
HOME INVESTMENT PARTNERSHIPS PROGRAM (HOME) PROGRAM RESOURCES INVESTED AND PROGRAM ACCOMPLISHMENTS FOR FISCAL YEAR 2004-2005

I. BACKGROUND

The HOME Program is authorized under Title II of the Cranston-Gonzales National Affordable Housing Act, as amended, 42 U.S.C. 12701 et. seq. HOME funds can be used to develop new housing or rehabilitate existing rental and homeownership units, make homeownership more accessible, or provide rental assistance.

Low-income households are targeted by participating jurisdictions based upon HOME income guidelines. All participating jurisdictions, such as the County of Los Angeles, receive HOME funds based on a formula allocation established under Title II of the Cranston-Gonzales National Affordable Housing Act, §217.

The Los Angeles Urban County has been a designated participating jurisdiction since the inception of the HOME Program in 1992. Prior to receiving HOME funds, the County of Los Angeles, a participating jurisdiction, must submit a consolidated plan as outlined in 24 CFR (Code of Federal Regulations) Part 91. A participating jurisdiction can disburse HOME funds for eligible activities identified in §92.205-92.214 of the HOME Investment Partnerships Program Final Rule. All projects receiving HOME funds are subject to an environmental review prior to receiving federal funds.

II. PROGRAM REQUIREMENTS

The Community Development Commission (CDC) administers the HOME program on behalf of the County of Los Angeles. The CDC has utilized its HOME allocation for affordable housing development and rehabilitation, as well as homeownership financial assistance. The CDC has allocated HOME funds in accordance with its Consolidated Plan, a comprehensive housing plan approved by the Los Angeles County Board of Supervisors. Under the provisions of the Plan, half of the HOME funds available for housing development and rehabilitation are reserved for use by cities participating in the CDC's Urban County Program (Participating Cities), for a period of six months subsequent to HUD's approval of each fiscal year's grant agreement. The remaining HOME funds are made available for use in the unincorporated areas of Los Angeles County. Following the participating cities' six-month reservation period, any HOME funds not used by participating cities become available for use in all of the unincorporated areas of Los

Angeles County and participating cities. The CDC does not utilize HOME funds to provide tenant-based rental assistance.

Under the HOME program, a minimum of 15 percent of the total HOME allocation is reserved for use by Community Housing Development Organizations (CHDOs) for the development of affordable housing.

Through housing development, rehabilitation, and the Home Ownership Program (HOP), the CDC has been able to comply with the commitment and expenditure deadlines under HOME regulations. HOME funds are fungible and not subject to a yearly designation. All projects receiving HOME money have been subject to a NEPA (National Environmental Policy Act of 1969, as amended) and CEQA (California Environmental Quality Act) review prior to funds being committed.

The HOME Program reserves 10 percent of the Fiscal Year HOME allocation for payment of reasonable administrative and planning costs. In addition, the CDC may also use up to 10 percent of the program income received during the program year for administrative costs. The CDC has complied with the HOME program's 10 percent administrative cap requirement.

III. HOUSING GOALS AND ACCOMPLISHMENTS

Housing Development

By combining HOME funds with a variety of federal and non-federal funding sources, the CDC has been able to develop new, affordable rental units, for-sale housing for low-income households, as well as special needs housing. Rental units developed by the CDC using HOME funds are reserved for occupants with incomes that do not exceed 50 percent of the Los Angeles County median income. CHDO's, other non-profit and for-profit organizations have partnered with the CDC to develop affordable housing.

The CDC has been able to leverage approximately three dollars of non-federal funds for every HOME dollar spent. The main sources of leveraging have been conventional financing, Tax Exempt Bond Financing, Low Income Housing Tax Credits and City of Industry Tax Increment Funds.

During the 2004-2005 Fiscal Year, a total of \$5,148,254 in HOME funds has been spent towards the CDC's goal to develop a total of 181 housing units. A total of 66 (64 rental and 2 homeownership) HOME-assisted units received certificate of occupancy in Fiscal Year 2004-2005. Although the number of completed units was lower than anticipated, there are 339 units in progress. In addition to the HOME-funded units, 90 affordable units will be available in the same developments.

Please refer to the following photographs for the CDC's major accomplishments for Fiscal Year 2004-2005:



Castaic Senior Apartments – A 150 unit multifamily rental development, developed by Jules Swimmer, a for-profit developer, includes 11 HOME-assisted units, with 44 units reserved for seniors with incomes that do not exceed 50% of Area Median Income (AMI) and the remaining units are reserved for seniors with incomes that do not exceed 60% of AMI.



Havenhurst Apartments – A 24 unit multifamily rental development, developed by the non-profit CHDO, West Hollywood Community Housing Corporation, includes 20 HOME-assisted units reserved for very low-income tenants with HIV/AIDS.



Heritage Park at Arcadia – A 54 unit multifamily rental development, developed by the for-profit American Senior Living, with 11 HOME-assisted units. The development reserves 16 units for seniors with incomes that do not exceed 50% of AMI, with the remaining units reserved for seniors with incomes that do not exceed 60% of AMI.

Housing Preservation

The HOME Single Family Rehabilitation Program provides assistance to eligible low-income property owners for the rehabilitation of one to four owner-occupied units. HOME funds are provided as loans or grants to correct code-related deficiencies and bring the property up to Housing Quality Standards (HQS). During the 2004-2005 Fiscal Year, 89 households were assisted in the unincorporated areas. Rehabilitation was completed on 63 single-family homes, while 26 properties remained in-progress, for total expenditures of \$3,215,328. The CDC also assisted 5 households within participating cities for total expenditures of \$231,759. Rehabilitation was completed on 4 single-family homes within participating cities and 1 property remained in-progress.

The HOME Rental Rehabilitation Program assists owners of single family and multifamily rental properties who rent to low-income households. During Fiscal Year 2004-2005, the CDC assisted and completed rehabilitating 3 units for a total of \$198,384. There are no rental units in progress, since the program is no longer active and applications are no longer being accepted. The CDC has decided to focus HOME funds on owner-occupied units where the need has been greater.

Approximately 87 percent of the households receiving assistance from the Housing Preservation Rehabilitation Programs are minority households. During the 2004-2005 Fiscal Year, the

programs completed a total of 67 single-family units and 3 rental units in the Los Angeles Urban County.

The program had a goal to rehabilitate 43 units in Fiscal Year 2004-2005. The program completed a total of 70 units, or 163% percent of its goal.

Home Ownership Program (HOP)

The Home Ownership Program (HOP) assists households in Los Angeles County by making home ownership accessible through community outreach programs, homebuyer education, individual credit counseling, deferred payment loans for down payment assistance, and by facilitating affordable home purchases to low-income households. Approximately 80 percent of the households participating in the HOP are minority households. The program met 106% of its annual goal of 33 units. The HOP funded 35 deferred payment loans for a total of \$1,486,212 during the 2004-2005 Fiscal Year.

The HOP assists households in Los Angeles County with incomes that do not exceed 80 percent of median income level, in realizing their dream of homeownership. Homeownership information is disseminated through a variety of sources including: community outreach programs, homebuyer education, individual counseling, participating cities, community organizations, and the CDC website.

The CDC marketed its homebuyer program by sponsoring or participating in various functions for the 2004-2005 Fiscal Year. The following is a highlight of the major events attended this past year:

- First Time Homebuyer Education Seminars (12 seminars) – Patriotic Hall
- Mortgage Credit Certificate (MCC) Lender Training (6 trainings) – CDC
- HOP Lender/Broker Training (6 trainings) – CDC
- Mothers of East Los Angeles (MELA) Community Housing Fair – East L.A.
- Southern California Association of Non-Profit Housing (SCANPH) Best Practices Conference – Los Angeles
- First Time Homebuyer Workshop – Pasadena
- City of Whittier Community Event – Whittier
- City of Montebello Rotary Club HOP Presentation – Montebello
- Hollywood Park Community Event – Hollywood
- Expo of America Housing Fair – Los Angeles Convention Center
- HOP Presentation to West San Gabriel Board of Realtors – San Gabriel
- HOP Training at Wells Fargo Bank – Commerce
- HOP Training at Best Results Mortgage – Commerce
- Housing Fair at McArthur Park – Los Angeles
- Mayor James Hahn Predatory Lending Conference – Los Angeles

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- City of Compton Community Redevelopment Agency (CRA) Housing Fair – Compton
 - First Time Homebuyer’s Fair by Wells Fargo Bank/Council member Wendy Greuel – Los Angeles
 - Mexican Evangelical Memorial Church Housing Fair – East L.A.
 - HOP Training at Banker’s Realty - Pasadena
 - HOP Kick-off Training for Lenders/Brokers – Patriot Hall
 - Housing Fair by Congressman Adam Schiff – City of Glendale
 - Boyle Heights Resource Fair – Boyle Heights
 - Black Business Expo – Los Angeles Convention Center
 - Los Angeles California Board of Realtors Housing Fair – Hall of Administration
 - HOP Training for Countrywide Home Loan Center
 - Los Angeles Neighborhood Housing Services Housing Symposium – Los Angeles
 - Annual Veterans Resource Fair by Supervisorial District 5 – City of Arcadia

The HOP has formed a number of partnerships in an effort to meet the needs of future homebuyers. The CDC continues to be an active member of the Los Angeles Partners on Home Ownership (L.A. Partners). L.A. Partners is a coalition including the Community Development Commission, County of Los Angeles; City of Los Angeles Housing Department; U.S. Department of Housing and Urban Development (HUD); Fannie Mae; and Freddie Mac with the common goal of helping people living in Los Angeles County realize their dream of home ownership.

American Dream Down Payment Initiative (ADDI)

The American Dream Downpayment Initiative (ADDI) was authorized by Title I of the American Dream Downpayment Act of 2003. This program allocates additional HOME Program funds to states and local jurisdictions, which currently administer HOME funds, to assist low-income families become first-time homebuyers. The program provides closing costs and down payment assistance in an amount up to 6% of the purchase price, and is utilized with all HOP funds. The program met 58 percent of its annual goal of 60 units. The accomplishments were low because half of the budgeted funds were slated to be utilized by the Bond program. However, approval for the Bond Program to utilize ADDI funds were delayed, therefore the funds were not expended. It is anticipated that the funds will be spent next Fiscal Year. A total of \$570,823 for 35 ADDI loans was funded in conjunction with HOP loans during the 2004-2005 Fiscal Year.

IV. HOME GRANT ADMINISTRATION REQUIREMENTS

Affirmatively Furthering Fair Housing

In accordance with 24 CFR 92.351, the CDC has adopted affirmative procedures and requirements for HOME-assisted housing. Affirmative marketing consists of actions to provide information and attract eligible persons from all racial, ethnic, and gender groups to the housing market. The CDC is committed to affirmative marketing and has developed specific procedures for informing affected parties about Federal Fair Housing laws by establishing requirements and practices each owner must adhere to, establishing procedures to be used by owners to inform and solicit applications from eligible individuals, keeping records to demonstrate actions taken, evaluating the success of affirmative marketing actions, and developing corrective actions where affirmative marketing requirements are not met.

The CDC informs the general public of affirmative marketing via news releases in local newspapers, radio stations and television stations. The CDC also maintains copies of program advertisements placed in newspapers.

Each HOME participant is required to adhere to established affirmative marketing requirements and practices such as the use of fair housing logos, commercial media, use of community contacts, Equal Housing Opportunity logotype, and the display of fair housing posters. Owners are instructed on informing and soliciting applications from persons who are not likely to apply for housing units without special outreach. Special outreach efforts include: contacting Southern California branches of the National Association for the Advancement of Colored People (NAACP) and Latino organizations and requesting that their organizations inform concerned civic groups and residents in the African-American/Latino community about the availability of housing. The effectiveness of affirmative marketing efforts are addressed by determining if good faith efforts have been made and examining if underrepresented persons applied for, or became inhabitants of the housing units marketed. Corrective actions are developed based on any identified impediments. Affirmative marketing procedures are periodically revised as necessary to ensure affirmative marketing requirements are met.

Efforts are being made to market the availability of HOME funds to communities that are not likely to apply for the housing without special outreach. The CDC has identified the African-American and Latino communities as underrepresented. Approximately 85 percent of HOME fund recipients under the HOP and rehabilitation programs were of minority background.

In order to ensure adequate marketing efforts, the CDC also compiles statistical information on homeowner households assisted, such as: status of prior homeownership, age of applicant, marital status, number of wage earners in household, household size, and ethnicity. Applicants are advised that the information requested from them is optional and will only be used for statistical purposes.

Minority Outreach

In a further effort to effectively market the availability of HOME funds to minority and low-income individuals, the CDC works with Southern California based minority groups within its jurisdiction and the Housing Rights Center. The CDC requests the assistance of community-based organizations, places of worship, employment centers, fair housing groups, and housing counseling agencies in its effort to promote minority participation.

The CDC continues to effectively market its programs to minority communities through the use of advertising, direct mailing campaigns, flyers, brochures, public service announcements, local newspaper advertising, and community meetings. Advertisements were placed in local newspapers that reach over 1,000,000 minority households in Los Angeles County. In addition, approximately 800 brochures per month were sent to residents in targeted areas by program staff.

Community Business Enterprise (CBE) contracting requirements are incorporated on all Requests for Proposals assisted with HOME funds. It is the CDC's policy that at least one of the three required bids be solicited from a minority- or woman-owned business. To qualify as a minority/woman-owned business, at least 51 percent of the business must be owned by minorities or women. Additionally, the active management and daily operations of the firm must be controlled by one or more individuals of minority background or female gender. The Central Services Division and other staff of the CDC co-sponsored the Community Business Enterprise Forum and Contractor Workshop to solicit participation from minority- and women-owned businesses. The CDC awarded 73 HOME funded contracts totaling \$17,112,834 and 35 sub-contracts totaling \$5,190,014 during the 2004-2005 Fiscal Year to Minority Business Enterprises for housing development and preservation activities.

Occupancy Monitoring

As a condition of receiving HOME funds, recipients agree to maintain all HOME-assisted units as affordable housing and in compliance with Housing Quality Standards (HQS). A total of 1,880 units were monitored during Fiscal Year 2004-2005.

A site visit was made to each development and multifamily rehabilitation project in order to conduct mandatory tenant file reviews and physical inspections. The greater of 10 units, or 10 percent of the total development units were inspected and had tenant files reviewed. All sampling was performed randomly. Tenant file reviews consisted of evaluating documentation, verifying rent amounts, conducting income calculations, and lease review. On-site inspections were performed in accordance with HQS. All deficiencies encountered were referred to the property management company or owner for corrective action. A recommended plan of action was also made available to the property management company or owner. Additional site visits were made at a later date to ensure all deficiencies had been addressed.

A total of 725 first-time homeowner units were monitored. Each homeowner was sent a letter requesting verification that the home continued to be their primary residence and that they were maintaining the property. Title reviews were completed on a sampling of the units monitored. Random curbside visits were also made to ensure the sites were being maintained.

HOME Program Match Requirement

The HOME program requires that participating jurisdictions “Match” HOME funds with non-federal dollars. Federal Fiscal Year October 1, 2003 to September 30, 2004 was the seventh year that Los Angeles County was required to report HOME Match. Attached is HUD Form 40107-A, entitled, “HOME Match Report”, showing that the CDC’s liability was satisfied with carryover and current fiscal year contributions. The CDC maintains a log of credit that identifies actual sources of Match. Single Family Mortgage Revenue Bonds are included as a source of Match, however, only 25 percent of the Match liability is met with bonds. The following is the HOME Match calculation:

HOME Match Federal Fiscal Year 2003-2004

HOME Expenditures	\$16,437,032.45
Less: Admin. Costs (Exempt from Match)	(\$905,481.08)
Less: Program Income (Exempt from Match)	(\$7,252,886.68)
Less: 1992 Funds (Exempt from Match)	<u>(\$0.00)</u>
Expenditures Subject to Match	\$8,278,664.69
	<u>x 25%</u>
Match Liability	\$2,069,666.17
Less: Bond Match	(\$517,416.54)
Less: Other Sources	<u>(\$1,552,249.63)</u>
Match Liability Remaining	\$-0-

V. SELF-EVALUATION/ASSESSMENT

The CDC has been able to utilize its HOME allocation for housing development, housing rehabilitation, and home ownership financial assistance in compliance with its Consolidated Plan. A total of 66 HOME-assisted affordable units received a certificate of occupancy during the 2004-2005 Fiscal Year. Although the number of completed units was lower than anticipated, there are 339 units in-progress. In addition to the HOME funded units, 90 affordable units will be available in the same developments.

Each annual allocation of HOME funds carries with it a requirement that funds be committed within two years and fully expended in five years. In addition, a minimum of 15 percent of the HOME funds must be reserved for projects by CHDOs. If these requirements are not met, HUD

will recapture the funds. HOME funds are fungible and not subject to a yearly designation, and the requirements must be met by the anniversary of the annual award of HOME funds by HUD.

During 2004-2005 and all prior years, the CDC has been able to comply with all of the commitment and expenditure deadlines under HOME regulations. No County HOME funds have ever been recaptured by HUD. In order to evaluate the level of commitment and expenditures throughout the year, on a monthly basis the CDC reviews its performance through reports that HUD makes available on its website. The CDC also continuously scrutinizes its own internal records that it maintains for this purpose, to ensure that minimum levels are met or exceeded.

Utilizing HOME funds, the Home Ownership Program (HOP) funded 35 deferred payment loans in conjunction with 35 ADDI loans to first-time homebuyers. The CDC was also able to assist 94 single-family units and 3 rental units with HOME-funded rehabilitation loans. A total of \$11,185,806 in HOME funds has been expended furthering affordable housing efforts.

VI. Financial Overview

Program Income

The CDC received a total of \$6,544,562 in HOME program income during the 2004-2005 Fiscal Year. Loan repayments generated the majority of program income received. A \$-0- balance of program income was carried over from the 2003-04 Fiscal Year. A total of \$6,338,126 in program income was expended during the 2004-2005 Fiscal Year. At the end of the 2004-2005 Fiscal Year, \$206,436 remained in unspent program income. Program income on-hand must be expended prior to requesting additional funds from HUD. Program income was utilized to fund loans to assist first-time homeowners, the costs of housing development and preservation, and for program administration.

Please refer to Attachment A, which illustrates the utilization of HOME funds by activity and accomplishments attained using HOME dollars in Fiscal Year 2004-2005.

ATTACHMENTS

Attachment A - Matrix

Please refer to Attachment A as a supplement to this narrative. The matrix illustrates the utilization of HOME funds by activity for Fiscal Year 2004-2005. The matrix also lists the accomplishments attained through the use of HOME funds.

Attachment B - Site List

Please refer to Attachment B as a supplement to this narrative. The site list contains addresses, number of units, HOME funds expended in Fiscal Year 2004-2005 and the status of the project.

Attachment C - Maps

Please refer to Attachment C as a supplement to this narrative. Attachment C-1 contains the location of all HOME development projects completed or in-progress in Fiscal Year 2004-2005. Attachment C-2 contains the location of all rehabilitation projects completed during Fiscal Year 2004-2005. Attachment C-3 contains the location of all units funded under the Home Ownership Program (HOP).

Attachment A

CAPER Fiscal Year 2004-05

Matrix Attachment

Fiscal Year 2004 Formula Allocation: \$15,387,689

Funding Source	Project Name	EXPENDITURES				Activity-21H HOME Admin	Accomplishments
		Activity-13 Homeownership	Activity-12 Construction	Activity-14A Rehab S/F	Activity-14B Rehab M/F		
HOME	Affordable Homeownership Program Countywide (including Administration)	\$1,821,258.87					Funded 35 deferred payment loans to first time homebuyers.
HOME	American Dream Downpayment Initiative (ADDI)	\$570,823.00					Funded 35 ADDI loans to first time homebuyers.
HOME	Affordable Rental Housing Program/ Loans New Construction (MF)		\$4,489,237.17				288 units currently in development. 42 units completed. (*Does not include Altadena Vistas project)
HOME	Affordable Homeownership Program Acquisition & New Construction (SF)			\$ 233,533.25			51 units currently in development. 2 units completed.
HOME	HOME Single Family Rehabilitation Program			\$3,447,086.52			Assisted 94 single-family units. Completed 67 single-family units.
HOME	Affordable Rental Housing Program/ Loans Rehabilitation				\$623,867.33		Assisted 25 rental units. Completed 25 rental units. (*Includes Altadena Vistas project)
HOME	HOME Program Administration					\$864,177.86	HOME funds were used for general management of HOME Program.

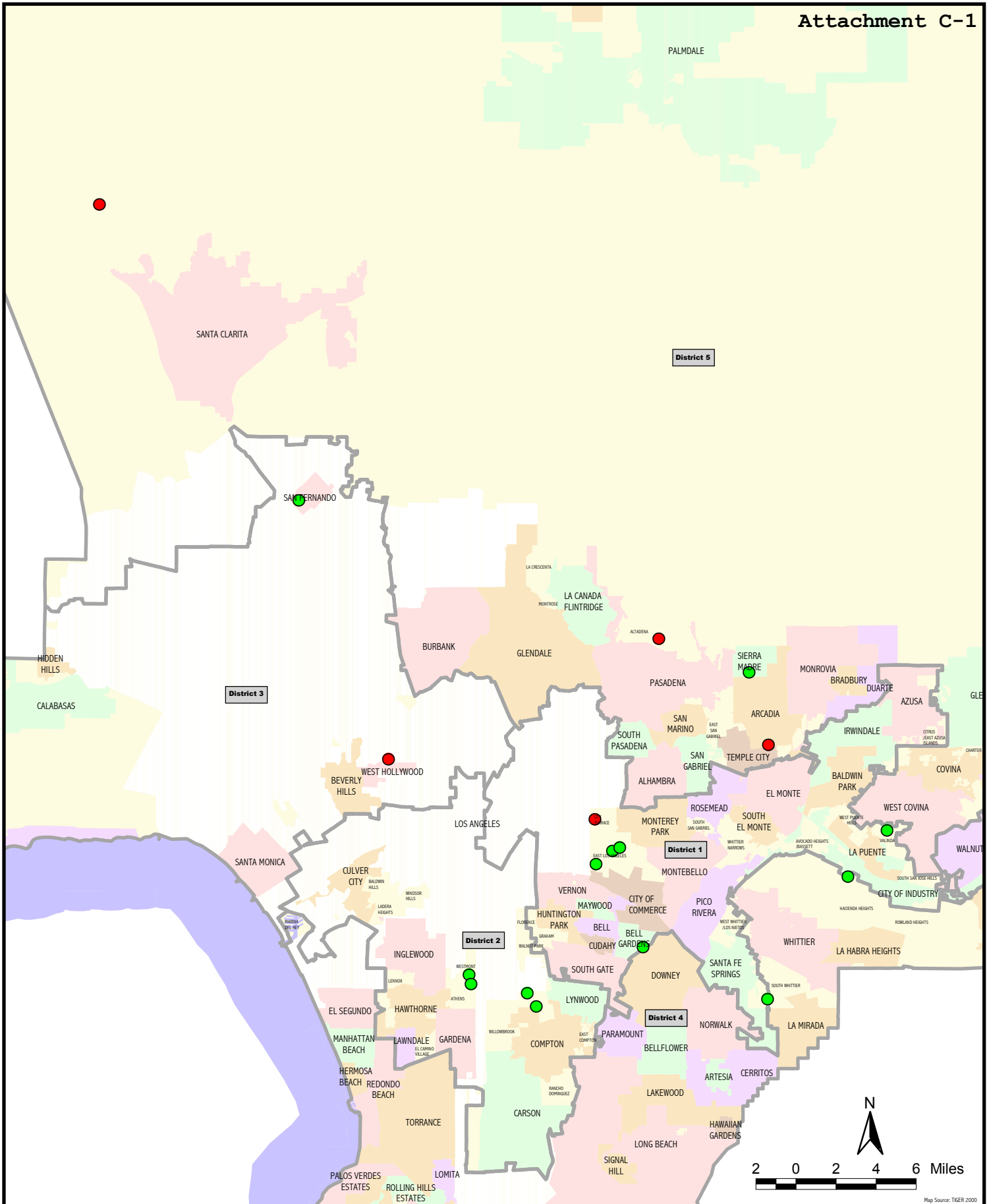
Attachment B

**CAPER Fiscal Year 2004-2005
Site List Attachment**

* MF = Multi-family / SF = Single family

Owner/Project	Address	City	Units	Expenditures	MF/SF*	Status
DEVELOPMENT						
Castaic Senior Apts.	N. 31910 Castaic Road	Castaic	11		MF	Completed
Altadena Vistas	815 E. Calaveras Street *	Altadena	22		MF	Completed
Havenhurst Apartments	1433-37 Havenhurst Drive	West Hollywood	20		MF	Completed
Heritage Park at Arcadia	150 W. Las Tunas Drive	Arcadia	11		MF	Completed
	Total MF Completed		64			
Sierra Madre Seniors	70,78,84,86 Esperanza Avenue	Sierra Madre	11		MF	In Progress
Willow Apartments	12612 Wilmington Avenue	Los Angeles	11		MF	In Progress
Harmony Creek Sr. Apts	15554 Gale Avenue	Hacienda Heights	74		MF	In Progress
Las Flores	1074 S. Rowan Avenue	E. Los Angeles	25		MF	In Progress
San Fernando Seniors	499 & 333 Kalisher Street	San Fernando	96		MF	In Progress
Bell Garden Seniors	6712 Clara Street, et al	Bell Gardens	71		MF	In Progress
	Total MF In-Progress		288			
	TOTAL MULTI-FAMILY		352	\$ 4,914,720.52		
1st District Infill	3528 City Terrace/150 S. Arizona	Los Angeles	2		SF	Completed
	Total SF Completed		2			
Eagle Street	4341 Eagle Street	E. Los Angeles	4		SF	In-Progress
Fellowship Homes	16005-07 Fellowship Street	La Puente	11		SF	In-Progress
Utica Ramsey	13832 Utica / 11931-37 Ramsey	Whittier	11		SF	In Progress
G.P. Family Housing	1248 et al W. 105th Street	Los Angeles	11		SF	In Progress
Scattered Sites-2nd Dist.	11137 S. Budlong Ave., et al	Athens	11		SF	In-Progress
Kranzky Property	4612 E. 3rd Street	Los Angeles	2		SF	In-Progress
1558 E. 117th Street	1558 E. 117th Street	Los Angeles	1		SF	In-Progress
	Total SF In-Progress		51			
	TOTAL SINGLE FAMILY		53	\$ 233,533.25		
TOTAL DEVELOPMENT			405	\$ 5,148,253.77		
SF REHABILITATION						
	Total SF Completed		63			
	Total SF In Progress		26			
	TOTAL SF REHABILITATION		89	\$ 3,215,327.71		
RENTAL REHABILITATION						
	Total Rental Rehab Completed		3			
	Total Rental Rehab In Progress		0			
	TOTAL RENTAL REHABILITATION		3	\$ 198,383.98		
PARTICIPATING CITIES						
	Total PC Completed		4			
	Total PC In-Progress		1			
	TOTAL PARTICIPATING CITIES		5	\$ 231,758.81		

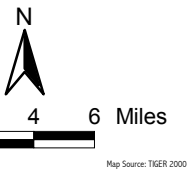
* Rehabilitation and Finance Restructuring



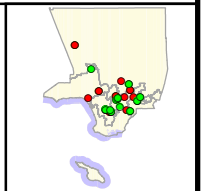
HOME Development Fiscal Year 2004-2005 Project Sites

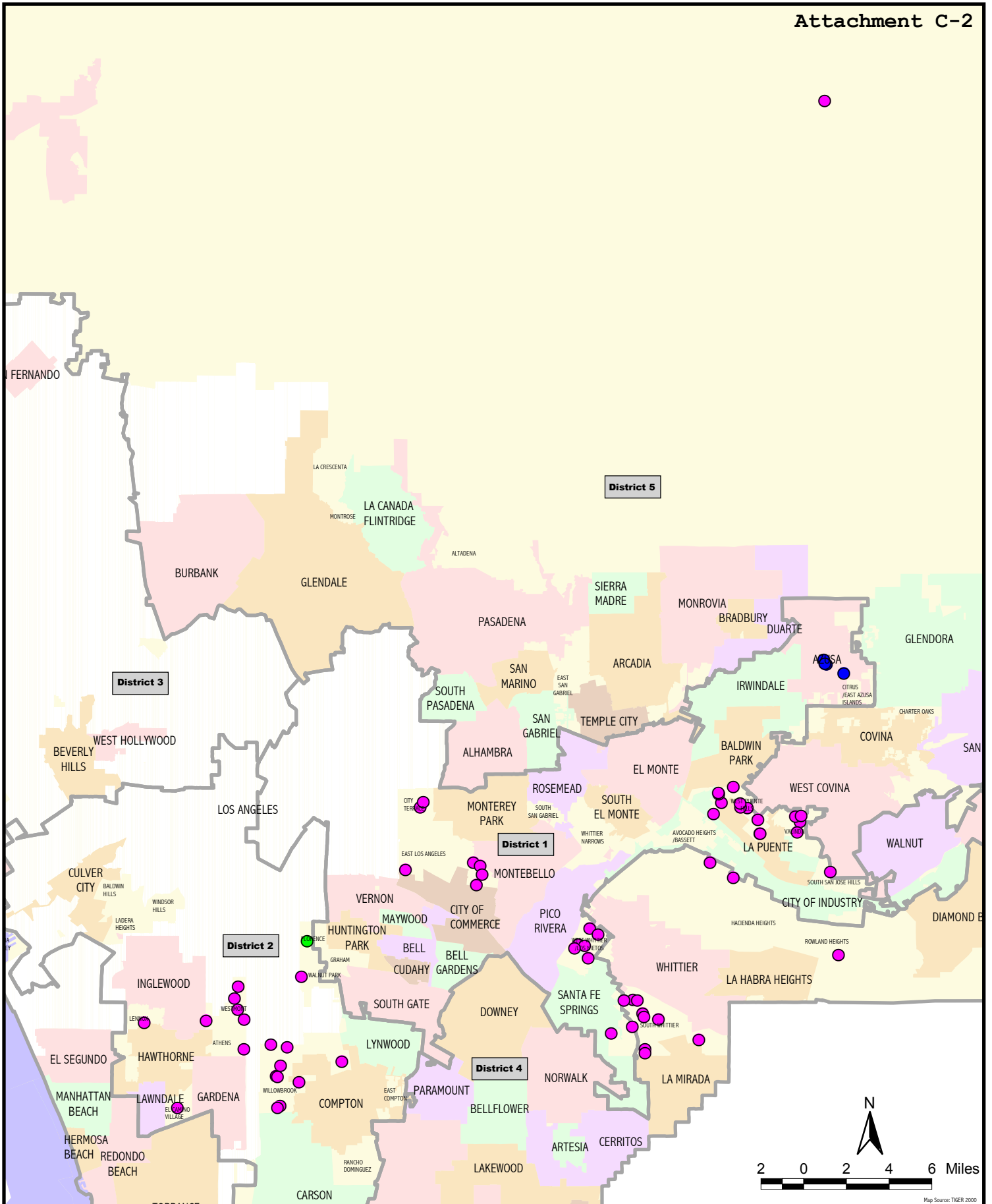
HOME Projects:
● Completed
● In Progress

- County Areas
- Unincorporated Area
 - Incorporated Area
 - Supervisorial District



Map Source: TIGER 2000

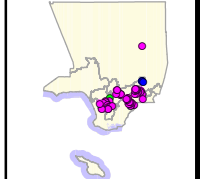




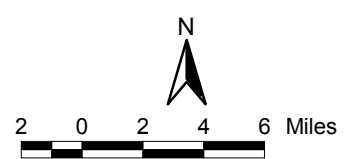
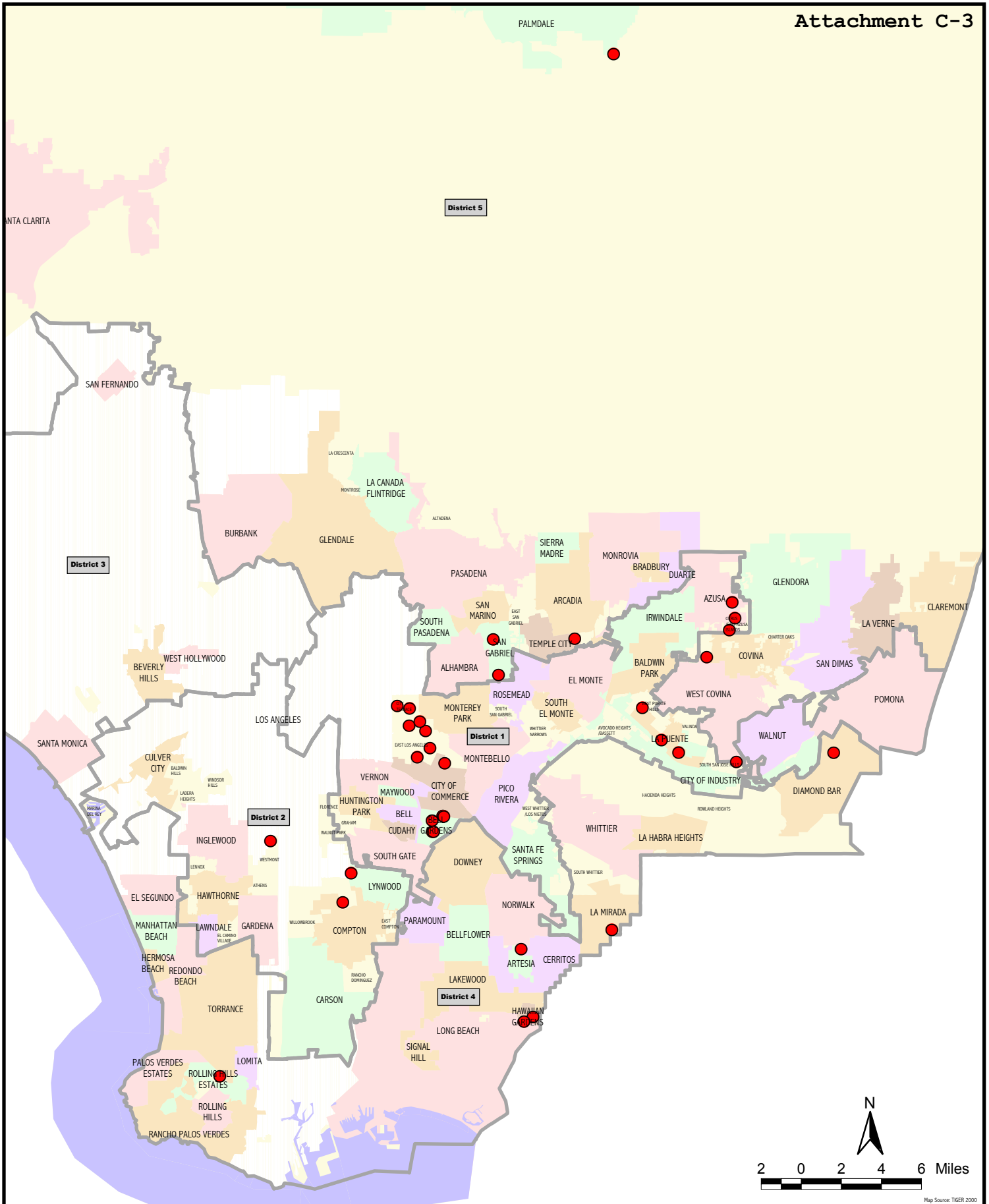
HOME Rehabilitation Fiscal Year 2004-2005 Completed Sites

- HOME Projects:
- Multi-Family Rehabilitation
 - Participating Cities SF Rehab
 - Single Family Rehabilitation

- County Areas
- Unincorporated Area
 - Incorporated Area
 - Supervisorial District



Map Source: TIGER 2000



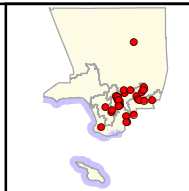
Map Source: TIGER 2000



Home Ownership Program (HOP) Fiscal Year 2004-2005 Funded Sites

● Home Purchased

- County Areas
- Unincorporated Area
- Incorporated Area
- Supervisorial District



Public reporting burden for this collection of information is estimated to average 45 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless that collection displays a valid OMB control number.

The HOME statute imposes a significant number of data collection and reporting requirements. This includes information on assisted properties, on the owners or tenants of the properties, and on other programmatic areas. The information will be used: 1) to assist HOME participants in managing their programs; 2) to track performance of participants in meeting fund commitment and expenditure deadlines; 3) to permit HUD to determine whether each participant meets the HOME statutory income targeting and affordability requirements; and 4) to permit HUD to determine compliance with other statutory and regulatory program requirements. This data collection is authorized under Title II of the Cranston-Gonzalez National Affordable Housing Act or related authorities. Access to Federal grant funds is contingent on the reporting of certain project-specific data elements. Records of information collected will be maintained by the recipients of the assistance. Information on activities and expenditures of grant funds is public information and is generally available for disclosure. Recipients are responsible for ensuring confidentiality when public disclosure is not required.

Instructions for the HOME Match Report

Applicability:

The HOME Match Report is part of the HOME APR and must be filled out by every participating jurisdiction that incurred a match liability. Match liability occurs when FY 1993 funds (or subsequent year funds) are drawn down from the U.S. Treasury for HOME projects. A Participating Jurisdiction (PJ) may start counting match contributions as of the beginning of Federal Fiscal Year 1993 (October 1, 1992). A jurisdiction not required to submit this report, either because it did not incur any match or because it had a full match reduction, may submit a HOME Match Report if it wishes. The match would count as excess match that is carried over to subsequent years. The match reported on this form must have been contributed during the reporting period (between October 1 and September 30).

Timing:

This form is to be submitted as part of the HOME APR on or before December 31. The original is sent to the HUD Field Office. One copy is sent to the

Office of Affordable Housing Programs, CGHF
Room 7176, HUD, 451 7th Street, S.W.
Washington, D.C. 20410.

The participating jurisdiction also keeps a copy.

Instructions for Part II:

1. **Excess match from prior Federal fiscal year:** Excess match carried over from prior Federal fiscal year.
2. **Match contributed during current Federal fiscal year:** The total amount of match contributions for all projects listed under Part III in column 9 for the Federal fiscal year.

3. **Total match available for current Federal fiscal year:** The sum of excess match carried over from the prior Federal fiscal year (Part II, line 1) and the total match contribution for the current Federal fiscal year (Part II, line 2). This sum is the total match available for the Federal fiscal year.

4. **Match liability for current Federal fiscal year:** The amount of match liability is available from HUD and is provided periodically to PJs. The match must be provided in the current year. The amount of match that must be provided is based on the amount of HOME funds drawn from the U.S. Treasury for HOME projects. The amount of match required equals 25% of the amount drawn down for HOME projects during the Federal fiscal year. Excess match may be carried over and used to meet match liability for subsequent years (see Part II line 5). Funds drawn down for administrative costs, CHDO operating expenses, and CHDO capacity building do not have to be matched. Funds drawn down for CHDO seed money and/or technical assistance loans do not have to be matched if the project does not go forward. A jurisdiction is allowed to get a partial reduction (50%) of match if it meets one of two statutory distress criteria, indicating "fiscal distress," or else a full reduction (100%) of match if it meets both criteria, indicating "severe fiscal distress." The two criteria are poverty rate (must be equal to or greater than 125% of the average national family poverty rate to qualify for a reduction) and per capita income (must be less than 75% of the national average per capita income to qualify for a reduction). In addition, a jurisdiction can get a full reduction if it is declared a disaster area under the Robert T. Stafford Disaster Relief and Emergency Act.

5. **Excess match carried over to next Federal fiscal year:** The total match available for the current Federal fiscal year (Part II, line 3) minus the match liability for the current Federal fiscal year (Part II, line 4). Excess match may be carried over and applied to future HOME project match liability.

Instructions for Part III:

1. **Project No. or Other ID:** "Project number" is assigned by the C/MI System when the PJ makes a project setup call. These projects involve at least some Treasury funds. If the HOME project does not involve Treasury funds, it must be identified with "other ID" as follows: the fiscal year (last two digits only), followed by a number (starting from "01" for the first non-Treasury-funded project of the fiscal year), and then at least one of the following abbreviations: "SF" for project using shortfall funds, "PI" for projects using program income, and "NON" for non-HOME-assisted affordable housing. Example: 93.01.SF, 93.02.PI, 93.03.NON, etc.

Shortfall funds are non-HOME funds used to make up the difference between the participation threshold and the amount of HOME funds allocated to the PJ; the participation threshold requirement applies only in the PJ's first year of eligibility. [§92.102]

Program income (also called "repayment income") is any return on the investment of HOME funds. This income must be deposited in the jurisdiction's HOME account to be used for HOME projects. [§92.503(b)]

Non-HOME-assisted affordable housing is investment in housing not assisted by HOME funds that would qualify as “affordable housing” under the HOME Program definitions. “NON” funds must be contributed to a specific project; it is not sufficient to make a contribution to an entity engaged in developing affordable housing. [§92.219(b)]

2. **Date of Contribution:** Enter the date of contribution. Multiple entries may be made on a single line as long as the contributions were made during the current fiscal year. In such cases, if the contributions were made at different dates during the year, enter the date of the last contribution.
3. **Cash:** Cash contributions from non-Federal resources. This means the funds are contributed permanently to the HOME Program regardless of the form of investment the jurisdiction provides to a project. Therefore all repayment, interest, or other return on investment of the contribution must be deposited in the PJ’s HOME account to be used for HOME projects. The PJ, non-Federal public entities (State/local governments), private entities, and individuals can make contributions. The grant equivalent of a below-market interest rate loan to the project is eligible when the loan is not repayable to the PJ’s HOME account. [§92.220(a)(1)] In addition, a cash contribution can count as match if it is used for eligible costs defined under §92.206 (except administrative costs and CHDO operating expenses) or under §92.209, or for the following non-eligible costs: the value of non-Federal funds used to remove and relocate ECHO units to accommodate eligible tenants, a project reserve account for replacements, a project reserve account for unanticipated increases in operating costs, operating subsidies, or costs relating to the portion of a mixed-income or mixed-use project not related to the affordable housing units. [§92.219(c)]
4. **Foregone Taxes, Fees, Charges:** Taxes, fees, and charges that are normally and customarily charged but have been waived, foregone, or deferred in a manner that achieves affordability of the HOME-assisted housing. This includes State tax credits for low-income housing development. The amount of real estate taxes may be based on the

post-improvement property value. For those taxes, fees, or charges given for future years, the value is the present discounted cash value. [§92.220(a)(2)]

5. **Appraised Land/Real Property:** The appraised value, before the HOME assistance is provided and minus any debt burden, lien, or other encumbrance, of land or other real property, not acquired with Federal resources. The appraisal must be made by an independent, certified appraiser. [§92.220(a)(3)]
6. **Required Infrastructure:** The cost of investment, not made with Federal resources, in on-site and off-site infrastructure directly required for HOME-assisted affordable housing. The infrastructure must have been completed no earlier than 12 months before HOME funds were committed. [§92.220(a)(4)]
7. **Site preparation, Construction materials, Donated labor:** The reasonable value of any site-preparation and construction materials, not acquired with Federal resources, and any donated or voluntary labor (see §92.354(b)) in connection with the site-preparation for, or construction or rehabilitation of, affordable housing. The value of site-preparation and construction materials is determined in accordance with the PJ’s cost estimate procedures. The value of donated or voluntary labor is determined by a single rate (“labor rate”) to be published annually in the Notice Of Funding Availability (NOFA) for the HOME Program. [§92.220(6)]
8. **Bond Financing:** Multifamily and single-family project bond financing must be validly issued by a State or local government (or an agency, instrumentality, or political subdivision thereof). 50% of a loan from bond proceeds made to a multifamily affordable housing project owner can count as match. 25% of a loan from bond proceeds made to a single-family affordable housing project owner can count as match. Loans from all bond proceeds, including excess bond match from prior years, may not exceed 25% of a PJ’s total annual match contribution. [§92.220(a)(5)] The amount in excess of the 25% cap for bonds may carry over, and the excess will count as part of the statutory limit of up to 25% per year. Requirements regarding

bond financing as an eligible source of match will be available upon publication of the implementing regulation early in FY 1994.

9. **Total Match:** Total of items 3 through 8. This is the total match contribution for each project identified in item 1.

Ineligible forms of match include:

1. Contributions made with or derived from Federal resources e.g. CDBG funds [§92.220(b)(1)]
2. Interest rate subsidy attributable to the Federal tax-exemption on financing or the value attributable to Federal tax credits [§92.220(b)(2)]
3. Contributions from builders, contractors or investors, including owner equity, involved with HOME-assisted projects. [§92.220(b)(3)]
4. Sweat equity [§92.220(b)(4)]
5. Contributions from applicants/recipients of HOME assistance [§92.220(b)(5)]
6. Fees/charges that are associated with the HOME Program only, rather than normally and customarily charged on all transactions or projects [§92.220(a)(2)]
7. Administrative costs

Annual Performance Report HOME Program

**U.S. Department of Housing
and Urban Development**
Office of Community Planning
and Development

OMB Approval No. 2506-0171
(exp. 05/31/2007)

Public reporting burden for this collection of information is estimated to average 2.5 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless that collection displays a valid OMB control number.

The HOME statute imposes a significant number of data collection and reporting requirements. This includes information on assisted properties, on the owners or tenants of the properties, and on other programmatic areas. The information will be used: 1) to assist HOME participants in managing their programs; 2) to track performance of participants in meeting fund commitment and expenditure deadlines; 3) to permit HUD to determine whether each participant meets the HOME statutory income targeting and affordability requirements; and 4) to permit HUD to determine compliance with other statutory and regulatory program requirements. This data collection is authorized under Title II of the Cranston-Gonzalez National Affordable Housing Act or related authorities. Access to Federal grant funds is contingent on the reporting of certain project-specific data elements. Records of information collected will be maintained by the recipients of the assistance. Information on activities and expenditures of grant funds is public information and is generally available for disclosure. Recipients are responsible for ensuring confidentiality when public disclosure is not required.

This form is intended to collect numeric data to be aggregated nationally as a complement to data collected through the Cash and Management Information (C/MI) System. Participants should enter the reporting period in the first block. The reporting period is October 1 to September 30. Instructions are included for each section if further explanation is needed.

Submit this form on or before December 31. Send one copy to the appropriate HUD Field Office and one copy to: HOME Program, Rm 7176, 451 7th Street, S.W., Washington D.C. 20410	This report is for period (mm/dd/yyyy)		Date Submitted (mm/dd/yyyy)
	Starting	Ending	

Part I Participant Identification

1. Participant Number	2. Participant Name		
3. Name of Person completing this report		4. Phone Number (Include Area Code)	
5. Address	6. City	7. State	8. Zip Code

Part II Program Income

Enter the following program income amounts for the reporting period: in block 1, enter the balance on hand at the beginning; in block 2, enter the amount generated; in block 3, enter the amount expended; and in block 4, enter the amount for Tenant-Based rental Assistance.

1. Balance on hand at Beginning of Reporting Period	2. Amount received during Reporting Period	3. Total amount expended during Reporting Period	4. Amount expended for Tenant-Based Rental Assistance	5. Balance on hand at end of Reporting Period (1 + 2 - 3) = 5
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Part III Minority Business Enterprises (MBE) and Women Business Enterprises (WBE)

In the table below, indicate the number and dollar value of contracts for HOME projects completed during the reporting period.

	a. Total	Minority Business Enterprises (MBE)			f. White Non-Hispanic
		b. Alaskan Native or American Indian	c. Asian or Pacific Islander	d. Black Non-Hispanic	
A. Contracts					
1. Number					
2. Dollar Amount					
B. Sub-Contracts					
1. Number					
2. Dollar Amount					
	a. Total	b. Women Business Enterprises (WBE)	c. Male		
C. Contracts					
1. Number					
2. Dollar Amount					
D. Sub-Contracts					
1. Number					
2. Dollar Amounts					

Part IV Minority Owners of Rental Property

In the table below, indicate the number of HOME assisted rental property owners and the total dollar amount of HOME funds in these rental properties assisted during the reporting period.

	a. Total	Minority Property Owners				f. White Non-Hispanic
		b. Alaskan Native or American Indian	c. Asian or Pacific Islander	d. Black Non-Hispanic	e. Hispanic	
1. Number						
2. Dollar Amount						

Part V Relocation and Real Property Acquisition

Indicate the number of persons displaced, the cost of relocation payments, the number of parcels acquired, and the cost of acquisition. The data provided should reflect only displacements and acquisitions occurring during the reporting period.

	a. Number	b. Cost	Minority Business Enterprises (MBE)			f. White Non-Hispanic
Households Displaced	a. Total		b. Alaskan Native or American Indian	c. Asian or Pacific Islander	d. Black Non-Hispanic	e. Hispanic
1. Parcels Acquired						
2. Businesses Displaced						
3. Nonprofit Organizations Displaced						
4. Households Temporarily Relocated, not Displaced						
5. Households Displaced - Number						
6. Households Displaced - Cost						