



HOME Investment Partnerships Program

Background

- The HOME Investment Partnerships Program (HOME) is a block grant formula funded program by the U.S. Department of Housing and Urban Development (HUD).
- Authorized under the Cranston-Gonzalez National Affordable Housing Act, the purpose of the program is to expand the supply of decent, safe, affordable housing through partnerships with Units of General Local Governments and non-profit or for-profit entities.

Funding

- A population-based formula is used to grant funds to the State of Texas, approximately \$40 million is allocated annually from HUD, which requires HUD-approved Consolidated Plan (5 Years) & One-Year Action Plan
- Federal requirements include that 15% of funds be allocated to Community Housing Development Organizations (CHDO's)
- Statutory Requirements
 - 95% of funds must be utilized in “non-participating jurisdictions” that do not receive HOME funds directly from HUD
 - 5% must be spent on people with disabilities in any part of the state (approximately \$2 million)
 - Use of the Regional Allocation Formula (RAF) in geographic distribution of funds to 13 regions, each with a rural and urban allocation for first time allocation
 - \$2 million is set-aside annually for Contract for Deed Conversions (Legislative Appropriations Rider)

2010 HOME Program Funding Plan

Estimated HUD Allocation: \$ 43,000,000 (includes \$3 million estimated Program Income)

	<i>Estimated Funding</i>
Administration Funds	\$4,000,000
CHDO Project Funds Set Aside (includes multifamily and single family development)	\$6,000,000
CHDO Operating Expenses Set Aside	\$300,000
Contract for Deed Conversions Set Aside	\$2,000,000
Housing Programs for Persons with Disabilities (HBA and TBRA)	\$2,000,000
Rental Housing Development Program (includes \$2 million Program Income)	\$7,000,000
General Funds for Single Family Activities (OCC, HBA, and TBRA)	\$20,700,000
Estimated Program Income for Single Family Rehabilitation and Refinance Pilot Program	\$1,000,000

General Funds for Single Family Activities include:

- Owner-Occupied Housing Assistance (OCC) Program provides up to \$80K in assistance and includes a principal residency requirement
- Homebuyer Assistance (HBA) Program provides up to \$20K in assistance and includes a principal residency requirement for affordability period (up to 15 years)
- Tenant-Based Rental Assistance (TBRA) Program includes self-sufficiency program requirement and is limited to two years of assistance

Disaster Relief Program (available year-round)

- Deobligation Policy requires that an amount equal to 5% of annual allocation be reserved from balance of deobligated funds to provide disaster relief assistance
- Since source of funds are ‘deobligated’, these monies are not reflected in funding plan
- OCC provided up to \$500,000 for federally-declared and state-recognized disasters

Distribution of Funds

- Loans and grants available through Notices of Funding Availability (NOFA's) to eligible entities who deliver affordable housing services at local level
- NOFA's are typically open-cycle with award recommendations based on first-come, first-served

Eligible Applicants

- Units of general local government
- Public Housing Authorities (PHAs)
- CHDOs and other Nonprofit Organizations
- For-Profits

Population Served

- Must earn no more than 80% AMFI
- Department has encouraged Contract Administrators to serve families earning less than 30% or 60% AMFI
- Other restrictions may apply based on activity or set-aside

We Are Listening...Upcoming Roundtables in February

- Focus on making the program an 'easier way HOME' - more user-friendly, accessible, and understandable
- Paperwork reduction, increased utilization of electronic data systems, and streamlining of processes
- Rethinking program delivery and implementing pilot programs for reservation-type systems for HBA and TBRA
- Some re-branding - Texas HOMEowner Rehabilitation Program instead of OCC and Texas HOMEownership Program instead of HBA
- Web enhancements including alternative training delivery, forms and application submission
- Development of learning modules and toolkits as resources for successful administration of a HOME Program contract and to break implementation trainings into components that can be retrieved at any time

Rulemaking

- Eliminating redundancy with federal and statutory requirements
- Providing flexibility for program development in NOFA's
- Clarifying administrative requirements
- Spring 2010 projected presentation to Governing Board and publication of draft rule

Staff Resources

- Division is primarily comprised of support staff and a Production and Performance Team
- Production Team is responsible for publishing NOFA's, providing application training and technical assistance, reviewing applications, making recommendations for award, and generating contracts
- Performance Team is responsible for providing training, contract oversight, review and approval of households to be served and related disbursements, and maintaining constant contact with Contract Administrators to provide technical assistance and ensure performance
- Support staff includes management, administrative support, reporting, information systems, and planning responsibilities
- Outside division staff support includes Program Services for closing and draws, Real Estate Analysis for evaluation of financial feasibility for multifamily and single family developments, Compliance and Asset Oversight for monitoring contracts and multifamily performance, and Legal Services for preparation of loan documents.