



# HOUSING ALABAMA'S Low-Income & Special Needs POPULATIONS

Beginning in 2016, the Alabama Housing Finance Authority (AHFA) expanded multifamily programs to provide additional funding and incentives on a limited basis for the creation of affordable rental housing for Alabama's extremely low-income, homeless, and special needs populations. Additionally, AHFA encourages ongoing partnerships between the development community and the Alabama Balance of State Continuum of Care (CoC) and its member agencies to house these populations at the local and regional level.

## ABOUT AHFA

Since 1980, AHFA has administered programs that encourage the creation and rehabilitation of affordable rental housing for low-income families across Alabama:

- **HOME Investment Partnerships Program (HOME):** a federally funded program that provides funding to developers to construct new, affordable rental housing
- **Low-Income Housing Tax Credit (LIHTC):** a 10-year, dollar-for-dollar federal tax credit that serves as an incentive to investors and is the largest production driver of new and rehabilitated affordable rental housing in the nation
- **National Housing Trust Fund (HTF):** a state-administered formula grant program designed to provide funds to develop new construction of rental housing targeted to extremely low-income populations, with a preference to homeless and at-risk of becoming homeless veterans
- **Multifamily Bonds:** issued on a project-specific basis for the acquisition, renovation, and new construction of affordable rental housing, provide debt financing to developers using proceeds from the sale of the tax-exempt bonds

## HOW AHFA PROGRAMS CAN HELP

- AHFA designed a point preference for developers to set aside at least 5 percent of HOME and/or LIHTC-financed units to people who are homeless and/or with disabilities
- The units must be actively marketed and rented to households with at least one tenant with a disability or a tenant transitioning from being homeless
- An approved marketing and preference plan is required along with a memorandum of understanding (MOU) between the owner/developer and CoC, member agency, or other provider
- Through the point preference incentive for HOME/LIHTC and the targeted funding of HTF, AHFA is promoting a statewide commitment to provide affordable rental housing to these populations, and bringing together those in need of housing and those that provide housing

## HOW YOUR CLIENTS CAN BENEFIT

- The MOU is a firm agreement that encourages cooperation between the parties and outlines their intention to work together to provide clearly defined supportive services to eligible residents and enhance their ability to maintain independent living

- Services must address the special needs of people who are homeless and/or with disabilities, such as:
  - » Referral
  - » Counseling and support
  - » Alcohol and substance abuse services
  - » Benefits advocacy
  - » Income support assistance
  - » Assistance in obtaining other resources and support such as childcare, transportation, job training, employment assistance, and/or other services
- Services may be provided directly by CoC or member agency, or via arrangement with other providers
- As part of the MOU, the CoC, member agency, or other provider agrees to refer clients capable of living independently, to provide supportive services or coordinate those services among other agencies, and to assist in linking eligible households to those services
- Together, the developer and CoC, member agency, or other provider will provide reasonable accommodation and continuity of services throughout the duration of the development's compliance period

## RESULTS TO DATE

- The CoC and other providers have already established partnerships with developers by executing MOUs, and will continue to make referrals and provide supportive services through local collaboration for persons housed in affordable permanent housing
- Thus far, developers have committed to set aside more than 268 newly constructed or rehabilitated units to house disabled and homeless households throughout the state
- Those units should be completed and available for occupancy beginning in 2018
- These units require a continued joint effort among the developers, CoC, member agencies, and other providers

## NEXT STEPS

- Learn how you can help foster a partnership with developers to help permanently house those with the greatest needs:
  - » Visit AHFA's website ([www.ahfa.com](http://www.ahfa.com)) to learn about our programs
  - » Download a copy of our allocation plans
  - » Join our mailing list at <http://www.ahfa.com/multifamily>
  - » View the Interactive Map of Projects in the state that have set-aside 5% of the units for Supportive Housing at <http://www.ahfa.com/multifamily/development-resources>
  - » Contact us at [ahfa.mf.general@ahfa.com](mailto:ahfa.mf.general@ahfa.com) with any questions
- Each year AHFA provides a listing on our website of the CoC contacts to assist developers who commit to set aside these units during our competitive application cycle. The list can be found under Additional Documents on the *multifamily/allocation-application-information/apply-for-funding* page.
  - » It is the developer's responsibility to reach out to the CoC, member agencies, and other providers that serve their proposed population
  - » However, CoCs, member agencies, and other providers can also reach out to developers to let them know about needs in their area and pursue collaborations.



*Come on home, Alabama.*

