



Office of Affordable Housing Programs Update

COSCEA Program Managers Training Conference – March 21, 2023



Budget & Policy News

HOME and HTF Funding

- FY 2023 HOME Funding - \$1.5B (same as FY 22)
- FY 2024 President's Budget Request - \$1.8B
 - Includes \$100 million for FirstHOME Downpayment Assistance Initiative
- FY 2023 HTF Funding
 - GSEs announced transfer of \$354.3 million for FY 2023 for HTF
 - Actual amount in formula will differ
 - Expect allocations to be announced in April
 - For FY 22, \$748.9 was allocated



HOME Reform Initiative

- HOME Rulemaking – White House Housing Supply Action Plan
 - OAHF conducted comprehensive review of statute and regulations and is currently drafting proposed rule
 - HUD has previously identified these topics in OMB Semi-Annual Agendas
 - CHDOs
 - Community Land Trusts
 - HOME Rents
 - Property Standards
 - Publication expected in late 2023



Other HOME and HTF Rulemaking

- HOME Grant-Based Accounting Final Rule
 - Published 9/22/2022
 - No changes from 2016 interim rule
- Housing Trust Fund Final Rule
 - Will commence rulemaking process once HOME rulemaking has been completed



Other HUD Rulemaking

- Housing Opportunity Through Modernization Act (HOTMA) Final Rule
 - Final Rule published on 2/14; effective January 1, 2024
 - Makes changes to Part 5 Annual Income and Adjusted Gross Income for all HUD Programs
 - Unlike other CPD programs, OAHP issued conforming regulations for HOME and HTF tweaking HOTMA changes to better fit
 - OAHP will issue guidance and provide training for HOME and HTF
 - CPD Income Calculator will be updated



Other HUD Rulemaking

- National Standards for Physical Inspection of Real Estate (NSPIRE) Final Rule
 - Final rule expected to be published in 2023
 - Will have some effect on HOME and HTF projects
 - State and local housing quality standards apply to HOME and HTF
 - OAHP will publish a Federal Register Notice outlining how NSPIRE applies to HOME and HTF



Other HUD Policymaking/Rulemaking

- Violence Against Women Act Reauthorization (VAWA)
 - On 1/4/23, HUD published Federal Register Notice providing implementation guidance and requesting public comment
 - Comments were due March 6, 2023
 - HOME and HTF are covered housing programs
 - Will be part of HUD's VAWA rulemaking, with conforming changes for HOME and HTF
 - Additional guidance, forms, templates will be required to fully implement VAWA for HOME and HTF



Other HUD Policymaking/Rulemaking

- Build America Buy America Provision of Infrastructure & Jobs Act
 - Domestic content procurement preference for iron, steel, manufactured products, and construction materials used in covered infrastructure projects funded with Federal financial assistance obligated after May 14, 2022
 - Includes construction, rehabilitation, maintenance, and repair
- Phasing implementation by program and by material (e.g., iron/steel; construction materials; manufactured products)
- Proposed public interest waiver issued for comment on February 15th would delay implementation for HOME and HTF until August 23, 2024 for all materials





Housing Trust Fund

Housing Trust Fund Updates

- HTF Basics Webinar (3-part series)
 - Conducted May-June 2022, recording posted on HUD Exchange
- Opportunity Zones and HTF Webinar
 - Conducted July 2022, recording posted on HUD Exchange
 - Companion guide “*Using HOME and HTF Funds within Opportunity Zones*” also available on HUD Exchange
- Using IDIS for HTF Recorded Video Series
 - Introduction and Overview
 - Administration
 - Subfunds/Subgrants
 - Set Up, Fund, Draw, and Complete Activities
 - Reporting



Upcoming for HTF

- HTF Monitoring Exhibits
 - To be published in as revision to CPD Monitoring Handbook
 - HUD monitoring to commence in FY 2024
- HTF Risk Analysis Protocol
 - Used annually to assess grantee and program risk in each HUD Field Office
 - Determines which grantees, programs, and program elements to be monitored
 - Published as an update to CPD Risk Analysis Notice



HTF Commitments and Expenditures

Fiscal Year	Total Allocations	Total Committed	Total Expended	Commitment Deobligations	Expenditure Deobligations
2016-2022	\$2,645,934,222	\$1,371,280,691	\$814,651,111	\$11,720,742	\$2,381,349

- 9 states commitment deobligations / 6 states expenditure deobligations
- 3 states lost funds for missed commitment requirement more than once
- 3 states lost funds for missed expenditure requirement more than once
- CPD Notice 18-12: *Commitment and Expenditure Deadline Requirements for the HTF Program*





HOME Investment Partnerships Program

Recent HOME Guidance

- HOMEfires 17-1: Revising extended periods of affordability once the minimum period has been completed (January 2023)
- CPD Notice 22-11: *Implementing Risk Analyses for Monitoring CPD Grant Programs in FY 2023* (October 2022)



HOME Risk Analysis

CPD has already performed risk analysis for FY 2023 monitoring

Data Driven Subfactors

- Involuntarily terminated activities
- Infrequent Draw for 12 Months or More
- Average # years commitment to completion
- OIG or Single Audit findings & resolution
- CPD monitoring findings & resolution
- Final draw for 120 days or more
- Allocation Years Unexpended
- Repayments

CPD Rep Scored Subfactors

- PJ staff capacity
- Reporting quality
- Local political issues, media exposure, or citizen complaints



HOME Technical Assistance

- Opportunity Zones and the HOME Program Webinar (July 11, 2022)
 - Companion guide “*Using HOME and HTF Funds within Opportunity Zones*”
- HOME Homebuyer Program training series
 - 6-week series targeted to HOME PJs providing homeownership assistance
 - Local PJ cohorts to promote peer learning, cross-collaboration to address local issues
 - Ensures PJs understand key regulatory requirements related to designing HOME homebuyer assistance programs
 - Includes required reading, live webinar sessions, prerecorded training content, peer-to-peer discussion forums, case studies, and other exercises
 - Completed cohorts in Los Angeles and San Francisco in 2022
 - More deliveries expected in 2023
 - Registration is announced through your Field Office



HOME Program Performance Concerns

- 2015 HOME grants expire this September (2023)
- PJs not committing funds are at risk of losing funds - even committed funds - to expiration
- Unexpended Funds:

Year	Unexpended – All PJs	Unexpended – State PJs
2015	\$25,326,311	\$9,349,526
2016	\$62,588,045	\$16,227,659

- States make up 37% of unexpended 2015 funds
- 10 States have unexpended 2015 funds



HOME Program Performance Concerns

- Slow commitment of HOME funds
- Allocation Years Uncommitted:
 - What is it?
 - National avg. = 1.95 years
 - States avg. = 1.20 years
 - 4 PJs / 0 States with > 5 years of allocations uncommitted
 - 34 PJs / 0 States with 4 – 5 years of allocations uncommitted
 - 92 PJs / 1 States with 3 – 4 years of allocations uncommitted
 - 154 PJs / 7 States with 2 – 3 years of allocations uncommitted



HOME Program Performance Concerns

- Uncommitted HOME Funds:

Year	Uncommitted – All PJs	Uncommitted – State PJs
2015	\$16,821,365	\$4,511,081
2016	\$47,447,638	\$13,847,507

- States make up 27% of uncommitted 2015 funds
- 8 States have uncommitted 2015 funds



HOME Program Performance Concerns

- 4-year completion requirement
 - HOME projects must be completed within 4 years of commitment
 - 1-year extension is possible upon request (before deadline)
 - PJ must repay funds disbursed for projects not meeting requirement
 - Currently 32 projects nationwide by 11 State PJs do not meet the requirement



HOME Program Performance Concerns

- 18-month occupancy requirement
 - HOME-assisted rental units must be occupied by eligible tenants within 18 months of project completion
 - PJ must repay HOME funds invested in any housing unit that has not been rented to eligible tenants 18 months after the date of project completion
 - Currently 60 units nationwide in projects completed by 10 State PJs do not meet the requirement





HOME-ARP

Recent HOME-ARP Guidance

- Preferences, Methods of Prioritization, and Limitations Policy Brief
- URA and Section 104(d) Policy Brief
- CPD Notice 22-13: Revisions to HOME-ARP Allocation Plan Requirements and Final Submission Deadline for all HOME-ARP Allocation Plans
 - HOME-ARP Allocation Plan Submission Requirements FAQ
 - As of January 4, 34 of 52 state PJ plans submitted, with 30 accepted



HOME-ARP Technical Assistance- Allocation Plan

- Allocation Plan Template, Checklist, and Common PJ Issues
- Understanding HOME-ARP Preferences Referral Methods, and Allocation Plan Requirements Webinar
- FAQs
- Four handouts describing allocation plan requirements (Available on HUD Exchange)
 - Preferences, Methods of Prioritization, and Limitations Handout
 - Public Participation Requirements
 - Consultation
 - Needs Assessment and Gaps Analysis
- Office Hours: Understanding the HOME-ARP Allocation Plan Submission Deadline
 - Recording and slides posted on HUD Exchange



HOME-ARP Technical Assistance- Allocation Plan

- HOME-ARP Allocation Plan Virtual Clinics
 - 5 clinics held in December 2022 based on PJ cohort (States, consortia, small, medium and large PJs)
- HOME-ARP Allocation Plan In-Person Problem Solving Clinics
 - 7 clinics held throughout the country in January 2023
- Problem Solving One-on-One
 - February - two clinics and one office hour held with 110 attending from 130 PJs.
 - February – March - eight one-on-one problem-solving consultations. Appointments available Tuesdays and Thursdays from February 16-March 14



HOME-ARP Technical Assistance

- Direct TA Engagements for HOME-ARP Allocation Plan - 21 PJ requests tasked
- Public Participation Video FAQ
- Housing Production Goal Worksheet and Video FAQ
- HOME-ARP Guide to ESG for PJs Developing NCS
- HOME-ARP 101: Non-Congregate Shelter Basics

- Questions? HOME-ARP AAQ for Allocation Plan on the HUD Exchange or HOMEARP@hud.gov



HOME-ARP Technical Assistance

- Introduction to the Homeless Service System for HOME-ARP PJs
 - Webinar and three crosswalks between eligible populations, activities, and funding sources for HOME-ARP and the ESG/CoC programs
- Introduction to Coordinated Entry and HMIS Webinar
- Two primers on Coordinated Entry and HOME-ARP Referral Methods
- Implementing Preferences and Referral Methods in HOME-ARP Webinar
- HOME-ARP Rental Underwriting Template and webinar



Upcoming HOME-ARP Technical Assistance

- HOME-ARP Non-Congregate Shelter Costs Guide
- HOME-ARP TBRA and CoC Rapid Rehousing Crosswalk
- HOME-ARP TBRA Sponsor Role Factsheet and Checklist
- HOME-ARP Non-profit Operating and Capacity Building Costs Handbook
- Environmental Review TA:
 - Part 58 Environmental Review Checklist for Rental and NCS activities
 - CENST video FAQ for TBRA and Supportive Services
 - Relocation and lead-based paint requirements for HOME-ARP TA



Upcoming HOME-ARP Technical Assistance

- HOME-ARP TBRA Model Guide
- Policies and procedures for HOME-ARP supportive services activities
- Guide and webinar on tenant selection requirements
- Guide and webinar on HOME-ARP Part 5 Housing Counseling services



New HOME-ARP Technical Assignments

- Sample written agreement for each HOME-ARP eligible activity
- Compliance in HOME-ARP Rental Projects: A Guide for PJs
- Training and factsheet on operating cost assistance and replacement reserves
- Training for California PJs on leveraging HOME-ARP in Homekey projects
- Factsheet and training on HOME-ARP NCS due diligence requirements
- Guide and webinar on tenant selection requirements
- Guide and webinar on HOME-ARP Part 5 Housing Counseling services



Future Assignments

- Qualifying populations definitions checklist and forms
- Project file recordkeeping checklists by HOME-ARP eligible activity
- HOME-ARP project profiles
- Using HOME-ARP with LIHTC other financing sources in rental projects
- Capitalizing reserves in HOME-ARP rental projects
- HOME-ARP NCS conversion best practices
- NCS Minimum habitability standards checklist
- Combining HOME-ARP Supportive Services with other eligible activities
- HOME-ARP Supportive Services eligible costs

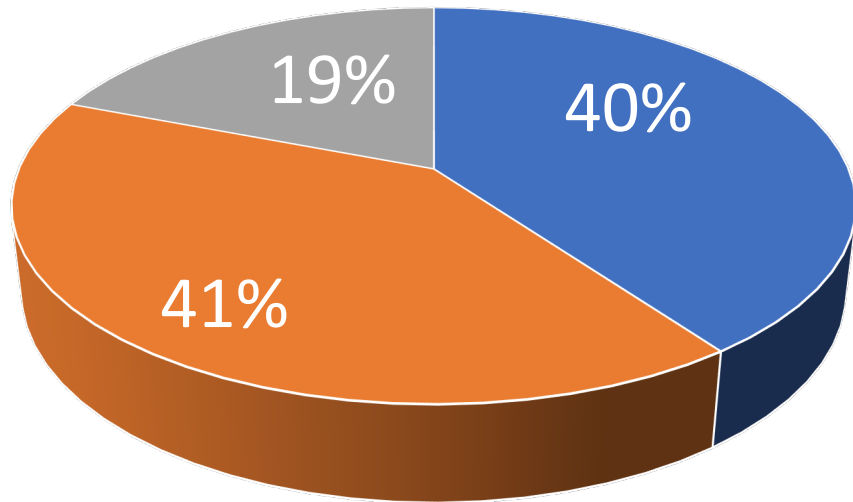




Financial & Information Services

HOME Accomplishments Over Time

Units Completed Since 1992



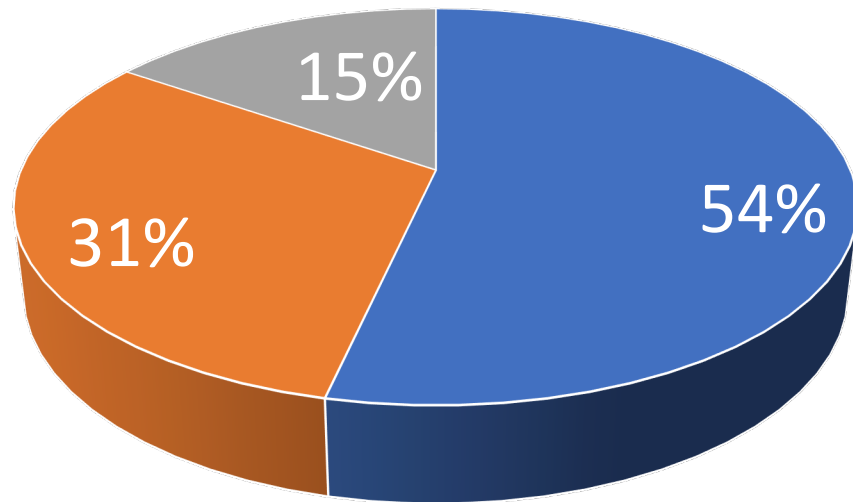
■ Rental ■ Homebuyer ■ Homeowner Rehab

- 1,359,956 HOME units completed
- 375,254 households assisted with TBRA
- Average HOME cost/unit = \$26,884
- Average TBRA/household = \$3,823
- Leveraging 4.70 : 1
- 58% of units have beneficiaries < 50% AMI
- 96% TBRA households < 50% AMI
- Currently:
 - 6,380 rental, homebuyer, and homeowner rehab projects underway
 - Plus 2,804 TBRA activities



HOME FY 2022 Accomplishments

Units Completed in FY 2022



■ Rental ■ Homebuyer ■ Homeowner Rehab

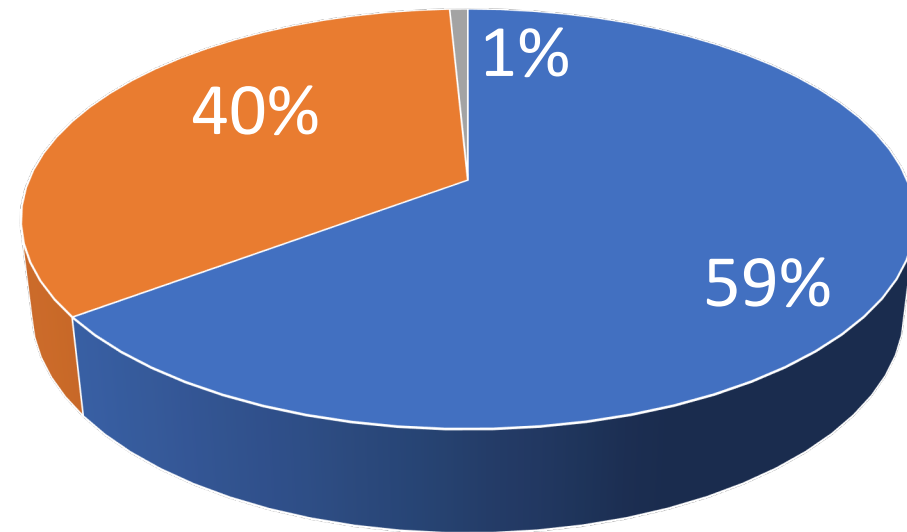
- 15,157 HOME units completed
 - -10% from FY 2021
- 16,756 households assisted w/TBRA
 - +25% from FY 2021



HTF Accomplishments Over Time

- 386 rental projects completed
- 3,457 HTF units
- \$377.6 million expended
- \$109,236 HTF/unit
- Avg. 8.95 HTF units/projects
- Overall leverage ratio 9.73 : 1
- 551 projects underway

Completed HTF Projects



■ New Construction ■ Rehabilitation ■ Acquisition



IDIS Releases

- Release 11.24-11.27
 - HOME-ARP Activities
 - Setup, funding and completion screens
 - Section 3 Updates
 - HOME and HTF screen updates
- Release 11.28 – Goes live March 27, 2023
 - Closeout Module – HOME, HTF, and HOME-ARP
 - HOME-ARP Reports
 - Supportive Services
 - Non-congregate Shelters (NCS)
 - Updates to existing HOME and HTF Reports
 - SF-425
 - Closeout Certification



Closeout Modules (HOME, HTF, HOME-ARP)

All grant closeouts will start in IDIS beginning mid-2023

Grant Eligibility for Closeout

- All funds disbursed
- All activities completed
- All units occupied
- All findings closed (monitoring, IG, and SAA)
- *Note individual programs may have additional requirements*
- *System will notify a grant is eligible once the first three bullets are met*

Closeout Process

- HUD Determination of Readiness, including review of any open audit findings
- PJ upload final SF-425 and Closeout Certification
- HUD Field Office Review and Certify Closeout
- HUD HQ Review and Completion of Closeout



HOME-ARP IDIS Guidance

HOME-ARP Allocation Plan

- [Allocation Plan Submission Requirement FAQs](#)
- [HOME-ARP Allocation Plan E-Tutorial](#)

HOME-ARP TBRA

- [IDIS for TBRA Activities Webinar](#)
- [IDIS for TBRA Activities Fact Sheet](#)

HOME-ARP Supportive Services

- [IDIS for Supportive Services Activities Webinar](#)
- [IDIS for Supportive Services Activities Fact Sheet](#)

HOME-ARP NCS

- [HOME-ARP 101: NCS Basics Webinar](#)
- [IDIS for NCS Activities Webinar](#)
- [IDIS for NCS Activities Fact Sheet](#)

HOME-ARP Rental and Rental Operating – coming soon to website

- Webinar (hosted March 15, 2023)
- Fact Sheet

HOME-ARP Reports– coming soon

- Webinar
- Fact Sheet

[HOME-ARP IDIS e-Tutorials](#)

[Ask an IDIS Question](#)

HOMEARP@hud.gov





Questions?