

NHTF Allocation Plan Comments

Plan Section	Section Reference	Page #	Specific Comments
Draft 2016 HTF Plan	B. Development of AHFA's Use and Allocation of Housing Trust Funds	2	LIHCA recommends that AHFA include acquisition and rehabilitation in addition to new construction as eligible activities under the National Housing Trust Fund. Reason: <i>Alabama has a significant number of existing vacant units, both single- and multi-family that are in need of repairs. Allowing grantees to acquire and rehabilitate properties for affordable rental housing will not only work towards AHFA's goal of creating housing opportunities for individuals and families that are homeless or at risk of homelessness, but will also retain existing housing inventory and eliminate blight.</i>
Draft 2016 HTF Plan	H. Minimum Number of Proposed Units	4	LIHCA recommends that AHFA remove the minimum number of units for a single development. Reason: <i>Certain communities and/or nonprofits may want to develop a duplex or a single family residence (for rental) that can better serve their clientele and this requirement restricts them of this opportunity.</i>
Draft 2016 HTF Plan	J. AHFA Housing Priorities and Scoring Criteria, (1) Points Gained, f. Limitation on Beneficiaries or Preferences	6	LIHCA recommends that AHFA consider other vulnerable populations, such as homeless families and those that are chronically homeless, for a preference in addition to veterans. Reason: <i>There is a national initiative to end veterans' homelessness. Given this, many veterans have access to the Veterans Affairs Supportive Housing (VASH) vouchers which provide a rental subsidy for veterans to access permanent housing. Other vulnerable populations, such as homeless families and those that are chronically homeless, do not have vouchers specific to them and also need a rental subsidy to access permanent housing.</i>
Draft 2016 HTF Plan	J. AHFA Housing Priorities and Scoring Criteria, (1) Points Gained, d. Duration of Affordability Period	6	LIHCA recommends that AHFA offer a scaled allocation of points awarded for projects that remain financially feasible for longer than the required 30-year affordability period. Our recommendation is to allocate points for 35-40 years (5

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		<p>points), 41-45 (7 points) and 46-50 (10 points) years. Reason: <i>NHTF funds are to serve households that are extremely low income and/or are at risk of homelessness. Households at this income level are priced out of the current market and must be able to find housing that is affordable to them. Keeping these units affordable for more than 30 years would benefit the households served by NHTF funds.</i></p>
<p>Draft 2016 HTF Plan</p>	<p>Overall recommendation</p>	<p>LIHCA recommends that the NHTF Allocation Plan include language encouraging the integration of NHTF-assisted units with other, higher income targeting units. Reason: <i>Mixed income developments discourage concentrations of extremely low income households. Additionally, higher income units can provide higher rental payments which can offset the ongoing operational costs of units that are affordable to households considered to be extremely low income.</i></p>