



FOR IMMEDIATE RELEASE

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New HOME Rule Strengthens Community Housing Development Organizations

Washington, DC, January 6, 2025 – Today, the U.S. Department of Housing and Urban Development (HUD) released the final rule on the HOME Investment Partnerships Program, including critical Community Housing Development Organization (CHDO) set-aside provisions. These changes will enhance nonprofit housing developers' access to federal funds and improve affordable housing options for underserved communities.

The updated rule streamlines access to funding for CHDOs, increases flexibility in capacity requirements, and expands support for rural housing. The [Community Opportunity Alliance](#) represents community development organizations across the country. Executive Director Frank Woodruff noted that the changes will directly impact their members' ability to serve low- to moderate-income families and accelerate affordable housing development.

"Today HUD and the Biden Administration reaffirmed the critical role community development organizations play in deploying affordable housing and homeownership opportunities in underserved communities," said Woodruff. "By simplifying CHDO certification, HUD allows local organizations to focus more on delivering housing solutions and helping families build wealth. We thank HUD for its inclusive and thorough rulemaking process and call on the private funding community to follow HUD's lead by prioritizing resources for local community development organizations and the field that serves them."

Terri Murray, Executive Director of Neighborhood Renaissance, Inc. in West Palm Beach, Florida, stated: "Accessing HOME dollars in Palm Beach has been challenging for the past decade. We're excited that the new rule makes CHDO certification easier, allowing us to focus on building generational wealth for first-time homebuyers."

The new rule includes these key improvements for Community Housing Development Organizations:

- **Simplified funding access:** CHDOs more easily qualify for federal set-aside funds, expediting affordable housing development.
- **Improved staffing flexibility:** CHDOs have more flexibility to meet capacity requirements. CHDOs will have the ability to supplement their capacity through the use of volunteers, board members, and partnerships, which will benefit smaller organizations, especially in rural areas.
- **More operating dollars for CHDOs:** HUD has removed the regulatory barriers that have prevented significant operating dollars from flowing to CHDOs for the last decade.

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About the Community Opportunity Alliance

The [Community Opportunity Alliance](#) is a national nonprofit that builds the community development field. We are committed to creating conditions where residents can shape the destiny of their neighborhoods. Some 6,000 local development organizations work in underserved communities across the nation to develop affordable housing and commercial space, support small business development, provide social services, and advocate for their communities.

