

May 11, 2026

Regulations Division, Office of General Counsel  
U.S. Department of Housing and Urban Development  
2415 Eisenhower Ave.  
Alexandria, VA 22314

RE: Docket No. FR-6144-N-07, HOME Investment Partnerships Program – Maximum Per-Unit Subsidy Limit Methodology and Amount; Notice for Comment

The Council of State Community Development Agencies (COSCD A) welcomes the opportunity to provide comments regarding the maximum per-unit subsidy limit methodology for the HOME Investment Partnerships Program (HOME). COSCD A is a national association representing state agencies that administer HUD’s community development, housing, homelessness, and disaster recovery grant programs. HOME is one of the core programs administered by COSCD A’s membership.

***HUD believes that maintaining its existing policy is consistent with the statute and will not negatively impact the production of affordable housing.***

COSCD A supports HUD’s decision to maintain its existing policy to determine maximum per-unit subsidy limits for the HOME program. Our state agency members find that this methodology is not the determining factor for the number of affordable housing units they can support through HOME. The number of affordable housing units created and preserved through HOME also relies on allocation amounts and current development costs.

In the future, HUD should consider a per-unit subsidy limit methodology that is responsive to geographic variations. Per-unit costs in dense, urban areas are often much higher than in communities with lower construction costs. At the same time, COSCD A members point out that the construction of new units in rural areas can also be more costly due to the lack of a trained construction workforce.

***Public comment in response to this notice for comment provides HUD with the opportunity to perform a higher level of review of current development and construction costs, evaluate ongoing changes in costs due to changes in building codes and industry practices, determine whether different eligible activities (i.e., homeownership versus rental) should have different methodologies, and consider and respond to comments in the implementation of a revised maximum per-unit subsidy limit methodology.***

COSCD A urges HUD to consider the impact of the Build America, Buy America (BABA) domestic procurement requirements on HOME project costs. Our members report significant cost increases related to both materials and compliance. In one case, a contractor added more than \$200,000 in oversight and management costs due to BABA compliance requirements. In another example, the cost of BABA on an \$8.5 million HOME-supported project was estimated at \$400,000—not much less than the \$700,000 HOME award that triggered BABA

requirements. The number of affordable units produced through the HOME program will dwindle if HUD does not reevaluate its implementation of BABA. COSCDA recommends the following<sup>1</sup>:

- Temporarily suspend BABA implementation for affordable housing programs, including HOME.
- Analyze the existing domestic manufacturing capacity/availability for products and materials commonly used in affordable housing production.
- Streamline purchasing requirements.
- Increase the de minimis waiver percentage to at least 10 percent.
- Review waivers in a timely fashion.

COSCDAs members also find that HOME per-unit costs can be higher on projects that include Low-Income Housing Tax Credits (LIHTC). The soft costs on these projects—consultants, design, planning, environmental reviews, etc.—tend to be higher than for other types of HOME projects. HUD should consider the higher costs of HOME-assisted LIHTC projects in any further review of its maximum per-unit subsidy limit methodology.

In general, COSCDA members were pleased to see HUD’s publication of an updated methodology for HOME’s maximum per-unit subsidy limits. HUD’s timely publication of these limits helps HOME recipients plan their projects and administer the program responsibly. COSCDA urges HUD to continue communicating these subsidy limits and any other necessary HOME program data in a timely manner.

Thank you for the opportunity to comment on the maximum per-unit subsidy limit for the HOME program. Feel free to reach out to Jenna Hampton Pomponi ([jhampton@coscda.org](mailto:jhampton@coscda.org)), Director of Advocacy and Federal Programs, or Tess Hembree ([thembree@coscda.org](mailto:thembree@coscda.org)), Executive Director, for further discussion.

Sincerely,



Tess Hembree  
Executive Director, COSCDA

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<sup>1</sup> [Build America, Buy America and Affordable Housing Implementation Proposal](#).