

CHAPTER 1 – WELCOME TO NAHTF

Purpose of Manual

The Nebraska Department of Economic Development (Department) provides this manual as a resource for local program administrators and property managers implementing Nebraska Affordable Housing Trust Fund (NAHTF) -assisted projects and local government, public housing agency and nonprofit organization staff who are contemplating applying for activities under the Nebraska Affordable Housing Program (NAHP).

The on-line version of this manual contains the latest information provided by the Department to assist NAHTF grantees in complying with state and federal requirements. Additional reference material and forms are available at the Department's website (www.neded.org).

Updates

Users of this manual are encouraged to check for monthly updates at the Department's website. Updated material is clearly identified for those wanting only to print off new or updated material to incorporate into their hard copy manuals. Information may change for a variety of reasons, including changes in federal regulations, state requirements, and in the interpretation or clarification of a **federal** requirement.

The Nebraska Affordable Housing Trust Fund (NAHTF)

The NAHTF is a state financial resource developed in 1996 to increase the supply and improve the quality of affordable housing in Nebraska. LB 1322 was signed into law on April 17, 1996, and supported by the Nebraska Affordable Housing Commission, the Nebraska Department of Economic Development (Department) and the Nebraska Investment Finance Authority which worked with representatives from the League of Nebraska Municipalities, the Nebraska Bankers Association, the Nebraska Homebuilders Association, the State Chamber of Commerce and other for-profit and nonprofit housing development organizations.

Additionally, LB 516 was signed into law in 2001, reauthorizing the Nebraska Affordable Housing Trust Fund (NAHTF). As stated by Governor Mike Johanns in his January 11, 2001 State of the State Address, the "Affordable Housing Trust Fund is helping to address the need for adequate and affordable housing in communities all across Nebraska – especially in our rural areas."

The NAHTF was created:

- To address the need for affordable housing as identified by the Department.
- To provide a flexible housing resource to enhance economic development.
- To serve the lowest income individuals for the longest period of time.
- To provide matching funds for federal resources.

The NAHTF generates funds for Nebraska communities through a small documentary stamp tax on all real estate transactions.

A Success Story

Since its first year, in 1998, the NAHTF has been successful in supporting low-income families and allowing communities to provide housing to support economic growth. Throughout the years, the NAHTF has not only provided a substantial amount of safe, decent, and affordable housing units across the state, but the investment of these funds in communities results in thousands of new jobs within the state and millions of dollars in community investment.

NAHTF Allocation

The following are the principal means by which the Department describes the investment of NAHTF funds and provides administrative guidance:

- The Housing and Community Development Consolidated Plan
- The Housing and Community Development Annual Action Plan (serves as the NAHTF Qualified Allocation Plan)
- NAHP Application Guidelines
- NAHTF Administration Manual
- NAHTF Training Workshops
- NAHTF Program Representatives
- The Department's Regional Housing Specialists

The Department invests NAHTF funds in the following housing activities:

- Homeowner Rehabilitation: Assist owner-occupants with the repair, rehabilitation or reconstruction of their homes.
- Homebuyer Activities: Finance the acquisition and/or rehabilitation or new construction of homes for homebuyers.
- Rental Housing: Affordable rental housing may be acquired and/or rehabilitated, or constructed.
- Capacity Building & Operating Assistance: Available for organizational operating expenses to increase the capacity of the organization to produce and develop affordable housing.

Eligible Recipients of NAHTF funds:

- Local Governments
- Local and Regional Nonprofit Organizations
- Public Housing Authorities

Typical Partners involved in the use of the NAHTF:

- For-profit Developers
- Builders
- Lenders
- Other State & Federal Agencies
- Human Service Providers