



Strength, Dignity, Quality of Life

MISSOURI HOUSING

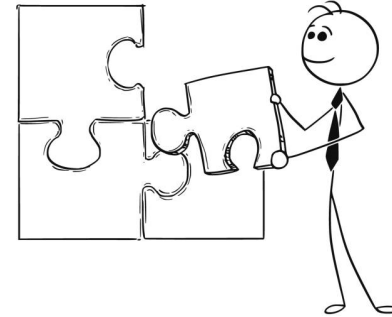
DEVELOPMENT COMMISSION



National Housing Trust Fund

Tina Clubine
Missouri Housing Development
Commission

Purpose



The **National Housing Trust Fund (NHTF)** is a federal affordable housing production program that will complement existing federal, state, and local efforts to increase and preserve the supply of decent, safe, and sanitary affordable housing for **Extremely Low-Income (ELI)** households including homeless families.

**Established under Title I of the Housing and Economic Recovery Act of 2008*

Missouri's 2021 Allocation



**\$10.5
Million**

**For New Construction
or Rehabilitation
Projects**

Sources

- To request National Housing Trust Funds –
 - Reflect on the sources tab on your FIN-100
 - Include on the Request for MHDC Construction or Permeant Funds form
- Funds will be 0% soft, cash flow loan

NOTE: Do not confuse with Missouri Housing Trust Fund request on the General Information tab!

Eligible Costs

- Development Hard Costs
- Site Improvements
- Acquisition Costs
- Related Soft Costs
- Relocation Costs
- Operating Cost Assistance and Reserves
 - MHDC can provide up to 1/3 of each annual grant for operating cost assistance and operating cost assistance reserves IF the assisted units do not have project-based assistance

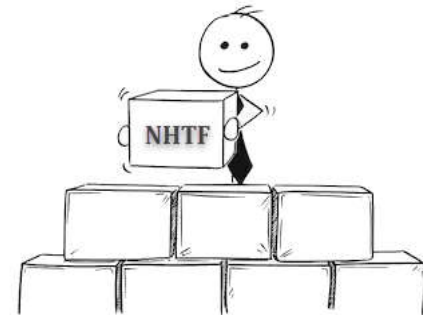


Operating Cost Assistance and Reserves

- Eligible Operating Costs Include:
 - Insurance & Taxes
 - Utilities
 - Maintenance
 - Replacement Reserves for Major Systems (*may be funded for the amount estimated to be necessary through the affordability period*)
- Must be specified in agency's written agreement

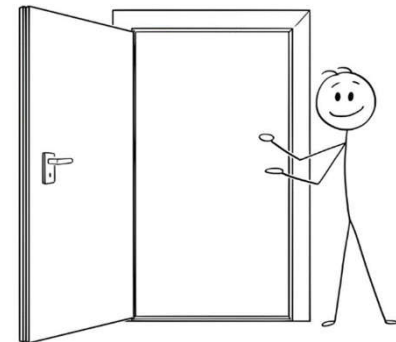
Guidelines - Unit Designation

- **NHTF Designated Units** – must designate which units will be NHTF
 - HUD determines the rent and number of NHTF designated units
 - Use the same analysis as HOME to determine the number of NHTF units
 - You may designate fixed or floating HTF units
 - The designation must be reflected in the Written Agreement and must be identified no later than the time of project completion
 - Units must be ELI (30% AMI)



Rental Subsidies

- Since NHTF targets Extremely Low Income families, the funding works best if the applications have some form of reliable rental assistance



Guidelines - Rent Limits

- **NHTF Rent + Utilities** shall not exceed 30% of the total income for a family whose annual income equals 30% of the median income for that geographic area (*as determined by HUD with adjustments for the unit's bedroom number*)
- If NHTF Unit receives federal or state project-based rental subsidy, the maximum allowable rent is the allowable rent under the subsidy program as long as tenant does not pay more than 30% of their adjusted income



Guidelines - Cost Limits

- **Development Cost Limits** = same cost limits as LIHTC



Guidelines - Affordability Period

Affordability Period:

- HTF Units must have at least a **30-year** period of affordability
- If affordability restrictions are terminated before 30 years, total HTF allocation must be repaid to HUD



Environmental Review

- NHTF will require an Environmental Review
 - Per 24 CFR Part 93.301(f))
- Similar to HOME with a few exceptions
 - Make sure your Environmental Analyst is aware you have requested NHTF
- Publishing, Public Comment and ROF from HUD is not required for NHTF
- **Any additional federal funding that would normally require issuance will still apply**

Prevailing Wage with NHTF

- NHTF is not subject to Davis-Bacon Labor Standards
- However, if NHTF funding is combined with other federal sources, requirements may apply
- NHTF is subject to Section 3



NHTF Recommendation Process

- NHTF Proposals will be Grouped and Evaluated with Other Qualifying NHTF Application Before Final Recommendations
- Additional Factors to be Considered Include:
 1. Merits of the Development
 2. Rent Levels
 3. Geographic Distribution
 4. Ability to Deploy Funds Quickly
 5. Affordability Period
 6. Ability to Leverage Funds



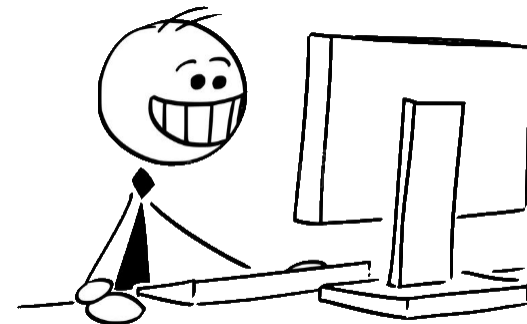
Points!

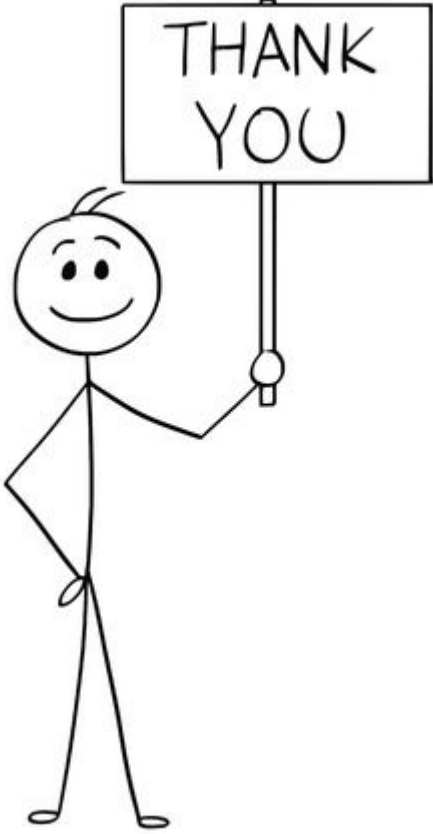
- Qualifying NHTF applicants will receive an additional **3 points** on scoring
- Be sure to reflect that you are applying for NHTF on your self scoring sheet



Additional Resources

- HUD Exchange
 - www.hudexchange.info/programs/htf
- National Low Income Housing Coalition
 - www.nlihc.org/issues/nhtf
- Novogradac
 - www.novoco.com
- MHDC
 - www.mhdc.com





The End



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**EQUAL HOUSING
OPPORTUNITY**