



National Housing Trust Fund (NHTF) Public Input

The Georgia Department of Community Affairs (DCA) seeks public input for the agency's administration of and priorities for the National Housing Trust Fund (NHTF). DCA will hold informal stakeholder input sessions in March and April of 2016 prior to releasing a draft allocation plan for public comment. This input is in addition to the existing process of public engagement for the 2016 Annual Action Plan. As the state grantee, GHFA (through DCA) cannot submit an allocation plan until HUD publishes formula allocations, likely resulting in a substantial amendment that fully lays out the priorities and details of the allocation plan. Please email any questions to NHTF@dca.ga.gov.

The NHTF is a federal program that provides funding for affordable housing for Extremely Low Income (ELI) households with incomes at or below 30% of Area Median Income. The Governor has [designated the Georgia Housing and Finance Authority](#) to administer the NHTF in Georgia, and estimates from the National Low Income Housing Coalition predict an initial funding level of \$3.57 million in Georgia.

Beginning in 2016, the Government Sponsored Entities (GSEs) commonly known as Freddie Mac and Fannie Mae will transfer funds to the United States Department of Housing and Urban Development (HUD) which will in turn make block grants to the states according to a need-based formula. The total amount in the trust fund will vary from year to year, based on a percentage of their new business each year. American Banker reported in early March that the GSEs had transferred \$186 million to the NHTF.

The NHTF is intended to benefit specific low income populations by increasing the supply of housing for ELI households with incomes at or below 30% of Area Median Income (AMI), and Very Low Income (VLI) households with incomes between 30% and 50% of AMI. Under the Interim Rule promulgated by HUD at [24 CFR 93](#), all of the funds must be used to benefit ELI households in years when the total amount of the national trust fund is less than \$1 Billion. The Interim Rule also requires states to use at least 80% of the funds for production of rental housing.

Each state must develop an Allocation Plan (Plan) and adopt it as part of its Consolidated Plan and Annual Action Plans. The Plan will describe how the state will implement the NHTF and will include incentives and priorities specific to the communities where the housing will be located. The Plan will also establish application requirements and criteria for selection of recipients. In addition, the Plan may also identify preferences and prioritize properties which serve particular segments of the ELI and VLI populations (e.g., homeless individuals, individuals with a disability, etc.).

All recipients of NHTF funding must comply with the federal requirements identified at 24 CFR 93. In general, the requirements are very similar to the HOME program (located at 24 CFR 92) with the notable exception that the period of affordability for NHTF funds will be a minimum of 30 years and Davis-Bacon federal labor standards do not apply to NHTF financed developments (however, if another federal source which does require compliance with Davis-Bacon is part of the funding for a development, the labor standards will still apply to the entire transaction).