

Home Investment Partnerships Program (HOME)
Title 25, California Code of Regulations
Proposed Amendments to:
Section 8217

§ 8217. Project Deadlines.

(a) For purposes of this section, the following terms have the following meanings:

- (1) “Contract” means the standard agreement required by section 8214. The contract shall designate each activity listed therein as either a “project” or a “program”.
- (2) “Contractor” means a CHDO or State Recipient that has executed a contract with the Department.
- (3) “Expenditure” means the Department has received a valid disbursement request for the funds.
- (4) “Performance points” means those points made available pursuant to Section 8212(d)(1)(A).
- (5) “Project” means an activity for which, at the time of application, there is an identified site and an identified borrower. No substitution of the site shall be permitted after the submission of an application to the Department.
- (6) “Program” means an activity for which, at the time of application, there is no identified site or no identified borrower.

(b) Project Deadlines

(1) All projects shall meet the following deadlines:

- (A) the State Recipient or CHDO shall obtain all necessary permanent project financing, including the permanent financing for the required period of affordability within 12 months of the date of the award letter;
- (B) all projects shall be set up in the federal disbursement and information system no later than 17 months after the date of the award letter;
- (C) all construction loan closings shall occur no later than 20 months after the date of the award letter, with the exception of self-help projects, for which construction loan closings must occur no later than 23 months after the date of the award letter. Construction loan closing is defined as the recordation of all construction financing loan documents, including, as

applicable, the HOME deed of trust and HOME regulatory agreement;

(D) all projects shall be completed within 36 months of the date of the award letter, as evidenced by the filing of a Notice of Completion; and

(E) all expenditures shall be made within 40 months of the date of the award letter.

(2) If a project fails to meet one or more of these timeframes outlined in (1) above, the next application for a project involving the applicant, developer, owner or managing general partner submitted in response to a NOFA having an application deadline after the missed project deadline/s shall receive a performance penalty pursuant to section 8212(d) (1) (A).

(3) If a project fails to meet three (3) of the timeframes outlined in (1) above: the contractor shall be:

(A) ineligible to apply for a project in any NOFA having an application deadline following the third missed deadline until the project is completed, occupancy is obtained and all expenditures are made and all necessary HOME funds are drawn; and

(B) the next application for a project involving the applicant, developer, owner, or managing general partner shall receive a performance penalty.

(c) An exception to the project requirements of this section may be requested and provided at the Department's sole discretion when it is determined that violation was clearly outside of the control of all of the following parties: the applicant, developer, owner, or managing general partner. ~~This provision does not apply to Subsection 8217(b) (3) (A).~~

Note: Authority cited: Sections 50406 and 50896.3(b), Health and Safety Code. Reference: 24 CFR Sections 92.454(a)(2) and 92.500(d); and Sections 50896 and 50896.1, Health and Safety Code.