighted from the stakeholder's forum. Service needs for both sheltered and unsheltered include a greater capacity to offer healthcare services, disability assistance, mental healthcare, as well as housing counseling, financial workshops, job training, and skills training. Stakeholder feedback also highlighted the need for housing navigation and assistance navigating the homeless services system.

Populations At-risk of Homelessness as defined in 24 CFR 91.5

ACS estimates approximately 56% of the city's renters are costs burdened (paying over 30% of income to housing costs), or approximately 18,904 total renter households. Lack of affordable housing inventory and a persistent affordability gap challenge both populations recovering from homelessness and those households at risk of homelessness or housing instability. Those at-risk of homeless or housing instability often need short-term subsidies such as mortgage/rent assistance to avoid foreclosure or eviction, as well as utility assistance to avoid shutoff or security deposits to allow tenants to move into new rental units.

Supportive services such as housing or financial counseling and landlord mediation for eviction proceedings will also benefit these groups. Healthcare assistance greatly benefits those at-risk of housing instability who are also disabled or elderly.

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

According to the 2022 Domestic Violence Counts Report for New Jersey conducted by the National Network to End Domestic Violence victims of domestic violence made 53 requests for shelter, housing, and other supportive services that providers could not provide. With approximately 70% of these unmet requests being for housing and emergency shelter. Victims of domestic violence and single mothers were also highlighted as QPs needing particular support. Stakeholders highlighted the specific challenges faced by domestic violence or human trafficking survivors; they often lack easy access to short-term shelter and quick access to medical and

psychological services. This QP needs specialized housing security, healthcare, and counseling services (to included networking and economic independence).

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 unmet needs for the populations needing assistance to prevent homelessness or at risk of greater housing instability mirror those from above, including rental payment assistance or utility deposit assistance and development of affordable rental housing units. Those requiring housing assistance to prevent homelessness or those at greatest risk of housing instability often need short-term subsidies such as mortgage/rent assistance to avoid foreclosure or eviction, as well as utility assistance to avoid shutoff or security deposits to allow tenants to move into new rental units.

Further, housing counseling, mental health services, and homeless prevention were highlighted during our consultation as service needs for those at greatest risk of housing insecurity. Healthcare assistance greatly benefits those at-risk of housing instability who are also disabled or elderly in order to help mitigate the challenges of either paying housing costs or medical costs. Residents who have been previously homeless or are currently using some type of rental assistance may need the assistance to continue for a short or long period of time. Funding existing services and housing assistance programs is important to the housing stability of these individuals and families.

Identify and consider the current resources available to assist qualifying populations, including congregate and non-congregate shelter units, supportive services, TBRA, and affordable and permanent supportive rental housing:

The **Paterson Housing Authority** provides case management, TBRA, Housing Choice Vouchers and other affordable housing options to low-income households in Paterson.

The **City of Paterson** is an active member of the Passaic County Continuum of Care (CoC) which coordinates care for all of Passaic County to meet the needs of homeless persons. Services offered by the organizations that the City supports include homeless prevention services for individuals threatened with losing their homes, rapid rehousing services for households that have recently been evicted, case management, job training and placement, substance abuse counseling, mental health services, street outreach, emergency shelter, and transitional housing.

Eva's Village is a nonprofit organization that provides wraparound homeless services and programs. Eva's Community kitchen serves daily meals. Eva's Men's and Women's Shelters provide emergency shelter beds for hundreds of men and women each year. Eva's Village Apartments provide 50 units of affordable housing to income-eligible residents. They also provide several supportive service programs, including childcare and after-school support, workforce development, addiction recovery services and supportive housing, an outpatient mental health program, and a medical clinic.

Catholic Charities of the Diocese of Paterson oversees multiple housing and support programs for qualifying populations. The Father English Community Center is a food pantry that provides clients with weekly meals and dignity through food choice. Catholic Charities also oversees the operation of 23 units of permanent supportive housing (PSH) which includes accommodations for persons with disabilities, on-site counseling and support groups, financial counseling, medical support, and connection to other supportive services. They also operate many other supportive service programs, including crisis intervention, a food pantry and food support, early childhood development and childcare, youth services, drug and opioid rehabilitation and supportive services, immigrant, migrant and veteran services, and more.

Project Youth Haven is a permanent supportive housing facility for youth with serious mental and emotional disorders, behavioral issues, and intellectual disabilities.

Passaic County Domestic and Sexual Violence Services (PCDSVS) is a non-profit organization serving survivors of domestic violence and sexual violence in all forms. PCDSVS provides emergency shelter, crisis intervention, case management, legal services, support groups, children's services, community education and prevention programs and more for women and children who are fleeing dating, domestic, and sexual violence.

Paterson Coalition for Housing provides transitional housing and permanent supportive housing for homeless individuals and families.

Paterson Task Force operates housing counseling programs and emergency shelter at two facilities: Hilltop Haven and Hilltop Heights. Hilltop Haven provides emergency shelter and supportive services for families. Hilltop Heights provides additional emergency housing and connection to services for families that are experiencing homelessness.

The **PATH Program for Passaic County** provides street outreach and case management for individuals who are homeless or at imminent risk of becoming homeless and have a serious and persistent mental illness. Case managers connect individuals and families with affordable housing options and other supportive services.

Hispanic Multi-Purpose Service Center (HMPSC) provides social and educational services such as HIV/AIDS prevention and education, utility and rent assistance, family information and referrals, youth and family services, crisis intervention, transitional housing for single women and their children, and a drop-in center for at-risk youth.

St. Paul's Community Development Corporation (SPCDC) manages multiple programs and facilities which help address homelessness. They operate 50 beds of emergency shelter for men, a full-service food pantry, workforce development programs, school support, and housing and neighborhood development programs.

St. Peter's Haven operates a full-service food pantry and in addition to managing 18 transitional housing beds for families.

Strengthen Our Sisters provides emergency shelter and supportive services for battered women and children who are victims of domestic violence.

Oasis – A Haven for Women and Children operates a soup kitchen in addition to supportive services, youth development programs, adult education programs, and more to support families who are homeless or at-risk of homelessness

Centers for Food Action (CFA) provides emergency food and homelessness prevention services, including housing, utility, and heating assistance in addition to housing counseling and advocacy services.

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

As noted above, the primary gap noted in data and consultation were the lack of affordable housing inventory. The availability of affordable housing units does not meet the needs of the qualifying population. There is a need for immediate rental assistance to help those most at-risk of homelessness and/or housing instability. There is also a need for quality affordable housing units of multiple sizes in neighborhoods throughout the City, especially for extremely low-income households who are most at-risk of eviction and homelessness. The lack of affordability leads to overcrowding and cost burden, which not only affect LMI households, but even those households above the 80% AMI threshold.

The lack of affordable housing also has an impact on shelter availability when challenges to finding affordable units during transition prevent new/turnover occupancy of shelter beds. There are only approximately 152 beds available for adult individuals and over 264 residents who need a bed. There remains a high need for case management, emergency shelter, and supportive services for all homeless persons and households.

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

The City does not plan to formally adopt a definition of “other populations, it will focus its HOME-ARP activities to assist homeless populations, those at-risk of homelessness, and persons fleeing or attempting to flee domestic violence, dating violence, sexual assault, stalking, or human trafficking.

Identify priority needs for qualifying populations:

The analysis above and consultation with key stakeholders have identified the following priority needs:

1. Lack of Affordable Rental Housing
2. Rental assistance / affordability assistance (TBRA)

3. Supportive Services (McKinney-Vento/Housing Counseling)
4. Emergency Shelters, to include NCS

For homeless populations, priority needs include rapid re-housing and supportive services to achieve housing stability. Those who are experiencing or are at-risk of homelessness need more affordable housing, rental assistance, and shelter options that provide short-term, mid-term, and long-term interventions. Those who are at-risk of homelessness have a strong need for homelessness prevention and stabilizing services, while those who are currently homeless or experiencing chronic homelessness need more street outreach and case management services. Persons fleeing or attempting to flee domestic violence, dating violence, sexual assault, stalking, or human trafficking have a particular need in emergency and transitional housing support as well as pertinent supportive services.

For households experiencing housing instability or who are at-risk of homelessness, priority needs include rental assistance and supportive services, including medical and mental health treatment, counseling, supervision, transportation, childcare, case management services, and other services essential for achieving independent living to help prevent homelessness and increase housing stability. However, most of these households will also need a livable wage and supportive services to create long-term self-sufficiency.

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

The gaps in services and programs needed to provide shelter, housing, and services were determined using data and feedback from multiple sources, including the CoC Executive Board and local stakeholders. To determine the level of need and gaps, the City of Paterson looked at both qualitative and quantitative measures. Data from the U.S. Census and CHAS data were used in partnership with feedback and on-the-ground insights from key stakeholders in the area. The takeaways from data analysis and stakeholder input were incorporated into the needs assessment and decision making.

HOME-ARP Activities

Describe the method for soliciting applications for funding and/or selecting developers, service providers, subrecipients and/or contractors and whether the PJ will administer eligible activities directly:

The City expects to administer programs directly with support of outside agencies (via request for proposals). All RFPs are open for any eligible and qualified organization, developer, subrecipient, or Community Housing Development Organization (CHDO). At the close of the application period, all applications received are reviewed for completeness, eligibility, and their ability to deliver on the priority needs identified within this plan. The capacity of each applicant is also reviewed for their ability to carry out the project meeting all eligibility criteria and timelines.

Award(s) are made based on the applicant's project scope as it pertains to the outlined priority needs in this plan as well as the applicant's familiarity with utilizing federal funding and ability to comply with all federal and local requirements.

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

The City will administer the program. The City used a portion of the HOME-ARP administrative funds to procure Civitas, LLC, a HUD grants management consultant to assist in the development of the HOME-ARP allocation plan. Civitas assisted the City with data collection and analysis, stakeholder outreach, and Allocation Plan development.

PJs must indicate the amount of HOME-ARP funding that is planned for each eligible HOME-ARP activity type and demonstrate that any planned funding for nonprofit organization operating assistance, nonprofit capacity building, and administrative costs is within HOME-ARP limits. The following table may be used to meet this requirement.

Use of HOME-ARP Funding

	Funding Amount	Percent of the Grant	Statutory Limit
Supportive Services	\$0		
Acquisition and Development of Non-Congregate Shelters	\$0		
Tenant Based Rental Assistance (TBRA)	\$3,500,000		
Development of Affordable Rental Housing	\$1,006,237		
Non-Profit Operating	\$0		5%
Non-Profit Capacity Building	\$0		5%
Administration and Planning	\$795,217		15%
Total HOME ARP Allocation	\$5,301,454		

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

Cost burdened households are at risk of eviction as well as homelessness. As there is a lack of available affordable housing, assistance for these households in the form of rental assistance serves as a means of homelessness prevention. The City will ensure the bulk of the funds goes directly to households in immediate need via the TBRA activity to address these challenges. TBRA will assist those transitioning out of homelessness. The remaining funds going toward affordable rental housing development serve as a long term solution, but will not be seen until development is complete.

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 City has identified activities that will assist individuals and families of the most vulnerable qualified populations based on reviewing the community needs assessment, by incorporating both analyzed housing and shelter data and the stakeholder feedback of the current trends. After reviewing the gap analysis for shelter and affordable housing availability, as well as analyzing local capacity and other sources of funding relating to community needs, the City identified the best use of eligible HOME-ARP activities that will provide both immediate assistance and long-term assistance to individuals and families of the most vulnerable qualified populations. There are significant needs throughout the city for each of the eligible activities, and the lack of affordable housing in particular was emphasized by most stakeholders.

Cost burden rates of LMI renters was cited as a major challenge. With housing and rental costs continuing to increase, while wages and income remain stagnant, rental assistance becomes increasingly needed (ramifications of inflation also noted). Rental assistance efforts may also help assist households that are overcrowded provided that the assistance is sufficient for these households to obtain and maintain affordable housing. Further, the lack of affordable rental housing is also a challenge to the QPs and those transitioning out of the homeless shelters. TBRA will also address these challenges by providing temporary rental assistance and/ or security/ utility deposits to expedite the transition from homelessness or to prevent homelessness.

The gap analysis shows that there is a need to address multiple pillars of needed assistance that the HOME-ARP funds can address. With the two highest priorities being affordable rental housing development and tenant based rental assistance. The city has determined that the best way to strengthen the City's crisis response system is to focus HOME-ARP funds on the top two identified priority needs.

The gap analysis also shows that there is a need to increase the supply of affordable housing as a means to increase availability of permanent supportive housing and provide opportunities for LMI households who are at-risk of homelessness or housing instability, as well as assist those who are homeless transition out of emergency shelters, allowing for more availability to those unsheltered persons who may need immediate shelter assistance. Developing affordable rental

housing was highlighted by stakeholders as the top priority and these efforts work as a more permanent solution to assist the QPs. The City acknowledges that there is a need for affordable housing. The challenge is the scarce funding resources to meet this need when combined with high construction costs.

HOME-ARP Production Housing Goals

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

The City estimates a minimum of 10 new affordable rental units will be produced using HOME-ARP funds.

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

The primary goal will be to help prevent homelessness in the City to those QP households at-risk with immediate support via TBRA. By also adding affordable units, the City aims for the HOME-ARP allocation to contribute to the overall and long-term goal of reducing homelessness and housing instability for the most vulnerable populations, as well as allowing more availability of emergency shelters beds/units as current occupants transition out.

Preferences

Identify whether the PJ intends to give preference to one or more qualifying populations or a subpopulation within one or more qualifying populations for any eligible activity or project:

- Preferences cannot violate any applicable fair housing, civil rights, and nondiscrimination requirements, including but not limited to those requirements listed in 24 CFR 5.105(a).
- PJs are not required to describe specific projects to which the preferences will apply.

The City will not provide preferences to any population or subpopulation

HOME-ARP Refinancing Guidelines

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