
State of Oklahoma

**Home Investment Partnerships Program (HOME) Program
Annual Action Plan
Substantial Amendment #1 (Draft)
Program Year 20232025**

Oklahoma Housing Finance Agency
Housing Development Team
100 N.W. 63rd, ~~Suite 200~~
P.O. Box 26720
Oklahoma City, OK 73126-0720
(405) 419-8261

Table of contents:

<u>HOME Program: One-Year Action Plan</u>	- 3 -
<u>1. HOME Eligible Entities</u>	- 4 - 3
<u>2. HOME Funding Activities</u>	- 4 -
<u>Homeowner Rehabilitation</u>	- 4 -
<u>Homeownership</u>	- 4 -
<u>Rental Housing</u>	- 5 - 4
<u>Tenant-Based Rental Assistance (TBRA)</u>	- 5 - 4
<u>CHDO ProjectDevelopment Pre-development Loans</u>	- 5 - 4
<u>CHDO Operating Assistance</u>	- 5 - 4
<u>3. HOME Program Funds Allocation</u>	- 5 - 4
<u>4. Administrative funds</u>	- 7 - 6
<u>5. Mode of HOME Investment</u>	- 7 - 6
<u>6. HOME Written Agreement Award Instrument</u>	- 7 - 6
<u>7. HOME Written Agreement Performance</u>	- 9 - 8
<u>8. Compliance Monitoring</u>	- 9 - 8
<u>9. Affirmative Marketing, Minority Outreach, and Fair Housing</u>	- 10 - 9
<u>10. Language Access</u>	- 12 - 11
<u>11. HOME Subsidy limits and minimums</u>	- 12 - 11
<u>12. Period of Affordability</u>	- 13 - 12
<u>13. Resale and Recapture Options</u>	- 14 - 12
<u>14. Match Requirements</u>	- 15 - 13
<u>15. Leverage</u>	- 15 - 14
<u>16. Troubled Public Housing Authorities</u>	- 15 - 14
<u>17. ProjectDevelopmented Production</u>	- 15 - 14
<u>18. Application Process</u>	- 16 - 15
<u>19. CHDO Annual Recertification Process</u>	- 19 - 17
<u>20. New Applicants for CHDO Certification</u>	- 19 - 18
<u>21. Outcome Performance Measurement System</u>	- 19 - 18
<u>22. Written Agreement Performance Measurement</u>	- 20 - 19

Overview of Substantial Amendment #1

This document will serve as Substantial Amendment #1 to the State's 2025 HOME Program. The comment period for this Substantial Amendment will begin April 2nd, 2025, and conclude on May 2nd, 2025, at 5 p.m. Please submit comments to Emily.Myers@OHFA.org.

Update:

Based upon a HUD review conducted on April 17th, this action plan has been updated to remove reference to Rental Acquisition as an eligible program activity. The funds reserved for this activity have been split between Homebuyer Assistance and Rental / Homeownership Development set asides. No change in any set aside exceeded 10%, so this adjustment is non-substantial. The comment period will be extended to May 7th to allow adequate time for comments. Please submit comments to Emily.Myers@OHFA.org.

Formatted: Superscript

Formatted: Superscript

HOME Program: One-Year Action Plan

The State of Oklahoma's allocation of HOME funds for Program Year ~~2023~~²⁰²⁵ is ~~\$9,735,8548,108.903~~. The range of activities planned for ~~2022-2024~~ is similar to that of Program Year ~~2023~~²⁰²⁵, but some changes have been made.

Title 24 Code of Federal Regulations, Part 92, governs this program. Those regulations are incorporated by reference in this Action Plan. In some cases, the Oklahoma Housing Finance Agency (OHFA) has adopted more restrictive requirements than are included in Title 24 CFR Part 92. The primary goal of the OHFA HOME Program is to retain and increase the supply of decent, safe, and sanitary affordable housing. OHFA furthers this goal by using the HOME Program financial resources as a catalyst in the development and strengthening of public partnerships with local governments, nonprofit organizations, private sector development entities, financial institutions, and debt and equity capital outlets.

Participating Jurisdiction Service Area

Applications for HOME funds will be accepted from all parts of the State of Oklahoma with the exception of the HUD designated HOME Program Metropolitan Participating Jurisdictions of Oklahoma City, Tulsa, Lawton, and Norman. These communities receive a direct annual allocation of HOME funds from HUD. Likewise, Osage, Tulsa, Washington, Rogers, Creek and Wagoner County are all part of the Tulsa HOME Consortium which receives a direct annual allocation of HOME Program funds. OHFA does not accept Applications for developments within these counties.

Formatted: Font: (Default) Arial

~~An exception will be made for applications for Tenant-Based Rental Assistance (TBRA) only. TBRA funds may be utilized anywhere within the State of Oklahoma, including within the city limits of Oklahoma City, Tulsa, Lawton and Norman.~~

~~Applications for HOME funds will also be accepted from within the Tulsa HOME Consortium, provided the proposed activities will not be undertaken within the city limits of the City of Tulsa. Consortium areas, for purposes of OHFA's HOME Program, are considered rural.~~

1. HOME Eligible Entities

OHFA encourages partnerships that promote the goals of the HOME program. OHFA plans to partner with the following entities. Only these entities are eligible to receive HOME funds from OHFA.

State Recipients: Units of general local government, including cities, towns, counties and Indian tribes.

CHDOs: A Community Housing Development Organization (CHDO) is a private, nonprofit organization that meets a series of qualifications prescribed in the HOME regulations. OHFA must use a minimum of 15 percent of its annual allocation for housing owned, developed or sponsored by CHDOs. OHFA will evaluate organizations' qualifications and designate them as CHDOs. CHDOs also may be involved in the program as sub-recipients, but the use of HOME funds in this capacity is not counted toward the 15 percent minimum requirement.

Sub-recipients: A sub-recipient is a public agency or nonprofit organization selected by OHFA to administer all or a portion of the HOME Program. It may or may not also qualify as a CHDO.

Sub-recipients run programs, not ~~project~~developments.

Nonprofit Developers: Private, nonprofit housing development organizations that do not meet the qualifications to be a CHDO, or that have not applied to be a CHDO with OHFA. **Nonprofit developers may also be CHDOs applying for non-CHDO funds.** Nonprofit developers may undertake individual ~~project~~developments that comply with the HOME Program requirements, and may do so out of any set-aside for which they are eligible.

Private, for-profit Developers: Private, for-profit developers are eligible to apply for HOME funds only for ~~project~~development developed in conjunction with Affordable Housing Tax Credits. **They are ineligible to apply for HOME funds for any of the other HOME-eligible activities.**

2. HOME Funding Activities

More specific definitions for funding activities can be located in the HOME 2025 Program year application.

Homeowner Rehabilitation

HOME funds may be used by eligible applicants to assist existing homeowners with the repair, rehabilitation, or reconstruction of owner-occupied units.

Homeownership

HOME funds may be used by eligible applicants to assist individuals or families for homebuyer assistance, ~~acquisition~~, acquisition and rehabilitation, new construction, and lease-purchase of affordable housing for homeownership. All Homebuyer activities must incorporate housing counseling into ~~project~~development designs. Housing counseling must be provided by a HUD approved certified housing counselor.

State of Oklahoma

Rental Housing

HOME funds may be used by eligible applicants for ~~acquisition~~, rehabilitation, acquisition and rehabilitation, or new construction of affordable rental housing.

Tenant-Based Rental Assistance (TBRA)

HOME funds may be used by eligible applicants to help individual households afford housing costs such as rent and utility costs.

CHDO ~~ProjectDevelopment~~ Pre-development Loans

HOME funds may be used by eligible CHDOs for ~~projectdevelopment~~-specific pre-development assistance intended to assure funds for up-front, eligible ~~projectdevelopment~~ expenditures.

CHDO Operating Assistance

HOME funds may be used by eligible CHDOs for general operating assistance. **CHDO Operating Assistance funds will be awarded at the same time a CHDO receives an award of HOME funds for a CHDO activity. CHDO Operating Assistance funds will only be awarded to CHDOs that are currently receiving HOME funds for a CHDO activity.**

3. HOME Program Funds Allocation

OHFA will use the funds allocated for Program Year ~~2023~~2025 in accordance with the percentages listed below. The percentages identified below will be used to calculate the final dollar amounts.

Administrative Funds

Ten percent (10%), of the annual allocation will be used for administration. These funds will be used by OHFA to support its overall program delivery and monitoring.

CHDO Operating

No more than five percent (5%), of the State PJ's annual allocation will be available for CHDO operating assistance. **For the ~~2023~~2025 Program Year, the amount for which any eligible CHDO may apply will be limited to a maximum of \$50,000.**

CHDO Set-Aside

Twenty-five percent (25%) of the annual allocation shall be reserved for CHDOs applying for CHDO activities. Only CHDO-eligible activities as defined in the HOME Final Rule, 24 CFR Part 92, will be funded from this set-aside.

Rental/Homeownership/ Homeowner Rehabilitation

Fifty-Forty-five percent (45%) of the annual allocation shall be used for other Rental or Homeownership activities. This set-aside will be open to eligible non-CHDO Applicants. It will also be available to CHDOs applying for non-CHDO activities, and to CHDOs applying for CHDO activities once the CHDO Set-Aside funds have been exhausted, but not sooner.

Homeowner Rehabilitation

~~Ten percent (10%) of the annual allocation shall be used for Homeowner Rehabilitation activities.~~

State of Oklahoma

~~If any funds remain in this set aside after the January 2024 Board of Trustees meeting, it will then be determined at OHFA's discretion whether such funds should be transferred to the Rental/Homeownership Set Aside.~~

Down Payment Homebuyer Assistance

~~Ten Fifteen percent (4015%)~~ of the annual allocation shall be used for Down-Payment Assistance programs. ~~Homebuyer Assistance is best used where a loan or grant can make housing affordable to low-income households. Homebuyer Assistance allows eligible homebuyers to purchase affordable homes by providing downpayment or closing cost assistance, or by reducing the monthly carrying costs of a loan from a private lender.~~ Down-Payment Assistance to individual households cannot exceed \$148,999

Formatted: Font: (Default) Arial

If any funds remain in this set-aside after the January ~~2024~~2026 Board of Trustees meeting, it will then be determined at OHFA's discretion whether such funds should be transferred to the Rental/Homeownership Set-Aside.

Rental Acquisition

Formatted: Font: (Default) Arial

~~Ten percent (10%) of the annual allocation shall be used for Rental Acquisition activities. Rental Acquisition activities are not CHDO set aside eligible activities.~~

~~If any funds remain in this set aside after the January 2026 Board of Trustees meeting, it will then be determined at OHFA's discretion whether such funds should be transferred to the Rental/Homeownership Set Aside.~~

General Information on Funds Allocation:

All amounts set forth in this Action Plan may be changed at the discretion of OHFA, except where mandated by HOME Program rules. Such decisions shall be based upon demand, need, efficient resource use, and other Program-relevant considerations. ~~Such changes shall require at minimum approval by the OHFA Board of Trustees, up to a substantial amendment of the 2025 Action Plan approved by HUD.~~ Funding awards are subject to the availability of HOME funds and the timing needs of individual ~~Project~~Developments.

Formatted: Body Text Indent

Program Income

Awardees are required to clearly identify whether or not the proposed activity will result in Program Income. **All Program Income must be returned to OHFA.** OHFA ~~no longer permits~~does not permit Awardees to retain Program Income. **Exceptions may be made for Awardees that are currently reusing Program Income derived from Written Agreements already completed and closed out.** Such exceptions must be specifically approved by OHFA and HUD and may be rescinded at any time should OHFA Monitoring Staff determine that the Program Income is not being used in accordance with HOME Program and OHFA rules and regulations.

Recaptured Funds

If OHFA recaptures any HOME funds, they will be allocated by OHFA to eligible activities. In the event a significant amount of funding becomes available, a public announcement of the availability of funds may be made.

4. Administrative funds

OHFA will use all of the administrative funds for its costs of administering the HOME Program for the State of Oklahoma. OHFA will not accept Applications for administrative funds.

5. Mode of HOME investment

OHFA shall award HOME funds in the form of ~~equity-a~~ grants. The only exception is for CHDO Pre-Development Loans, which per the Final Rule must be in the form of loans, and Low-Income Affordable Tax Credit applicants.

Low-Income Affordable Tax Credit Applicants may elect to receive an award of HOME funds as a non-forgivable year 16 cashflow loan. This loan will be due upon maturity or at the time the development is refinanced.

Formatted: No bullets or numbering

6. HOME Written Agreement Award Instrument

Written Agreements will be used to contract with funded Applicants in order to implement proposed HOME activities and govern ~~projectdevelopment~~ execution. **All Written Agreements will provide for protection of the Period of Affordability throughout its entire term.**

At OHFA's discretion, a pre-agreement meeting between OHFA, the HOME Awardee, and any ~~ProjectDevelopment~~ partners may be required prior to execution of Written Agreements.

For all Homebuyer activities, OHFA will require that funded Applicants execute Written Agreements with the ultimate beneficiaries of the HOME funds to which OHFA must be a party, setting forth the restrictions and requirements of the HOME Program. The Written Agreements must contain, at a minimum, the following requirements:

- The housing must conform to the requirements of 24 CFR 92.254(a).
- The housing must be modest; its value must not exceed 95% of the median price of comparable housing. It must also not include any luxury improvements as defined by HUD and/or OHFA.
- The home must be the principal place of residence of the homebuyer.
- Recapture or Resale provisions must be set forth in detail and written in such a way that the homebuyer can understand them.
- The agreement should set forth the amount of HOME assistance provided, the form of such assistance, and the deadline for acquiring the housing unit with the HOME funds, if applicable.
- The agreement should be drafted in such a manner as to ensure compliance with all HOME Program requirements and ensure that the homebuyer fully understands such requirements.

Activity and design modifications to funded ~~projectdevelopments~~ are strongly discouraged.

Activity and design modifications cannot be made to funded ~~ProjectDevelopment~~s without the prior written approval of OHFA.

Extensions of Written Agreement periods may, at OHFA's discretion, be permitted for any HOME Awardee that can demonstrate that the ~~ProjectDevelopment~~ is proceeding in a manner such that completion of the ~~ProjectDevelopment~~ is certain in the time identified. **However, Written Agreements cannot be extended beyond the ~~ProjectDevelopment~~ completion deadlines set forth in the Final Rule.**

Funded Applications are subsequently made a part of all Written Agreements between OHFA and the HOME Awardee. Unapproved variations to funded ~~ProjectDevelopment~~ designs are considered violations of contractual agreements and may result in disallowed costs, the repayment of HOME funds, or possible suspension from future Program participation.

~~ProjectDevelopment~~s selected for funding in conjunction with Applications for Affordable Housing Tax Credits (AHTC), National Housing Trust Fund (HTF), or Oklahoma Housing Trust Fund may receive a contingent HOME commitment, since they may be considered prior to a reservation of Tax Credits or an award of HTF funds. Contingent commitments will be withdrawn should an Applicant be unable to obtain a reservation of Tax Credits or an award of HTF funds, as applicable, within the time period specified by OHFA.

~~ProjectDevelopment~~s selected for funding ~~that involve the acquisition and rehabilitation of existing housing, and where~~ the specific address or addresses of the housing unit(s) cannot be identified at the time of application, will also receive a contingent HOME commitment. **The HOME Program Final Rule states that no Written Agreement can be executed without a specific address or legal description.** Therefore, for these ~~projectdevelopments~~, the Written Agreement will be executed once the legal description, address or addresses have been determined.

No other contingent HOME commitments are permitted. Contingent HOME commitments will not be made for any other eligible activities or in conjunction with any other type of funding source. All other funding sources must already be committed to the ~~ProjectDevelopment~~.

Contingent commitment amounts are good faith estimates by OHFA and may be adjusted based on the actual award of Tax Credits and/or HTF funds, or the work write-ups and cost estimates of ~~acquisition/rehabilitation ProjectDevelopment~~s. OHFA may reduce the amount of the contingent award, but **under no circumstances will OHFA increase the amount of a contingent award.**

OHFA will limit to five (5) the number of open HOME Written Agreements that any one entity may have at any given time. This includes Written Agreements for which said entity is either the Awardee or the Administrator. OHFA defines an open HOME Written Agreement as one that has not been 100% expended and all close-out documents submitted to OHFA. ~~This limit will not include CHDO Operating Assistance Written Agreements.~~

A large number of open Written Agreements represents a possible capacity issue, especially should key staff leave before the Written Agreements are completed and closed out. Capacity is of great concern to OHFA, since OHFA must certify in the Integrated Disbursement and Information System (IDIS) that an Awardee has the capacity to undertake the ~~ProjectDevelopment~~ or activity for which an award has been made. Further, the five (5) Written Agreement limit prevents any one entity from monopolizing the very limited HOME funds available.

7. HOME Written Agreement Performance

OHFA regularly assesses the performance of its HOME partners. Based on the performance pursuant to the requirements contained in its Written Agreements and the Program regulations, OHFA may withdraw funding due to non-performance, poor performance, and/or untimely performance. In addition, OHFA may, at its discretion and within its regulatory authority pursuant to 24 CFR Part 92.2, reassign untimely Written Agreement funding in order to affect timely expenditure, performance, and ~~ProjectDevelopment~~ completion.

Satisfactory performance in regard to HOME Written Agreements is a threshold requirement for all Applications for new awards of HOME funds. The 202~~52~~ HOME Application will set forth specific performance standards. Failure to meet these performance standards will be grounds for denial of any new Application for HOME funds. **Some information on how Written Agreement performance will be measured can be found in Section 22 of this Action Plan, "Written Agreement Performance Measurement".**

8. Compliance Monitoring

These compliance monitoring procedures apply to all buildings placed in service in Oklahoma, which have received allocations of HOME funds determined under the HOME Regulations. The compliance monitoring procedures and requirements are as follows:

- A. OHFA will verify that the Awardee of a low-income housing ~~ProjectDevelopment~~ is maintaining records for each qualified low-income unit in the ~~ProjectDevelopment~~. These records must show, for each year in the compliance period, the information required by the record-keeping provisions contained in the HOME Regulations, incorporated herein by reference.
- B. OHFA will verify that the records documenting compliance with the HOME Regulations for each year as described in Paragraph A above are retained for the entire affordability period.
- C. **OHFA will conduct construction inspections** in order to ensure that HOME funds are not being drawn down for work that has not been completed, work that has not been done according to the specifications of the Written Agreement, or costs that are ineligible for HOME funding.
- D. OHFA will inspect one hundred percent (100%) of the HOME Written Agreements as prescribed by HUD regulations and will inspect the low-income certification, the documentation the Awardee has received to support that certification, the rent records for Rental ~~ProjectDevelopments~~ and the home valuation limits for Homebuyer ~~ProjectDevelopments~~.
- E. For Rental ~~ProjectDevelopments~~, OHFA will perform on-site inspections at the time of property completion and, at a minimum, every three years thereafter, in order to determine compliance with construction standards and physical condition standards. **All HOME-assisted Rental housing must meet the National Standards for the Physical Inspection of Real Estate~~Uniform Physical Condition Standards~~, or UPCS~~NSPIRE~~.** HOME Compliance monitors will not conduct a REAC inspection, but will monitor for any violations. OHFA may perform more frequent on-site inspections based upon a risk assessment of all ~~projectdevelopments~~.
- F. The Awardee must allow OHFA to perform an on-site inspection of any low-income unit and/or building in the ~~ProjectDevelopment~~ through the end of the Period of Affordability.

This inspection may be separate or in conjunction with any review of tenant files, and will include habitability requirements.

- G. During programmatic monitoring activities, OHFA shall review Program Awardees' affirmative marketing, minority outreach, and fair housing activities to ascertain compliance with standards established by HUD's Fair Housing Office.
- H. OHFA will promptly notify the Awardee in writing if OHFA is not permitted to inspect and review as described in Paragraphs C, D, E, F and G, or otherwise discovers that the ~~Project Development~~ does not comply with the HOME Regulations. In such event, the Awardee will be allowed a correction period to supply missing documentation or to correct noncompliance.
- I. OHFA will notify HUD of an Awardee's noncompliance or failure to certify no later than forty-five 45 days after the end of the time allowed for correction and no earlier than the end of the correction period.
- J. Compliance with requirements of the HOME Regulations is the responsibility of the Awardee and the owner of the building for which HOME funds are loaned or granted. OHFA's obligation to monitor for compliance with the requirements of the HOME Regulations does not make OHFA or the State of Oklahoma liable to any owner or to any shareholder, officer, director, partner, member or manager of any owner or of any entity comprising any owner for an owner's non-compliance therewith.
- K. The Final Rule for the HOME Program permits Participating Jurisdictions to charge compliance monitoring fees for all ~~project developments~~ funded after August 23, 2013. OHFA intends to charge a small monitoring fee for some properties at some point in the future. Any fee increase must be incorporated into OHFA's HOME Program Rules, Title 330, Chapter 55, before they can be implemented. **No compliance monitoring fees will be charged in Program Year ~~2023~~2025.**

9. Affirmative Marketing, Minority Outreach, and Fair Housing

All Applicants for HOME Program funds for Rental and Homebuyer ~~project developments~~ containing five (5) or more units must adopt affirmative marketing procedures and follow all affirmative marketing requirements for all HOME-assisted housing. Affirmative marketing requirements and procedures must include:

- methods for informing the public, owners and potential tenants about fair housing laws and the policies of the local program;
- a description of what owners and/or the program administrator will do to affirmatively market housing assisted with HOME Program funds;
- a description of what owners and/or the program administrator will do to inform persons not likely to apply for housing without special outreach;
- maintenance of records to document actions taken to affirmatively market HOME-assisted units and to assess marketing effectiveness; and
- a description of how efforts will be assessed and what corrective actions will be taken when requirements are not met.

~~In order to achieve compliance with the Affirmative Marketing, Minority Outreach, and Fair Housing requirements at 24 CFR Parts 92.350 and 92.351, Written Agreements shall be executed between OHFA and all Program Awardees.~~ Written Agreements shall prohibit discrimination on the basis of race, color, national origin, religion, sex, age, handicap, or familial status in connection with any activities funded with HOME Investment Partnerships Program assistance.

Implementation manuals shall be provided to Awardees and shall contain information regarding Affirmative Marketing, Minority Outreach, and Fair Housing Standards and Procedures. At a minimum, Written Agreements shall require all contractors and subcontractors to comply with equal opportunity requirements, ~~procurement efforts to solicit the use of minority and women's business enterprises~~, undertake activities to further fair housing, and, where five (5) or more units are HOME- assisted, implement Affirmative Marketing procedures.

Affirmative Marketing is now required for all HOME Program activities, including Down-Payment Assistance and Tenant-Based Rental Assistance. ~~All HOME Program activities must comply with the White House's Justice 40 Initiative, which orders at least 40% of certain federal investments to benefit disadvantaged communities that have historically been overburdened by pollution. For more information on the Justice 40 Initiative, go to~~

~~Justice40 A Whole-of-government Initiative: <https://www.whitehouse.gov/environmentaljustice/justice40/> Executive Order 14008: <https://www.regulations.gov/document/EPA-HQ-OPPT-2021-0202-0012>~~

Formatted: Justified, Space After: 0 pt

Section 281 of the National Affordable Housing Act (the "Act") requires the State to prescribe procedures acceptable to the Secretary of HUD to establish and oversee a minority outreach program to ensure the inclusion, to the maximum extent possible, of minorities and women, and entities owned by minorities and women, including without limitation, real estate firms, construction firms, appraisal firms, management firms, financial institutions, investment banking firms, underwriters, accountants, and legal firms, in all Written Agreements, entered into by the Participating Jurisdiction with such persons or entities, public and private, in order to facilitate the activities of the Participating Jurisdiction to provide affordable housing authorized under the Act or any other federal housing law applicable to such jurisdiction.

Minority Business Enterprises/Women Business Enterprises

Applicants will be required to solicit and encourage the participation of Minority Business Enterprises/Women Business Enterprises (M/WBEs) in connection with their ~~Project Development~~. **Applicants must affirm and certify to the same in their Applications or they will not be eligible to receive an award of HOME funds.**

Recommended Methods for the Encouragement of M/WBEs:

The following methods are recommended for Applicants who wish to encourage the participation of M/WBEs on HOME-assisted contracts:

- (i) Actively and affirmatively solicit bids for contracts and subcontracts from qualified M/WBEs, including solicitations to minority and women contractor associations;
- (ii) Ensure that plan specifications, request for proposals and other documents used to secure proposals for the performance of work or supply of materials will be made available in sufficient time for review by prospective M/WBEs;
- (iii) Divide, where economically and technically feasible, the work into smaller portions to enhance participation by M/WBEs;
- (iv) Encourage, where economically and technically feasible, the formation of joint ventures, partnerships or other arrangements among contractors to enhance participation by M/WBEs;
- (v) Consult with and use the services of governmental agencies, their consultants and contractor associations to further the participation of M/WBEs;
- (vi) Ensure that progress payments to M/WBEs are made on a timely basis and with such frequency that undue financial hardship is avoided and other credit requirements are waived or appropriate alternatives developed to encourage M/WBE participation;

State of Oklahoma

- (vii) Make written solicitations in a timely fashion of M/WBEs listed in the Minority and Women-Owned Business Directory; and
- (viii) Make timely responses to any advertisements and solicitations provided by M/WBEs.

Reporting

All applicants must submit M/WBE Utilization reports, which will include, but are not limited to the following:

- (i) The name, address and telephone number of each M/WBE the Applicant intends to use;
- (ii) A brief description of the contract scope of work to be performed for the Applicant by each M/WBE and the scheduled dates for performance;
- (iii) A statement of whether the Applicant has a written agreement with each M/WBE, and if requested, copies of the agreements the applicant is using or intends to use;
- (iv) The actual total cost of the contract, the work performed and the materials provided, scope of work to be performed by each M/WBE for each contract;
- (v) The actual amounts of any payments made by the Applicant to each M/WBE as of the date the compliance report was submitted; and
- (vi) The percentage of total contractors, subcontractors, vendors and suppliers utilized for the projectdevelopment and the total prices for each.

10. Language Access

Recipients of federal financial assistance, including HOME funds, are required to provide meaningful access to their programs and services for persons with limited English proficiency (LEP). The U.S. Supreme Court has held that failing to take reasonable steps to ensure meaningful access for LEP persons is a form of national origin discrimination prohibited by Title VI of the Civil Rights Act of 1964.

The requirement to provide language assistance to LEP individuals applies to all recipients of federal financial assistance, including HOME funds, regardless of conflicting state or local laws. When meaningful access requires interpretation, interpreters should be provided at no cost to the persons involved. Budgeting adequate funds to ensure language access is essential. While costs are a consideration in determining what language assistance is reasonably required, fiscal pressures do not provide an exemption from civil rights requirements.

Recipients of HOME funds should develop, and periodically update, a written LEP plan that describes their language assistance services and explains how staff and LEP persons can access those services. Recipients who are not fully compliant with the LEP guidance issued by the federal government should be making steady progress toward becoming fully compliant. Guidance regarding LEP compliance can be accessed on the HUD website at www.hud.gov.

11. HOME Subsidy limits and minimums

Minimum HOME Investment: The minimum amount of HOME funds that must be invested in a projectdevelopment is \$1,000 multiplied by the number of HOME- assisted units in a projectdevelopment. **The minimum only relates to the HOME funds, and not to any other funds that might be used for ProjectDevelopment costs.** The minimum HOME investment does not apply to Tenant-based Rental Assistance.

Special Minimum Investment for HOME awards in conjunction with Affordable Housing Tax Credits (AHTCs): The minimum amount of HOME funds that must be invested in a ~~projectdevelopment~~ that is utilizing HOME funds in conjunction with AHTCs is \$200,000.

Maximum HOME investment: There are three limiting factors that must be taken into account when determining the maximum HOME investment:

1. An award of HOME funds cannot exceed the HOME Program Maximum per Unit Subsidy Limits as established by HUD. The limits are based on the Section 234 Mortgage Limits and are determined by number of bedrooms.
2. The maximum HOME investment is limited to the minimum amount required to cover the ~~projectdevelopment~~'s financial gap, as determined by subsidy layering analysis.
3. The maximum HOME investment is limited to the pro-rata share of HOME-eligible ~~projectdevelopment~~ costs, as determined by multiplying the total HOME-eligible ~~projectdevelopment~~ costs multiplied by the percentage of HOME units to total units or the percentage of HOME unit square footage to total unit square footage (whichever percentage is less).

The maximum HOME investment, therefore, is limited to the **LOWEST** of the pro-rata share of eligible costs, the HOME Program Maximum per Unit Subsidy Limit, or the financial gap as determined by a subsidy layering analysis.

The maximum for HOME Down-payment Assistance is ~~\$184~~,999 per HOME-assisted unit. However, it should be noted that this limit is also subject to underwriting analysis, and HOME Awardees cannot provide Down-Payment Assistance in an amount over and above the amount required to permit the homebuyer(s) to qualify to purchase the home.

Maximum Awards for Activities

The maximum amount of HOME funds that will be awarded to a Rental or a Homeownership ~~projectdevelopment~~ is ~~\$7501,000,000~~. The maximum amount of HOME funds that will be awarded to a Homeowner Rehabilitation ~~projectdevelopment~~ is **\$300,000 plus 5% of the Award in Administrative funds**. The maximum amount of HOME funds for Down-Payment Assistance programs will be ~~\$2050,000~~. The Maximum amount of HOME funds for a Tenant-Based Rental Assistance program will be **\$500,000**.

12. Period of Affordability

Rental Housing:

Rehabilitation-or-Acquisition

\$1,000 - 14,999 HOME funds per unit	5 years
\$15,000 - 40,000 HOME funds per unit	10 years
\$40,001 - maximum allowable HOME funds per unit	15 years

New Construction:-(or-acquisition-of-newly-constructed-housing):— 20 years, regardless of the amount of HOME funds invested.

Homeowner Rehabilitation

5-year period of affordability

Homeownership:

\$1,000 - 14,999 HOME funds per unit	5 years
--------------------------------------	---------

\$15,000 - 40,000 HOME funds per unit	10 years
\$40,001 - maximum allowable HOME funds per unit	15 years

13. Resale and Recapture Options

24 CFR 92.254 provides guidance for Resale/Recapture options for Homeownership. OHFA is authorized under the HOME Rules to select which option will be used for preserving the Period of Affordability. For 2025², OHFA has chosen the Recapture option. **If applicants demonstrate to OHFA staff that special conditions exist that would make the Resale option superior, then it may be considered as an exception. If there is no direct subsidy to the homebuyer, the resale option must be used.**

Since Recapture is only possible if there is a direct subsidy to the homebuyer, some Written Agreements between OHFA and a CHDO, non-profit developer, State Recipient or Sub-recipient may be structured such that under certain circumstances a Recapture Agreement with one homebuyer will be required, and under other circumstances a Resale Agreement with a different homebuyer will be required. Nonetheless, **the agreement between the CHDO, non-profit developer, State Recipient or Sub-recipient and any individual recipient of HOME funds may contain only one provision, either Recapture or Resale. An agreement with an individual recipient of HOME funds cannot contain both.**

The Applicant is to describe to OHFA its procedures as they relate to the HOME Recapture (or Resale) requirements. The procedures must fully comply with the HOME Rules, and must be approved by OHFA before implementation.

Recapture provisions must ensure that there is recovery of all or a portion of the HOME assistance that represents a direct subsidy to the homebuyer, if the housing does not continue to meet the affordability requirements and/or continue to be the principal residence of the family for the duration of the Period of Affordability. **Mortgages, deed restrictions, land covenants or other similar legal mechanisms must be in place to enforce these provisions.**

The amount subject to recapture is based on the amount of HOME assistance that represents a direct subsidy to the homebuyer. The amount subject to recapture may be forgiven over time. It must be forgiven on a prorated basis based on the amount of time remaining on the Period of Affordability. For instance, if the Period of Affordability is five years, the amount subject to recapture may be forgiven at the rate of twenty percent (20%) per year. The recaptured funds must be returned to OHFA. OHFA requires that all Recapture provisions for Homeownership and Homeowner Rehabilitation activities base the recapture amount on the net proceeds available from the sale and not the entire amount of the HOME investment. Applicants may structure their Recapture provisions such that the HOME funds are recaptured in one of the following three methods:

- Recapture of the HOME investment first, with the homeowner receiving any remaining net proceeds
- Allow the homeowner to recover his/her initial investment first, with the remainder of the net proceeds recaptured
- A "shared appreciation" method, where a pre-determined percentage of the net proceeds is retained by the homeowner, and the remainder of the net proceeds is recaptured

14. Match Requirements

Match contributions must meet the definition of eligible Match under the federal program regulations at 24 CFR Part 92. **Written, itemized documentation of all proposed Match contributions must be provided.**

Specific documentation requirements will be detailed in the application. At a minimum, Match documentation must include a signed statement that Match is not from federal sources, as well as documentation of the sources and amounts of commitments. Applicants proposing to meet their Match liability using banked Match must at a minimum include confirmation that the banked Match has not been expended or committed to any other application or ~~projectdevelopment~~. Banked Match cannot be derived from an open contract. Banked Match can only be derived from a closed, audited contract.

The HOME Program operates using a twenty-five percent (25%) non-federal Matching requirement. **All Applicants must structure their proposals based on the twenty-five percent (25%) Match requirement. Waivers granted by HUD will not affect this requirement.**

OHFA may make available to Applicants a portion of its banked Match credit. This will be set forth more specifically in the ~~20232025~~ HOME Program Application Packet.

Potential sources of local Match include, but are not limited to, donated or discounted land, donated or discounted materials, and donated or discounted labor.

15. Leverage

Applicants must fully describe all development leverage resources, inducements and incentives that are present in the proposed Application. All sources of financing, except HOME, paying development budget costs are potentially eligible for leverage. Assistance for Homebuyers, such as a first mortgage, is not considered leverage.

Any leveraged funds will require a commitment letter to be attached to the application.

16. Troubled Public Housing Authorities

OHFA will wait to hear from HUD regarding whether or not there are currently any troubled public housing authorities.

OHFA will work closely with HUD to provide technical assistance and oversight where necessary. **It is not anticipated that any HOME funds will be used to help troubled public housing authorities. The State of Oklahoma has not appropriated funds for this purpose, nor has it authorized OHFA to assume the federal government's role of subsidizing the operations of public housing agencies.**

17. ~~ProjectedDevelopment~~ Production

The following chart details the units the OHFA is ~~projectdeveloping~~ will be produced with the ~~20232025~~ HOME allocation. This ~~projectiondevelopment~~ is based upon the actual numbers from prior years and amounts allotted to the various set-asides for ~~20232025~~. It includes only HOME units and not any other units in the HOME-assisted ~~projectdevelopments~~:

Activity	HOME	Leveraged
Rental	240	210
Homeownership	1520	0
DPA	250	0
TBRA	0 tenants	0

18. Application Process

The HOME Program operates on a continuous Application basis. The Board of Trustees of OHFA must review and approve all awards of HOME funds to Applicants. The Board meets every ~~other~~ odd month throughout the year, and therefore deadlines will be established for the consideration of Applications at each of the upcoming Board meetings. These deadlines will be set forth specifically in the 20232025 HOME Program Application Packet, and are established in order to allow OHFA Staff to properly review each individual Application.

Even though Applications for HOME Program activities are continuously accepted, it may become necessary to cease accepting Applications before the end of the Program Year because funds are no longer available.

The Program Year 20232025 HOME Program Application Packet, as well as the 20232025 HOME Program Processes, Procedures and Topical Guidance will be drafted, and will be made available for public input. The Application Packet will contain the Application submission requirements, threshold factors, and the evaluation criteria for all HOME Program Applications.

Applications for Rental Activities in Conjunction with AHTCs

For Program Year 20232025, all eligible entities wishing to submit an Application for Rental Activities in Conjunction with AHTCs for the Second AHTC Funding Period of 20232025 must submit their applications on or before June 2928, 20232025. The Applications for Rental Activities in Conjunction with AHTCs will be considered at either the September or November 20232025 meeting of the OHFA Board of Trustees. It is OHFA's intent to consider them at the September 20232025 Board meeting if possible.

Applications that meet all threshold requirements will be funded in rank order by score, from highest to lowest. Tie-breakers as set forth in the 20232025 Application Packet will be used in the event that there are sufficient funds remaining for only one application, and the next two or more applications in rank order have achieved an equal score.

Application timeline:

- A draft of the proposed 20232025 HOME Program Application Packet, including all Application and scoring evaluation criteria was presented for public comment and input on or about August 25, 20242. The draft will be posted on OHFA's website, www.ohfa.org
- An informal public input sessions on the 20232025 HOME Application were held on August 25th & September 15th, 20242.
- The final version of the 20232025 HOME Application Packet was posted on OHFA's website, www.ohfa.org, on or about September 26, 20222024.

State of Oklahoma

- OHFA may hold a training session on the 20232025 HOME Program Application Packet in March of 20232025 via Zoom or at the offices of OHFA in Oklahoma City. If OHFA Staff determines that the changes to the HOME Program for 20232025 are minimal, OHFA may decide not to hold such a training session.
- OHFA will begin accepting Applications April 1, 20232025.

OHFA staff will make every effort to meet this timeline. The dates for each step in the Application process will be published on OHFA's website. The web address is www.ohfa.org. All prospective Applicants and interested parties are encouraged to check the website frequently for updated information concerning important dates.

20232025 Program Year – Important Dates

- March 1, 20232025 – Final version of 20225 HOME Application Packet available (if the application is approved by the OHFA Board of Trustees)
- April 1, 20232025 – OHFA will begin accepting applications for the 20252 Program Year for all eligible activities. ——(if the application is approved by the OHFA Board of Trustees)
- June 29, 20232025 – Applications for Rental Activities in Conjunction with AHTCs are due (if the application is approved by the OHFA Board of Trustees)

During Application review, the following are the factors that may be considered as Threshold Factors and/or Evaluation Criteria:

- Application Information Form
- **Attachments A, B, D and C**
- HOME Application Certification
- Description
- Audit
- Match
- Monitoring
- Federal Requirements
- Market Analysis
- Development Commitments
- Organizational Structure and Experience
- Capital Needs Assessment
- Financial Management
- Financing

• Readiness to Proceed

• CHDO Eligibility Criteria Elements

- Special Populations
- HOME Training
- Leverage
- HOME Investment per Unit
- CHDO Status
- Energy Efficiency
- HOME/Fair Housing Training
- Tenant Special Needs Populations
- Storm Shelter

Formatted: No bullets or numbering, Tab stops: 0.5", Left

Formatted: Tab stops: 0.5", Left

State of Oklahoma

- [URA Seller Notice](#)
- Visitability

The complete list of Threshold Factors and Evaluation Criteria may not be limited to those above, and also may not include every criteria listed above.

Applications to be considered at the next OHFA Board of Trustees meeting must be submitted by the deadlines listed in OHFA's [20232025](#) Application Packet. Applicants are encouraged to access the [20232025](#) HOME Program Application Packet available on OHFA's ~~web-site~~[website](#) at www.ohfa.org to verify submission deadlines and ensure timely filing of their applications.

Applicants proposing to incorporate the use of HOME funds with Affordable Housing Tax Credits (AHTCs) should confirm the deadlines for submission in the HOME Application and the AHTC Application.

Awards of HOME funds are subject to the availability of funds and the satisfaction of all threshold factors. **Applications that do not satisfy these criteria are ineligible for funding.**

In the event that insufficient funds remain to award HOME funds to all Applications for any eligible activity, Applications for each activity will be funded in rank order by score, as determined by Staff review of the evaluation criteria. In the event that two or more Applications achieve an equal score, tie-breakers as set forth in the [20232025](#) HOME Application Packet will be used to determine funding.

Applications for Down-Payment Assistance and CHDO Operating Assistance will not be scored. If insufficient funds remain to award to all Applications for Down-Payment Assistance and CHDO Operating Assistance, tie-breakers as set forth in the [20232025](#) HOME Application will be used to determine which Applications will be funded.

Application Requirements Specific to CHDOs

CHDOs are responsible for notifying OHFA of any changes relating to the HOME Program CHDO eligibility criteria elements. Therefore, OHFA certified CHDOs making Application for CHDO activities, including CHDO Operating and [ProjectDevelopment](#) Specific Loans, must, at the time of Application, indicate any changes in the eligibility criteria elements since the date of their last certification.

Eligibility criteria elements:

- Legal status
- Capacity and Experience
- Organizational structure
- Board Composition of current members.
- Relationships with for-profit entities
- Service Area

CHDOs with current OHFA certifications that have had no eligibility criteria element changes since their certification date, must submit ~~a certification signed by the Board Chairman or Executive Director~~ [a statement](#) indicating that no eligibility criteria element changes have occurred.

If eligibility criteria element changes have occurred since the date of the CHDO's last OHFA certification, updated documentation relating to all changes must be provided. In addition, the CHDO must provide a certification signed by the Board Chairman or Executive Director that clearly identifies all the relevant changes that have been made. All certifications must indicate that all supporting documents relating to the CHDO's certification are on file in the CHDO's corporate office and available for OHFA's review.

19. CHDO Annual Recertification Process

OHFA requires that CHDOs meet the CHDO eligibility criteria in order to apply for HOME funds for CHDO activities. ~~OHFA no longer requires annual recertification of all CHDOs. CHDOs will be recertified whenever they apply for new funding from OHFA for a CHDO Project annually.~~

20. New Applicants for CHDO Certification

Any not-for-profit organization receiving OHFA HOME-CHDO funding must be certified by OHFA as a CHDO under 24 CFR 92.2.

New Applicants for certification must meet with OHFA Staff. Those in attendance must be authorized representatives of the organization. They must also be principals in the operation of the applicant. This meeting is required before an application may be submitted for CHDO certification.

OHFA will prepare an Application Packet for CHDO Certification, and will make it available to prospective Applicants after the required meeting has taken place. A completed Application must be submitted with all required documentation.

Applications for CHDO certification may be submitted to OHFA at any time throughout the year. **However, the not-for-profit organization must have received its CHDO certification from OHFA before submitting an Application for HOME CHDO funding.**

Applicants should allow 4-6 weeks for OHFA to review a fully completed CHDO Certification Application. Once OHFA is satisfied that all certification requirements have been met, a CHDO certification letter and a certificate will be issued within two weeks.

21. Outcome Performance Measurement System

The Office of Community Planning and Development (CPD) at HUD has developed an Outcome Performance Measurement System. This system will enable HUD to collect information on the outcomes of activities funded with CPD formula grant assistance, and to aggregate that information at the national, state, and local level. The outcome performance measurement system is not intended to replace existing local performance measurement systems that are used to inform local planning and management decisions and increase public accountability.

Performance Measurement Objectives

The outcome performance measurement system has three overarching objectives: (1) Creating Suitable Living Environments, (2) Providing Decent Affordable Housing, and (3) Creating Economic Opportunities. There are also three outcomes under each objective: (1)

Availability/Accessibility, (2) Affordability, and (3) Sustainability. Thus, the three objectives, each having three possible outcomes, will produce nine possible "outcome/objective statements" within which to categorize HOME activities. OHFA will complete an outcome/objective statement in HUD's Integrated Disbursement and Information System (IDIS) by entering data in the form of an output indicator.

It is mandatory for OHFA to collect this data. The collection and reporting of performance data is not optional, but individual outcome indicators can and will vary, depending on the activity. The proposed outcome measurement framework will not change the types of activities available to eligible applicants, but it will require new ways of reporting the data. The flexibility of the Program will be maintained. The objectives and outcomes will be determined by OHFA, based on the intent of the activity.

The following is a list of the activities to be undertaken with HOME funds in Program Year ~~2023~~2025, and the outcome and objective for each of those activities:

Rental/Homeownership:	Affordability for the purpose of providing Decent Housing
Homeowner Rehabilitation:	Affordability for the purpose of providing Decent Housing
CHDO Pre-Development Loans:	Affordability for the purpose of providing Decent Housing
CHDO Operating Assistance:	This activity is not covered in the Performance Measurement System.

22. Written Agreement Performance Measurement

Meeting affordable housing objectives and obtaining satisfactory outcomes is important, but proper performance goes beyond housing production. Administration of the HOME Written Agreement is also important. The OHFA HOME Finance Staff has developed the following chart outlining how contract progress will be monitored. **All time periods are from the date of the execution of the Written Agreement unless otherwise specified by OHFA.**

Written Agreement Performance Measurement

<i>Time Period</i>	<i>% Expended</i>	<i>Action</i>	<i>Performance</i>
12 months from WA begin date	If 0% expended	send letter	Concern
18 months from WA begin date	0% expended	Determine contract feasibility	
18 months from WA begin date	< 25% expended and no explanation	send letter	Finding
24 months from WA begin date	< 50% expended	send letter	Concern
36 months from WA begin date	<100%	send letter	Concern
	There must be a plan in place to complete by 4-yr deadline If not, it will be a finding and awardee may have to pay back HOME funds (Plan must be approved by OHFA)		

State of Oklahoma

0 – 60 days after
WA end date

Need closeout documents; Will send a letter 1-month before
WA end date to request closeout documents; **If documents
are not received within 60-day closeout period, a compliance
visit will be scheduled and this will be a Finding**

IDIS Expenditure Measurement per Activity

<i>Time Period</i>	<i>% Expended</i>	<i>Action</i>	<i>Performance</i>
9 months after IDIS setup	0%	Send letter to request reimbursement request	Concern
12 months after IDIS setup	0%	Activity flagged and cancelled in IDIS	Concern
12 months between drawdowns		Activity flagged; need explanation from Grantee to continue	Concern
90 days from last drawdown	100%	Send letter if no activity completion report received	Concern
120 days from last drawdown drawdowns	100%	Activity flagged; Need completion report to continue processing drawdown requests	Finding

Written Agreement Extensions

Written Agreement ~~funding periods~~ will be for ~~three-year~~three-year periods. However, Written Agreements will contain specific performance benchmarks, and except in very unusual circumstances, ~~project development~~ completion will be required well in advance of the ~~three-year~~three-year term. If an extension beyond the ~~three-year~~three-year period is required, it will be a **Finding**.

For CHDOs, excessive findings in regard to Written Agreement performance may result in CHDOs being placed on probation or, in severe cases, decertified.

Additional performance benchmarks will be set forth in Written Agreements and the failure to meet a performance benchmark could result in a concern, a finding or cancellation of the agreement, depending on the severity.