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# **2024-25 HOME/AAHTF PROGRAM OVERVIEW**

December 5, 2023

# HOME Investment Partnerships Program

- Provided through the U.S. Department of Housing and Urban Development (HUD).
- Established by Congress in 1990.
- Clark County received its first funding under the HOME program in 1992.
- Provides formula grants to States and local participating jurisdictions (PJ's).
- These resources are used to strengthen public-private partnerships.
- Designed to expand the supply of affordable housing for low- and very low-income households.



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# HOME (Continued)

- Communities often use these funds in partnership with local nonprofit groups.
- Helps fund the development, acquisition and/or rehabilitation of affordable housing.
- HOME is the largest Federal block grant to state and local governments designed exclusively to create affordable housing for low-income households.



West Sahara Senior Housing  
Developer: George Gekakis, Inc.



# Account for Affordable Housing Trust Fund (AAHTF)

- Formerly known as the Low-Income Housing Trust Fund (LIHTF).
- Established in 1989 and administered by the State of Nevada.
- Funds are allocated by the state to the local governments.
- Designed to expand the supply of affordable housing for low- and very low-income households.
- Funds are used as non-federal match to satisfy federal HOME requirements.



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# HOME/AAHTF Funds are for Affordable Housing Projects

- Not for public facilities, like parks or community centers
- Not for service programs
- Must provide safe, sanitary housing for the community
- May include housing identified for seniors, multifamily or individuals with special needs



Lake Mead West Apartments  
Developer: Foresight Housing Partners, Inc.

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# Eligible Activities

- Development of Rental Housing
  - New Construction
  - Acquisition and Rehabilitation
- Homebuyer Activities
- Tenant Based Rental Assistance (TBRA)
- Owner Occupied Rehabilitation



Decatur Commons Senior Apartments  
Developer: Nevada H.A.N.D.



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# Major Program Requirements

- All Clark County HOME funded units must be at or below 50% Area Median Income (AMI).
  - Area Median Income (AMI) for a family of 4 in Clark County is \$83,900
  - 50% AMI for a family of 4 in Clark County is \$43,300

## Comparison

### AMI Rent

- 2 Bedroom \$1,457/per month

### 50% AMI Rent

- 2 Bedroom \$975/per month

\* Based on FY 2023 HOME program rent limits and HUD Fair Market Rent Documentation System



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# Minimum Affordability Period

- Projects must have “minimum affordability period” as shown below:
  - Rehabilitation and acquisition of Housing:
    - 5 years - \$1,000 to \$14,999 per unit amount of HOME funds
    - 10 years - \$15,000 to \$40,000 per unit amount of HOME funds
    - 15 years – over \$40,000 per unit amount of HOME funds
  - New Construction:
    - 20 years - any amount
- Projects may be subject to extended affordability period



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# The Affordability “Gap”

Without subsidies like HOME and AAHTF, quality housing for low-income households would not be developed:

- The “affordability” of affordable housing is based on the customer’s ability to pay, **not** the developer’s cost to build.
- The lower the income targeting proposed, the less the tenant can pay, and the less cash flow the developer will have available to cover operating expenses, including debt service.



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# Public Funds Fill the “Gap”

- Public subsidy is used to make up the gap in the development budget.
- Public money is exchanged for public benefit.
- The “benefit” is the development of quality housing - that housing becomes available and affordable to lower income households.
- Other benefits include: long term affordability, special needs, community revitalization.
- Like its private counterpart, public financing is based primarily on project feasibility.
- The project must pencil.



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# 2024-2025 HOME/AAHTF Funds

- Estimated \$8.4 million in funding
- Clark County's current year's focus:
  - Multifamily Rental Housing Development
    - New Construction
    - Acquisition and Rehabilitation

# 2024-2025 HOME/AAHTF Funds

- 15% of HOME funds are set aside for Community Housing Development Organization (CHDOs).
- County Administration: Up to 10% of the allocation of HOME funds can be utilized to administer the HOME program.
- County Set-Aside:
  - Ensures funds are available to support ongoing programs and special projects.
  - Allows flexibility to meet federal expenditure guidelines.



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# CDAC timeline

- CDAC Orientation – December 5, 2023
- HOME Application Deadline – December 11, 2023
- Project Presentations – January 16, 2024
- Committee Scoring Deadline HOME - January 17 to February 2, 2024
- Voting Recommendation – February 20, 2024



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# Questions



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