

Memorandum

Date: November 30, 2015

NAHTF Policy Guidance

Policy: 15-02

Nebraska Department of Economic Development, 301 Centennial Mall South, Lincoln NE 68509
<http://www.neded.org>

SUBJECT: NAHTF Resources and Income Limits up to 120% of AMI

This Notice provides guidance on the proper procedures for applicants and grantees who wish to revise household incomes served for both homebuyer and rental programs.

This policy memorandum updates the NAHTF Program and becomes effective immediately unless otherwise stated. The program documents located on the Nebraska Department of Economic Development website have the most up to date policies of the NAHTF program.

Due to recent revisions to the rules and regulations concerning the administration of the Nebraska Affordable Housing Act (See also 86 NAC 5) the definition of a low-income household now includes 120% of the Area Median Income (AMI) for homeownership activities and 120% of the AMI for rental housing activities. This regulatory change is in reference to projects administered with Nebraska Affordable Housing Trust Fund (NAHTF) resources.

In order to assist Nebraskans through the NAHTF program, the Department is implementing policy changes related to the household incomes served by the NAHTF program. This housing policy change provides flexibility to grantees in order to assist persons and families who can benefit from the program in order to increase economic opportunities and expand economic development throughout the state.

In regard to any new NAHTF applications, the household income served may include: 120% of the Area Median Income (AMI) for homeownership activities and 120% of the Area Median Income for rental housing activities. This change will be reflected in the Department's application guidelines and also within applicant's program guidelines for new project proposals.

In regard to current NAHTF projects, that do not have executed contracts, the household income served may include: 120% of the Area Median Income (AMI) for homeownership activities and 120% of the Area Median Income for rental housing activities. The grantee's program guidelines will need to reflect these changes and will need proper approval, as required.

In regard to current NAHTF projects, that have executed contracts, the household income served may include: 120% of the Area Median Income (AMI) for homeownership activities and 120% of the Area Median Income for rental housing activities. In order to obtain an amendment to adjust the household incomes served for a current project, the grantee must complete a NAHTF Contract Amendment Request Form; complete the Section titled "Amendment to housing program guidelines, income limits adjustment-request for DED

approval;" and submit this information to the Housing and Community Development (HCD) Division Director, and copy the HCD Division Deputy Director and Housing Program Representative.

Contract amendments may be approved on a case by case basis which includes incorporating the housing policy changes noted above. All contract amendments related to household income adjustments must also include a letter from the Authorizing Official stating the following:

1. Certification that the governing body has approved the amendment;
2. Identification of the income limit requested (not to exceed 120% of AMI for Homeownership activities and 120% of AMI for rental activities) for the proposed amendment;
3. Identification and reasons for the proposed amendment.

In addition, proper amendment request documentation must include a project status summary which includes: the current number of applicants served (at what percentage of the AMI); the total number of required accomplishments; and the total number of households assisted in the overall project (including both market rate and income restricted units).