

Memorandum of Understanding

This Memorandum of Understanding (MOU) has been created and entered on.

(Insert Execution Date)

between

Michigan State Housing Development Authority (MSHDA)
735 E. Michigan Avenue, Lansing, MI 48912

and

(Insert Execution Date)

A. Introduction and Goals

In March 2021, President Biden signed the American Rescue Plan Act of 2021 (ARP) into law, which provided financial relief to address the continued impact of the COVID-19 pandemic on the economy, public health, State and local governments, individuals, and businesses. To specifically address the need for homelessness assistance and supportive services, Congress appropriated ARP funds to be administered through HUD's HOME Investment Partnerships Program to perform four activities that must primarily benefit qualifying individuals and families who are homeless, at risk of homelessness, or in other vulnerable populations. These activities include: (1) development of affordable rental housing, (2) tenant-based rental assistance (TBRA), (3) provision of supportive services; (4) acquisition and development of non-congregate shelter units and (5) non-profit building and capacity building assistance.

HOME-ARP funds were allocated to 19 different cities and counties across the state of Michigan, of which MSHDA received Michigan's non-entitlement portion. To achieve an equitable distribution of funds statewide, MSHDA considered local funding amounts when determining regional allocations for MSHDA HOME-ARP funds and its Allocation Plan. As part of its HOME-ARP Allocation Plan, this MOU is attended to services related to the provision of supportive services and the acquisition and development of non-congregate shelter units. The use of HUD HOME-ARP funds is governed by the terms of HUD Notice [CPD-21-10](#), as amended or superseded (sometimes referred to as the "HOME-ARP Notice").

WHEREAS, the purpose of this Memorandum of Understanding (MOU) is to memorialize the parties' commitment to administering the HOME-ARP activities in accordance with Notice [CPD-21-10](#).

WHEREAS, the COC agrees to give access, assessment, prioritization, and referrals to the qualifying populations as detailed in this MOU, HOME-ARP Notice, and MSHDA HOME-ARP policy guidelines for the HOME-ARP activities outlined in this MOU.

THEREFORE, MSHDA and the CoC agree that it is in the best interests of all concerned to enter into this MOU. This MOU will be effective (Insert Execution Date) and shall automatically renew for each successive one-year period until funding for activities has expired.

B. HOME-ARP Activities:

1. Supportive Services – Homeless Prevention Program
2. Supportive Services – Housing Navigation
3. Acquisition and Development of Non-Congregate Shelter

Supportive Services: HOME-ARP funds may be used to provide a broad range of supportive services to qualifying individuals or families as a separate activity or in combination with other HOME-ARP activities.

Supportive services include: a) services listed in section 401(29) of the McKinney-Vento Homeless Assistance Act (“**McKinney-Vento Supportive Services**”)¹ (42 U.S.C. 11360(29)); b) homelessness prevention services, as described in the HOME-ARP Notice, and c) housing counseling services.

Acquisition and Development of Non-Congregate Shelter: A non-congregate shelter (NCS) is one or more buildings that provide private units or rooms as temporary shelter to individuals and families and does not require occupants to sign a lease or occupancy agreement. HOME-ARP funds may be used to acquire and develop HOME-ARP NCS for individuals and families in qualifying populations. This activity may include but is not limited to the acquisition of land and construction of HOME-ARP NCS or acquisition and/or rehabilitation of existing structures such as motels, hotels, or other facilities to be used for HOME-ARP NCS. HOME-ARP funds may not be used to pay the operating costs of HOME-ARP NCS. Consequently, MSHDA and the CoC must consider the availability of ongoing operating funds for the HOME-ARP NCS so that the HOME-ARP NCS can remain viable through the restricted use period specified in the HOME-ARP Notice.

C. Definitions of HOME-ARP Qualifying Populations

HOME-ARP requires that funds be used to primarily benefit individuals and families in certain “qualifying populations.” These eligible populations include the following, as defined in HUD Notice [CPD-21-10](#).

1. Homeless, as defined in [24 CFR 91.5](#)

2. At risk of Homelessness, as defined in [24 CFR 91.5](#)

3. Fleeing, or Attempting to Flee, Domestic Violence, Dating Violence, Sexual Assault, Stalking, or Human Trafficking, as defined by HUD:

Domestic violence, which is defined in [24 CFR 5.2003](#) includes felony or misdemeanor crimes of violence

Dating violence which is defined in [24 CFR 5.2003](#) means violence committed by a person:

Sexual assault which is defined in [24 CFR 5.2003](#) means any nonconsensual sexual act proscribed by Federal, Tribal, or State law, including when the victim lacks capacity to consent.

Stalking which is defined in [24 CFR 5.2003](#) means engaging in a course of conduct directed at a specific person that would cause a reasonable person to:

Human Trafficking includes both sex and labor trafficking, as outlined in the Trafficking Victims Protection Act of 2000 (TVPA), as amended (22 U.S.C. 7102). These are defined as:

4. Other Populations where providing supportive services or assistance under section 212(a) of NAHA (42 U.S.C. 12742(a)) would prevent the family's homelessness or would serve those with the greatest risk of housing instability. HUD defines these populations as individuals and households who do not qualify under any of the populations above but meet one of the following criteria:

(1) **Other Families Requiring Services or Housing Assistance to Prevent Homelessness** is defined 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.

(2) **At Greatest Risk of Housing Instability** is defined as household who meets either paragraph (i) or (ii) below:

(i) has 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 household income toward housing costs);

(ii) has annual income that is less than or equal to 50% of the area median income, as determined by HUD, AND meets one of the following conditions from paragraph (iii) of the "At risk of homelessness" definition established at [24 CFR 91.5](#):

(A) Has moved because of economic reasons two or more times during the 60 days immediately preceding the application for homelessness prevention assistance;

(B) Is living in the home of another because of economic hardship;

(C) Has been notified in writing that their right to occupy their current housing or living situation will be terminated within 21 days after the date of application for assistance;

(D) Lives in a hotel or motel and the cost of the hotel or motel stay is not paid by charitable organizations or by Federal, State, or local government programs for low-income individuals;

(E) Lives in a single-room occupancy or efficiency apartment unit in which there reside more than two persons or lives in a larger housing unit in which there reside more than 1.5 persons reside per room, as defined by the U.S. Census Bureau;

(F) Is exiting a publicly funded institution, or system of care (such as a health-care facility, a mental health facility, foster care or other youth facility, or correction program or institution); or

(G) Otherwise lives in housing that has characteristics associated with instability and an increased risk of homelessness, as identified in the recipient's approved consolidated plan

- 5. Veterans and Families that include a Veteran Family Member** that meet the criteria for one of the qualifying populations described above are eligible to receive HOME-ARP assistance.

Executed by:

Lisa Kemmis, Rental Assistance & Homeless
Solutions Director, MSHDA

Date

CoC Coordinator/Chair

Date