Community HOME Investment Program (CHIP)
Successful Partnerships

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DCA’s Goal for CHIP Funds

To locate funds in communities with:

- The highest capacity to undertake the work
- Clear housing needs
- Clear housing plans
What is CHIP?

Community HOME Investment Program

- Rehab & New Construction of Single Family Homes
- Funded with Federal HUD HOME funds
- $3-6 million statewide annually
- 10-20 grantees per year
- Over last 20 years: $34 million for 4,000 households
Eligible Communities

- City and County Governments
- Public Housing Authorities
- Nonprofits with 501(c)(3) or (c)(4) designation
2018 Application

Application information at DCA CHIP website:
http://www.dca.state.ga.us/housing/housingdevelopment/programs/CHIPApplication.asp

Application released:
September 1, 2017

Applications due:
December 1, 2017
HUD Rules: Rehab:
Homeowner Requirements

- Eligible homeowner for rehab projects must:
  - Be <80% Average Median Income
  - Own property
  - Use property as primary residence
  - Must be a US citizen or have legal immigration status
Home Owner Relocation During Renovations

- The grantee is responsible for ensuring that homeowners have safe and decent housing during the rehabilitation of their homes.
- Cannot use CHIP funds
- Create a plan:
  - Stay with relatives?
  - Stay in the house with power and water turned on each day?
  - Stay in a hotel/motel paid for by grantee?
Rehabilitation Requirements

- Must bring home up to code
- Must test for and abate Lead Paint if the home was built prior to 1978
Homeowner Lien:

- A lien for the amount of the rehab/new construction cost
- Forgivable over time
- Money owed back if home is sold and if there are funds received
New Construction:  
Home Buyer Responsibilities

- Homebuyers must contribute $1,000

- Homebuyers must receive housing counseling.

  Housing counseling fee must not exceed $100 and can be included as the Grantee’s Project Delivery Costs or be added to the $1000 homebuyer’s contribution
New Construction Deadline

- Must sell property within 9 months of construction completion or it reverts to rental = 20 years of affordability monitoring and maintenance.
New Construction Financing

Variables that each grantee needs to know:

- Fair market value
- Construction cost
- Sale price that would be affordable for an 80% AMI buyer
New Construction Financing

CHIP Rules:

- Only $20,000 is allowed for developer subsidy to cover construction cost over fair market value
- Only $14,999 is allowed for homebuyer subsidy
Questions and Resources

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- CHIP Application and Information Website: Google: [DCA CHIP](#)

- [HUD HOME Investment Partnership Program](#)

- [DCA Housing Outreach Staff](#)

- [Regional Commissions](#)

- [Grants Administrators](#)
Links

These are from the other slides copied here for your reference:

DCA CHIP Program:

http://www.dca.state.ga.us/housing/housingdevelopment/programs/homeinvestment.asp

Georgia Initiative for Community Housing:

http://www.dca.state.ga.us/communities/CommunityInitiatives/programs/GICH.asp

HOME regulations and guides:

https://www.hudexchange.info/programs/home/

Census data map:

http://georgia-dca.maps.arcgis.com/home/webmap/viewer.html?webmap=37ea2152c1c046f38f888c86bcb249af

HUD Section 8 income limits:

**HUD Section 8 Income Thresholds**

DCA Housing Outreach Team regional map:

http://dca.state.ga.us/communities/CommunityInitiatives/documents/HousingOutreachTeammaprev_06_03_13.pdf

Map of Regional Commissions

http://www.dca.state.ga.us/development/planningqualitygrowth/documents/laws.rules.guidelines.etc/map.regions.pdf