



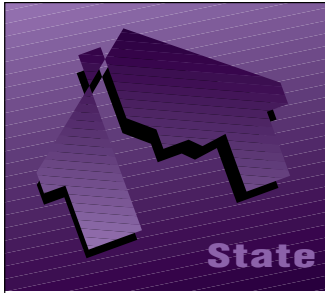
State of

Idaho

HOME

Program

Building an Affordable Future



State of Idaho HOME Program



Introduction

The federal HOME Program is a source of federal funding made available by the Department of Housing and Urban Development (HUD). It is designed to encourage partnerships among federal, state and local governments, housing developers and nonprofit service agencies to fund the construction and rehabilitation of affordable housing for low-income families across Idaho. The Idaho Housing and Finance Association (IHFA) serves as Idaho's Participating Jurisdiction (PJ) and federal HOME funds administrator statewide. An exception is the City of Boise that receives and administers federal funds for its own HOME Program.

Funding Availability

HOME funds are allocated to Idaho according to population, poverty and documented housing needs. The exact amount of funds available in any given program year varies with the amount budgeted to the national HOME Program. Since the program's inception in 1992, Idaho has received an average of \$4 million in HOME funds annually.

Through a competitive application process of funds distribution, IHFA provides successful applicants with low-interest loans to assist in project financing.

The HOME application review and funds reservation process takes into account the relative needs of Idaho's six planning regions.

Matching Funds

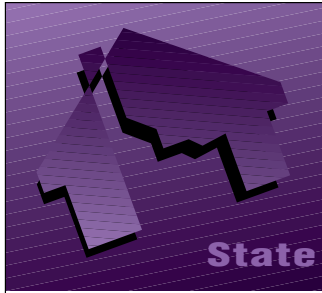
All HOME funds must be matched by non-federal, permanent donations. These are specifically defined under HOME as:

- Permanent Cash Donation;
- Land Donation;
- In-Kind Services;
- Waivers of Taxes and Fees;
- Interest Rate Reductions.

Projects that can identify match resources receive incentive points in the HOME scoring process. Non-match funding such as loans from private lenders, other federal funds, owner equity, etc, are used to leverage HOME funds and ensure project feasibility.

Applications

A statewide competition for available funds is conducted two to three times a year by publicized notices of funding availability. Interested developers are invited to phone the IHFA HOME Program staff for further information. Application forms are also available by contacting IHFA or checking out our Web site at www.ihfa.org.



State of Idaho HOME Program

Eligible Activities

HOME funds can provide financing for:

- New construction of affordable rental housing;
- Rehabilitation of rental housing;
- Rehabilitation of owner-occupied housing;
- Home buyer down payment assistance;
- Certain types of special needs housing.

Specific restrictions apply to the use of HOME funds under each of these activities.

While HOME funds may be used for a broad range of development activities, there are ineligible activities that are described in detail in the IHFA HOME Program Administrative Plan. They include using HOME funds for refinancing, project reserve accounts, emergency repair programs, impact fees and rental assistance purposes.

Eligible Applicants

Organizations eligible to apply for Idaho's HOME funds through the competitive process include:

- Local government agencies;
- Private housing developers;
- Housing authorities;
- Private 501(c)(3) nonprofit organizations.

Under the Rehabilitation of Owner-Occupied Housing Program, individual low-income home owners may apply for funds through an eligible nonprofit or a financial institution in communities where the program is available.

Community Housing Development Organizations (CHDO)

CHDOs are nonprofit organizations that meet specific HUD organizational definitions. Fifteen percent of the annual HOME allocation must be used by CHDOs. CHDOs are also eligible to receive capacity building assistance with HOME funds.

HOME Program Restrictions

The HOME Program sets certain parameters for the use of funds.

Occupancy Restrictions

HOME funds must address the housing needs of people belonging to the following groups:

- Home owners: Person(s) at 80% or less of the area median family income.
- Renters: A minimum of 20% of the HOME-assisted rental units (the Low HOME Rent units) must be occupied by households who have annual incomes that are 50% or less of the area median income. The balance of the units must be occupied by households with annual incomes less than 60% of the area median income.

Rent Control

HOME-assisted rental units are subject to rent controls. The federal government has established two categories of HOME Rents:

- Low HOME Rents: The rent for minimum of 20% of the HOME-assisted units must not exceed 30% of

the monthly incomes for households at 50% of the area median income.

- High HOME Rents: The rents for the remaining HOME-assisted units must not exceed 30% of the monthly incomes for households at 65% of the area median income.
- If the High or Low HOME Rents exceed the Section 8 Fair Market Rents for the county in which the HOME-assisted units are located, **then the Fair Market Rents apply.**

HOME Rents by county are prescribed by HUD and are listed in the HOME Program Administrative Plan.

HOME Subsidy

The HOME Program imposes federally defined maximum and minimum subsidies per unit as follows:

Minimum HOME Investment

The minimum investment of HOME funds is an average of \$1,000 per HOME-assisted unit.

Maximum HOME Investment

The maximum investment of HOME funds varies by county and bedroom size; please see the HOME Program Administrative Plan for specific details.

The maximum limit only relates to the HOME funds and is applied only to HOME-assisted units.

Period of Affordability

HOME-assisted rental units are restricted according to rent and occupancy for varying lengths of time, depending upon

the average amount of HOME funds invested per unit and the agreement between IHFA and the housing sponsor:

- New Construction – a minimum of 20 years;
- Rental Unit Rehabilitation – a minimum of five to 15 years;
- Home Owner Rehabilitation – as long as unit is occupied by owner as principal place of residence.

Federal Regulations/Statutory Requirements:

Because the HOME funds are federal funds, several federal requirements apply, such as: Environmental Review, Nondiscrimination Policy, Affirmative Marketing, Equal Opportunity and Fair Housing, Displacement, Relocation and Acquisition, Labor/Contracts (Davis - Bacon), Debarment and Suspension, Conflict of Interest, Procurement, Contract/Construction Management, Flood Insurance, Section 3, Accountability and Financial Management, Accessibility Requirements (Section 504, ADA), Lead-Based Paint, and Site and Neighborhood Standards.

These requirements are very specific. Please consult the HOME Program Administrative Plan and the IHFA HOME Program staff for more information on these issues.

Information in this brochure will be provided, upon request, in a manner which is usable for sight impaired, hearing impaired and mobility impaired persons. Individuals requiring special accommodation to participate may call IHFA at 208-331-4886 or TDD 1-800-545-1833, ext. 400 for assistance.

The Idaho Housing and Finance Association is a self-supporting, nonprofit corporate body. IHFA's mission is to promote affordable housing opportunities to Idaho's limited-income citizens. IHFA uses no state funds or state employees to support its operations.



HOME Program

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