



HOME Technical Assistance

Listserv

Upcoming: HOME Proposed Rule Webinar

For More Information Please Visit: <http://hometa.info>

HUD published a significant [proposed regulation](#) for the HOME Program in the Federal Register on December 16, 2011. The proposed changes are intended to enhance performance and accountability, and clarify certain existing provisions. Public comments on the proposed changes are due by February 14, 2012.

Among the most significant are the following proposals:

- Projects not completed within four years from the date of project commitment would be considered terminated and the jurisdiction must repay HOME funds invested in the project;
- Repayment of HOME funds would be required for any unit that is not rented to eligible tenants within 18 months of project completion;
- Homebuyer units that are not sold within 6 months of completion of rehabilitation or construction would be required to be converted to rental projects;
- Makes several changes to the requirements of CHDOs and funding awarded to CHDOs. For example, general CHDO reservations would be eliminated and PJs would be required to commit CHDO set-aside funds to specific CHDO projects within 24 months. In addition, HUD would deobligate CHDO set-aside funds not expended within five years of obligation to the PJ;
- PJs would be required to examine annually the financial condition of rental projects with at least ten HOME-assisted units;
- New property standard requirements and inspection requirements would be established;
- Mandatory program design considerations for homebuyer programs would be established;
- PJs would be required to assess a developer's capacity and financial condition, in addition to market need for the project and its long-term viability before committing HOME funds;
- PJs would be required to develop and adopt written policies and procedures to improve program oversight, conduct risk-assessments, and more closely monitor sub-recipients.

HUD encourages HOME Participating Jurisdictions, other program partners and stakeholders to comment on the proposed rule and raise questions for clarification through the comment process. HUD will host a webinar on the HOME Proposed Rule January 24, 2012 from 1:30 to 3:30 EST. Check [HOME's TA site](#) for the latest information on the webinar.

