



# **HOME & HTF Updates**

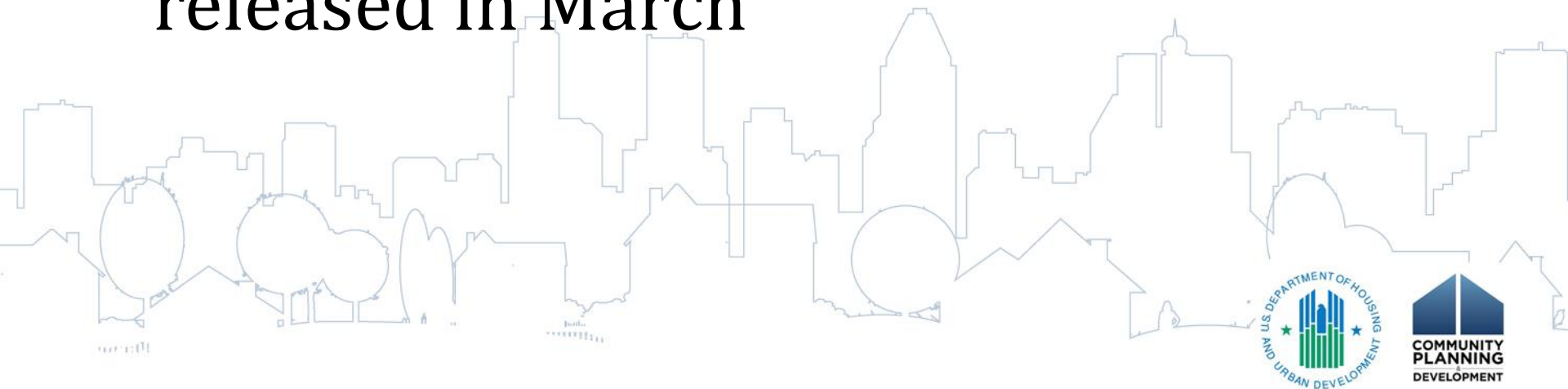
**NACCED Annual Spring Meeting  
March 1, 2019**



U.S. Department of Housing and Urban Development

# HOME Budget

- FY 2019 HOME = \$1.25 billion
  - \$112 million (8%) decrease
  - \$45 million less for States
- FY 2020 Administration budget will be released in March



# HOME Timeliness Deadlines

- FY 2019 HUD Appropriation Act suspended:
  - 24-month commitment deadlines occurring during 2016 – 2021
  - 24-month CHDO reservation deadlines for funds deobligated in or would be deobligated in 2018 - 2021
- 5-year expenditure deadlines in effect through FY 2014 allocations
  - Last deadlines occur in 2019



# CHDO Deadline Suspension

- Provision retroactive to 1/1/2018
- Permits smaller PJs to accumulate multiple grant years to fund a CHDO project – approximates previous “cumulative average” approach to compliance
- PJs can fund the best or highest priority CHDO projects rather than the quickest.
- Enables more complete and careful pre-commitment planning



# HOME 2016 - 2018 Accomplishments

	2016	2017	2018	2019 Targets
Rental Units	14,026	15,837	10,893	8,714
Homebuyer Units	10,050	9,881	9,199	7,359
Homeowner rehab	4,736	4,307	4,612	3,690
<b>Total Units Completed</b>	<b>28,812</b>	<b>30,025</b>	<b>24,704</b>	<b>19,763</b>
TBRA Households	19,576	17,424	16,306	12,230



# Follow-Up on HOME Production

- OAHP analyzed FY 2018 data to identify cause of 31% production decrease
- Conclusion: Commitment suspension was cause
  - Avg per unit cost increased only \$121 from 2017
  - # of units in open rental projects decreased 24%
  - # of open rental projects decreased by 9%
- OAHP expects completion numbers to rebound as the lengthened time to commitment becomes established in PJ project pipelines

# Closing Out HOME Grants

- Phase 1 – close out 14 ex-PJs - **completed**
- Phase 2 – close out 1992-2010 grants for PJs with:
  - All funds expended
  - All activities completed and units occupied
  - No open monitoring or audit findings
  - HUD will contact PJs that are ready

Currently piloting the process w/6 PJs in 3 FOs

- Phase 3 – closeout of 2011+ future grants
  - Each year after expiration of the grant



# Risk Assessment & Monitoring

- Updating HOME risk factors to include:
  - Flagged activities
  - Average time from commitment to completion
  - Repayments
  - Unexpended balances
  - Voucher revisions
  - Press reports / citizen complaints
- Comprehensive revision of HOME monitoring exhibits





# Follow-up on Flagged HOME Activities

- HOME IDIS Flags
  - Involuntarily Terminated - Activity not completed within 4 years of Initial Funding Date
    - Activity blocked in IDIS – PJ cannot access activity
  - Final Draw for 120 days or more
    - No ability for PJ to set up new activities or commit funds
  - Infrequent Draws for 12 months or more
    - PJ may enter a reason and narrative explanation to restore ability to set up new activities or commit funds
- Review Activities screen or IDIS PR 46 Report



# Upcoming HOME Guidance

- Four-Year Project Completion Notice
- Property Standards Notice and Toolkit
- Resale and Recapture Provision Requirements
- Written Agreement Checklist



# HOME Training

- 2019 Building HOME Webinar Series
- Homebuyer Program Policies and Procedures, HUD Notice CPD 18-09 (August 2018)
  - Webinar planned in 2019
  - In-person homebuyer program training in 2019
- CHDO Opportunities in HOME Training
- eBuilding HOME – HOME e-Learning platform under development (2019)



# Housing Trust Fund

- FY 2018 – \$266,775,403.45 allocated to 53 grantees
  - Increase of \$47.6 million over FY 17 & \$93.2 million over FY 16
  - 25 grantees received \$3m minimum – down from 28 in FY 17 & 36 in FY 16
  - 3 Insular Areas declined allocations
- FY 2019 number available April 2019



# HTF Production To Date

- 17 projects completed in IDIS
  - Located in Idaho, Kansas, North Dakota, Utah, Virginia, Vermont
  - 11 rehabilitation projects
  - 5 new construction projects
  - 1 acquisition only project
  - 88 HTF-assisted units
- 208 projects committed/underway



# HOME and HTF Information

**HOME:** [www.hudexchange.info/home](http://www.hudexchange.info/home)

Sign up for HOME listserv:

[www.hudexchange.info/maillinglist/](http://www.hudexchange.info/maillinglist/)

**HTF:** [www.hudexchange.info/htf](http://www.hudexchange.info/htf)

Sign up for HTF listserv:

[www.hudexchange.info/maillinglist/](http://www.hudexchange.info/maillinglist/)



# Section 3 Rulemaking

- Section 3 requirements governed by an interim regulation since 1995
- HUD anticipates publishing proposed rule (by April) intended to increase effectiveness & decrease administrative burden
  - Please review and comment



# Opportunity Zones

- OZs were designed to spur economic development by providing tax benefits to investors
- HUD Opportunity Zone Task Force
  - Coordinate with Federal agencies
  - Solicit ideas and feedback from stakeholders
  - Develop strategies, including changes to HUD policies/programs to prioritize investment in OZs
  - Identify guidance and TA needed to improve grantee capacity

