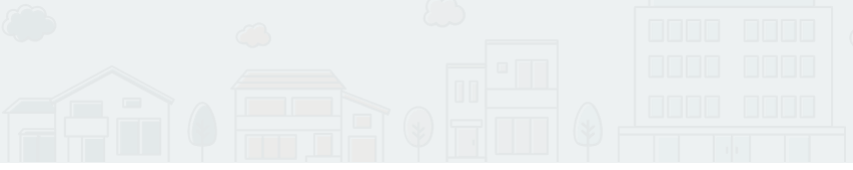




# **HOME-ARP Program Fact Sheet: Sponsor Role in Tenant-Based Rental Assistance**



## Overview

HOME Investment Partnerships Program American Rescue Plan Program (HOME-ARP) funds may be used to provide Tenant-Based Rental Assistance (“HOME-ARP TBRA”) to individuals and families that meet one of the Qualifying Populations defined in [Notice CPD-21-10: Requirements for the Use of Funds in the HOME-ARP Program](#). An additional flexibility of HOME-ARP is that HOME-ARP TBRA may be provided in coordination with a HOME-ARP sponsor. This fact sheet highlights requirements when Participating Jurisdictions (PJs) use sponsors in their HOME-ARP TBRA program.

## Sponsor Definition

A HOME-ARP TBRA “sponsor” is a nonprofit organization that provides housing or supportive services to qualifying households and may:

- Facilitate the leasing of a HOME-ARP rental unit or the use and maintenance of HOME-ARP TBRA.
- Lease or master lease units from property owners and then sublease those units to HOME-ARP TBRA households.
- Make rental subsidy and security deposit payments on behalf of HOME-ARP TBRA households.
- Provide supportive services to HOME-ARP TBRA household.

A HOME-ARP sponsor cannot also be the owner of the housing leased by a HOME-ARP TBRA household. A HOME-ARP sponsor is not a subrecipient and is subject to procurement procedures and requirements.

## Participating Jurisdiction Management and Oversight

PJs must establish policies and procedures governing the general operations of its TBRA program when using sponsors, including leasing, inspections, eligibility determinations, and the provision of supportive services. PJs must have systems for assessing and managing the performance of sponsors of HOME-ARP TBRA projects.

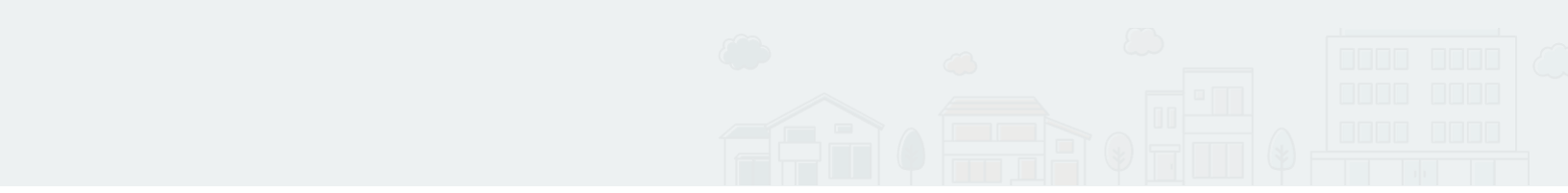
## Rental Assistance Contract

HOME-ARP TBRA must be provided through a TBRA contract in which the PJ specifies how rental subsidy payments will be made on behalf of the HOME-ARP TBRA household. TBRA contracts must meet the following requirements:

- Be between the PJ and one of the following:
  - An owner that leases a unit to a qualifying household;
  - The qualifying household;
  - A HOME-ARP sponsor; or
  - A tri-party contract with an owner and the qualifying household.
- Begin with the lease and continue until the lease is terminated or the rental assistance contract expires and is not renewed.

If the TBRA contract is between the PJ and the HOME-ARP sponsor, then the HOME-ARP sponsor must make the rental subsidy payment to the owner on behalf of the qualifying household according to the terms and conditions of the TBRA contract.





## Written Agreement between PJs and HOME-ARP Sponsors

The PJ must execute a written agreement with a HOME-ARP sponsor when the following conditions exist:

- The PJ is procuring services from the sponsor, and/or
- The HOME-ARP TBRA contract is *not* with the HOME-ARP sponsor and the sponsor will receive the funds directly from the PJ and make the rental subsidy payments to the owner on behalf of the HOME-ARP TBRA household.

## Lease and Sublease

These instruments are required either between the qualifying household and the owner or between an owner and a HOME-ARP sponsor, with a sublease between the qualifying household and the HOME-ARP sponsor that complies with tenant protection requirements in accordance with 24 CFR 92.253.



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