

HOME ARP SUBSTANTIAL AMENDMENT

The following serves as a Substantial Amendment to the HOME ARP Allocation Plan. The amendment is necessary to add a preference for veterans to the Tenant-Based Rental Assistance set-aside.

For ease of review and for reference, the proposed amendments in this document will be highlighted in yellow with red text noting the specific changes.

DCA has published this amendment on the NJ Department of Community Affairs' Division of Housing and Community Resources' website: <https://www.nj.gov/dca/divisions/dhcr/> for a 30-day comment period. Written comments may be emailed to Sheri.Malnak@dca.nj.gov.

A summary of all comments received and the reasons why any comments were not incorporated will be included in the revised document.

The proposed amendments to the HOME ARP Plan are noted below by the applicable section.

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Executive Summary

The American Rescue Plan of 2021 (ARP), also called the COVID-19 Stimulus Package, Pub.L. 117–2 (March 11, 2021) provides \$5 billion to assist individuals or households who are homeless, at risk of homelessness, and other vulnerable populations, by providing housing, rental assistance, supportive services, and non-congregate shelter, to reduce homelessness and increase housing stability across the country. These grant funds will be administered through HUD’s HOME Investment Partnerships Program (HOME) and are known as HOME-ARP funds. Eligible HOME-ARP activities include acquisition and development of non-congregate shelter, tenant based rental assistance, supportive services, HOME-ARP rental housing, administration and planning, and nonprofit operating and capacity building assistance. A certain portion of HOME-ARP funds must assist people in HOME-ARP "qualifying populations," which include:

- Sheltered and unsheltered homeless populations, as defined in section 103(a) of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11302(a)); Those currently housed populations at risk of homelessness, as defined in section 401(1) of the McKinney-Vento Homeless Assistance Act (42U.S.C. 113060(1)).
- Those fleeing or attempting to flee domestic violence, dating violence, sexual assault, stalking, or human trafficking.
- Other families requiring services or housing assistance or to prevent homelessness.

In September 2021, HUD announced that the State of New Jersey will receive \$19,495,890 in HOME-ARP funds. This supplemental funding was allocated by formula under the HOME entitlement program. To receive the HOME-ARP allocation, the Department of Community Affairs (DCA) must develop a HOME-ARP Allocation Plan that will become part of the State’s FY 2021 HUD Annual Action Plan by substantial amendment. The Allocation Plan includes 1) an outline of the consultation and public participation processes undertaken, 2) an assessment of the needs of qualifying populations and gaps in local housing and services systems, and 3) planned uses of HOME-ARP funds for prioritized populations and eligible activities.

To ensure broad input into the HOME-ARP Allocation Plan from stakeholders and the public, the DCA engaged in consultation with stakeholders and the public, including an online survey, virtual consultation sessions, direct contact with HUD-required organizations that did not participate in a virtual session, a 15-day public comment period, and a public hearing.

The needs assessment and gap analysis identified the following needs and gaps that may be addressed using HOME-ARP funds:

- A 2022 Point in Time (PIT) count found a total of 8,754 persons, were experiencing homelessness in the State of New Jersey. Of those, a total of 978 persons (11%) were unsheltered, and 1,750 persons (20%) were identified as chronically homeless.
- According to data submitted by school districts to the U.S. Department of Education, in the 2018-2019 school year, an estimated 13,929 public school students in New Jersey experienced homelessness over the course of the year.¹ The vast majority of these students (76%) were doubled-up, or living with another family, and 24% were living in temporary shelter (11% in hotel/motel, 13% in shelter or traditional housing).
- Households earning between 0-30% of AMI are more likely to be cost-burdened; pay more than 30% of their income towards housing expenses making them at risk for homelessness. Among all renters in New Jersey who are cost burdened, 62% earn below 50% of AMI (a total of 425,740 households).
- According to the Emergency Rental Assistance Program reporting required by the U.S. Department of the Treasury, between January 2021 and January 2022, 87,246 households in New Jersey received rental assistance.
- The Household Pulse Survey measures the percentage of adults in households not current on rent or mortgage payments and eviction or foreclosure in the next two months is either very likely or somewhat likely. The July 2022 report indicates that evictions and foreclosures are on the rise with 5,395,412 individuals reporting that they were facing eviction or foreclosure in the next two months.
- The State has historically low vacancy rates and increasingly high rents. The result is fewer available units generally but especially units that are affordable. Further, stakeholders have noted that individuals with housing vouchers are having increasing difficulty in finding landlords willing to accept vouchers.

¹ National Center for Homeless Education using the U.S. Department of Education's EDFacts Initiative.

To address these needs and gaps, the DCA will utilize HOME-ARP funds for the development of new affordable housing, tenant based rental assistance with a preference for veterans, the acquisition or development of non-congregate shelter, and capacity building.

Consultation

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

In developing this Allocation Plan, DCA conducted a diverse outreach strategy to engage the community and stakeholders through three methods. An online survey was published in English and Spanish, a series of four virtual community meetings were held, and direct one-on-one outreach to stakeholders was conducted to collect specific information around needs of qualifying populations. This section summarizes the consultation efforts made by DCA.

DCA's HOME-ARP Community Needs Survey was open from May to August 2022. The survey was made available in English and Spanish and received a total of 144 responses. A summary of the results is attached as **Appendix A**. The survey explored issues of fair housing, housing affordability, and the needs of those experiencing homelessness, at risk of homelessness, and other vulnerable populations. When asked about the greatest housing needs that can be addressed with HOME-ARP funds, 91% of respondents said production of new housing units was very important, 85.4% said supportive services, homelessness prevention services, and housing counseling was very important, 84.7% said preservation of existing housing was very important, 74.3% said tenant based rental assistance was very important, and 62.5% said expanding non-congregate shelter opportunities was very important. When asked about priorities for services for those experiencing homelessness, those at risk of homelessness, and other vulnerable populations, respondents selected mental health services (88.9%), employment and job training (82.6%), outreach services (82.6%), case management services (77.1%), and outpatient health services (77.1%) as very important. Written responses to an open-ended question asking about community needs for qualifying populations contained themes related to the need for more affordable units, housing assistance for working families, childcare and assistance for single mothers, transportation, and assistance for seniors and people with disabilities.

DCA also held a series of four community meetings to solicit input and consult with key stakeholders that serve and support the qualifying populations identified in the HOME-ARP guidance issued by HUD in September 2021. At these meetings, DCA provided an overview of HOME-ARP, reviewed the eligible qualifying populations, discussed the eligible uses of funds

identified within the guidance provided by HUD, and described the required components of the HOME-ARP allocation plan including the process and anticipated timeline for submitting the plan. During the sessions, DCA solicited questions, comments, and feedback about the eligible uses of funds through an interactive dialogue. Notice of the meetings was posted to DCA’s website on May 4, 2022, and Invitations were sent to 500 stakeholders throughout the State. Registration was requested for attendance and the total number of registrants is listed below along with the total number of individuals in actual attendance. Overall themes in the meetings included a need for more affordable units, the need for low barrier entry housing, and the need for housing with wrap around supportive services.

Meeting Date	Meeting Topic	Registrants
May 17, 2022 1 pm ET	Homelessness and Special Needs	34
May 17, 2022 3 pm ET	Housing	33
May 18, 2022 6 pm ET	General Resident Perspectives	6
May 26, 2022 2 pm ET	Community Services	32

Finally, DCA had one-on-one meetings with stakeholders to further explore the needs of those experiencing homelessness, those at risk of homelessness, and other vulnerable populations. Invitations for interviews were sent to 22 stakeholders and the overall themes from these conversations included the need for more affordable units, low barrier entry housing options, funding for mental health services, and support for case management and service navigator roles. Stakeholders discussed the increases in rents and the difficult in finding landlords willing to participate in voucher programs as the main obstacle to finding affordable housing. Given these challenges some stakeholder said that tenant based rental assistance may not be the best use of HOME-ARP funds at this time. Further, stakeholders expressed that without safe, decent units available to house individuals and families, the services that already exist in communities fall short of being able to close the needs gaps for these vulnerable populations.

Organizations Consulted

List the organizations consulted.

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Agency/Organization	Type of Organization	If a Service Provider, Qualifying Population Served	Method of Consultation
Ascenda	Healthcare	Homeless, At Risk of Homeless, Vulnerable Populations, Fleeing Domestic Violence	Online Survey Invitation, Stakeholder Interview
Advance Housing, Inc.	Nonprofit	Homeless, At Risk of Homeless, Vulnerable Populations, Fleeing Domestic Violence	Community Meeting; Online Survey Invitation
Affordable Housing Alliance	Housing Provider	Homeless, At Risk of Homeless, Vulnerable Populations	Community Meeting; Online Survey Invitation; Stakeholder Interview
Anchor House	Housing Provider	Homeless Youth, At Risk of Homeless Youth, Youth Fleeing Domestic Violence	Community Meeting; Online Survey Invitation
Belmont Homes	Housing Provider	Homeless, At Risk of Homeless, Veterans	Community Meeting; Online Survey Invitation
Blauer Associates	Consultant	N/A	Community Meeting; Online Survey Invitation
Blue Diamond Equities	Real Estate Investment	N/A	Community Meeting; Online Survey Invitation
Burlington County	Local Government	N/A	Community Meeting; Online Survey Invitation
Camden County Habitat for Humanity	Housing Provider	Vulnerable Populations	Community Meeting; Online Survey Invitation
Cape Hope	Homeless Advocacy	Homeless, At Risk of Homeless, Vulnerable Populations	Community Meeting; Online Survey Invitation
CARING, Inc.	Nonprofit	Vulnerable Populations - Seniors	Community Meeting; Online Survey Invitation
Catholic Charities of the Archdiocese of Newark	Nonprofit	Homeless, At Risk of Homeless, Vulnerable Populations	Community Meeting; Online Survey Invitation; Public Hearing
Center for Family Services	Nonprofit	Homeless, At Risk of Homeless, Vulnerable Populations, Fleeing Domestic Violence and Sex Trafficking	Online Survey Invitation; Stakeholder Interview
Coming Home of Middlesex County	Nonprofit	Homeless, At Risk of Homeless, Vulnerable Populations, Fleeing Domestic Violence	Community Meeting; Online Survey Invitation; Public Hearing
Community Health Law Project	Legal Services	Vulnerable Populations - Disabilities; Fair Housing	Community Meeting; Online Survey Invitation

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Community Planning and Advocacy Council	Nonprofit	Vulnerable Populations	Community Meeting; Online Survey Invitation; Stakeholder Interview
Compass Group/ Leading Age NJ and DE	Nonprofit	Vulnerable Populations - Seniors	Community Meeting; Online Survey Invitation
Collaborative Support Programs of New Jersey (CSPNJ)	Nonprofit	Homeless, At Risk of Homeless, Vulnerable Populations	Community Meeting; Online Survey Invitation
DASI - Domestic Abuse Services, Inc.	Nonprofit	Homeless, At Risk of Homeless, Vulnerable Populations, Fleeing Domestic Violence and Sex Trafficking	Community Meeting; Online Survey Invitation
Disability Rights, NJ	Nonprofit	Vulnerable Population - Disabilities; Fair Housing	Community Meeting; Online Survey Invitation
Domestic Abuse and Sexual Assault Crisis Center of Warren County	Nonprofit	Homeless, At Risk of Homeless, Vulnerable Populations, Fleeing Domestic Violence and Sex Trafficking	Online Survey Invitation; Stakeholder Interview
Essex County	Local Government	N/A	Community Meeting; Online Survey Invitation
Eva's Village	Nonprofit	Homeless, At Risk of Homeless, Vulnerable Populations	Community Meeting; Online Survey Invitation
Family Promise of Essex County	Nonprofit	Homeless, At Risk of Homeless, Vulnerable Populations	Community Meeting; Online Survey Invitation; Stakeholder Interview
Gloucester County Habitat for Humanity	Housing Provider	Vulnerable Populations	Community Meeting; Online Survey Invitation; Public Hearing
Habitat for Humanity of Salem County, NJ	Housing Provider	Vulnerable Populations	Data Collection; Online Survey Invitation
Holly City Development Corporation	Nonprofit	Vulnerable Populations	Community Meeting; Online Survey Invitation
HomeFront	Nonprofit	Homeless, At Risk of Homeless, Vulnerable Populations, Fleeing Domestic Violence, Veterans	Community Meeting; Online Survey Invitation; Stakeholder Interview; Public Hearing
Housing and Community Development Network of New Jersey	Housing Advocacy	Vulnerable Populations, Fair Housing	Community Meeting; Online Survey Invitation
Hunterdon County	Local Government	N/A	Community Meeting; Online Survey Invitation; Public Hearing
Isaiah House	Nonprofit	Homeless, At Risk of Homeless, Vulnerable Populations	Community Meeting; Online Survey Invitation
Jewish Family Services of Atlantic and Cape May Counties	Nonprofit	Vulnerable Populations; Fair Housing	Community Meeting; Online Survey Invitation; Public Hearing

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Madison Housing Authority	Public Authority	Housing	Vulnerable Populations	Community Meeting; Online Survey Invitation; Public Hearing
Mental Health Association of Essex and Morris, Inc.	Nonprofit		Homeless, At Risk of Homeless, Vulnerable Populations; Fair Housing	Online Survey Invitation; Stakeholder Interview
Monmouth County Continuum of Care	COC		Homeless, At Risk of Homeless, Vulnerable Populations	Online Survey Invitation; Stakeholder Interview
Monarch Housing Associates	Housing Advocacy		Homeless, At Risk of Homeless, Vulnerable Populations	Community Meeting; Online Survey Invitation; Public Hearing
My Brother's Keeper	Nonprofit		Homeless, At Risk of Homeless, Vulnerable Populations	Community Meeting; Online Survey Invitation
New Jersey Community Development Corporation	Nonprofit		Vulnerable Populations	Stakeholder Interview; Online Survey Invitation
Nouvelle, LLC	Housing Developer		N/A	Community Meeting; Online Survey Invitation
Parkside Business & Community in Partnership, Inc.	Advocacy		Vulnerable Populations	Community Meeting; Online Survey Invitation
Paterson Task Force for Community Action, Inc.	Nonprofit		Homeless, At Risk of Homeless	Community Meeting, Online Survey Invitation
Pemberton Township	Local Government		N/A	Community Meeting; Online Survey Invitation
Pennrose, LLC	Housing Developer		N/A	Stakeholder Interview; Online Survey Invitation
Quest Autism	Nonprofit		Vulnerable Populations	Stakeholder Interview; Online Survey Invitation
Raritan Bay Area YMCA	Nonprofit		Vulnerable Populations	Community Meeting; Online Survey Invitation
Region Nine Housing Corporation	Nonprofit		Vulnerable Populations - Seniors, Disabilities	Community Meeting; Online Survey Invitation
Sussex, Hunterdon, Warren Counties Continuum of Care	COC		Homeless, At Risk of Homeless, Vulnerable Populations	Online Survey Invitation; Stakeholder Interview
RPM Development	Housing Developer		N/A	Community Meeting; Online Survey Invitation; Public Hearing
Taylor Care - Adult Behavioral Health	Nonprofit		Vulnerable Populations	Community Meeting; Online Survey Invitation
The Affordable Homes Group	Housing Developer		N/A	Community Meeting; Online Survey Invitation
The Apostle House	Nonprofit		Homeless, At Risk of Homeless, Vulnerable Populations	Community Meeting; Online Survey Invitation

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The Community Builders	Housing Developer	N/A	Community Meeting; Stakeholder Interview
The Gateway Family YMCA	Nonprofit	Homeless, At Risk of Homeless, Vulnerable Populations	Community Meeting; Online Survey Invitation
The Supportive Housing Association of NJ	Housing Advocacy	Vulnerable Populations	Community Meeting; Online Survey Invitation
Township of Middletown	Local Government	N/A	Community Meeting; Stakeholder Interview
Union County	Local Government	N/A	Community Meeting; Online Survey Invitation
United Community Corporation	Nonprofit	Homeless, At Risk of Homeless, Vulnerable Populations	Community Meeting; Online Survey Invitation; Public Hearing
Wellspring Center of Prevention	Nonprofit	Vulnerable Populations	Community Meeting; Online Survey Invitation
Newark Habitat for Humanity	Nonprofit	Vulnerable Populations	Online Survey Invitation; Public Hearing
Samaritan Inn	Nonprofit	Homeless, At Risk of Homeless, Vulnerable Populations	Online Survey Invitation; Public Hearing
Ingerman	Housing Developer	N/A	Public Hearing
New Jersey Community Capital	Nonprofit	N/A	Public Hearing
AtlantiCare Foundation	Healthcare	N/A	Public Hearing
Bergen County, Housing, Health, and Human Services	Housing Advocacy	Vulnerable Populations, Fair Housing	Public Hearing, Online Survey Invitation
Women Aware-Middlesex County	Nonprofit	Vulnerable Populations, Fleeing Domestic Violence	Public Hearing
Saint Joseph's Carpenter Society	Nonprofit	Homeless, At Risk of Homeless, Vulnerable Populations	Public Hearing, Online Survey Invitation
Camden County	Local Government	N/A	Public Hearing, Online Survey Invitation
Cumberland County, Human Services	Housing Advocacy	Vulnerable Populations, Fair Housing	Public Hearing, Online Survey Invitation
Herman Bruns Realty Inc.	Housing Developer	N/A	Public Hearing
Atlantic County, Department of Family and Community Development	COC	Homeless, At Risk of Homeless, Vulnerable Populations	Public Hearing, Online Survey Invitation
Safe + Sound - Somerset	Nonprofit	Vulnerable Populations, Fleeing Domestic Violence	Public Hearing
Raritan Valley Habitat for Humanity	Housing Provider	Vulnerable Populations	Public Hearing, Online Survey Invitation
Cara Squared LLC	Housing Developer	N/A	Public Hearing
Just Believe Inc-Toms River	Nonprofit	Homeless, At Risk of Homeless, Vulnerable Populations	Public Hearing
City of Perth Amboy, Economic and Community Development	Local Government	N/A	Public Hearing, Online Survey Invitation

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Greater Bergen Community Action	Nonprofit	Homeless, At Risk of Homeless, Homeless Youth	Public Hearing, Online Survey Invitation
La Casa de Don Pedro	Nonprofit	Homeless, At Risk of Homeless, Homeless Youth	Public Hearing
The Brooke Group LLC	Housing Developer	N/A	Public Hearing
180 Turning Lives Around	Nonprofit	Vulnerable Populations, Fleeing Domestic Violence	Public Hearing

Summary of Feedback Received

Largely the public and stakeholders agreed that the needs lie primarily in accessing more affordable housing units, addressing increases in rent prices, and addressing mental health and case management challenges. Stakeholders also noted increasing domestic violence and homelessness among senior and youth. See more detailed discussion of consultation on page 5.

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.

DCA began its public participation process with a Community Needs Survey distributed throughout the State and during community engagement public hearings. This survey was utilized to gather information from respondents on their views on the specific needs and priorities within their communities. After the completion of the Community Needs Survey process, survey data was evaluated, and this information was utilized as a starting point for discussion with various individuals, groups, and organizations during focus group sessions held online. This wide variety of contacts included: local officials, substance abuse and mental health organizations, COCs, housing advocates and developers, homeless services advocates, and other members of the public. DCA conducted four meetings on May 17 (two meetings), 18, and 26, 2022. The public sessions included presentations to explain the HOME-ARP Allocation Plan and an opportunity for citizen comments. The meetings were held virtually via Zoom.

Public meeting notices were posted on the DCA website and distributed directly to local officials; developers; non-profit organizations; Planning and Development Districts; and the Continuum of Cares throughout the State.

Once drafted, the plan was released for a 15-day comment period beginning November 29, 2022. A copy of the draft was posted on the DCA website.

Date of Public Notice:

The notice announcing the public comment period and public hearing was published on November 29, 2022. See **Appendix B**.

Public Comment Period:

A 15-day public comment period during which the draft was available on DCAs website began on November 29, 2022 and ended at 5 pm on December 15, 2022.

Date of Public Hearing:

A public hearing was held virtually on December 7, 2022. Forty-seven people attended the public hearing.

Efforts to Broaden Public Participation

Efforts to broaden community participation included holding public hearing meetings, early in the planning process via Zoom to make them accessible to a wider range of people. Accommodations are made for people with disabilities upon request. The Community Needs Survey was available in English and Spanish.

Comments and Recommendations Received

Summarize the comments and recommendations received through the public participation process either in writing, or orally at a public hearing.

Comments received during public participation stressed the need for more affordable rental units. Comments also noted that the need for units is urgent because many areas of the state have no options for low- to moderate-income households. Recommendations included investing more funds in affordable housing development to address the unit crisis.

Comments or Recommendations Not Accepted

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

Some commenters to the publication draft felt more HOME-ARP funds should be allocated to development of new affordable units. While DCA recognizes the need for more affordable housing units, the State has several sources of funds that can be used to address affordable housing development. This HOME-ARP Allocation Plan allocates funds for both the development of affordable rental units and for tenant based rental assistance (TBRA) to allow for more immediate action in addressing the lack of options for low- and moderate-income renters.

Development of new units takes time. The use of HOME-ARP funds for both development and TBRA will allow for short and long term assistance.

Needs Assessment and Gaps Analysis

Size and Demographic Composition of Qualifying Populations

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

The needs assessment and gap analysis must evaluate the “demographic composition of qualifying populations within its boundaries and assess the unmet needs of those populations.”²

The qualifying populations are as followed:

- Homeless
- At-risk of Homelessness
- Fleeing, or Attempting to Flee, Domestic Violence, Dating Violence, Sexual Assault, Stalking, or Human Trafficking
- Veterans and Families that include a Veteran Family Member
- Other Populations (Other Families Requiring Services or Housing Assistance to Prevent Homelessness and Households at Greatest Risk of Instability)

There are several demographic overlaps of these discreet qualifying population categories as defined in the HOME ARP Guidance. For this needs assessment section, two primary categories will be used, Homeless and At-Risk of Homeless. Within these large categories, needs and gaps of other qualifying populations will be described.

Homeless Individuals, as defined in 24 CFR 91.5

The NJ Counts 2022 point in time count report notes that during the pandemic, homeless service systems and planning bodies have had to substantially alter the way they have traditionally operated for the health and safety of their clients and staff. Across New Jersey, communities had to alter their methodology for interviewing persons experiencing homelessness during the PIT count. It notes that the differences in data collection between 2021 and 2022 do not allow for comparison. This Allocation Plan provides both the 2021 and 2022 data as a point of reference for circumstances during the pandemic, not as a direct comparison to establish trends.

² HOME ARP Guidance.

Data for 2021: According to the HUD Continuum of Care Homeless Assistance Programs Homeless Populations and Subpopulations data for the State of New Jersey from 2021, 8,262 persons were identified as homeless, with 7,443 (90%) of those persons sheltered, and 1,028 (12.4%) identified as chronically homeless.³

As shown in the summaries below for New Jersey, households without children represented about 73% of the homeless households, and about 58% of people experiencing homelessness were in households without children. Nearly 6% of homeless individuals were under 18. Nearly 52% of individuals were male, about 38% were female, just about .1% were transgender or non-confirming/nonbinary.

State Name: New Jersey

Summary by household type reported:

	Sheltered		Unsheltered**	Total**
	Emergency Shelter	Transitional Housing*		
Households without children ¹	3,875	820	—	—
Households with at least one adult and one child ²	686	207	—	—
Households with only children ³	26	11	—	—
Total Homeless Households	4,587	1,038	—	6,411

Summary of persons in each household type:

	Sheltered		Unsheltered**	Total**
	Emergency Shelter	Transitional Housing*		
Persons in households without children¹	3,952	824	—	—
Persons Age 18 to 24	205	115	—	—
Persons Over Age 24	3,747	709	—	—
Persons in households with at least one adult and one child²	2,016	606	—	—
Children Under Age 18	1,237	378	—	—
Persons Age 18 to 24	146	42	—	—
Persons Over Age 24	633	186	—	—
Persons in households with only children³	34	11	—	—
Total Homeless Persons	6,002	1,441	—	8,262

Demographic summary by ethnicity:

	Sheltered		Unsheltered**	Total**
	Emergency Shelter	Transitional Housing*		
Hispanic / Latino	1,184	286	—	—
Non-Hispanic / Non-Latino	4,818	1,155	—	—
Total	6,002	1,441	—	—

Demographic summary by gender:

	Sheltered		Unsheltered**	Total**
	Emergency Shelter	Transitional Housing*		
Female	2,575	567	—	—
Male	3,415	872	—	—
Transgender	12	2	—	—
Gender Non-Conforming (i.e. not exclusively male or female)	0	0	—	—
Total	6,002	1,441	—	—

³ **In 2021, HUD gave communities the option to cancel or modify the unsheltered survey portion of their counts based on the potential risk of COVID-19 transmission associated with conducting an in-person survey. As a result, HUD has excluded the unsheltered population sub-totals and all unsheltered sub-population data for this reporting period. The user is cautioned that the total homeless counts reported here for 2021 are missing data. Users may refer to the CoC-level reports to review the unsheltered PIT count numbers for CoCs that conducted an unsheltered PIT count. For reference, the total homeless count in 2020 was 9,662 with 7,881 sheltered and 1,781 unsheltered.

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Source: 2021 HUD Continuum of Care Homeless Assistance Programs Homeless Populations and Subpopulations

With respect to race and ethnicity, Black/African American individuals represented about 52% of the homeless population, about 33% were white, about .6% were Asian, about .8% were American Indian or Alaskan Native, about .4% were Native Hawaiian or Other Pacific Islander, and 2.8% were multiple races. About 17.7% were Hispanic.

Demographic summary by race:

	Sheltered		Unsheltered**	Total**
	Emergency Shelter	Transitional Housing*		
Black or African-American	3,515	788	—	—
White	2,186	551	—	—
Asian	42	14	—	—
American Indian or Alaska Native	58	12	—	—
Native Hawaiian or Other Pacific Islander	27	13	—	—
Multiple Races	174	63	—	—
Total	6,002	1,441	—	—

Source: 2021 HUD Continuum of Care Homeless Assistance Programs Homeless Populations and Subpopulations

When looking at the different self-identified categories of homeless persons throughout New Jersey in 2021, nearly a quarter had a severe mental illness and nearly 16% struggled with chronic substance abuse. Victims of domestic violence and veterans each represented about 5% of the homeless population. About 4% were unaccompanied youth.

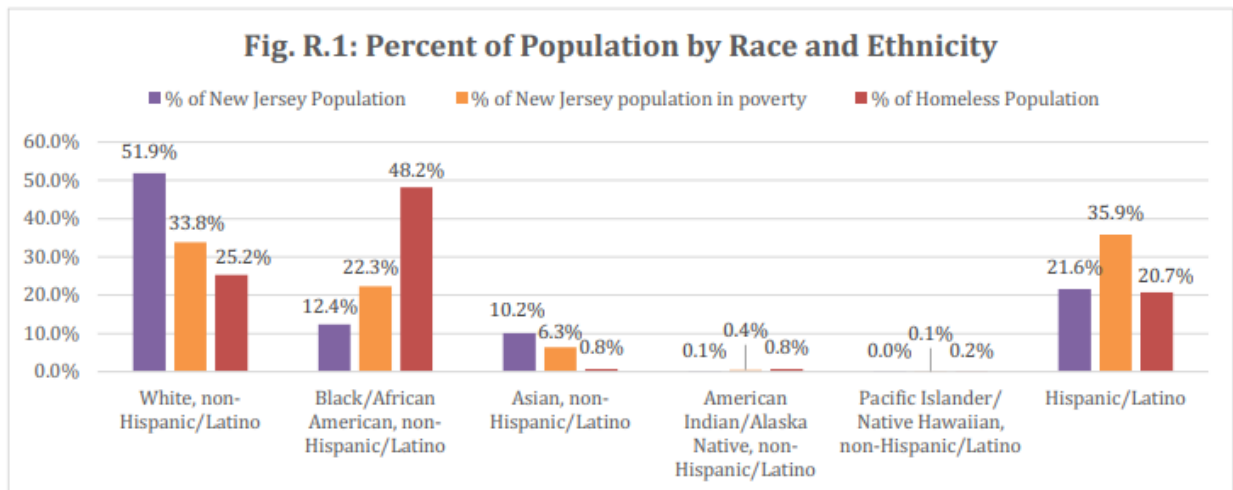
Date for 2022: NJ Counts 2022 is the 2022 annual Point in Time (PIT) count providing a statewide snapshot of households experiencing homelessness in communities, where they find shelter, what their needs are, and what factors contribute to making them homeless.

The report notes that on the night of January 25, 2022, a total of 6,631 households, including 8,754 persons, were experiencing homelessness in the State of New Jersey. Of those, a total of 978 persons (11%) were unsheltered, and 1,750 persons (20%) were identified as chronically homeless.

In the 2022 PIT count, 72% of those counted were adults over age 24, 7% were between 18 and 24 years old, and 21% were children under 18 years. The data also showed that 22% of those counted were over 55 years old, supporting reports from stakeholders that both youth and senior populations are experiencing homelessness at increasing rates.

The report's Figure R.1 illustrates the racial breakdown of the total population in New Jersey, those living below the poverty line, and those experiencing homelessness. From this data it can be seen that persons identifying as Black or African American non-Hispanic/Latino are overrepresented in the population experiencing homelessness. While just 12.4% of the general

population in the State, persons identifying as Black or African American are 22.3% of the population in poverty and 48.2% of the population identified as experiencing homelessness in the PIT count. Persons identifying as Pacific Islander non-Hispanic/Latino have the lowest rates of homelessness, making up 0.2% of the counted population experiencing homelessness. The report further found that persons identifying as Black or African American non-Hispanic/Latino represent 52% of the sheltered population (staying in emergency shelter, or transitional housing) and 45% of the identified unsheltered population. Persons identifying as White non-Hispanic/Latino represent 26.5% of the sheltered population and 30% of the identified unsheltered population. Additionally, the report found 22% of homeless persons identifying as Black or African American and 29% of persons identifying as Hispanic/Latino were children under the age of 18, as compared to 11% of persons identifying as White non-Hispanic/Latino.



Source: NJ Counts 2022

With respect to geographic impact of homelessness across the State, the PIT report found a significant percentage of homeless persons in Essex County. Twenty-two percent of those counted were in Essex County as compared to the next highest percentage of 8% in Hudson and Union Counties. Essex and Hudson Counties also had the highest percentage of unsheltered people at 15%, and Essex and Camden Counties had the highest percentage of chronic homeless persons at 15% and 12% respectively. Figure i of the report provides a full list of counts by County.

Figure i. Number of Homeless Persons by County and Percentage of State Total

County	Total Homeless Persons	% of Total Homeless Persons	Chronic Homeless Persons	% of Chronic Homeless Persons	Unsheltered Homeless Persons	% of Unsheltered Homeless Persons
Atlantic	343	4%	118	7%	107	11%
Bergen	306	3%	12	1%	15	2%
Burlington	585	7%	143	8%	15	2%
Camden	625	7%	211	12%	136	14%
Cape May	119	1%	18	1%	1	0%
Cumberland	123	1%	23	1%	8	1%
Essex	1,914	22%	254	15%	149	15%
Gloucester	127	1%	15	1%	11	1%
Hudson	665	8%	154	9%	143	15%
Hunterdon	184	2%	26	1%	8	1%
Mercer	533	6%	100	6%	94	10%
Middlesex	586	7%	156	9%	87	9%
Monmouth	453	5%	95	5%	23	2%
Morris	351	4%	62	4%	13	1%
Ocean	419	5%	96	5%	13	1%
Passaic	374	4%	107	6%	86	9%
Salem	20	0%	5	0%	4	0%
Somerset	220	3%	16	1%	3	0%
Sussex	67	1%	5	0%	1	0%
Union	677	8%	116	7%	59	6%
Warren	63	1%	18	1%	2	0%
Total	8,754		1,750		978	

Source: NJ Counts 2022

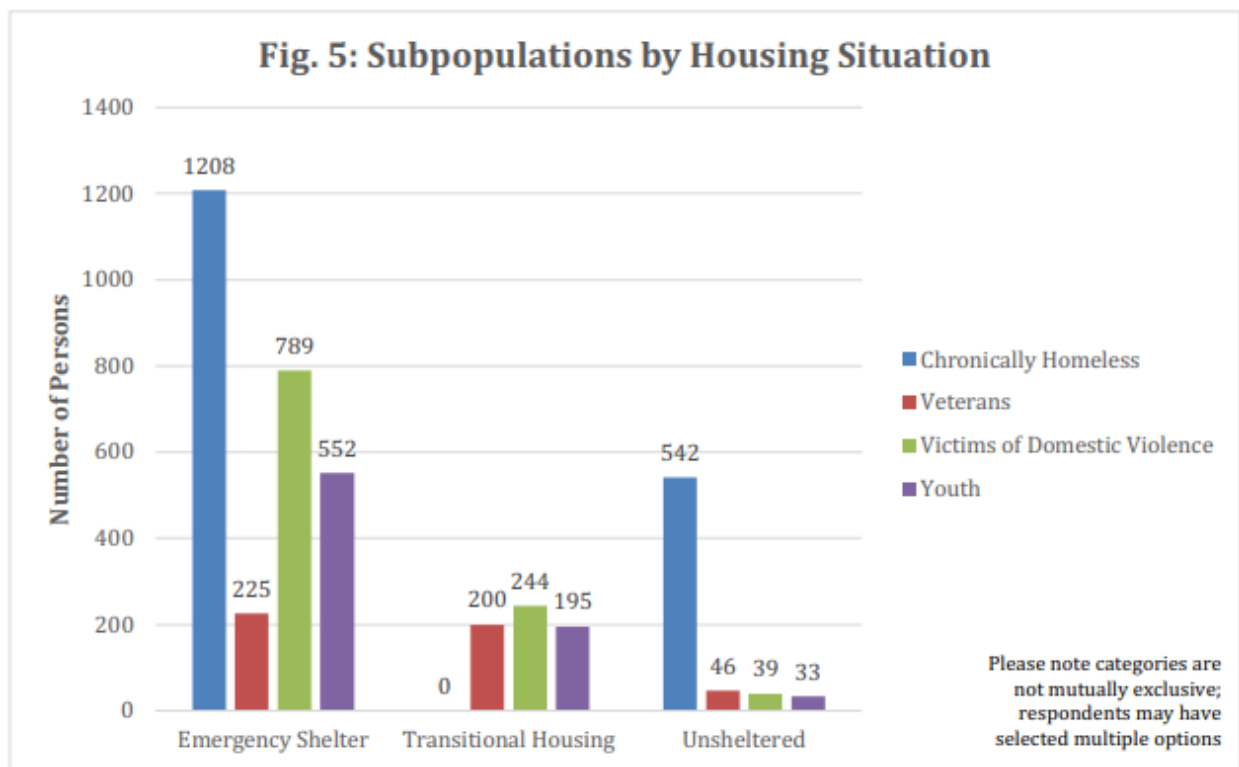
Veterans, Victims of Domestic Violence, and other Categorized Populations

HOME ARP Guidance specifically identifies individuals “Fleeing, or Attempting to Flee, Domestic Violence, Dating Violence, Sexual Assault, Stalking, or Human Trafficking” and “Veterans and Families that include a Veteran Family Member” as two qualifying populations eligible to receive assistance.

According to the 2021 Point-in-Time Count, 5% (419) of New Jersey’s homeless population were Veterans, and 5% (426) of the State’s homeless were victims of domestic violence. NJ Counts 2022 report, however, describes that those experiencing domestic violence represent a higher percentage of those who are homeless than veterans. On the night of the count, 1,072 people (12.2%) identified as a victim of domestic violence while 471 (6.9%) were veterans. The report’s Fig. 5 provides a graphic representation of this data. Stakeholders interviewed for this plan noted

that victims of domestic violence are often undercounted in the homeless population, and so the true count of victims of domestic violence experiencing homelessness may be higher than reported in either year. Figure 5 of the report shows that victims of domestic violence were also more likely to be in emergency shelters than in transitional housing. Nearly 74% of victims of domestic violence experiencing homelessness on the night of the count were in emergency shelters as compared to nearly 48% of veterans.

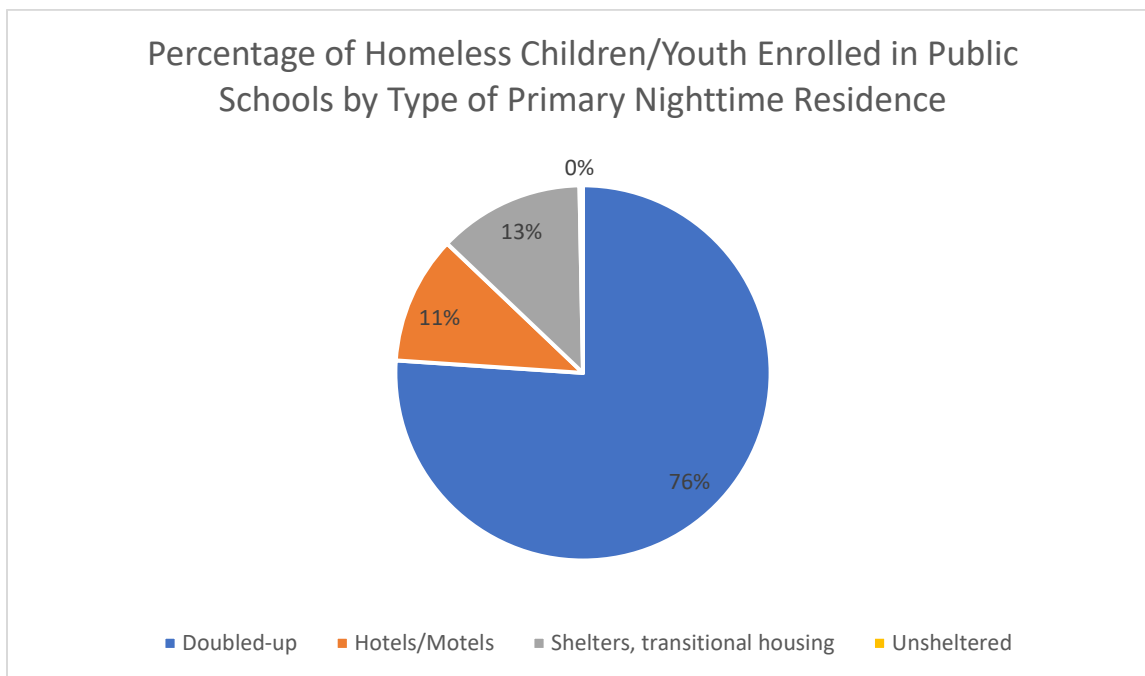
The United States Interagency Council on Homelessness (USICH) has prioritized ending homelessness among veterans, and many communities in New Jersey have also been working to end homelessness for veterans. Stakeholder feedback indicated that while there is work to be done, some success has been made in meeting these goals as services and shelter for veterans are easier to access than for other vulnerable populations.



Source: NJ Counts 2022

Homeless Families and Youth

According to data submitted by school districts to the U.S. Department of Education, in the 2018-2019 school year, an estimated 13,929 public school students in New Jersey experienced homelessness over the course of the year.⁴ The vast majority of these students (76%) were doubled-up, or living with another family, and 24% were living in temporary shelter (11% in hotel/motel, 13% in shelter or traditional housing). Further, stakeholders discussed youth homelessness as a growing concern as the number of homeless youth have risen in recent years. Anchor House reported that youth homelessness accounts for 25% of the homeless population in Trenton.



Source: National Center for Homeless Education using the U.S. Department of Education's EDFacts Initiative.

Note: Unsheltered includes cars, parks, campgrounds, temporary trailer, or abandoned building.

Additional information on Homeless Families is found in the NJ Counts 2022 report. According to the report of the 6,631 homeless households counted in New Jersey, 988 (15%) were families with at least one child under the age of 18 and one adult. These families included 2,945 persons, including 1,799 children under age 18 and 1,146 adults.

⁴ National Center for Homeless Education using the U.S. Department of Education's EDFacts Initiative.

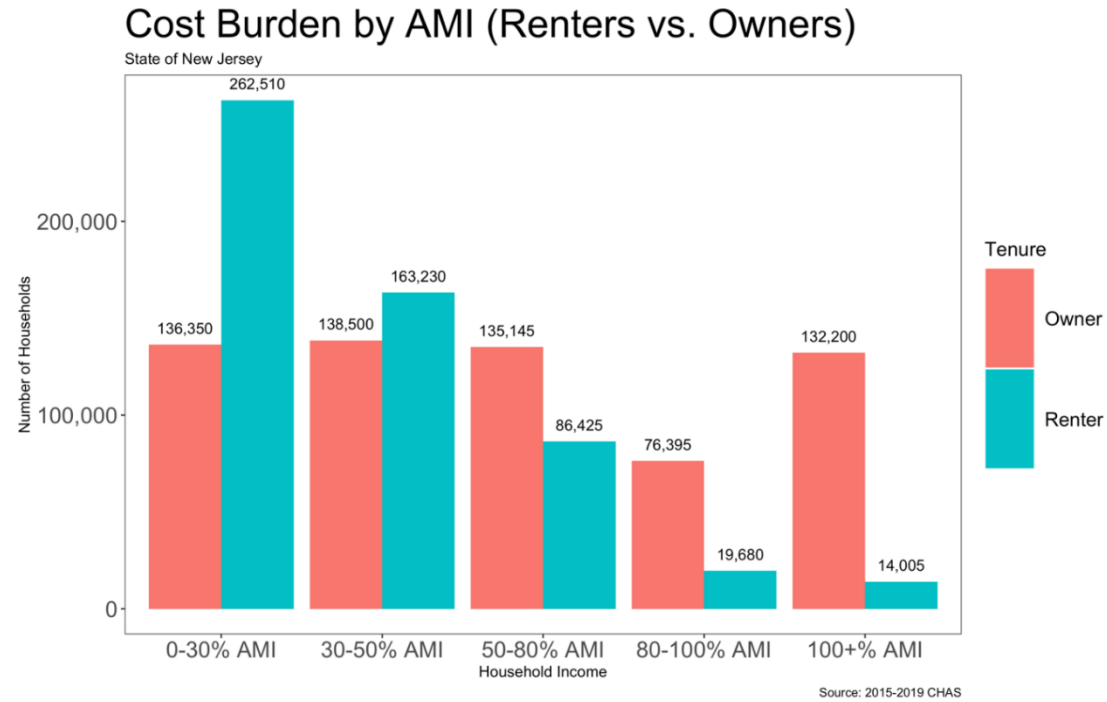
[At Risk of Homelessness, as defined in 24 CFR 91.5](#)

As defined in the HOME ARP Guidance, households at risk of homelessness are those with incomes below 30% of AMI that do not have resources or family, friend, or faith-based support networks to prevent homelessness, and:

1. Has moved because of economic reasons two or more times during the 60 days,
2. Lives in the home of another because of economic hardship,
3. Has received a 21-day eviction notice,
4. Lives in a hotel or motel, which is not paid for with assistance from a charitable organization or government,
5. Lives in overcrowded conditions as defined by HUD, OR
6. Is exiting a publicly funded institution or system of care.

Cost burden, which is the ratio of housing costs to household income, is an indication of housing need, and the need for reduced rental costs. For renters, housing cost is gross rent (contract rent plus utilities). For owners, housing cost is "select monthly owner costs," which includes mortgage payment, utilities, association fees, insurance, and real estate taxes. Renter households who pay more than 30% of their income for rent and utilities are considered cost burdened. In New Jersey, households earning between 0-30% AMI are more likely to pay more than 30% of their income towards housing expenses.⁵ Among all renters in New Jersey who earn less than 30% AMI, 77% are cost burdened (a total of 262,510 households).

⁵ The four housing problems are: incomplete kitchen facilities, incomplete plumbing facilities, more than 1 person per room, and cost burden greater than 30%.² Cost burden is the ratio of housing costs to household income. For renters, housing cost is gross rent (contract rent plus utilities). For owners, housing cost is "select monthly owner costs," which includes mortgage payment, utilities, association fees, insurance, and real estate taxes.

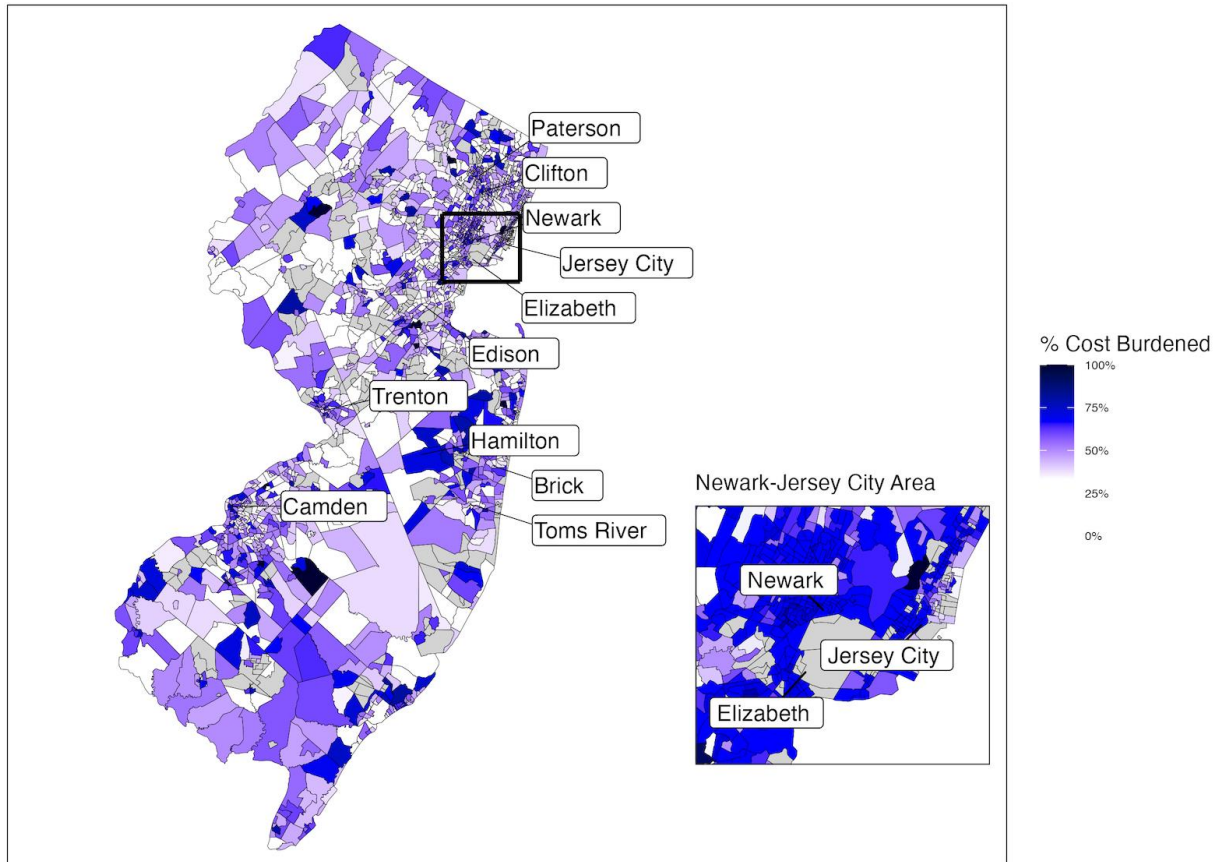


Source: HUD Comprehensive Housing Affordability Strategy (CHAS) 2015-2019.

According to data from the 2015-2019 HUD Comprehensive Housing Affordability Strategy, there is not a single New Jersey county in which fewer than 25% of renter households were cost burdened. Furthermore, in the following counties, more than 50% of renter households were cost burdened: Cumberland (57%), Atlantic (55%), Ocean (54%), Salem (53%), Cape May (52%), Passaic (51%), Essex (50%).

Cost Burdened Renter Households

State of New Jersey



Source: 2015-2019 CHAS, Tigerline

COVID-19 Related Emergency Rental Assistance

Many of the eligibility requirements for the U.S. Department of Treasury’s Emergency Rental Assistance Programs overlap with HOME APR eligibility requirements, including:

- At risk of homelessness or experiencing housing instability (e.g., past due notice, non-payment of rent, or eviction notice) and
- A household income less than 80% AMI.⁶

Data from the New Jersey Emergency Rental Assistance Program can help quantify those individuals and households in New Jersey that are housing insecure. According to the Emergency

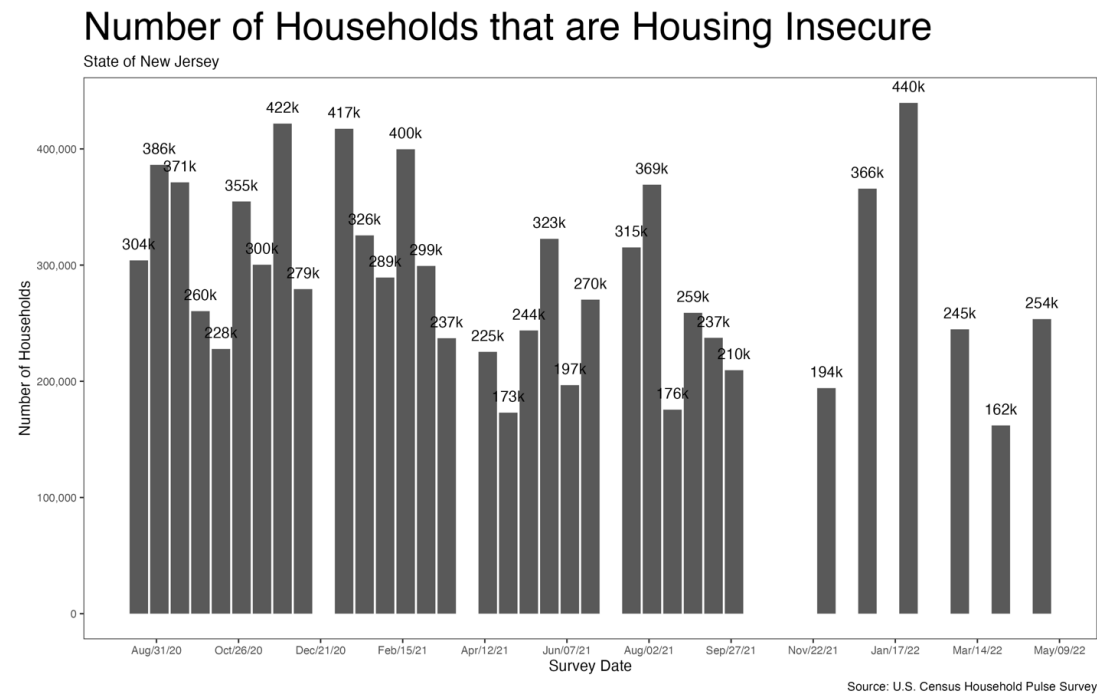
⁶ While 80% AMI is the upper limit of assistance, many state and local ERA programs have developed systems to prioritize assistance for households earning 30% AMI.

Rental Assistance Program reporting required by the U.S. Department of the Treasury, New Jersey has approved over \$589 million in payments.

- Between January 2021 and January 2022, 87,246 households in New Jersey received rental assistance.
- The average amount of assistance was just over \$6,750 per household.⁷

Housing Insecurity and Eviction

Additionally, data collected in the online Household Pulse Survey, which measured housing insecurity throughout the COVID-19 pandemic found that households experiencing housing insecurity⁸ in New Jersey was relatively stable between August 2020 to May 2022 (the latest data available).



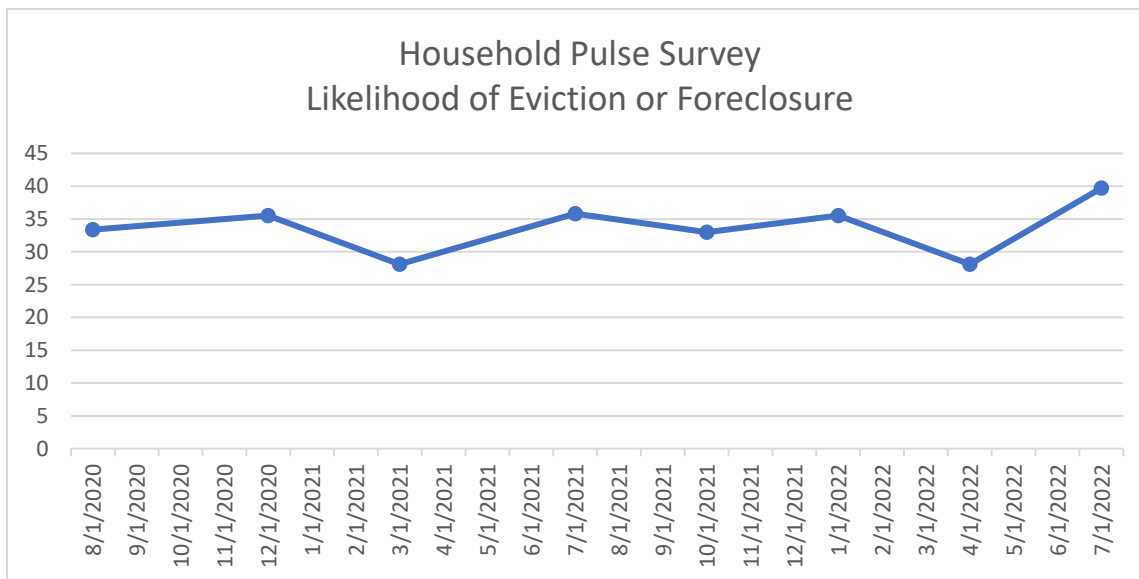
Source: Household Pulse Survey, Housing Insecurity (Missed Payment and Low Confidence).

⁷ Emergency Rental Assistance monthly compliance report data: <https://home.treasury.gov/policy-issues/coronavirus/assistance-for-state-local-and-tribal-governments/emergency-rental-assistance-program/reporting>.

⁸Housing Insecurity as defined by the Household Pulse Survey includes households that have missed the last months’ rent or mortgage payment, or who have slight or no confidence that their household can pay next month’s rent on time.

While the number of households throughout New Jersey experiencing housing insecurity has decreased since August 2020, this data helps establish a baseline data point of an average 289,000 households in New Jersey experiencing housing insecurity between 2020 and 2022.

The Household Pulse Survey also measures the percentage of adults in households not current on rent or mortgage were eviction or foreclosure in the next two months is either very likely or somewhat likely. The graph below details the residents in New Jersey reporting that eviction or foreclosure was likely between August 2020 and July 2022. While the trend of likely evictions or foreclosures has remained stable over the period, reports from July 2022 indicate that evictions and foreclosures may be on the rise with the highest percentage of the period. During this period 5,395,412 individuals reported that they were facing eviction or foreclosure in the next two months.



Source: Household Pulse Survey, Likelihood of Eviction or Foreclosure.

[Fleeing, or Attempting to Flee, Domestic Violence, Dating Violence, Sexual Assault, Stalking, or Human Trafficking, as defined by HUD in the HOME-ARP Notice](#)

HOME ARP Guidance specifically identifies individuals “Fleeing, or Attempting to Flee, Domestic Violence, Dating Violence, Sexual Assault, Stalking, or Human Trafficking” as a specific qualifying population eligible to receive assistance. Domestic violence service providers consulted for this

Plan indicated that they have seen a rise in need for services for those fleeing domestic violence. The number of people seeking shelter, those making calls to hotlines, and those on waiting lists continue to grow. The New Jersey Coalition to End Domestic Violence has reported that programs run by their 34-member domestic violence providers had responded to 37% more hotline calls in 2021 compared to 2020 and provided shelter to 53% more victims.

With respect to sex trafficking, stakeholders consulted noted that many are not citizens, and most are transient as they are often moved around to be hidden from law enforcement. As a result, these individuals are often hard to reach and difficult to count.

As noted previously, the NJ Counts 2022 report found 1072 people (12.2% of the homeless population counted) identified as a victim of domestic violence. About 54% of these were without children, 29% noted a disability, and 42% were Black/African American.

[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 HOME-ARP Notice](#)

The HOME-ARP notice defines families *“Requiring Services or Housing Assistance to Prevent Homelessness”* as households (i.e., individuals and families) who have previously been qualified as “homeless” as defined in 24 CFR 91.5, are currently housed due to temporary or emergency assistance, including financial assistance, services, temporary rental assistance or some type of other assistance to allow the household to be housed, and who need additional housing assistance or supportive services to avoid a return to homelessness. In the 2022 PIT count, 1,750 people (20% of the homeless persons counted) were found to be chronically homeless. Chronically homeless households, as defined by HUD, are persons with a long-term disabling condition who have been continually homeless for a year or more, or at least four times in the past three years where the length of time in those episodes add up to a year or more. These households are likely to need greater supportive services and case management to stay housed once housing is secured for them. Demographically, these chronically homeless persons were largely adults (96.4%). About 65% identified as male and about 34% identified as female. Racially, 47.5% were Black/African American. Of those counted, about a third were unsheltered and 67% identified multiple disabilities. About 54% were homeless despite receiving assistance such as SSI, SSDI, TANF, or general public assistance/welfare. Stakeholders interviewed for this Allocation Plan noted that assistance received by those receiving disability, for example, often falls far short of what is needed to secure housing, and these situations are becoming intensified

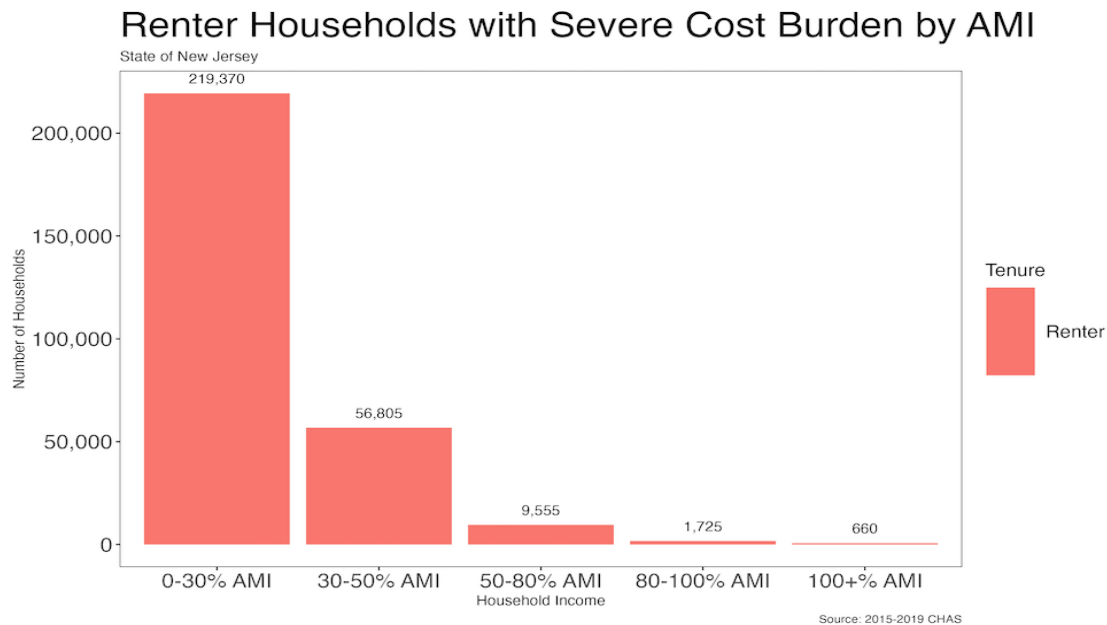
as rents increase. As a result, services and housing assistance to prevent homelessness are needed.

The HOME-ARP notice defines “Other Populations at Greatest Risk of Housing Instability” in two ways. The first definition includes those with annual income that is less than or equal to 30% of the area median income, as determined by HUD and is experiencing severe cost burden (i.e., is paying more than 50% of monthly income on housing costs.) In New Jersey, there are 334,665 extremely low income and severely cost burdened households, which places them at imminent risk of becoming homeless.

The second definition is that the household has an annual income that is less than or equal to 50% of the area median income, as determined by HUD, and meets one of the conditions of “At risk of homelessness.”

In New Jersey, there are 466,960 households earning between 0-50% AMI that are severely cost burdened or paying more than 50% of their income towards housing expenses.⁹

Of these severely cost-burdened households, 276,175 or about 59%, are renters and the majority are earning below 30% AMI.



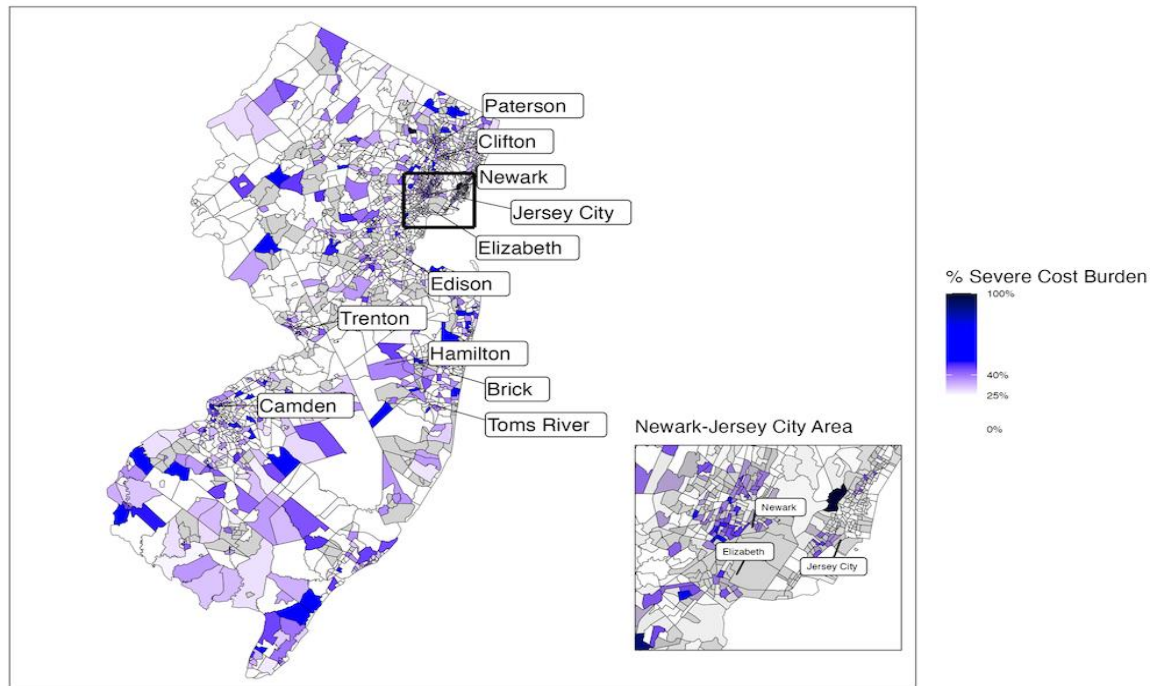
⁹ Cost burden is the ratio of housing costs to household income. For renters, housing cost is gross rent (contract rent plus utilities). For owners, housing cost is "select monthly owner costs," which includes mortgage payment, utilities, association fees, insurance, and real estate taxes.

Source: HUD Comprehensive Housing Affordability Strategy (CHAS) 2015-2019.

The below map shows the geographic distribution of the estimated percent of all renters who are severely cost burdened.¹⁰ The following counties have over 25% of all renters experiencing a severe cost burden: Cumberland (33%), Ocean (30%), Passaic (29%), Salem (29%), Essex (28%), Cape May (27%), Camden (27%), Monmouth (27%), Atlantic (26%), Gloucester (26%), Mercer (25%), Hunterdon (25%).

Renter Households with Severe Cost Burden

State of New Jersey



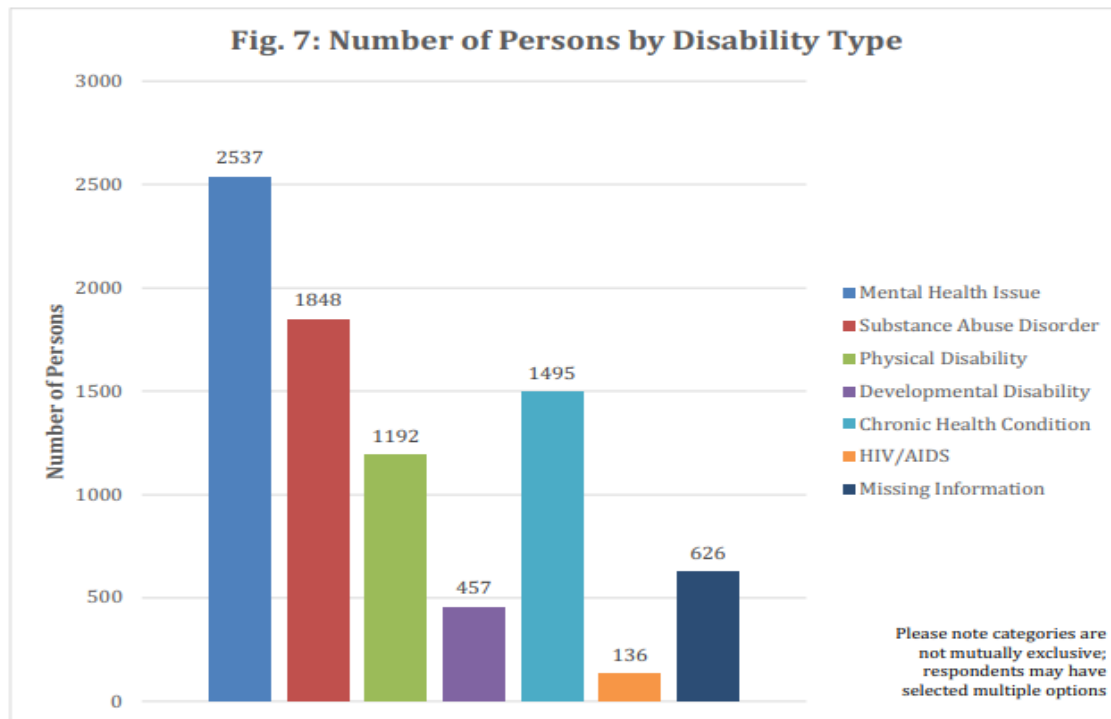
Source: 2015-2019 CHAS, Tigerline

HOME ARP Guidance specifically identifies “Veterans and Families that include a Veteran Family Member” as another eligible population under HOME-ARP. Veteran homelessness is discussed in the Homelessness section of this Plan.

Research shows that people with disabilities are likely to fall into this qualifying population. The NJ Counts 2022 report collected information on people who are homeless with disabilities and found that 58.9% of people had a disability. Among persons identifying a disability, 60.4% reported mental health issues; this accounts for 29% of the total identified population

¹⁰ Severe Cost Burden: renter households for whom gross rent is 50% or more of household income.

experiencing homelessness. This data is consistent with information received from stakeholders who described that people living with disabilities face extreme housing instability and are often close to finding themselves homeless due their extremely low incomes and housing cost burden, as well as a significant need for services to sustain their living situations. Figure 7 of the NJ Counts 2022 report illustrates the range of disabilities experienced by those who were homeless on the night of the count.



Source: NJ Counts 2022

Current Resources Available to Assist Qualifying Populations

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 (Optional).

Congregate and Non-Congregate Shelter Units

As indicated in the 2021 HIC (Housing Inventory Count), New Jersey’s homeless system had 16,258 total year-round shelter beds for people experiencing homelessness: 3,814 are described as family units, 8,073 are described as “family beds”, 8,158 are described as adult only beds, and

27 are described as child only beds. Of these total year-round shelter beds, 3,687 are reserved for chronically homeless, 2,048 are reserved for veterans, and 602 are for youth. Further the state has shelters including some dedicated to those fleeing domestic violence and sex trafficking, however, all the shelters consulted noted that they are always at maximum capacity and shelter services in rural areas are especially difficult to access.

Stakeholders interviewed for this Plan discussed the ways in which the pandemic highlighted the need for more non-congregate shelter. Many pre-pandemic shelters operated in a congregate style, which was not appropriate for containing the spread of COVID-19. While shelters transitioned to non-congregate models, many are temporary or not sustainable as currently operated. Because homeless individuals are more vulnerable to an outbreak of highly communicable diseases like COVID due to their lower vaccination rates and higher rates of chronic conditions, the acquisition and development of non-congregate shelters is needed. Further, stakeholders report that those experiencing homelessness are more likely to seek shelter when non-congregate options are available. Therefore, more non-congregate options will help protect this vulnerable population and reduce the chance of infectious transmission in group shelter settings.

Supportive Services

Under its goals to support rental housing and services for people experiencing homelessness, DCA provides homeless prevention and rapid re-housing funds to those in or at risk of becoming homeless and tenant-based rental assistance to individuals diagnosed with HIV/AIDS. Also, DCA provides funds to emergency shelters and transitional housing facilities to address life safety issues and improve the living conditions of the residents. DCA also provides assistance to support temporary housing for people recovering from substance abuse and supports local jurisdictions' planning process to reduce and end homelessness.

Tenant Based Rental Assistance

In New Jersey, there are over 81 agencies managing over 84,790 Tenant-Based vouchers and 1,686 Veterans Affairs Supportive Housing Vouchers.

Affordable and Permanent Supportive Rental Housing

According to the 2021 HIC, there are 185 permanent supportive housing beds and 107 rapid rehousing beds throughout the State. Further, DCA has financed 548 affordable housing units over the last five-years with an additional 517 units approved for funding. The New Jersey

Housing and Mortgage Finance Agency through its Low-Income Housing Tax Credit (9%), also finance affordable housing development.

Unmet Housing and Service Needs of Qualifying Populations

Describe the unmet housing and service needs of qualifying populations.

Homeless Populations, as defined in 24 CFR 91.5.

The 2021 Point in Time Count for New Jersey found a total of 8,262 homeless individuals throughout the State. During this same year, the Housing Inventory Count for New Jersey reported over 16,000 total year-round bed for emergency housing, transitional housing, and supportive housing. While it would appear that there may be enough beds for those needing shelter, these beds are spread through the State and may not be located in areas where demand at any given time is highest. Further some beds are reserved for specific populations such as veterans or victims of domestic violence. Additionally, in the 2018-2019 school year, an estimated 13,929 public school students in New Jersey experienced homelessness over the course of the year.¹¹ The vast majority of these students (76%) were doubled-up, or living with another family, and 24% were living in temporary shelter (11% in hotel/motel, 13% in shelter or traditional housing).

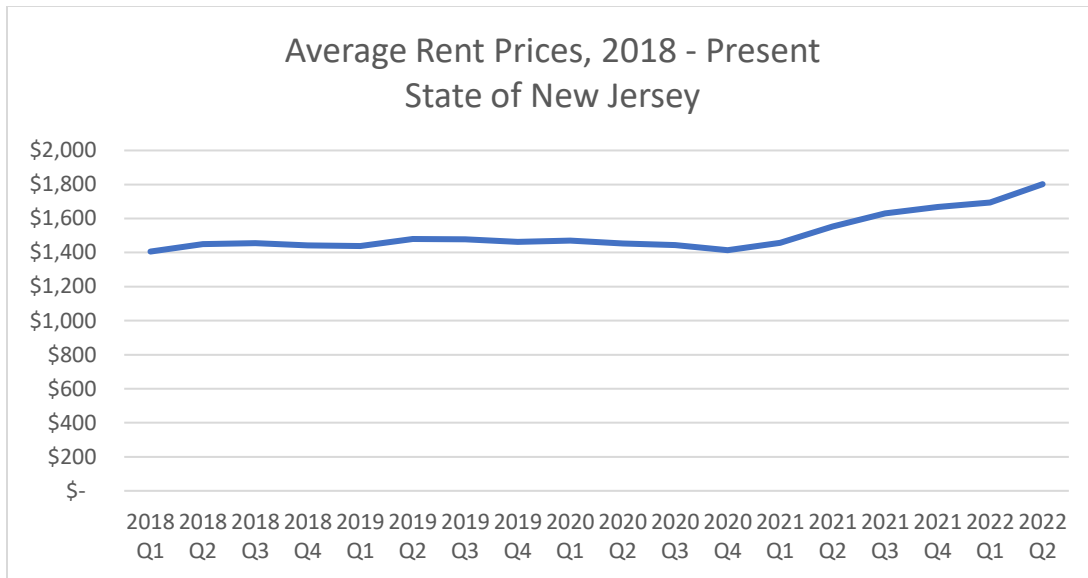
At Risk of Homelessness, as defined in 24 CFR 91.5.

Cost burden and extreme cost burden are the most common housing problems for New Jersey households earning less than 30% of AMI. Among all renters in New Jersey who are cost burden, nearly 78% earn below 50% of AMI: 262,510 households under 30% AMI and 163,230 households between 30 and 50% AMI.

As incomes for many renters stay stagnant, costs of rents have been steadily increasing. Rental prices have been increasing since 2018 with sharper increases over the last two years. According to Apartment List, an online data source for rent and vacancy information nationally, the current median cost of a 1-bedroom unit in New Jersey is \$1,556, a \$309 increase since first quarter 2020, and the current median cost of a 2-bedroom unit is \$1,937, a \$385 increase since first quarter 2020. See graphic illustration below. These rents are statewide averages and urban markets will experience higher rents than rural areas. As rents increase, renters will spend increasingly higher

¹¹ National Center for Homeless Education using the U.S. Department of Education's EDFacts Initiative.

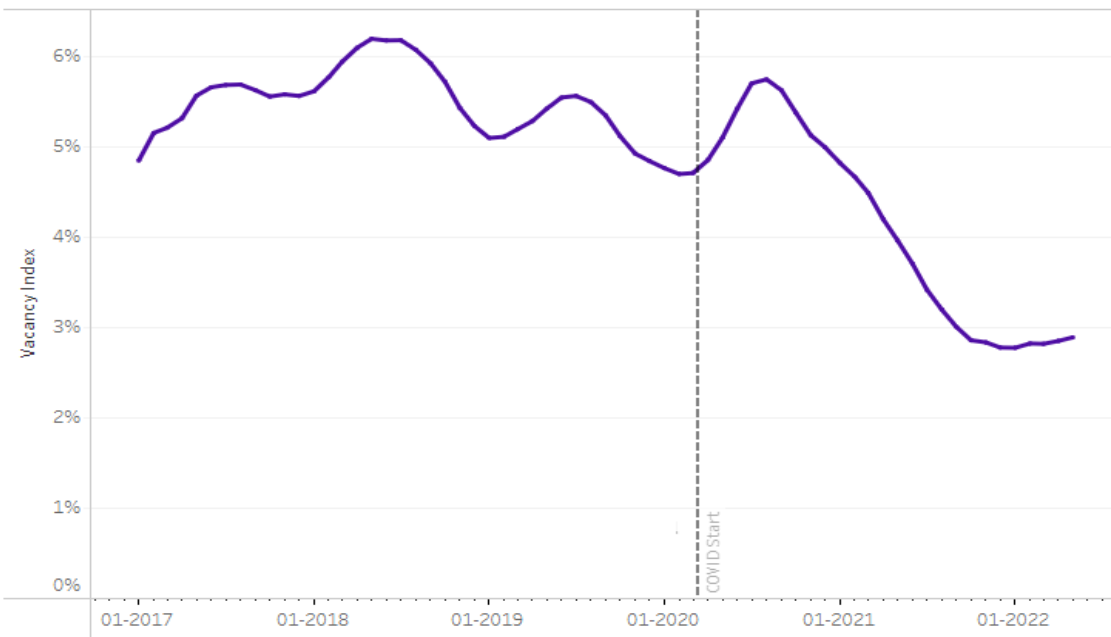
percentages of their income on housing costs, which will further deepen concerns of housing instability.



Source: Apartment List Rent Estimate Data, September 2022

Rising rents are, in part, the result of decreases in available vacant units. The stock of available rental units has dropped significantly in the New Jersey since early in 2020 to under 3% vacancy in the latest quarter. Limited housing availability has contributed to the increasing rent costs over this same time period.

State Level Vacancy Index: New Jersey



Source: Apartment List Vacancy Estimate Data, September 2022

According to data submitted by school districts to the U.S. Department of Education, in the 2018-2019 school year, an estimated 13,929 public school students in New Jersey experienced homelessness over the course of the year.¹² The vast majority of these students (76%) were doubled-up.¹³ Additionally, the Household Pulse Survey recent data indicated that 5,395,412 individuals were facing eviction or foreclosure in the next two months.

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

The 2022 NJ Counts report identified 1072 homeless victims of domestic violence. Domestic violence or human trafficking survivors often lack easy access to short-term shelter and quick access to medical and mental health and other services.

Those fleeing domestic violence who use intervention services (e.g., counseling, information services, human resources, or employment assistance programs), and other workplace support services have a much better positive outcome, including a more positive outlook, greater drive to achieve their goals, better mental health, stronger workplace performance, and lower rates of absenteeism. All stakeholders consulted indicated a greater need for service funding for those fleeing domestic violence and, importantly, a need for the services to be more easily accessible to those in need. Services that are scattered and require transportation or multiple stops can mean that those services are more difficult or even impossible for those fleeing to use them.

Further, the programs and needs of children experiencing domestic violence have increased with the rising incidents of violence in families making their needs a heightened priority. Children need an environment with programs to address the trauma they have experienced.

With respect to those fleeing sex trafficking, stakeholders reported that these populations tend to be immigrants and are often in need of legal services.

¹² National Center for Homeless Education using the U.S. Department of Education's EDFacts Initiative.

¹³ American Community Survey 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 HOME-ARP Notice

Severely cost burdened households are those with housing expenses greater than 50% of their income and earning less than 50% of AMI. In New Jersey, there are 276,175 renter households earning between 0-50% of AMI that are severely cost burdened or paying more than 50% of their income towards housing expenses.¹⁴

The issues already discussed in the previous sections for those at risk of homelessness, including cost burden, apply equally to those facing housing instability.

Gaps within Current Shelter and Housing Inventory and Service Delivery Systems

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

As described throughout this Plan, the consultation with residents and stakeholders reveals a gap in affordable units due to rising rents and decreasing vacancy. DCA has a pipeline of affordable housing units that will assist in addressing the need for more affordable housing, but service providers indicate that the need surpasses currently planned units. Service providers have seen a significant strain on both temporary and permanent shelter for those who request it daily. As discussed previously, New Jersey's statewide vacancy rate is historically low at less than 3%. As individuals become housing insecure or homeless, it becomes more difficult for them to find housing in a market where prices are increasing, and housing stock is limited.

Further, the lack of affordable units causes a greater demand for rental assistance for those who are housing instable or homeless. The number of households applying for open rental assistance waiting lists continues to grow each year. Additional Tenant Based Rental Assistance vouchers are needed to bridge this gap. Similarly, for those who find themselves homeless, access to temporary shelter is needed to avoid the consequences that often accompany homelessness, including decreased well-being, substance abuse, incarceration, violence, and fatality. Stakeholders report that many people experiencing homelessness are more likely to seek shelter

¹⁴ Cost burden is the ratio of housing costs to household income. For renters, housing cost is gross rent (contract rent plus utilities). For owners, housing cost is "select monthly owner costs," which includes mortgage payment, utilities, association fees, insurance, and real estate taxes.

in a non-congregate environment. While additional non-congregate shelter options were added during the pandemic, many of these are temporary and still not enough to address the need.

Additional Characteristics Associated with Instability and Increased Risk of Homelessness

Optional: 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. If including these characteristics, identify them here.

DCA does not plan to formally adopt additional definitions of “other populations,” however, a look at additional characteristics that can help clarify the stressors on those facing housing instability in New Jersey is useful. The high-cost burden is a housing characteristic strongly linked with instability and an increased risk of homelessness. Inability to earn a living wage directly affects the cost burden that households face. The federal minimum wage is \$7.25/hour. The current state minimum wage is \$13.00/hour. Massachusetts Institute of Technology, Department of Urban Studies and Planning Living Wage Calculator reported the State of New Jersey living wage for an individual is \$20.57. A single parent with three children would need to earn at least \$70.57 per hour to make a livable wage. Two working parents with three children would need to earn at least \$35.66 each per hour to sustain a livable wage.

Identify Priority Needs for Qualifying Populations

Identify priority needs for qualifying populations.

The following priority needs have been identified for qualifying populations:

- Affordable housing units
- Low barrier entry housing options
- Diversion programs, case management, and housing navigation to prevent homelessness
- Shelter space that can accommodate individuals and families experiencing homelessness in healthy environments
- Supportive housing that provides services for vulnerable populations to prevent housing instability

Determination of Level of Need and Gaps in Shelter and Housing Inventory and Service Delivery Systems

Explain 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 level of need and gaps in shelter and housing inventory and service delivery was determined through an analysis of data and series of community outreach efforts, including an online survey and stakeholder interviews. The data presented in this Allocation Plan is a compilation of data collected from Census, ACS, CHAS, PIT count, data from organizations on the populations served through their programs, and the current Consolidated Plan. Stakeholders consulted to assess need and gaps included the public, the COC, homeless service providers, veterans' groups, domestic violence agencies, the public housing agency and other public or private organizations that address fair housing, civil rights, and the needs of persons with disabilities.

HOME-ARP Activities

Method(s) of Selection

Describe the method(s) that will be used for soliciting applications for funding and/or selecting developers, service providers, subrecipients and/or contractors.

HOME-ARP is a new one-time funding program authorized by the American Recovery Plan Act of 2021. HOME-ARP program requirements do not mirror the requirements of the HOME Investment Partnership Program (HOME program) and potential applicants should not rely on knowledge of the HOME program when contemplating or applying for HOME-ARP funding. Applicants are advised to review HOME-ARP Notice [CPD 21-10](#) on the HUD Exchange for more information.

DCA proposes to focus its HOME-ARP funding on tenant based rental assistance, development of affordable rental housing, acquisition and development of non-congregate shelter, and non-profit capacity building. DCA will allocate HOME-ARP funds through a competitive, open process via the Department of Community Affairs' System for Administering Grants Electronically (SAGE). The SAGE site (<https://dcasage.intelligrants.com/Portal.asp>) includes detailed information on the program requirements, identifies eligible agencies, and provides contact information. DCA utilizes SAGE to review, approve, and manage grants electronically.

Direct Administration by PJ

Describe whether the PJ will administer eligible activities directly.

DCA will contract with subgrantees for the implementation of activities and monitor all activity delivery.

No Use of Subrecipient Prior to HUD Approval

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.

DCA has not provided funds to a subrecipient or contractor prior to HUD’s acceptance of the HOME-ARP Allocation Plan and will not allocate funds to a subrecipient nor contractor to administer the entire HOME-ARP grant.

Use of HOME-ARP Funding

	Funding Amount	Percent of the Grant
Supportive Services	\$0.00	0.00%
Acquisition and Development of Non-Congregate Shelters	\$2,000,000.00	10.26%
Tenant Based Rental Assistance (TBRA)	\$10,000,000.00	51.29%
Development of Affordable Rental Housing	\$3,596,712	18.45%
Non-Profit Operating	\$0.00	0.00%
Non-Profit Capacity Building	\$974,794.50	5.00%
Administration and Planning	\$2,924,383.50	15.00%
Total HOME ARP Allocation	\$19,495,890.00	100.00%

Distribution of HOME-ARP funds In Accordance with Priority Needs

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

DCA proposes to focus its HOME-ARP funding on development of affordable rental housing, tenant based rental assistance, acquisition and development of non-congregate shelter, and non-profit capacity building. This distribution is intended to provide diversified support for the number one priority identified by stakeholders and through the needs assessment - the severe lack of affordable housing options in the State. DCA will provide \$3,596,712 for affordable housing development, however, investing in the development of additional units alone is not enough to address this significant need in a timely manner. The timeline for development can often be years, and units cannot always be placed in areas where they are most needed. To fill the gaps until units come online and in areas where development is not a viable option, DCA will allocate \$10,000,000 in HOME-ARP funds for TBRA, which can be deployed more quickly. Further, temporary shelter for those who find themselves homeless is critical to getting them on a path to secure, permanent housing situations. DCA will provide \$2,000,000 for the development of non-congregate shelter options to provide a landing place where additional assistance can be accessed. Finally, the need for new affordable units is so great that for-profit developers cannot meet the need alone. Therefore, DCA is allocating \$974,794.50 to provide training and education to develop the capacity of non-profit agencies so that they can efficiently and successfully develop affordable housing projects.

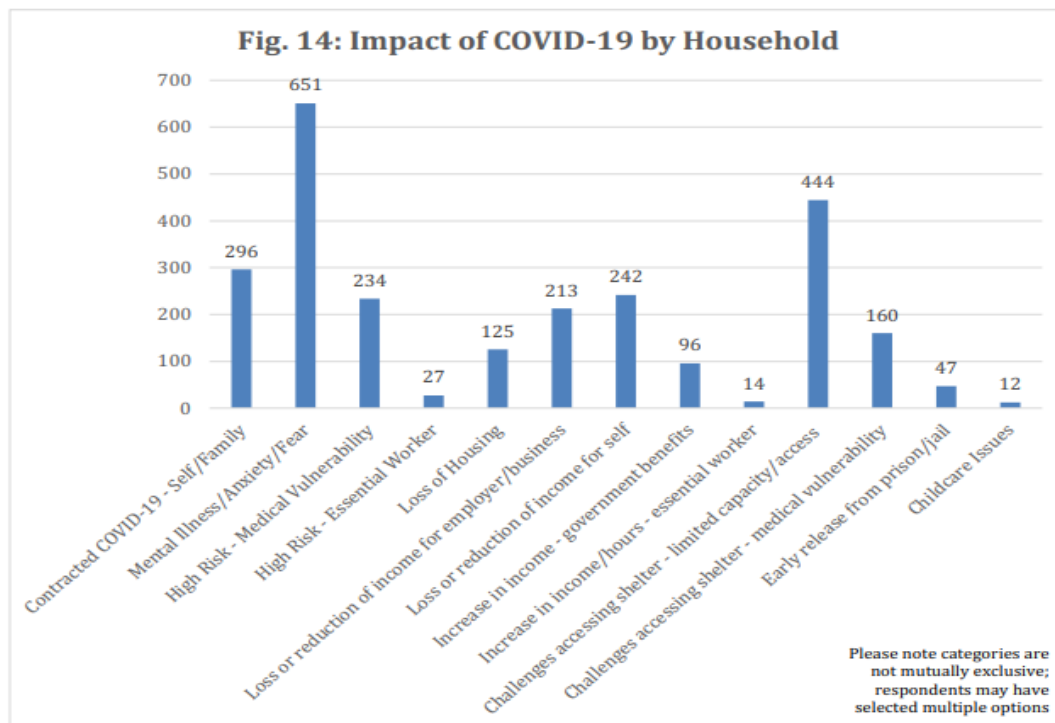
Rationale Funding Based on Characteristic Needs Identified in the Gap Analysis

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.

Stakeholders and the needs assessment overwhelmingly identified more affordable housing units as the most significant gap and need with respect to HOME-ARP eligible uses. Data shows this need has been intensifying over the last few years as cost-burden among renters becomes more severe in a market with continually increasing rent prices and decreasing vacancies. Funding additional units is necessary, but it cannot address the housing affordability crisis alone or in a timely manner. DCA will also fund \$10,000,000 for tenant based rental assistance to create more expeditious pathways to accessing affordable housing and will fund \$2,000,000 for the development of additional non-congregate shelter. Investment in non-congregate shelter will help to stabilize those facing homelessness so that permanent housing is a closer reach and the

consequences of homelessness, including decreased well-being, increased incarceration, violence, and even fatality, may be avoided. Before the pandemic, many shelters operated in a congregate format. The public health emergency of COVID-19 necessitated the transition to non-congregate models, however, many of the current non-congregate options are temporary or not sustainable. Stakeholders have also indicated that those facing homelessness are more likely to seek shelter in a non-congregate environment and so increasing this option will help with longer term housing stability.

Further, stakeholders also described that mental health challenges have intensified universally during the COVID-19 pandemic, and for already vulnerable populations the lack of mental health services can result in behaviors that increase the likelihood of housing instability and homelessness. The NJ Counts 2022 report asked how the pandemic impacted respondent’s current living situation (regardless of whether they identified COVID-19 as a direct cause of their current homeless situation). Of the 1,656 households that responded, Mental Illness/Anxiety/Fear was the most common impact identified by 39.3% of COVID-19 impacted households. The second most common response was challenges accessing shelter due to limited capacity/access, which was identified by 26.8% of households identifying a COVID-19 impact. Figure 14 of their report provides a summary of the impact of COVID-19 by Household. This data demonstrates the need for safe and healthy shelter options for those who become homeless.



Source: NJ Counts 2022

HOME-ARP Production Housing Goals

Estimated Number of Affordable Rental Housing Units for Qualifying Populations

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

To address the most urgent need for more affordable housing units, DCA has allocated \$3,596,712 in HOME-ARP funding for the development and creation of affordable housing. DCA estimates it can subsidize the development of 15 affordable units with this allocation. In addition, \$974,794.50 has been allocated for nonprofit capacity building to increase nonprofit developer's skills and capacity to develop housing units for low- and moderate-income households.

Further, based on rental assistance averages, it is estimated that at least 400 households will receive two years of assistance with DCA's \$10,000,000 allocation for TBRA.

Rental Housing Production Goals and Correspondence with Need

Describe 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.

As noted above, at least 415 households will access housing opportunities. In particular, at least 15 units of new rental affordable housing will be constructed with \$3,596,712 in HOME ARP funds. Additionally, \$10,000,000 will be allocated to tenant-based rental assistance to provide up to 2 years of assistance to at least 400 households to address the increasing rent costs and provide more immediate pathways to securing permanent housing. Further, those who are experiencing homelessness need a safe place to land while waiting to secure more permanent assistance. Therefore, it is also a gap and priority to ensure additional safe shelter is created. The funds for non-congregate shelter will assist with that goal.

Preferences

Identification of Preference

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.

DCA will provide a preference for veterans in its TBRA program. No other activity will contain a preference. The TBRA program will continue to accept all QPs onto its waiting list with veterans receiving priority in placement. ~~has not adopted any preferences among the qualified populations in soliciting proposals for development of affordable units and non-congregate shelter and administration of TBRA.~~ For any selected housing project, DCA will ensure that the tenant selection policy complies with the Fair Housing Act.

Using Preference to Address Unmet Need

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.

~~No preferences were identified.~~ Veterans continue to experience homeless at rates that have not decreased despite national efforts to address veteran homelessness. Further, the State's Point in Time Count (PIT) for 2023 indicates that the rate of unsheltered veterans has been steadily increasing. In 2021 the total unsheltered veteran homeless count was 19, in 2022 it was 46, and for 2023 it is 63, representing a 43% increase in the two years between 2021 to 2023. Further, the PIT study found that 79% of homeless veterans also have a disability making this subpopulation more challenged when it comes to accessing and affording suitable housing. Of those veterans who are housed, a study by the Housing Assistance Council found that nearly 35% of veterans in New Jersey experience a housing problem, the greatest of which is housing affordability. By providing a preference for veterans in DCA's TBRA program, DCA will be able to provide stable housing opportunities to meet the needs of the growing number of unsheltered veterans in the State.

Referral Methods

PJs are not required to describe referral methods in the plan. However, if a PJ intends to use a coordinated entry (CE) process for referrals to a HOME-ARP project or activity, the PJ must ensure compliance with Section IV.C.2 of the Notice (page10).

~~Not applicable.~~ DCA does not use a coordinated entry process and administers its programs on a first come, first serve basis maintaining waitlists for the programs. For the TBRA program, all QPS will be permitted to apply and individuals will be added to the waitlists in order of application received with a priority list for veterans. Veterans will be selected in the order in which they apply

and once all veterans on the waitlist have been served the waitlist will be administered in the order of application for the remaining QPs.

Limitations in a HOME-ARP Rental Housing or NCS Project

Describe whether the PJ intends to limit 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.

Not applicable. No limitations are being implemented.

HOME-ARP Refinancing Guidelines

If the PJ intends to use HOME-ARP funds to refinance existing debt secured by multifamily rental housing that is being rehabilitated with HOME-ARP funds, the PJ must state its HOME-ARP refinancing guidelines in accordance with [24 CFR 92.206\(b\)](#).

Not applicable to chosen HOME-ARP activities.

APPENDIX A – SUMMARY OF SURVEY RESULTS

APPENDIX B – PUBLIC NOTICES

APPENDIX C – SF-424s and Certifications