



HOME FACTS - Vol. 2 No. 1, January 2009

Topic

This HOME *FACTS* specifies how HUD determines when a HOME participating jurisdiction's (PJ's) 24-month commitment period begins and ends. Specifically, HUD must ensure that the date HUD executes a PJ's HOME Investment Partnerships Agreement (HUD-40093) and the date on the transmittal letter to the PJ are the same as its congressional release date, prior to forwarding the grant agreement to the PJ.

Requirement

According to the HOME Program Final Rule at 24 CFR 92.500(d)(1)(B), HUD will reduce or recapture any funds in the United States Treasury account that are not committed within 24 months after the last day of the month in which HUD notifies the PJ of HUD's execution of the HOME Investment Partnership Agreement.

Congressional Release / Obligation Date

HUD uses the congressional release date as the date of official notification that HUD has executed the PJ's HOME Investment Partnership Agreement. HUD Notice CPD 06-05 further specifies that the date of obligation is always the congressional release date and HUD Notice CPD 07-06 clarifies that the date of obligation is the beginning of the 24-month commitment period.

The date on the transmittal letter sent to a PJ and the date that HUD executes the PJ's HOME Investment Partnership Agreement must be the congressional release date. For example, if a PJ's congressional release date is March 3, 2009, the HOME Investment Partnership Agreement must be signed by the Field Office CPD Director on March 3, 2009, and the transmittal letter sent to the PJ must be dated March 3, 2009. In this scenario, the PJ's 24-month commitment deadline would be March 31, 2011. In situations in which the date on the transmittal letter to the PJ is later than the congressional release date and/or the date HUD executed the HOME Investment Partnership Agreement, the beginning of the 24-month commitment period is the congressional release date / obligation date. HUD has deobligated HOME funds from PJs that have mistakenly assumed the date of HUD's transmittal letter was the beginning of the 24-month commitment period. In these cases, the transmittal letters were dated in the month following the congressional release date leading the PJ to believe it had an extra month in which to commit HOME funds.

In order to be certain of the actual commitment deadline, HUD Field Office staff and HOME PJs should be regularly monitoring the HOME Deadline Compliance Status Reports. These reports can be found here: www.hud.gov/offices/cpd/affordablehousing/reports/deadlinecompliance.cfm.

Do you have questions?

HOME PJs with questions regarding HOME obligation dates or other deadline compliance issues should contact their local CPD Representatives in their field offices. Field Office staff with questions on this topic should contact the Office of Affordable Housing Programs.