



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT  
WASHINGTON, DC 20410-7000

OFFICE OF COMMUNITY PLANNING  
AND DEVELOPMENT

MAR 1 2005

MEMORANDUM FOR: All CPD Division Directors

ATTENTION: HOME Program Coordinators

A handwritten signature in black ink that reads "Mary Kolesar".

FROM: Mary Kolesar, Director, Office of Affordable Housing Programs, DGH

SUBJECT: HOME Program Income Limits – 2005

HOME Program Income Limits have been updated by HUD's Economic and Market Analysis Division (EMAD), Office of Policy Development and Research, based on the FY 2005 Income Limits for the Public Housing and Section 8 Programs that were issued on February 11, 2005, by Notice PDR-2005-02.

Attached are the 2005 HOME Income Limits for those participating jurisdictions that are totally or partially within your Office area. The attachment provides "30 percent Limits", "Very Low-Income Limits (at or below 50 percent of median income for the area, as adjusted).

A "60 percent Limit" is provided for the HOME Program since 90 percent of the families receiving tenant-based rental assistance or occupying rental units assisted with HOME funds made available during the fiscal year, must be at or below 60 percent of median income for the area, as adjusted. A "30 percent Limit" is provided for the HOME Program, since the Consolidated Plan requires information on families who are extremely low-income (at or below 30 percent of median income for the area, as adjusted).

Please note that the "60 percent Limits" have been calculated in accordance with current IRS guidelines to ensure consistency between the HOME Program and the Low Income Housing Tax Credit Program.

Please also note that the Quality Housing and Work Responsibility Act of 1998 (Title V of Public Law 105-276) authorized the Secretary to grant income limit exceptions to 10 designated communities whose income limits have been previously "capped" under HUD's rules for establishing Low-and Moderate Income Limits. On February 2, 1999, HUD notified sixty-six metropolitan cities and urban counties within ten Metropolitan Statistical Areas that they may

exercise this option. Attached is a list of these communities. The attached 2005 income limits do not reflect the higher “uncapped” income limits that are permitted for these communities. Data on the maximum “uncapped” income limits that are permitted for these communities will be provided separately. Each community that elects to use the higher limits must reflect this in its Consolidated Plan.

Please make the attached 2005 HOME Income Limits available to your participating jurisdictions. A complete set of the 2005 HOME Income Limits will be sent by EMAD to Field Office economists using Lotus Notes. We will also post the 2005 HOME Income Limits on the HUD HOME Web page at:

<http://www.hud.gov/offices/cpd/affordablehousing/programs/home/limits/income/index.cfm>.

These limits are effective 30 calendar days from the date of this memorandum.

If you have any questions regarding HOME Program Income Limits, please contact the Office of Affordable Housing Programs.