

191.5 SUBJECT: HOME INVESTMENT PARTNERSHIP PROJECTS**:1 OBJECTIVE:**

Implement HOME activities as approved by City Council.

:2 AUTHORITY:

This procedure amended February 21, 2005, Item A7.

:3 DIRECTION:

Housing Division Manager under the supervision of the Housing Director.

:4 METHOD OF OPERATION:

A. HOME funding will be awarded to non-profit and for profit entities for affordable housing activities and implemented through contractual agreements. Deferred loans shall be used when the analysis of a project proforma indicates that the project is feasible but will not generate sufficient revenues to support repayment to the City. Payback loans shall be used when the analysis of a project proforma indicates the project is feasible and will generate sufficient revenues to repay the assistance, in part or fully. City Council may forgive a loan if it determines that the project is important in assisting the City to achieve its affordable housing goals and objectives, and the payment of the obligation would be detrimental to the financial structure of the project. Deferred loans shall also be used for funding awards in the City's Housing Rehabilitation and Down Payment Assistance programs.

No person who is an employee, agent, consultant, officer, or elected or appointed official of the City, nor any City Board member whose Board makes recommendations or gives advice with respect to HOME projects, may obtain a financial interest or benefit from a HOME assisted activity, or have any interest in any contract, subcontract or agreement with respect thereto, or the proceeds there under, either for themselves or those with whom they have family or business ties, except that those persons listed who are otherwise qualified may receive down payment assistance or owner occupied housing assistance under the HOME program and may purchase a home for owner occupancy which was constructed with HOME assistance on the same terms and conditions as the public at large.

B. All home projects will be monitored by HOME staff for compliance with their operating agreements and applicable federal regulations.

C. The Housing Director, or designee, approves expenditures of the HOME funds following project approval by City Council. No project shall receive funding if the owner of such project shall, at the time of application or at the time of award, be in default on any obligation such owner may have with the City or any other governmental agency. For the purposes of this policy an owner shall include, but not necessarily be limited to, all partners of any partnership with an ownership

interest in the project and any stockholder who owns ten percent (10%) or more of the outstanding stock of any corporation with an ownership interest in the project.

:5 FORMS:

None.

:6 COMMITTEE RESPONSIBILITIES:

None.

:7 REFERENCE: Title 11, Subtitle A, Cranston-Gonzalez National Affordable Housing Act. 24 CFR Part 92. Policy adopted by City Council April 19, 1993, Item VV; amended October 30, 1995, Item KK; amended August 26, 1996, Item 7-B; amended September 29, 1997, Item 3-YY; amended October 13, 2003, Item A3; amended February 21, 2005, Item A7.

:8 EFFECTIVE DATE:

This procedure effective February 21, 2005.