

HOME Investment Partnerships Program (HOME)

<p>Program Overview</p>	<p>The HOME Investment Partnerships Program provides federal funds for the development of affordable housing for low- and very low-income households, and encourages partnerships among state agencies, local governments, non-profits, and for-profit organizations.</p>
<p>Eligibility Requirements</p>	<p>HOME funds may be used for a variety of activities to develop and support affordable housing. Specific program design is done annually by each Participating Jurisdiction. Funds may be distributed through loans or grants and activities allowed under individual programs must conform to the needs outlined in the Participating Jurisdiction’s Consolidated Plan.</p> <p>Eligible activities under the state’s program include:</p> <ul style="list-style-type: none"> • <u>Administration</u>: The Participating Jurisdiction may expand 10 percent of the fiscal year HOME allocation for payment of reasonable planning costs of the HOME Program. • <u>Homebuyer Assistance</u>: Working in partnership with nonprofit housing sponsors serving non-entitlement areas of the state, HOME funds may be used to make soft second mortgage loans to low-income first-time homebuyers. The HOME funds may be used to provide down payment, closing costs, and monthly house payment assistance. • <u>Tenant-Based Rental Assistance</u>: The department contracts with various sub recipients to administer the tenant-based rental assistance program at the local level. Sub recipients include housing authorities, community action agencies and local partnership programs, which typically consists of a partnership between a local housing authority and a community action agency. <p>The program offers rental assistance in six months to two year terms to qualified very low-income tenants for the payment of rent and refundable security deposits. Tenants who receive HOME tenant-based assistance are required to participate in a self-sufficiency program that is designed to meet the tenant’s needs.</p> <ul style="list-style-type: none"> • <u>CHDO Activities</u>: 15 percent of each fiscal year’s HOME allocation must be set-aside for projects owned, developed, or sponsored by Community Housing Development Organizations (CHDO). CHDOs are nonprofit organizations, with a specific board composition. Organizations must be certified as meeting the requirements by the Participating Jurisdiction before they can access the CHDO set-aside. This set-aside does not preclude CHDOs from receiving funds from other HOME funding categories. <p>Up to five percent of each fiscal year’s allocation will be set-aside for CHDO operating grants. The grant can be used to pay a portion of the reasonable and necessary costs for the operation of the CHDO. CHDOs receiving operating grants must currently have a HOME project under construction or have received a reservation of HOME funds for the development of a HOME assisted project.</p> <ul style="list-style-type: none"> • <u>Rental Housing</u>: HOME funds can be used for acquisition, rehabilitation, and/or new construction of single- or multifamily rental units which house low- and very low-income households. Developments cannot exceed the HOME maximum subsidy per unit adjustment per bedroom size. HUD publishes the subsidy limits which vary in different areas of the state. The subsidy limits range from \$28,000 to \$187,000 per unit. • HOME projects have deed restrictions running with the land to ensure affordability regarding income and rent limitations. At a minimum, 90 percent of the HOME funds used for rental housing must assist persons who have household incomes below 60 percent of

	<p>the median income. Twenty percent of the funds must assist persons who have household incomes below 50 percent of the median income. The rental charge for the HOME assisted units cannot exceed the published low HOME and high HOME rents for the period of affordability. The term of affordability ranges from 5 to 20 years and is based upon the type of activity and the investment of HOME funds per year. Each activity must provide 25 percent non-federal match. Eligible sources of match include a cash contribution made by public or private entities and/or individuals (except applicant contribution and equity), the grant equivalent of a below-market rate loan, the value of waived taxes or fees, the value of donated land not acquired with federal resources, and the value of donated labor and materials.</p> <p>The HOME Program prohibits the “layering” or the combining of other federal resources on a HOME assisted project which will result in an excessive amount of federal subsidy for the project. All applications will be reviewed with this constraint in mind.</p> <p>Eligible applicants for the state’s HOME Program include individuals, local governments and nonprofit organizations.</p>
<p>For more information, please contact:</p>	<p>Carole Dicksa, Program Representative Phone: (503) 986-2137 E-mail: Carole.Dicksa@oregon.gov</p>