



HOME INVESTMENT PARTNERSHIPS PROGRAM



Community Development Summit
October 17, 2019



WELCOME!

Overview of the HOME Program

NOFA/Application Process

Snapshot of projects previously funded



HISTORY AND OBJECTIVES

Implemented by Title II of the Cranston-Gonzalez National Affordable Housing Act, as amended through 12/31/98 (Subpart A)

Provides formula grants to states and localities to fund a range of activities including building, buying, and or rehabilitating affordable housing for rent or homeownership or providing direct rental assistance to low income families.

Program Objectives

- Provide decent affordable housing
- Expand the capacity of nonprofit housing providers
- Strengthen the ability of state/local governments to provide housing
- Leverage private sector participation

Largest Federal block grant for affordable housing.

ALLOCATION OF FUNDS

HUD provides formula grants to states and local governments that communities use, in partnership with local nonprofit groups, to fund eligible activities

The City of Brownsville is an eligible grantee (participating jurisdiction) and receives an annual allocation from HUD

City may use up to 10 percent of the annual allocation for program planning and administration

City must reserve a minimum of 15 percent of the HOME allocation for investment only in housing to be owned, developed, or sponsored by community housing development organizations (CHDOs)

City may use up to 5 percent of its annual allocation for CHDO operating expenses

PROGRAM DEADLINES

City must commit and spend its allocated funds within certain timeframes, or it loses the HOME funds. (As of January 3, 2017 HOME rules changed)

Commitment Deadline (applies only to CHDO's)

- 24 months to execute written agreement

Completion Deadline

- 4 years from the date of commitment to complete project

Expenditure Deadline (prior to change used to be 5 years of allocation of grant)

- Based on the expiration date of the grant

ELIGIBLE BENEFICIARIES

Eligibility varies with the nature of the funded activity

Households must have incomes at or below 80% of the median family income for the Brownsville area

- Every Year HUD publishes income limits
- https://files.hudexchange.info/reports/published/HOME_IncomeLmts_State_TX_2019.pdf

Rental housing

- At least 90% of the benefiting families must have incomes at or below 60% of the median family income for the Brownsville area
- At least 20% of the units must be occupied by families with incomes at or below 50% of the median family income for the Brownsville area (5 or more assisted units)

2019 Adjusted HOME Income Limits

Low Income	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7 Person	8 Person
80%	\$ 32,900.00	\$ 37,600.00	\$ 42,300.00	\$ 46,950.00	\$ 50,750.00	\$ 54,500.00	\$ 58,250.00	\$ 62,000.00



ELIGIBLE ACTIVITIES — (92.205)

To provide incentives to develop and support affordable rental housing and homeownership affordability through-

- Acquisition (including direct assistance to homebuyers)
- New Construction
- Reconstruction
- Rehabilitation
- Tenant-Based Rental Assistance
- Operating Expenses of CHDOs

PROHIBITED ACTIVITIES AND FEES (92.214)

- Acquisition of Vacant Land or Demolition Only
- Project Reserve Accounts
- Tenant Based Rental Assistance (TBRA) for certain purposes – may not be used with section 8 Project or voucher-based assistance
- Match for other Programs- Not be used as the non federal match for other programs
- Double Dipping- During the first year after project completion, may not commit additional funding
- Acquisition of PJ- Owned Property- May not used HOME funds to reimburse itself for property in its inventory or property purchased for another purpose
- Pay for delinquent taxes, fees, or charges

ELIGIBLE PARTNERSHIPS

Partners play different roles depending upon the project for activity being undertaken

CHDOs - private nonprofit that meets a series of qualifications prescribed in the HOME regulations (24 CFR 92.208)

Developers, owners, and sponsors – Individuals, for-profit entities, and nonprofits

Subrecipients – public agency or nonprofit organization selected by the City to administer all or a portion of the City's HOME Program

Private lenders – lending institutions (CRA credits)

Third Party Contractors – Private for-profit contractors

SET-ASIDE FOR CHDO'S

Within two years, City must reserve a minimum of 15 percent of the HOME allocation for investment only in housing to be owned, developed, or sponsored by CHDOs

Subject to a 5-year expenditure deadline

CHDO may act as a developer, owner, or sponsor of a project

CHDOs must be certified/recertified by the City on a project basis

NOFA/APPLICATION PROCESS

1. Request for Proposals and Notice of Availability of Funds (NOFA)
2. Application is posted with instructions.
 - Pre-bid meeting (Technical Assistance)
3. Review/Selection Process
4. Public Hearing/ Plan Adaption at City Commission
5. Submission of Annual Action Plan to HUD for Approval
6. Award letters are mailed out

CONSOLIDATED PLANNING PRIORITY GOALS

Housing-related needs rated as high priority

- Housing Rehabilitation and Reconstruction
- Housing Assistance (Homebuyer assistance/lease purchase)
- Housing Development (new construction)
- Emergency Home Repairs
- Senior housing

PROJECTS AND ACTIVITIES PREVIOUSLY FUNDED

City of Brownsville Homebuyer Assistance Program.

- Provides down payment and closing costs assistance up to \$ 25,000.000 for first time homebuyers that are low income.
- Has provided DPA assistance to 24 low income families with \$ 490,000.00 in 2019.
- The Blanco Family received \$ 24,000.00 in down payment and closing costs.
- The Dimas Family Received \$25,000.00 in down payment and closing costs.



PROJECTS AND ACTIVITIES PREVIOUSLY FUNDED

Affordable Housing- CHDO New Construction

- Funds CHDOs to developed affordable housing through new construction of energy efficient homes.
- Sold at affordable prices to low income families with down payment assistance and closing costs up to \$ 25,000.00



PROJECTS AND ACTIVITIES PREVIOUSLY FUNDED

HOME Owner Occupied Rehabilitation & Reconstruction Program Polices

- Design to assist homeowners bring their dwellings into compliance with applicable, locally adopted housing standards and rehabilitation standards, and to reduce ongoing and future maintenance costs, promote energy efficient, and to preserve decent affordable owner-occupied housing.
- \$88,900.00 Deferred Forgivable Loan (10 Yrs.)
- Must be low income, property taxes up to date, property under their name with no liens, within City of Brownsville.
- Highly Demanded



THANK YOU!

Office of Strategic Initiatives

1150 East Adams, 3rd Floor

Brownsville, TX 78520

Office #: (956) 548-6167

E-mail: Armando.Rangel@cob.us or Efren.trujillo@cob.us.

<http://grants.cob.us>

 www.facebook.com/grants.cob