

Program Income

Wednesday, November 18

10:15-11:45



Housing Program Income

- Program income is the gross income received by a unit of general local government that is generated from the use of CDBG or HOME funds
- Program income may be retained by the unit of general local government if the program income will be used to continue the activity from which the program income was derived

Housing Revolving Loan Funds

- Once program income is received by the unit of general local government, the program income creates the Revolving Loan Fund (RLF)
- Two types of Housing RLFs:
 - CDBG
 - HOME

Program Income Requirements

- Program income must be held by the unit of local government in an interest-bearing account
- Must maintain financial records on the receipt and expenditure of program income funds separately from other program funds currently being administered by the community

Eligible Uses

- Program income must be used to continue the activity from which the program income was derived, i.e. funds received from CHIP grant
 - Program income generated through housing rehabilitation activities from a CHIP or Allocation Program grant must be expended on eligible housing rehabilitation activities

Eligible Uses

- CDBG and HOME funds have different requirements and fund different types of activities
- Administrative Costs
 - Communities can use up to 20 percent of program income received in a calendar year on eligible administrative costs

Waiver Process

- Housing Program Income may be used to fund other eligible projects if approved by OCD
- Communities can request to waive the requirement to use program income for the original activity it was derived in favor of a different eligible activity

Waiver Process

- Communities must submit a waiver application to OCD and the application must be approved prior to commencing the activity
- Contact your field representative prior to submitting a waiver request

Program Income Reporting

- Currently, communities report on their CDBG and HOME program income semi-annually
 - December 31 and June 30 reporting dates
- Program Income reporting will change in the next 6 months

Environmental Review Requirements

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Training and Technical Assistance

Office of Community Development

Questions?