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PROHIBITED ACTIVITIES

The HOME Program provides an extremely flexible financing tool for affordable housing. However, there are certain activities that cannot be undertaken with HOME funds.

Ineligible Properties

- Development, maintenance, or modernization of Public Housing authorized under section 9 of the 1937 Act (Public Housing Capital and Operating Funds).
- Properties eligible for assistance under the 24 CFR Part 248, “Prepayment of Low Income Housing Mortgages,”(See below for more information)
- Properties receiving Federal Rental Rehabilitation Program funds
- Certain mandated existing Section 8 program uses, such as Section 8 rent subsidies for troubled HUD-insured projects.
- Commercial properties
- Emergency Homeless Shelters
- Emergency Repairs
- Properties currently in their HOME Period of Affordability
- Halfway housing, dormitories (including farmworker)
- Student housing (including dormitories)
- **Housing constructed on or before January 1, 1978**

Preservation of Certain HUD Subsidized Low-Income Housing Mortgages

Properties eligible for assistance under the 24 CFR Part 248, “Prepayment of Low-Income Housing Mortgages,” are not eligible for assistance with HOME Program funds unless the applicant is a nonprofit or resident ownership organization that qualifies as a priority purchaser under § 248.101.

Project Previously Assisted with Home Funds

After the first year following project completion date, no additional HOME funds can be added during the project’s HOME Period of Affordability.

Emergency Repair Program

HOME funds cannot be used for any emergency repair/programs.

Delinquent fees, taxes or charges

HOME funds may not be used to pay delinquent taxes, fees, or charges on properties assisted with HOME funds.

Annual Compliance and Monitoring Fee

Effective with the 2013 Revised HOME Rule, IHFA may charge a reasonable, annual, compliance & monitoring fee to a HOME projects. See Chapter 7 of this plan for additional information.