

Home Investment Partnership Program Trust Fund

Fund 445

PURPOSE OF THE FUND:

The Home Investment Partnership Program Trust Fund accounts for all moneys allocated to the City of San José by the United States Department of Housing and Urban Development in accordance with the HOME Investment Partnerships Act (HOME); all matching contributions made in accordance with the requirements and regulations of the Act; all repayments of HOME funds; all interests payments or other return on investments of HOME funds; and other moneys that the City Council may transfer from other funds. According to the Code of Federal Regulations (24 CFR, Part 92) the objectives of this fund are:

- To expand the supply of decent and affordable housing, particularly rental housing, for low and very low income Americans;
- to strengthen the abilities of State and local governments to design and implement strategies for achieving adequate supplies of decent affordable housing;
- to provide both financial and technical assistance to participating jurisdictions, including the development of model programs for developing affordable low income housing; and
- to extend and strengthen partnerships among all levels of government and the private sector, including for-profit and non-profit organizations, in the production and operation of affordable housing.

AUTHORITY FOR THE FUND:

San José Municipal Code Sections 4.80.2850 through 4.80.2880. Revenue and expenditure estimates are budgeted via City Council funding sources resolution and appropriation ordinance, respectively.

SOURCE OF FUNDS:

- Moneys allocated to the City of San José by the United States Department of Housing and Urban Development in accordance with the HOME Investment Partnership Act
- Matching contributions made in accordance with the requirements of the HOME Investment Partnership Act
- Moneys transferred from other funds as determined by City Council
- Interest earnings
- Investment earnings
- Interest and principal payments on loan receivables

FUND RESTRICTIONS:

While the use of moneys within this fund is not subject to Proposition 218, certain moneys in this fund may be restricted, as described below.

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FUND RESTRICTIONS (CONT'D.):

Moneys in the Home Investment Partnership Program Trust Fund are to be used only in accordance with the HOME Investment Partnerships Act and any applicable regulations. These funds should only be used for housing rehabilitation, tenant-based assistance, assistance to first time home buyers, new construction when a jurisdiction is determined to need new rental housing production either by formula, or under neighborhood revitalization or special needs requirements. Funding may be used for other necessary and reasonable activities related to the development of non-luxury housing, such as site acquisition, site improvements, demolition, and relocation. Funds may not be used for programs, operating subsidies for rental housing, Annual Contributions Contracts, or activities under the Low Income Housing Preservation Act. (24 CFR, Part 92) (Municipal Code Section 4.80.2870).

All interest payments and all other returns on investment of moneys shall be deposited in and credited to the Home Investment Trust Fund and shall not be transferred to any other fund (Section 4.80.2880).

LEAD RESPONSIBILITY:

Housing Department

FINANCIAL INFORMATION AND LOCATION:

Comprehensive Annual Financial Report (CAFR) Designation:

Governmental Fund-Special Revenue

Budget Location:

Adopted Operating Budget

Funding Sources Resolution and Appropriation Ordinance Location:

Section 23.02

NOTES:

The Rental Rehabilitation Loan Fund (Fund 445) is a memo fund to the Home Investment Partnership Program Trust Fund.