



HOME & Housing Trust Fund Breaking News

**NCSHA HFA Institute
January 13, 2020**

U.S. Department of Housing and Urban Development



Breaking News #1: We Have a Budget

U.S. Department of Housing and Urban Development

FY 2020 Budget News

- HOME: \$1.35 Billion
 - + \$100 million
- HTF: allocations issued in April 2020
 - States w/early program years may need to submit HTF allocation plan as amendment
 - Use FY 2019 allocation as planning estimate



FY 2020 Budget News

- Within 60 days, HUD must brief Congress about ways to align environmental requirements across programs, particularly HOME and HTF
- Within 1 year, HUD must issue regulations





Breaking News #2: Appropriation Surprise

U.S. Department of Housing and Urban Development

Change to CHDO Set-Aside

- Section 231(b) of NAHA requires that:
 - PJs use 15% of allocation for CHDO projects
 - Commit CHDO funds to projects within 24 months of HUD's obligation of HOME grant
- CHDO deadline not included in Congress's initial suspension of commitment deadline
- HUD provided language to Congress for FY 2019 bill



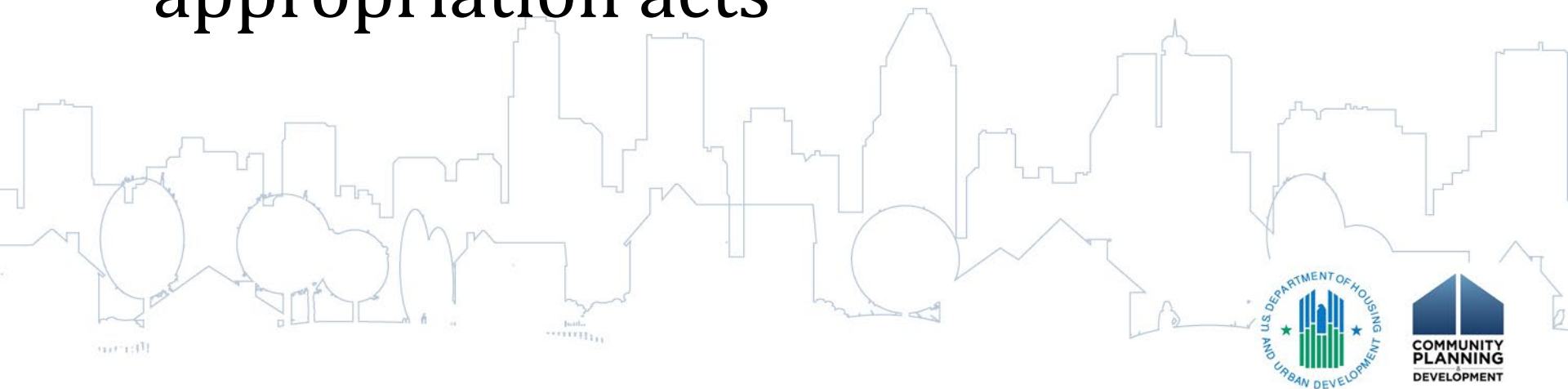
Change to CHDO Set-Aside

- HUD-provided language had:
 - Intended effect of suspending deadline,
 - Unintended effect of removing restriction to CHDO projects after 24 months elapsed
- FY 2020 contains FY 2019 language
 - Act urges timely use of funds for CHDO projects



Change to CHDO Set-Aside

- For FY 2018-2022 allocations, PJs have choice to use all, some, or none of 15% set-aside for CHDO projects
- Congress may extend in future appropriation acts



Change to CHDO Set-Aside

- Annual action plans required to reflect eligible applicants, so may need to be amended after 24 months
- Funds must remain in the CHDO subfund until 24 months have elapsed, even if PJ chooses not to use it for CHDOs
- HUD will issue guidance



Upcoming Regulatory Actions

- HOME Grant-Based Accounting Final Rule
 - Moving forward in 2020
- HTF Final Rule
 - Listening session held at 2019 HFA Institute
 - HUD plans to publish a request for public comments in 2020
- HOME Proposed Rule – Opportunity Zone and streamlining changes



Section 3 Rulemaking

- HUD published proposed Section 3 regulation in January 2019
- HUD reviewed public comments, drafted a final rule, and completed internal clearance
- Next stop: Office of Management and Budget
- Publication expected late spring 2020
- HUD will provide guidance and training



Affirmatively Furthering Fair Housing

- HUD has released a draft proposed rule that would revise July 2015 AFFH final rule
- Once the rule is published, public will have 60 days to submit comments
- Questions about the rule should be directed to HUD's Office of Fair Housing and Equal Opportunity (FHEO)



HOME Accomplishments Over Time

- HOME program (as of December 31, 2019):
 - 1,316,282 HOME units completed
 - 523,295 rental units (39.8%)
 - 539,704 homebuyer units (41.0%)
 - 253,283 homeowner rehab units (19.2%)
 - 369,178 households received TBRA
 - Historical average HOME cost/unit = \$25,888
 - Historical average TBRA/household = \$3,413
 - Historical leveraging 4.44 : 1

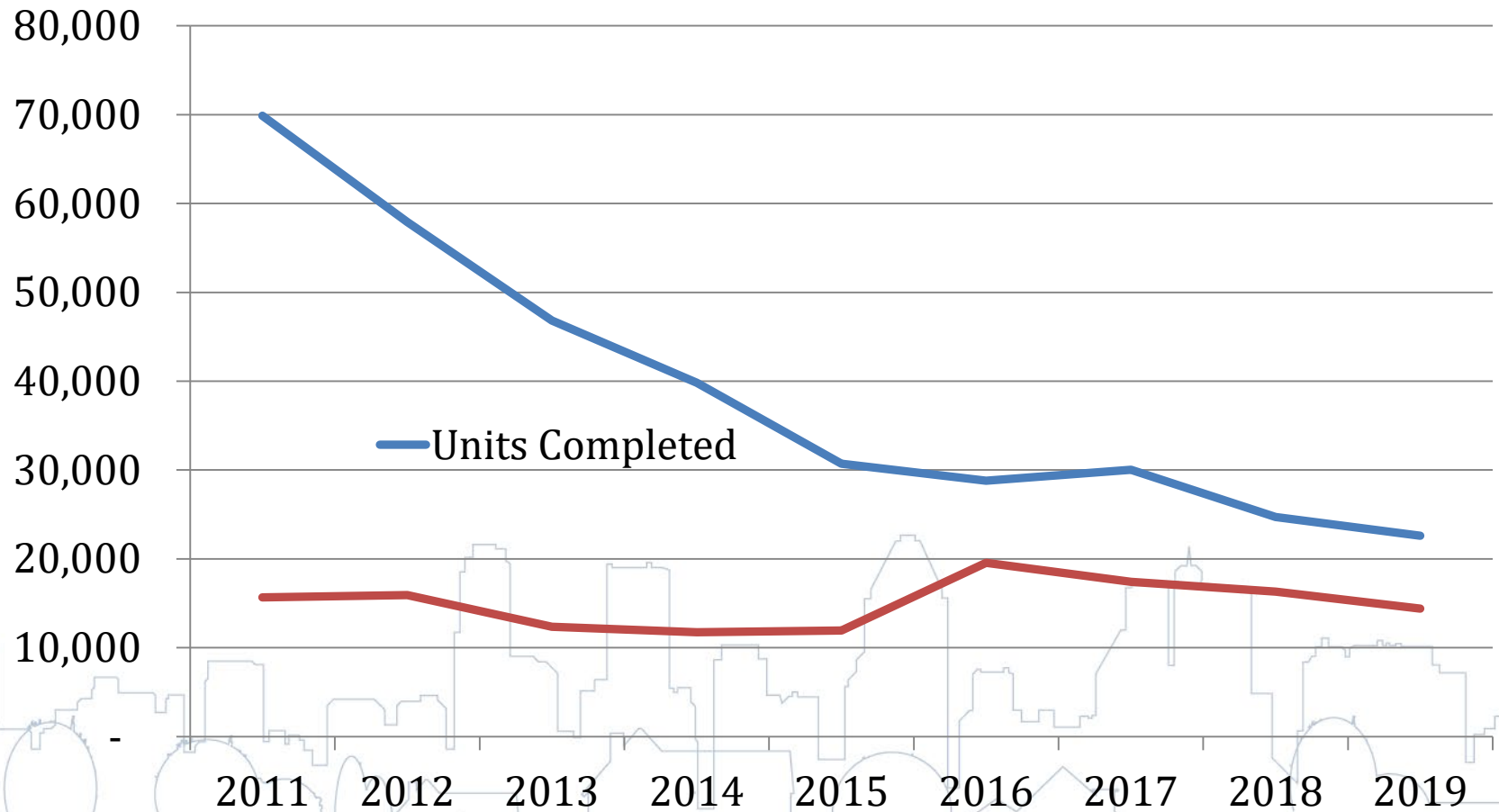


HOME FY 2019 Accomplishments

- 22,595 HOME units completed
 - 10,170 rental units (45%)
 - 8,489 homebuyer units (37.6%)
 - 3,936 homeowner rehab units (17.4%)
- 14,389 households assisted with TBRA



HOME 2011-2019



New HOME Report

- HOME Grant Specific Commitment and Disbursement Summary Report
 - No more 24-month commitment or CHDO reservation, or 5-year expenditure deadlines
 - Help PJs (and HUD) track commitments and expenditures on a grant-specific basis
 - Posted monthly to HUD Exchange beginning this month



HOME Grant Specific Commitment and Disbursement Summary Report

As of 12/31/2019

(sorted alphabetically by PJ)

<u>PJ and State</u>	<u>Grant Year</u>	<u>Authorized Amount</u>	<u>Amount Committed</u>	<u>Percent Committed</u>	<u>Available to Commit</u>	<u>Amount Disbursed</u>	<u>Percent Disbursed</u>	<u>Available to Disburse</u>
Virgin Islands, VI								
	2015	\$607,775.00	\$584,675.55	96.20%	\$23,099.45	\$446,299.00	73.43%	\$161,476.00
	2016	\$641,541.00	\$342,265.00	53.35%	\$299,276.00	\$172,312.00	26.86%	\$469,229.00
	2017	\$641,541.00	\$0.00	0.00%	\$641,541.00	\$0.00	0.00%	\$641,541.00
	2018	\$919,767.00	\$0.00	0.00%	\$919,767.00	\$0.00	0.00%	\$919,767.00
	TOTAL	\$2,810,624.00	\$926,940.55	32.98%	\$1,883,683.45	\$618,611.00	22.01%	\$2,192,013.00
Virginia, VA								
	2015	\$6,638,882.00	\$4,005,836.91	60.34%	\$2,633,045.09	\$3,917,461.00	59.01%	\$2,721,421.00
	2016	\$7,021,802.00	\$5,589,749.95	79.61%	\$1,432,052.05	\$4,131,589.00	58.84%	\$2,890,213.00
	2017	\$7,132,050.00	\$2,358,595.80	33.07%	\$4,773,454.20	\$974,699.00	13.67%	\$6,157,351.00
	2018	\$10,094,628.00	\$2,657,749.17	26.33%	\$7,436,878.83	\$0.00	0.00%	\$10,094,628.00
	2019	\$9,890,363.00	\$989,036.00	10.00%	\$8,901,327.00	\$0.00	0.00%	\$9,890,363.00
	TOTAL	\$40,777,725.00	\$15,600,967.83	38.26%	\$25,176,757.17	\$9,023,749.00	22.13%	\$31,753,976.00
Virginia Beach, VA								
	2015	\$772,699.00	\$772,699.00	100.00%	\$0.00	\$772,699.00	100.00%	\$0.00
	2016	\$812,102.00	\$725,855.80	89.38%	\$86,246.20	\$197,959.00	24.38%	\$614,143.00
	2017	\$788,573.00	\$300,349.01	38.09%	\$488,223.99	\$271,603.00	34.44%	\$516,970.00
	2018	\$1,122,655.00	\$61,982.45	5.52%	\$1,060,672.55	\$0.00	0.00%	\$1,122,655.00
	2019	\$1,032,111.00	\$0.00	0.00%	\$1,032,111.00	\$0.00	0.00%	\$1,032,111.00
	TOTAL	\$4,528,140.00	\$1,860,886.26	41.10%	\$2,667,253.74	\$1,242,261.00	27.43%	\$3,285,879.00

Closeout of HOME Grants

- Closing out all 1992-2010 HOME grants with:
 - All funds expended
 - All activities completed and units occupied
 - No open monitoring or audit findings
 - HUD will contact PJs that are ready
- OAHP closed out 2,139 grants in FY 2019
- 340 PJs had grants that were not ready for closeout due to open activities or vacant units
 - OAHP will reach out to these PJs in FY 2020



Closeout of HOME Grants

- Thanks to the following States for helping HUD to closeout their 1992-2010 HOME grants in FY 2019
 - Maine
 - Massachusetts
 - New Hampshire
 - New Jersey
 - South Carolina
 - Vermont



Closeout of HOME Grants

- The following States are next to have their 1992-2010 HOME grants closed out (or are in the closeout process)
 - Arizona
 - Hawaii
 - Idaho
 - Iowa
 - Kentucky
 - Maryland
 - Montana
 - Nevada
 - New Mexico
 - Utah



Closeout of HOME Grants

- If your State was not listed on one of the previous two slides, your State has open activities or vacant units in activities that used 1992-2010 grants
 - Please review the Open Activities and Vacant Units Reports to see if old activities can be completed and/or occupancy data can be entered for vacant units

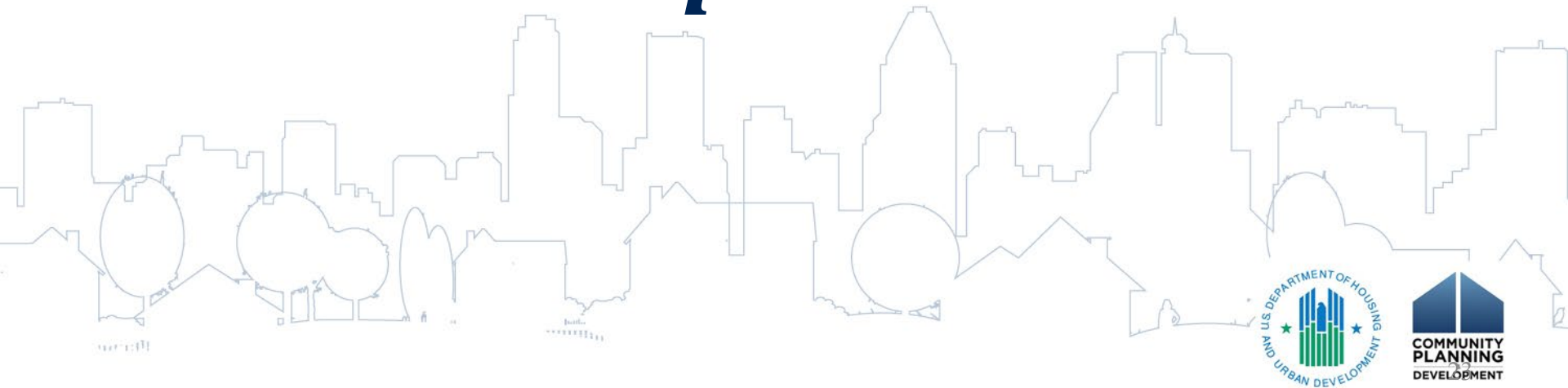


“Good (HOME) Stories”

- **Coming soon** – HUD Exchange page highlighting exemplary HOME projects and programs
- Will include rental, homebuyer, homeowner rehab, and TBRA projects and programs
- Request for projects and programs will be sent through NCSHA (and other interest groups)
- See me if you have any questions or would like to submit a project or program



Housing Trust Fund *Update*



HTF Commitment Requirement

- All HTF funds must be committed to projects within 2-years of HUD obligating the HTF grant agreement
- Deadline is exactly 2 years after that date
- HUD **must** deobligate funds not committed and reallocate to all grantees in the next year's formula
- Deadlines for most 2016 & 2017 HTF grants passed
- **12 States have missed their 2016 and/or 2017 deadlines based on IDIS and the PR108 Report**
 - **3 of those States missed both years' deadlines**
- 3 States have large shortfalls and January 25, 2020 deadlines



HTF Reports

- Currently posting:
 - Deadline Compliance Status Report (PR108)
- Begin posting this month:
 - Open Activities Report (PR107)
 - Vacant Units Report (PR108)
- Begin posting later this spring:
 - HTF Production Report (PR110)
 - HTF Activity Status Report (PR100)



HTF Project Completions

- 47 projects completed
 - 21 new construction
 - 25 rehabilitation
 - 1 acquisition only
- 312 HTF units
- \$32 million expended
- \$103k HTF funds / unit



HTF Project Leverage

- 47 projects completed
- Overall leverage ratio 6 : 1
 - 9 projects = 100% HTF
 - 16 are also HOME projects
 - 5 have CDBG funds
 - 11 have other Federal funds
 - 8 used State or local housing trust funds
 - 18 used other State or local funds
 - 4 used tax-exempt bond proceeds
 - \$42.9 million in private funding & owner cash
 - 25 LIHTC projects



Other Completion Details

- 76% of households in occupied HTF units receiving rental assistance
 - 40% Project based Section 8
 - 22% Other Federal, State, or local project-based assistance
 - 14% Tenant-based Section 8
- Household type:
 - 59% single, non-elderly
 - 19% elderly
 - 19% single parent
 - < 2% each - two parent and other households
- 118 units designated for homeless individuals
- 64 units designated for homeless families
- 16 units for youth aging out of foster care








HOME and HTF Guidance and Training



HOME Guidance & Training

- HOME e-Learning Platform Launch 
e-Building HOME LIVE: 00h 00m 00s!
- Four-Year Completion Requirement for HOME-Assisted Projects - CPD-20-01 
- HOMEfires on Resale Formula 
§92.254(a)(5)(i)
 - Can a PJ use an appraisal-based resale method to meet the HOME program requirements?

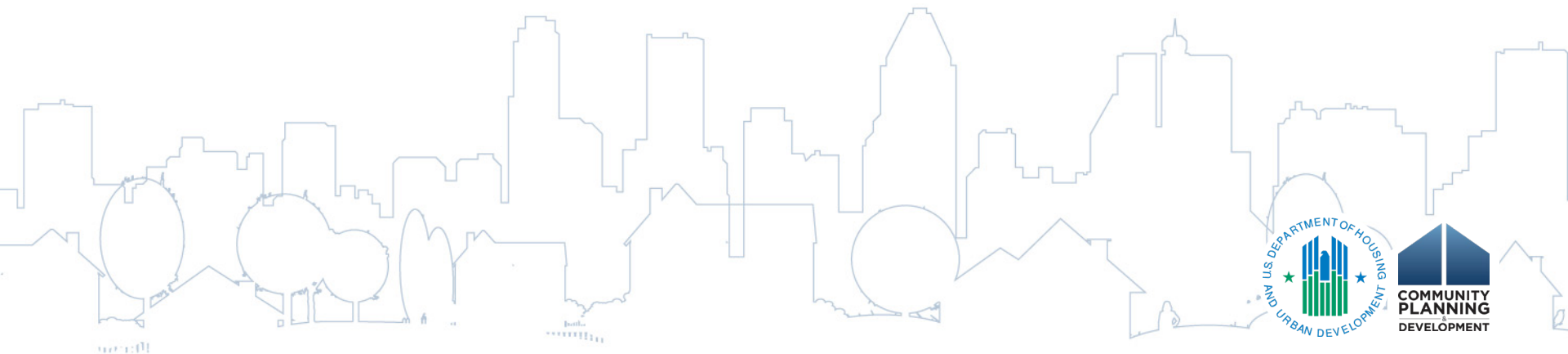
HOME Guidance & Training

- Building HOME Webinar Series : January 15 - February 05, 2020
- CHDO Opportunities in HOME
- HOME Academy for CPD Field Staff
- Homebuyer Program Policies and Procedures Workshop September 24-25, 2019 (PILOT)



Upcoming HOME Guidance

- Guidance on Resale and Recapture Provision Requirements under the HOME Program
- Written Agreements Checklist
- Webinar will be held when notice is issued



Upcoming HOME Training

- Homebuyer Program Policies and Procedures Workshop (in-person)
- Compliance Wellness Checks for PJs - Topical Webinars + Office Hours
- CPD 20-01: Four-Year Completion Requirement for HOME-Assisted Projects

For updated info on HOME training, guidance, TA products, visit: www.hudexchange.info/home

Sign up for HOME listserv at:

www.hudexchange.info/maillinglist/



Upcoming HTF Guidance

- HTF Subgrantee Allocation Plan Guidance
 - Webinar will be held when notice is issued
- HTF Monitoring Chapter
 - Exhibits and Instructions for HUD monitoring of HTF grantees
 - Part of CPD Monitoring Handbook



Upcoming HTF Training

- HTF Regulatory Overview Training (web-based product)

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Questions?



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