



Multifamily Housing Notice 16-07

May 13, 2016

To: Developers, Sponsors and Local Housing Contacts
From: Elaine Cornick, Director, Multifamily Housing
Re: **National Housing Trust Fund**

National Housing Trust Fund

The Maryland Department of Housing and Community Development is initiating the Allocation Plan process for the National Housing Trust Fund. This notice, as well as other documents and resources associated with the National Housing Trust Fund are posted to a dedicated website. I encourage you to visit this website as we continue through this process:

<http://dhcd.maryland.gov/HousingDevelopment/Pages/nht>

The National Housing Trust Fund (HTF) is a new 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) and very low-income households (VLI). The HTF was established under Title I of the Housing and Economic Recovery Act of 2008, Section 1131 (Public law 110-289). Section 1131 of HERA amended the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (12 U.S.C. 4501 *et seq.*)(Act) to add a new section 1337, entitled "Affordable Housing Allocation" and a new section 1338, entitled "Housing Trust Fund."

HTF is a formula grant program, which is to be administered by States. On January 30, 2015, HUD published an Interim Program Rule (FR-5246-I-03). The interim rule provided the guidelines for States to implement HTF. The Department of Housing and Community Development (DHCD) is the entity that will administer the HTF for Maryland. Each year, HUD will allocate the amount made available for the HTF based on the formula established in the interim rule. On May 6, 2016 HUD announced that Maryland's allocation for 2016 is \$3,000,000 based on HUD's formula allocation procedures. Grantees are required to use at least eighty (80) percent of each annual grant for rental housing; up to ten (10) percent for homeownership housing; and up to ten (10) percent for administrative and planning costs. HTF funds may be used for the production of affordable permanent housing through the acquisition, new construction, reconstruction and/or rehabilitation of housing. All HTF-assisted rental housing must meet a minimum affordability period of 30 years. All HTF-assisted homeownership housing must meet the minimum affordability period of 10, 20, or 30 years based on the amount of HTF investment in the unit.

Beginning on May 31, 2016, the Department will hold a series of Public Hearings to listen to your suggestions of how the Department should administer the HTF. Below are the dates and locations of the Public Hearings. Please feel free to attend as many of the meetings as you wish.

Southern Maryland: Tuesday, May 31, 2016, 7:00 pm to 8:00 pm
Maryland Department of Housing and Community Development
7800 Harkins Road, Lanham, Maryland 20706

Central Maryland: Wednesday, June 1, 2016 11:30 am to 12:30 pm
Sollers Point Multi-Purpose Center
323 North Sollers Point Road, Dundalk, Maryland 21222

Eastern Shore: Thursday, June 2, 2016 10:30 am to 11:30 am
Town of Denton
4 North Second Street, Denton, Maryland 21629

Western Maryland: Friday, June 3, 2016, 2:00 pm to 3:00 pm
Elgin Station Community Center
40 Elgin Boulevard
Hagerstown, MD 21740

Information on the public hearings will also be posted in local newspapers and mailings as required by HUD. The Department will also have additional public hearings once the Allocation Plan for HTF is drafted and prior to submitting the Plan to HUD for approval.

I encourage you to participate as we move forward in this process. We value your input and want to assure you that all feedback we receive is being taken into consideration as we formulate our 2016 HTF Allocation Plan. If you have a questions please contact me at 301-429-7777 or Elaine.cornick@maryland.gov.

IMPORTANT NOTICE REGARDING EMAILING OF MULTIFAMILY NOTICES

Multifamily Housing issues periodic notices (such as the one above) to announce new initiatives, provide important news, announce funding round deadlines, significant application changes, bond program amendments, and other key dates and facts on our website and by email only. You can subscribe to receive Multifamily Housing Notices at the following link:

<http://dhcd.maryland.gov/HousingDevelopment/Pages/About.aspx>

Notices are posted to the DHCD website at the following location:

<http://dhcd.maryland.gov/HousingDevelopment/Pages/MFLibrary.aspx>