

American Recovery and Reinvestment Act of 2009

Program Information Summary

Program Title: HOME Funds for Low Income Housing Tax Credit Assistance

Agency Overseeing Program: Florida Housing Finance Corporation

Total Florida State Budget Amount: \$ 101,134,952

Local Government Impact (Portion that will go to locals through our budget, or portion that will go to Locals Directly): No local government impact

Description of Program: Gap financing for the Low Income Housing Tax Credit program. Florida Housing is required to award funds competitively to **developments that have already been awarded low income housing tax credits in 2007-09** that, because they could not obtain equity in exchange for those credits, require additional funds to “complete an overall financing package.” HUD has not provided regulatory direction yet, but most agree that this funding will not be available to projects that have never received an award of credits.

When the Money will come to the State (also note if any money is planned to be spent in FY08/09): Immediately – however, it is unlikely that the competitive awards can be made to these developments before the end of the state FY08/09 .

Distribution Mechanism (formula, competitive grant, through agency or other entity): HUD allocated funding through a formula that prioritized areas with high rates of job loss and foreclosures.

Special Provisions related to Timing of Expenditures (Use it or lose it, certain amount spent with certain timeframe, etc.): Florida Housing must amend the 2008 Qualified Allocation Plan to award this funding to projects. Florida Housing must file a letter of intent to participate within 15 days from publication of HUD’s NOFA, and then must file a description of how funds will be competitively awarded under the QAP within 45 days of the HUD NOFA publication.

Florida Housing must commit not less than 75 percent of such funds within one year of the bill’s date of enactment. Developers must spend 75 percent of the funds within two years and 100 percent within three years of enactment.

Strings Attached: As indicated above, it appears that funding must go to developments already awarded credits by allocation agencies (in Florida’s case, this is Florida Housing) from 2007-09. Some federal HOME funding regulations related to fair housing, non-discrimination, labor standards and the environment may not be waived, but we do not know specifically what these will be.

Status of any MOE Requirements (We meet MOE, need to apply for waiver, etc.): No MOE.

Other Information: Developers must follow rent, income and use restrictions as well as all other rules of the Low Income Housing Tax Credit Program under Section 42 of the Internal Revenue Code, as well as the rules of the state allocating agency – in this case, Florida Housing.