

HOME Program

What is HOME? Created by the National Affordable Housing Act of 1990, HOME is the largest Federal block grant available to communities to create affordable housing. A key purpose of the HOME Program is to:

- Increase the supply of decent, safe, sanitary and affordable housing to low- and very low-income households;

Statutory Objective: Provide standard quality affordable housing for low income persons through public-private-nonprofit partnerships.

HOME Programs: There are four basic programs that HOME funding can be used for:

- Homebuyer assistance
- Rehabilitation for owner-occupants
- Rental housing production
- Tenant-based rental assistance

Eligible Activities: Within the four program areas, there are four specific eligible activities:

- Acquisition of property, including downpayment and closing cost assistance;
- Rehabilitation, including conversion and reconstruction;
- New construction;
- Tenant-based rental assistance including security deposit assistance.

Administration: Kennewick entered into a HOME Consortium Agreement with Richland and Pasco in 1995, making the three cities eligible to receive Federal HOME funds. Richland serves as the lead entity and is responsible for administration of the HOME program for the Tri-Cities Consortium. Kennewick receives approximately \$185,000 annually through the HOME program. In addition, the cities rotate in receiving additional funds that must be used by Community Housing Development Organizations (CHDO).

HOME Program in Kennewick: HOME funds have primarily been used in Kennewick for three purposes:

- Downpayment Assistance
- INFILL Program
- Funding programs of Community Housing Development Organizations

Downpayment Assistance: Historically, the HOME funds have been used in Kennewick almost exclusively for downpayment assistance to first time home buyers that qualify for the program. The maximum amount of the downpayment assistance is \$10,000. If the house is later sold, that amount is returned to the City for future HOME uses, as program income.

This program has provided assistance to over 200 first-time homebuyers in Kennewick since its inception. This is truly a bottom-up program. The initial downpayment assistance provides financing help for low- and moderate-income families to purchase homes for sale in Kennewick. In many cases, the sellers of the homes to these low- and moderate-income families are able to “buy up” to larger homes in Kennewick. That initial purchase turns into a domino effect.

INFILL Program: HOME allows funds to be used for the purchase of a dilapidated, condemned, substandard housing unit for demolition and the reconstruction of a house to be purchased by a low-moderate income family. Additionally, HOME allows the funds to be used for purchase of a substandard housing unit for rehabilitation. Home repairs would bring the property to code and would address lead-based paint hazards prior to being resold to a low-moderate income family. Advantages of the INFILL Program include:

- Reduce neighborhood blight
- Revitalize older neighborhoods
- Removal or improvement of substandard housing
- Increase property tax revenue
- Reduce burden to City personnel and resources for code enforcement related tasks

Through the INFILL Program, the City has purchased two houses on East Seventh. One had been closed down for almost two years because of numerous code violations. The house sat vacant and became an eyesore in the neighborhood. The house was demolished and a new house built. The house was sold to a qualifying person who had secured their own mortgage. The City is now out of the loop with this house. (Please hold down the Control Key and click on this link to see before and after photos.) [1002 E 7th Ave before and after](#)

A second house was purchased and we are in the process of soliciting bids for its rehabilitation. When the rehab is completed that house will be placed for sale. Again, once it is sold to a qualifying person, the City is out of the loop.

For more information on the Housing INFILL Program, please click on this link to see a presentation given at the January 8, 2008 Council Workshop. (Please hold down the Control Key and click on this link for more information about the program.) [Infill Program Presentation](#)

Community Housing Development Organizations: Every year, 15% of the total consortium funding must be given to a certified Community Housing Development Organization (CHDO). Rather than dividing the money among the cities each year, the CHDO funding rotates among the three cities every year in order to provide a bigger slice of funding. Every three years, Kennewick receives approximately \$200,000 to be given to a qualifying Community Housing Development Organization (CHDO) for purposes consistent with the intent of the HOME Program. The City has worked in partnership with the Tri-Cities Habitat for Humanity. Habitat has used the funds over the years to purchase lots for the construction of homes through their “sweat equity” program. One of Habitat’s recent projects was the purchase and subsequent development of the seven homes on the northwest corner of 10th and Gum.

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