

HOME Investment Partnerships Program FAQs

Last Updated: December 30, 2015

Description:

This document contains the HOME Investment Partnerships Program FAQs posted on the HUD Exchange website (<https://www.hudexchange.info/home/>). The FAQs are organized by topic.

Broadband Infrastructure

HUD continues its efforts to narrow the digital divide in low-income communities served by HUD by providing, where feasible and with HUD funding, broadband infrastructure to communities in need of such infrastructure.

Broadband is the common term used to refer to a very fast connection to the Internet. Such connections are also referred to as high-speed broadband or high-speed Internet.

Although HUD plans to issue regulations that will formalize its steps for narrowing the digital divide, current HOME Investment Partnerships program funds can be used for broadband installation infrastructure and service delivery.

May HOME funds be used when developing (constructing or rehabilitating) housing with these funds and what costs related to broadband internet access are eligible?

Yes. Under § 92.206(a) in the HOME rule, HOME funds may be used for the actual costs of constructing or rehabilitating (development hard costs) single family or multifamily housing, including the costs to wire the property for broadband internet. The costs to make utility connections, including off-site connections from the property line to the adjacent street are also eligible under HOME at § 92.206(a) (3) (ii). HUD includes internet connectivity in the regulatory definition of “utility connections.”

For both new construction and rehabilitation of multifamily rental projects, HOME funds may be used for costs to construct or rehabilitate community facilities that are located within the same building as the housing and which are for the use of the project residents. However, HOME funds cannot pay for a computer room located in a separate building from the assisted housing. HOME funds also may not pay for equipment or furniture in the computer room.

If a multi-unit project does not contain 100 percent HOME-assisted units, only a portion of the cost of providing broadband internet access in the project or the cost to construct a computer room may be charged to the HOME program because only the actual HOME eligible development costs of the assisted units may be charged to the program in accordance with the HOME rule at § 92.205(d) (1).

All HOME-assisted housing must meet the minimum property standards at § 92.251 upon completion, so efforts to provide broadband internet access in existing housing must be undertaken as part of rehabilitation that brings the housing up to the property standards.

May HOME funds be used to make broadband internet connections to housing?

Yes. As part of a new construction or rehabilitation activity, the HOME rule at § 92.206(a) (3) (ii) states that HOME may pay for the development costs to make utility connections, including connections from the property line to the adjacent street. This includes broadband internet connections.

However, HOME funds cannot be used for any off-site improvements, including running broadband internet cable or wires to the project site. Use of HOME funds is limited to the improvements on the project site, i.e., the land, owned by the project owner, upon which the HOME-assisted project is located.

Further, the HOME rule at § 92.205(d)(1) specifies that only the actual HOME development costs of the assisted units may be charged to the program. If a multi-unit project does not contain 100 percent HOME-assisted units, then only a portion of the cost of the utility connections may be charged to the HOME program.

May HOME funds be used to provide a computer room in a multifamily rental project?

Yes. As part of new construction and rehabilitation costs of multifamily rental projects, the HOME rule at § 92.206(a) (4) states that HOME funds may be used for costs to construct or rehabilitate community facilities that are located within the same building as the housing, and which are for the use of the project residents. HOME funds cannot be used to pay for a computer room located in a separate building from the assisted housing.

While HOME funds may be used to construct a multi-purpose room that could serve as a computer room, HOME funds may not be used for the purchase of furniture or equipment.

If a multi-unit project does not contain 100 percent HOME-assisted units, then only a portion of the cost of a computer room may be charged to the HOME program because only the actual HOME eligible development costs of the assisted units may be charged to the program in accordance with the HOME rule at § 92.205(d) (1).

May HOME funds be used to provide computer equipment in a multifamily rental project?

No. HOME funds may not be used to pay for furniture or equipment for a computer room, even as part of a multifamily assisted rental property.