



U.S. Department of Housing and Urban Development  
Community Planning and Development

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**Special Attention of:**

CPD Division Directors  
All HOME Coordinators  
All HOME Participating Jurisdictions

**Notice:** CPD-22-13

**Issued:** October 31, 2022

Expires: **This NOTICE is effective until it is amended, superseded, or rescinded**

Cross Reference: 24 CFR Part 92

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Subject: Revisions to HOME-ARP Allocation Plan Requirements and Final Submission Deadline for all HOME-ARP Allocation Plans

## I. PURPOSE

This Notice establishes revised HOME-ARP allocation plan requirements for funds appropriated under section 3205 of the American Rescue Plan Act of 2021 (P.L. 117-2) (“ARP”) for the HOME Investment Partnerships Program (HOME) to provide homelessness assistance and supportive services. The program established for the use of ARP funds is the HOME-American Rescue Plan or “HOME-ARP” program. **The revised HOME-ARP allocation plan requirements include establishing a final deadline of March 31, 2023 for the submission of all HOME-ARP allocation plans.**

## II. BACKGROUND

ARP provides funds for homelessness and supportive services assistance under Title II of the Cranston-Gonzalez National Affordable Housing Act of 1990, as amended (42 U.S.C. 12721 *et seq.*) (“NAHA”). In administering the HOME-ARP program, ARP provides the Secretary of HUD with the authority to waive or specify alternative requirements for any provision of NAHA or regulation, except requirements related to fair housing, civil rights, nondiscrimination, labor standards, and the environment, upon a finding that the waiver or alternative requirement is necessary to expedite or facilitate the use of ARP funds.

On September 13, 2021, HUD published [Notice CPD-21-10 entitled, “Requirements for the Use of Funds in the HOME-American Rescue Plan Program,”](#) (the “HOME-ARP Notice”) which establishes the requirements for the use of HOME-ARP funds. The [Appendix](#) of the HOME-ARP Notice describes the waivers and alternative requirements imposed on participating jurisdictions (PJs) for the use of HOME-ARP funds. References to the “HOME-ARP Notice” mean all sections of the HOME-ARP Notice, including the Appendix, and any amendments. Participating jurisdictions, including insular areas, must comply with the HOME-ARP Notice and all applicable statutory, regulatory, and alternative requirements.

HUD is amending the HOME-ARP Notice to revise HOME-ARP allocation plan requirements to require all participating jurisdictions and insular areas to submit their HOME-ARP allocation plans on or before **a final deadline of March 31, 2023**. HUD is also amending the HOME-ARP Notice to revise the reallocation requirements to require the reallocation of HOME-ARP funds when a participating jurisdiction or insular area fails to submit a HOME-ARP allocation plan on or before the final deadline.

### **III. REVISIONS TO HOME-ARP ALLOCATION PLAN REQUIREMENTS AND THE FINAL SUBMISSION DEADLINE FOR ALL HOME-ARP ALLOCATION PLANS**

The HOME-ARP Notice requires a participating jurisdiction (PJ) to submit a HOME-ARP allocation plan for the use of its HOME-ARP funds and sets forth requirements for the plan. This Notice amends Section V.C. of the HOME-ARP Notice to revise HOME-ARP allocation plan requirements, including establishing **a final deadline of March 31, 2023**, for the submission of all HOME-ARP allocation plans.

To impose these revised requirements, HUD amends the HOME-ARP Notice as described below:

- A. Section V.C. of the HOME-ARP Notice is amended to add the following paragraphs and impose the following new requirements:

- “8. **Final Submission Deadline for HOME-ARP Allocation Plans:** All participating jurisdictions must submit a HOME-ARP allocation plan in accordance with the HOME-ARP Notice to HUD on or before March 31, 2023. **Failure to submit a HOME-ARP allocation plan on or before the final submission deadline of March 31, 2023, will result in the automatic loss of a participating jurisdiction’s or insular area’s HOME-ARP allocation.** Therefore, if a participating jurisdiction or insular area fails to meet the March 31, 2023, deadline, all of the participating jurisdiction’s or insular area’s HOME-ARP funds will be subject to automatic recapture by HUD without opportunity for hearing. Upon receipt, HUD will review a HOME-ARP allocation plan in accordance with Section V.D.2. of the HOME-ARP Notice.
9. **Reallocation of HOME-ARP funds for failure to submit a HOME-ARP allocation plan to HUD on or before March 31, 2023:**
- (a) If a local PJ fails to submit a HOME-ARP allocation plan to HUD on or before March 31, 2023, then HUD shall reallocate all of the PJ’s HOME-ARP funds as follows:

(i) if the local PJ is located in a State that is a HOME-ARP PJ that has submitted a HOME-ARP allocation plan to HUD in accordance with the HOME-ARP Notice, HUD will reallocate the funds to that State PJ. The State PJ, in distributing these funds, must give preference to the use of the reallocated HOME-ARP funds within the local jurisdiction's boundaries;

or

(ii) if the local PJ is located in a State that is not a HOME-ARP PJ or a State PJ that has not submitted a HOME-ARP allocation plan to HUD in accordance with the HOME-ARP Notice, HUD will reallocate the funds by formula pursuant to 24 CFR 92.454(c), to local PJs within the state that have submitted a HOME-ARP allocation plan to HUD in accordance with the HOME-ARP Notice and agree to accept the funds;

(b) If a State PJ fails to submit a HOME-ARP allocation plan to HUD on or before March 31, 2023, HUD shall reallocate all of the State PJ's HOME-ARP funds by formula pursuant to 24 CFR 92.454(c) to local PJs within the state that have submitted a HOME-ARP allocation plan to HUD in accordance with the HOME-ARP Notice and agree to accept the funds;

(c) If an insular area fails to submit a HOME-ARP allocation plan to HUD on or before March 31, 2023, HUD shall reallocate all of the insular area's HOME-ARP funds proportionally to the remaining insular areas participating in the HOME-ARP program that have submitted a HOME-ARP allocation plan to HUD in accordance with the HOME-ARP Notice and agree to accept the funds.

(d) If amounts are available for reallocation, HUD will make reallocations pursuant to Section V.C.9. when HUD has determined such amounts are sufficient to warrant making a reallocation or at least once during the period HOME-ARP funds are available for obligation. Except for reallocations in Section V.C.9.(a)(i), the minimum amount of a reallocation shall be determined by HUD prior to the reallocation, considering the amounts available.

10. **Amendments to HOME-ARP Allocation Plans Due to Reallocations:**

A PJ or insular area must amend its HOME-ARP allocation plan to include any reallocated HOME-ARP funds in accordance with the HOME-ARP Notice and its citizen's participation plan. This means that if the amount of reallocated funds added to the plan would trigger a substantial amendment under the PJ's citizen participation plan, then the PJ or insular area must engage in the process for a substantial amendment in section V.C.6. of the HOME-ARP Notice.

**11. Repayment of HOME-ARP Funds When a PJ Fails to Submit a HOME-ARP Allocation Plan**

If a PJ 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 PJ or insular area for HOME-ARP costs, including those incurred by a subrecipient or contractor, will be ineligible costs. Therefore, any expended HOME-ARP funds must be repaid to the HOME Investment Trust Fund Treasury account with non-Federal funds on or before May 30, 2023, and any repaid funds will be subject to automatic recapture by HUD upon deposit into the Treasury account without opportunity for a hearing.

If the PJ never submits a plan that is accepted by HUD as substantially complete and consistent with the purposes of ARP, the PJ 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 PJ’s HOME-ARP allocation plan.”

- B. The last paragraph of section VI.A. and the last sentence of section VIII.C.2. of the HOME-ARP Notice addressing if a PJ does not submit a HOME-ARP allocation plan or if the PJ’s plan is not accepted within a reasonable period of time are each replaced with the following:

“If the PJ does not submit a HOME-ARP allocation plan on or before **March 31, 2023**, or if the PJ never submits a plan that is accepted by HUD as substantially complete and consistent with the purposes of ARP, the PJ must repay all HOME-ARP funds expended in accordance with Section V.C.11.”

**IV. ADDITIONAL INFORMATION**

HUD is committed to providing guidance, training, best practices, tools, and templates to assist PJs with their HOME-ARP allocation plans. Resources are available on HUD’s website.

Questions regarding this Notice should be directed to your local HUD field office or [HOMEARP@hud.gov](mailto:HOMEARP@hud.gov).

Attachment

Waivers and Alternative Requirements For Revisions to HOME-ARP Allocation Plan Requirements and Final Submission Deadline for all HOME-ARP Allocation Plans