MEMORANDUM FOR: SEE LIST ATTACHED

FROM: Richard J. Kennedy, Director, Office of Block Grant Assistance, DGB

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

SUBJECT: “Uncapped” Income Limits for 2005

The Quality Housing and Work Responsibility Act of 1998 (Title V of Public Law 105-276) enacted a provision that directed the Department to grant exceptions to at least 10 jurisdictions that are currently “capped” under HUD’s low-and moderate-income limits. Under this exception, a total of 75 Community Development Block Grant (CDBG) entitlement grantees and 45 HOME Investment Partnerships (HOME) participating jurisdictions may use “uncapped” income limits that reflect 80 percent of the actual median income for the area. This reflects an increase of seven CDBG grantees from the original 68 CDBG grantees and 66 HOME PJs identified in 1999.

The attachment to this memorandum provides the 2005 “uncapped” income limits for the jurisdictions covered by this exception. The “uncapped” income limits for 2000 – 2005 are also included on the attachment. The highlighted uncapped income limits for the Orange County, San Francisco and San Jose Metropolitan Statistical Areas (MSA) are lower than the normal, formula-based low-income limits. These calculations are described in HUD’s FY 2005 Income Limits Briefing Material, which may be obtained at: http://www.huduser.org/datasets/il/il05/index.html. Contact Robyne D. Doten, Office of Community Planning and Development at (202) 708-0790, extension 2077 or by e-mail at Robyne.D.Doten@hud.gov for an explanation of the Income Limits Briefing Material. Please ensure that grantees that choose to use the “uncapped” income limits for some or all of their HOME or CDBG-assisted activities reflect this determination in their Consolidated Plan/Action Plans.

The use of “low-income limits” in the attachment is a reference to the Section 8 low-income limits (i.e., 80 percent of the median income for the area). These are the income limits established by HUD and referred to in the definition of low-and moderate-income person in the CDBG regulations at 24 CFR 570.3, and in the definition of low-income families in the HOME regulations at 24 CFR 92.2.
If you have any questions, please contact the Entitlement Communities Division at (202) 708-1577 or the Office of Affordable Housing Programs Policy Division at (202) 708-2470.

Attachments
“Uncapped” Income Limits Areas

CA ANAHEIM       NJ BERGEN COUNTY
CA BUENA PARK    NJ CLIFTON
CA COSTA MESA    NJ EDISON
*CA CUPERTINO CITY *NJ FRANKLIN TOWNSHIP
CA DALY CITY     NJ MIDDLESEX COUNTY
CA FOUNTAIN VALLEY NJ NEW BRUNSWICK
CA FULLERTON     NJ PASSAIC
CA GARDEN GROVE  NJ PATerson
CA GILROY CITY   NJ PERTH AMBOY
CA HUNTINGTON BEACH NJ OLD BRIDGE TOWNSHIP
CA IRVINE        NJ SAYREVILLE
CA LAGUNA NIGUEL NJ SOMERSET COUNTY
CA LA HABRA      NJ WAYNE TOWNSHIP
CA LAKE FOREST   NJ WOODBRIDGE
CA MARIN COUNTY  NY BABYLON TOWN
CA MILPITAS CITY NY HUNTINGTON TOWN
CA MISSION VIEJO  NY ISLIP TOWN
CA MOUNTAIN VIEW NY MOUNT VERNON
CA NEWPORT BEACH NY NASSAU COUNTY
*CA ORANGE COUNTY *NY NEW ROCHELLE
CA PALO ALTO     NY SUFFOLK COUNTY
CA REDWOOD CITY  NY WESTCHESTER COUNTY
CA SAN FRANCISCO NY WHITE PLAINS
CA SAN JOSE      NY YONKERS
CA SAN MATEO CITY VA ALEXANDRIA
CA SAN MATEO COUNTY VA ARLINGTON COUNTY
CA SANTA ANA      VA FAIRFAX COUNTY
CA SANTA CLARA    VA FREDERICKSBURG
CA SANTA CLARA COUNTY *VA LOUDOUN COUNTY
CA SOUTH SAN FRANCISCO *VA PRINCE WILLIAM CO.
CA SUNNYVALE
CA TUSTIN
CA WESTMINSTER   
CA YORBA LINDA
CT DANBURY       
CT GREENWICH     
CT NORWALK       
CT STAMFORD      
DC WASHINGTON
*MD BOWIE CITY
MD FREDERICK
*MD GAITHERSBURG
MD MONTGOMERY COUNTY
MD PRINCE GEORGEs COUNTY

* Indicates new grantee added to list since 1999.