

HOME Program – 2022 Round Questions and Answers

February 11, 2022

Homebuyer

Question:

Category 4: Project not located in city with completed HOME units 10/1/17 – 10/1/21. Does this mean if there was an open HOME program at any point during this time OR does it mean if a HOME program was awarded to a city during this time?

Answer:

If a recipient is working on HOME units that were completed between 10/1/17 and 10/1/21 in select cities, the project will not be awarded points in this category. The select cities can be found on Appendix I.

Question:

I'm not sure if my organization has applied to IFA for HOME Homebuyer Assistance funds in the past, but we're considering applying this year or next. I understand that the total limits are \$37,500 for purchase + rehab and \$35,000 for acquisition alone, and I know the federal hard cost limit to avoid lead abatement is \$24,999. However, I'm wondering if some budget line items have their own limits – for example, IEDA has limits in the Iowa Administrative Code for technical services and down payment/closing cost assistance. I understand, of course, that an excessive Technical Services budget would divert money from other line items like lead hazard reduction.

Are there any state statutory or regulatory limits on certain budget elements, such as down payment or technical assistance?

Answer:

The limits for a down payment is \$35,000 if the underwriting indicates the homebuyer needs that much. Technical assistance is limited to \$4,500 if rehab is included in the project. These costs all have to be itemized so that IFA knows all of these costs are eligible for HOME reimbursement.

Question:

If a COG applies for a HOME HBA grant and administers it in-house, we'd be considered a subrecipient and therefore be eligible for general administrative funds, is that correct?

Answer:

Yes, a project is eligible to apply for General Administration, 10% limit.

Yes, a non-profit is considered a subrecipient and eligible for 10% admin for homebuyer projects.

Question:

If we don't have in-house experience with HOME grants from IFA, or IDED back in the day, could we be the lead applicant and subcontract with another COG that has experienced staff? Or is it our only option to hire our own experienced staff?

Answer:

The application just wants to know that you have worked with HUD HOME. I think you may have to list your past project.

Question:

Also, I've heard from COGs that have administered HOME HBA grants that, in practice, the program ***requires*** buyers to purchase a home at the maximum price they can afford, or even at the full 95% of the purchase price for an existing or new home. If I recall, they say this quirk was due to an IFA attorney's very conservative interpretation of federal or state regs. If this is a complaint you've heard from subrecipients before, has it been resolved?

Answer:

The homebuyers have to go through underwriting. They can only HOME as a gap and what they need to purchase the house. If they have rehab, they may not get the entire amount they are eligible to apply toward downpayment because the limit is \$37,500 for downpayment/rehab and \$35,000 for just downpayment. The 95% of the purchase price is a HUD regulation, IFA has not control over this. The maximum purchase price might be located where the application information is or you can find it under Homebuyer web limits.

Tenant-Based Rental Assistance (TBRA)

Question:

Answer:

Rental

Question:

Answer: