

Request for Proposals

HOME-ARP Non-
Congregate Shelter
Property Acquisition
and Development

October 29, 2026, at 10:00 am



Housekeeping

- This session is being recorded.
- Posted documents on the City of Gastonia – Bids and RFP Page along with the recording (<https://gastonianc.gov/doing-business/bids-rfps.html>):
 - 1. Request for Proposals**
 - 2. Pre-Proposal Conference Recording**
 - 3. PowerPoint Slides**
 - 4. Written Questions and Responses**
- Questions may be posted in the chat box or asked during the presentation.

City Staff

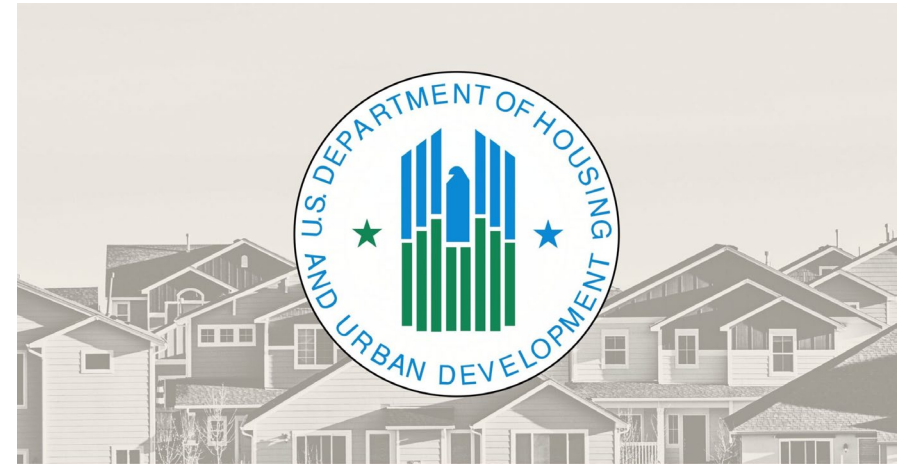
Mr. Quentin McPhatter, Assistant City Manager

Ms. Stacy Pethia, Director of Housing and Community Engagement

Ms. Zsuzsi Kadar, Housing Division Manager

What is HOME-ARP?

- HOME - American Rescue Plan from U.S. Department of Housing and Urban Development (HUD)
- Created under the American Rescue Plan Act of 2021
- Provides \$5 billion dollars
 - Assist vulnerable populations
 - For housing and housing-related services



WHO PROVIDES THE FUNDING?

WHO RECEIVES THE FUNDING

HOW MUCH MONEY IS RECEIVED?



Funding Source	U.S. Department of Housing and Urban Development (HUD)	
Recipient	Gastonia-Gaston HOME Consortium	
Funding Amount	Original \$2,850,611 Funds allocated 2021 Plan approved March 2023	Revised \$2,854,884 (additional \$4,273 – June 2025) Plan must be amended
Expenditure Deadline	September 30, 2030 HOME-ARP funds will be reduced or recaptured if not fully expended	
Program Area	Gaston County	
Other Requirements	<ul style="list-style-type: none"> • Gastonia's HOME-ARP Plan includes all Qualifying Populations • Must benefit <u>at least one</u> "Qualifying Population" (QPs) • Must comply with fair housing, civil rights, and nondiscrimination requirements • <u>Competitive Procurement Required!</u> 	
Qualify Population Preference	Homeless	

Qualifying Population



HOMELESS



AT-RISK OF HOMELESSNESS

- Very low-income (30-50%)
- Examples: Persons and families with income below the living wage



DOMESTIC VIOLENCE

Persons fleeing or attempting to flee also includes :

- Dating Violence
- Sexual Violence
- Human Trafficking



OTHER POPULATIONS

- Other populations requiring housing assistance or services to prevent homelessness (Persons at the greatest risk of homelessness)

Examples: Veterans and Seniors



Non-Congregate Shelter (NCS) is defined as:

- Can be housed in one or more buildings
- Each private room must have its own bathroom
- Provide private units or rooms for temporary shelter to serve individuals and families that meet one or more of the qualifying populations
- Cannot require occupants to sign a lease or occupancy agreement



HOME-ARP: ELIGIBLE COSTS

FEDERAL REQUIREMENTS

Project Costs



- Acquisition
- Demolition
- Development
- Financing
- Related Soft Costs

Site Improvements



- Utility connections
- Onsite management or support service offices
- Community Facilities (example: laundry)

Replacement Reserves



REPLACEMENT RESERVE (must be included as part of the initial commitment)

- Reserve to replace major systems during the restricted use period (**10 years**)
 - **Structural support**
 - **Roof**
 - **plumbing,**
 - **Electrical**
 - **HVAC**
 - **Cladding**
 - Weatherproofing**



NON-CONGREGATE SHELTER (NCS)

FEDERAL REQUIREMENTS

Restricted Use Period		Conversion	Occupancy Fees	Property Standards
Must comply with HOME-ARP requirements during the restricted use period		<ul style="list-style-type: none"> Conversion must be specified in the written agreement Units must operate as NCS for the COMPLIANCE PERIOD No HOME-ARP may be used for conversion 	<ul style="list-style-type: none"> Occupancy fees CANNOT be charged <u>unless</u> the City of Gastonia determines the fees are customary and reasonable OCCUPANCY LIMITS 	<ul style="list-style-type: none"> State and Local Housing Codes Zoning Requirements Lead-Based Paint Inspection: Minimum Housing Code or Housing Quality Standards (HQS) 24 CFR 92.251
New Construction	15 years			
Rehabilitation	10 years			
Acquisition only	10 years			
OTHER REQUIREMENTS <ul style="list-style-type: none"> No change in use can occur during the restricted use period. Must serve the same population Must operate as specified in the agreement 				

Conversion Requirement Options

CONVERSION = Occurs at the end of the compliance period – 10 years. Conversion decision must be made prior to the written agreement.

OPTION 1

Remain as Non-Congregate Shelter (NCS)

Written Agreement



Remain as HOME-ARP Non-Congregate Shelter (NCS)

OPTION 2

Emergency Solutions Grant (ESG) Non-Congregate Shelter (NCS)

Written Agreement



Used as Non-Congregate Emergency Shelter under ESG Program

- Use ESG Funds
- Comply with all ESG requirements

OPTION 3

Continuum of Care Permanent Housing

Written Agreement



Converted to Permanent Housing Under McKinney-Vento

- Must serve eligible CoC populations

OPTION 4

Permanent Affordable Housing

Written Agreement



Demographic Data for each household

- May serve a different population
- CANNOT receive additional ARP funds

HOME-ARP: ACTION STEPS



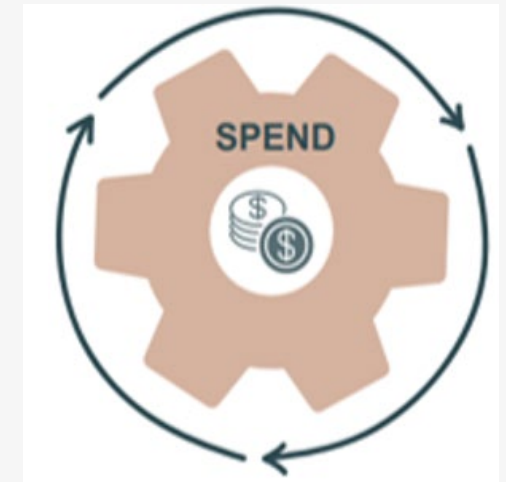
ACTION
REQUIRED



- **Competitive Procurement**
- **Environmental Assessment**
- **Project Underwriting**
- **Establishing Agreement Terms**
- **Development of Monitoring Plan**



- **Written Agreement**
- **Set Administrative Protocols**



- **Project Implementation**
- **Monitoring**
- **Reporting**

Federal Regulations



Federal Funding Regulations

Environmental
Review

Section 3

Davis Bacon Labor
Standards

Build America Buy
America

Residential Anti-
Displacement and
Relocation – URA

Debarment and
Suspension

Lead-Based Paint

2 CFR Part 200
Uniform
Administrative
Requirements

Environmental Review (ER)

[HTTPS://WWW.HUDEXCHANGE.INFO/PROGRAMS/ENVIRONMENTAL-REVIEW/](https://www.hudexchange.info/programs/environmental-review/)

- HUD regulations require that all programs and projects proposed for funding must receive a **National Environmental Protection Act (NEPA)** clearance.
- The **cost of completing the ER** is responsibility of the Subrecipient.
- An Environmental Review Record (ERR) and clearance **must be prepared before federal dollars are expended** or costs incurred for any HUD approved program or activity.
- In addition, **no contracts may be executed**, loans settled, or work started on a project awarded HUD funds before the ER is completed.
- A violation of this requirement may **jeopardize federal funding** to the project and disallow all costs that were incurred before the completion of the ER.
- Subrecipients are required to ensure the project meets other applicable statutory and regulatory requirements such as **Historical and Architectural Preservation**.
- **Every project undertaken with HUD funds**, and all activities related to that project are subject to the provisions of the NEPA and the ER regulations at 24 CFR Part 58.

Environmental Review - Levels of Review

[HTTPS://WWW.HUDEXCHANGE.INFO/PROGRAMS/ENVIRONMENTAL-REVIEW/](https://www.huDEXCHANGE.INFO/PROGRAMS/ENVIRONMENTAL-REVIEW/)

1. 24 CFR 58.34(a): Exempt (still subject to §58.6)
2. 24 CFR 58.34(b): Categorically Excluded, Not subject “CENST” § 58.5 (still subject to §58.6)
3. 24 CFR 58.35(a): Categorically Excluded Subject To §58.5 (still subject to §58.6)
 - Could trigger a NOI/RROF
 - Could trigger a Request for Release of Funds
1. 24 CFR 58.36 or 24 CFR Part 50 Subpart E: Environmental Assessment (leads to FONSI or EIS)
 - Requires FONSI & Request for Release of Funds
 - (FONSI & NOI/RROF may be combined)
2. Section 102(2)(C) of NEPA Environmental Impact Statement (EIS)

SECTION 3

[HTTPS://WWW.HUD.GOV/PROGRAM_OFFICES/COMM_PLANNING/HOME/SECTION3](https://www.hud.gov/program_offices/comm_planning/home/section3)

- Section 3 of the Housing and Urban Development Act of 1968 [12 U.S.C. 1701u and 24 CFR Part 75] provides that employment and other economic opportunities generated by certain HUD financial assistance shall, be directed to **low- and very low-income persons**, particularly those who are recipients of government assistance.
- Section 3 of the HUD Act of 1968 helps foster local economic development, neighborhood improvement, and individual self sufficiency.
- All housing construction, rehabilitation, or other public construction projects receiving HUD Housing and Community Development funding equal or in excess of \$200,000 must comply with Section 3 requirements.

Davis Bacon Labor Standards

https://www.hud.gov/program_offices/davis_bacon_and_labor_standards

- The Davis-Bacon and Related Acts apply to contractors and subcontractors performing on federally funded or assisted contracts in excess of \$2,000.00 for the construction, alteration, or repair (including painting and decorating) of public buildings or public works.
- The Davis-Bacon Act (40 U.S.C.A. §§ 276a to 276a-5), is a federal law that governs the wages to be paid to laborers and mechanics employed on federal public works projects.
- The Davis-Bacon and Related Acts require that contractors and subcontractors pay their laborers and mechanics employed under the contract no less than the local prevailing wages and fringe benefits for corresponding work on similar projects in the area.
- The prevailing wage rates and fringe benefits are determined by the Secretary of Labor for inclusion in covered contracts. For additional information regarding the Davis-Bacon requirements, please visit www.dol.gov.

Build America Buy America (BABA)

<https://www.hud.gov/baba>

- Title IX of the Infrastructure Investment and Jobs Act (BABA)
- BABA is the Build America, Buy America Act. BABA requires any “infrastructure project” funded by any “Federal Financial Assistance” (FFA) apply a domestic content procurement preference, meaning that all iron, steel, manufactured products, and construction materials used in the infrastructure project have been produced in the United States, unless the awarding agency has issued a waiver of this requirement. This is called the “Buy American Preference” (BAP).
- The purpose of BABA is to bolster America’s industrial base, protect national security, and support highpaying jobs.

Lead-Based Paint

<https://www.hudexchange.info/programs/lead-based-paint/>

- HUD's Lead Safe Housing Rule (24 CFR Part 35).
- Whenever Federal funds, such as HUD funds, are used to assist housing built before 1978, steps must be taken to address lead hazards.
- The Rule applies to all housing units assisted with HUD funds, including single and multi-family units, whether publicly or privately owned.
- The requirements differ, however, depending on the activity – rehabilitation or acquisition.

Debarment and Suspension

https://www.hud.gov/program_offices/enforcement/susdebar

1. All organizations, companies, corporations, and agencies applying for federal dollars **MUST** have an active registration in the **System Award Management (SAM)** and submit their **Unique Entity Identifier (UEI)** in the application for funding.
2. The Federal Government will transition away from using the Dun & Bradstreet data universal numbering system (DUNS) to the new Government issued Unique Entity Identifier (UEI) as a means of entity identification for federal awards by April 4, 2022. If you have not already registered or your registration has expired, please register immediately on the **SAM.gov** website.
3. 2 CFR Part 200 requires the County to ensure that sub-recipients or contractors receiving awards are not suspended or debarred from participation in Federal award programs.

Residential Anti-Displacement and Relocation

[HTTPS://WWW.HUDEXCHANGE.INFO/SITES/ONECPD/ASSETS/FILE/BASICALLY-CDBG-STATE-CHAPTER-14-RELOCATION.PDF](https://www.hudexchange.info/sites/onecpd/assets/file/basically-cdbg-state-chapter-14-relocation.pdf)

- **Uniform Relocation Act (URA)** and **Section 104(d)** of the Housing and Community Development Act of 1974, as amended.
- Recipients of HUD funds must provide reasonable benefits and relocation assistance to any person involuntarily and permanently displaced because of the use of HUD funds to acquire or substantially rehabilitate property, including businesses.
- URA applies to ROW and easement acquisition as well.
- URA also applies to acquisition or displacement that occurs with private dollars where the expectation of receiving HUD dollars is known or exists for other project related activities.

Request For Proposals Information



Purpose

The City of Gastonia is soliciting proposals for the acquisition and development of property to support the new construction or rehabilitation of a non-congregate shelter (NCS) serving individuals and families experiencing homelessness.

- Applicants must identify and/or secure a suitable site for the proposed facility as part of the proposal submission.

Who Should Apply

- **For-profit, non-profit developers, public agencies or any organization that is capable of providing the services** as outlined in the request for proposals;
- Public **agencies with experience in property development and shelter management**; and
- Firms **experienced and knowledgeable of federal programs** and reporting requirements

Expectations

The selected organization must provide the following services and include details in the proposal submission:

1. Site Identification and Acquisition

- ✓ Identify and/or secure a suitable site for the proposed facility.

2. Property Development to include either Rehabilitation or New Construction

- ✓ Acquire and develop the property to include either rehabilitation of an existing facility or construction of a new facility.

3. Shelter Operations and Management

- ✓ Upon completion of the facility, conduct shelter operations and management.

4. Ownership and Maintenance

- ✓ Own and maintain the facility in accordance with program terms.

Timeline

NOTE: This is a DRAFT timeline and is subject to change.

ACQUISITION:
start here if
acquisition process
will use any part of
the HOME-ARP
funds.



HOME-American Rescue Plan (HOME-ARP) PROPOSED TIMELINE-DRAFT	
Activity Description	Other
Request for Proposals Release	10/21/2026
Questions Deadline	11/04/2026
Proposals Due	12/04/2026
Finalize Internal Staff Review	12/08/2026
Notify Selected Proposer	12/14/2026
Facilities Committee – Review of Project Site <u>and</u> Central City Revitalization Housing and Community Engagement Committee – Approval of Developer	TBD
Request review Project with HUD (Technical Assistance)	January 2027
City Council-Approval to move forward with Developer	2/2/2027
Developer Due Diligence Period for Site Review and Begin HUD Environmental Review (Phase I Environmental Site (Assessment/Environmental Assessment- <i>estimated 3- 6 months</i>)	2/08/2027
Submit EA to HUD for comment period and approval	6/1/2027
HUD Release of Funds (<i>estimated 15-30 days</i>)	7/30/2027
City Council-Developer Agreement Approval	9/21/2027
Construction (Rehabilitation) Develop and Finalize Coordinated Entry Process	10/01/2027
Certificate of Occupancy	11/15/2028
Facility opens for operation	1/1/2029
Annual (or other designated interval) Monitoring (until September 2037)	1/1/2029

Contact Information

Submit all inquiries to:

Ms. Stacy Pethia
Director of
Housing and Community Engagement
Stacy.Pethia@gastonianc.gov
(704) 866-6758

Ms. Zsuzsi Kadar
Housing Division Manager
Zsuzsi.Kadar@gastonianc.gov
(704) 866-6745

Additional Resources

Resources are available at <https://Hudexchange.info> .

HOME ARP FAQ	https://www.hudexchange.info/resource/6544/home-arp-faqs/
HOME ARP Laws, Regulations and Notices	https://www.hudexchange.info/programs/home-arp/laws-regulations-and-notice/
HOME-ARP NCS: Eligible Costs	https://www.hudexchange.info/news/home-arp-non-congregate-shelters-eligible-costs-handout/
HOME-ARP Referral Methods and Coordinated Entry	https://www.hudexchange.info/resource/6898/home-arp-referral-methods-and-coordinated-entry-resources/

Questions



Thank
you

A decorative arrangement of stylized flowers and leaves in yellow, red, and green, interspersed with small blue and orange dots, surrounding the cursive text 'Thank you'.