

OFA FACT SHEET: AFFORDABLE HOUSING PROGRAMS
State Funding and Other Resources

The State of Connecticut sponsors programs that use specific types of assistance (e.g. temporary housing, housing vouchers) to achieve the overall goal of affordable housing for various sectors of the population.

The state appropriations primarily support rental subsidies for certain targeted populations (e.g. low-income households). State bonds primarily support grants and loans for affordable housing developments.

The first table below is a brief description of each affordable housing program administered by the Department of Housing (DOH), the Office of Policy and Management (OPM), and the Capital Region Development Authority (CRDA), including the amount of state funding allocated for each program. The second table lists the homeownership and affordable rental housing development programs administered by the Connecticut Housing Finance Authority, a self-supported quasi-public state agency.

FY 15 State Appropriations Total: \$109,505,151

Total Available General Obligation (G.O.) Bond balance (as of 9/16/14): \$203,341,747

State-Funded Affordable Housing Programs Administered by DOH, OPM, and CRDA

Account name	Program Name	Agency	Beneficiaries	Purpose	Funding Source	Appropriations \$	Available Bond Balance \$ (as of 9/16/14)
Congregate Facilities	Congregate Development Program	DOH	Low-income elderly	Providing grants and loans to housing authorities and non-profit organizations that own or operate congregate rental housing for the elderly, to help with the development and offset the cost of social and supplementary services.	Appropriations / State Bonds	7,784,420	See Flexible Housing Program
Elderly Congregate Rental Subsidy	Elderly Rental Assistance Program, Housing for Elderly Persons	DOH	Low-income elderly	Providing rental assistance to residents of state-funded elderly housing developments.	Appropriations	2,162,504	

Account name	Program Name	Agency	Beneficiaries	Purpose	Funding Source	Appropriations \$	Available Bond Balance \$ (as of 9/16/14)
Flexible Housing Program	Affordable Housing Program (also known as FLEX), CHAMP, State-Sponsored Housing Portfolio, Pre-Development Loan Program, Land Bank Land Trust, Housing for Elderly Persons, Loan and Grants for Accessibility Program, Homeownership Promotion in certain cities (per PA 14-98, \$20 million set aside)	DOH	Low/moderate-income households	Providing affordable housing, promoting and supporting homeownership and mixed income developments, and assisting in the revitalization of urban and rural centers. DOH's primary housing production program.	State Bonds		117,331,712
Housing Assistance and Counseling Program	Assisted Living in Federal Facilities	DOH	Low-income elderly	Providing assisted living services to existing tenants in HUD Section 202 or Section 236 housing to prevent premature institutionalization.	Appropriations	438,500	
Housing Trust Fund	Housing Trust Fund, CHAMP	DOH	Low/moderate-income households	Providing loans and grants to eligible sponsors of affordable housing. The program encourages the (1) creation of homeownership housing for low and moderate income families, (2) rehabilitation, preservation and production of rental housing, and (2) development of housing which aids the revitalization of communities.	State Bonds		44,852,662

Account name	Program Name	Agency	Beneficiaries	Purpose	Funding Source	Appropriations \$	Available Bond Balance \$ (as of 9/16/14)
Housing/Homeless Services - Emergency Shelters	Emergency Shelters	DOH	Homeless households	Providing grants to support emergency shelters, eviction intervention, case management services, and social services.	Appropriations	Total: 2,724,829 General Program: 2,158,991 Municipal: 565,838	
Housing/Homeless Services - Housing/Mediation Services	Eviction and Foreclosure Prevention Program	DOH	Low-income households	Providing grants for programs that prevent evictions and foreclosures through mediation and the rent bank.	Appropriations	96,288	
Housing/Homeless Services - Rapid Rehousing	Rapid Rehousing	DOH	Homeless households	Providing grants to nonprofit community-based agencies to assist homeless individuals and families move from shelters to permanent housing.	Appropriations	250,000	
Housing/Homeless Services - Rent Bank	Rent Bank	DOH	Low-income households	Providing grants to individuals to pay late rent or mortgage payments.	Appropriations	174,767	
Housing/Homeless Services - Rental Assistance Program	Rental Assistance Program (RAP), Money Follows the Person (MFP)	DOH	Low-income households	Providing vouchers (RAP certificates) to low-income families so that they may rent private market housing. Helping Medicaid-eligible individuals living in long-term care facilities transition back into the community (MFP).	Appropriations	52,428,500	
Housing/Homeless Services - Residences for Persons with AIDS	Housing Opportunities for Persons with HIV/AIDS	DOH	Certain homeless households	Providing housing and supportive services for homeless individuals with HIV/AIDS.	Appropriations	3,950,437	

Account name	Program Name	Agency	Beneficiaries	Purpose	Funding Source	Appropriations \$	Available Bond Balance \$ (as of 9/16/14)
Housing/Homeless Services - Security Deposit Guarantee Program	Security Deposit Guarantee	DOH	Low-income households	Providing guarantees to landlords on behalf of tenants, in lieu of security deposit payments.	Appropriations	697,674	
Housing/Homeless Services - Transitional Living	Transitional Living	DOH	Homeless households	Providing transitional living assistance (multi-family or single room residency program with intensive support services).	Appropriations	Total: 3,573,773 General Program: 3,499,213 Municipal: 74,560	
Incentive Housing Program	Incentive Housing Zone Program	DOH	Municipalities	Providing incentives to municipalities to create incentive housing zones in eligible locations, such as near transit facilities or areas of concentrated development.	State Bonds		3,500,000
Moderate Rental PILOT	Moderate Rental PILOT	DOH	Low-income households	Providing state payments in lieu of taxes for land and improvements owned or leased by a municipal housing authority. Housing authorities must use savings for certain specified expenditures, such as social services, operation costs, or upkeep of the property.	Appropriations	1,873,400	
Resident Service Counselors	Resident Service Coordinator Program	DOH	Low-income elderly	Providing assistance to residents of state-assisted elderly housing developments, to help them maintain an independent living status.	Appropriations	1,151,144* *Estimated expenditures on program	

Account name	Program Name	Agency	Beneficiaries	Purpose	Funding Source	Appropriations \$	Available Bond Balance \$ (as of 9/16/14)
Residential Housing Development	Residential Housing Development	CRDA	Low/moderate-income households	Providing equity with preferred status, a traditional mortgage, or soft second mortgages for projects that are 80% market rate and 20% affordable.	State Bonds		17,657,373* *In addition, PA 14-98 authorizes \$30 million for CRDA's statutory uses and purposes, one of which is the encouragement of residential housing development.
Subsidized Assisted Living Demonstration	Assisted Living Demonstration Program	DOH	Low-income elderly	Providing grants to owners or managers of affordable housing constructed under the Assisted Living Demonstration Program, to offset rent costs.	Appropriations	2,345,000	
Supportive Housing Initiative	Supportive Housing Initiative	DOH	Low-income households	Providing supportive housing, which is permanent, affordable housing with services designed to support individuals and families who are at risk of homelessness and who often have multiple barriers to employment and housing stability.	State Bonds		20,000,000
Tax Abatement	Tax Abatement	DOH	Low-income households	Providing partial tax payments to municipalities on behalf of nonprofit and limited dividend rental housing owners who receive tax abatements.	Appropriations	1,444,646	
Tax Relief for Elderly Renters	Renters' Rebate Program	OPM	Low-income elderly; low-income totally disabled	Providing renters who are elderly or totally disabled, and whose incomes do not exceed certain limits, with partial rent reimbursements.	Appropriations	28,409,269	

Affordable Housing Programs Administered by Connecticut Housing Finance Authority

Program Name	Program Description	2014 Funding
Homebuyer Mortgage Program	This program provides mortgage financing at below-market interest rates to eligible first-time homebuyers and prior homeowners buying homes in federally targeted areas.	Tax-Exempt Bonds - \$684.9 million
Pilot Suburban and Rural Affordable Housing Technical Assistance Program	Provides technical assistance to municipalities or community organizations to support affordable single family and multifamily housing efforts in suburban and rural areas of the state.	Community Investment Act (CIA) Funds - \$300,000 (Funds will be depleted within the next 4 years)
Homeowner Emergency Loan Fund	Provides CHFA borrowers with loans when emergencies related to property conditions jeopardize living conditions and mortgage security	CHFA Investment Trust Account (ITA) Funds - \$150,000 ¹
Reverse Annuity Mortgage Program (RAM)	A RAM is a low-interest rate first mortgage loan that allows low-income elderly homeowners with long-term care needs, to use the equity in their homes to provide monthly, tax-free cash payment	CHFA Investment Trust Account (ITA) Funds - \$1,000,000 ¹
Downpayment Assistance Program (DAP)	This is a revolving loan program that provides low-interest second mortgage loans to eligible borrowers who need help paying upfront expenses for downpayments and/or closing costs	Revolving Loan Fund - \$20 million
Emergency Mortgage Assistance Program (EMAP)	EMAP, offered directly through CHFA, provides financial assistance for up to five years to Connecticut homeowners suffering a temporary financial hardship, who have fallen behind on their mortgage payments, and have received a notice of foreclosure action from their lender.	General Obligation (GO) bonds - \$40 million
Homeowners Equity Recovery Opportunity Program (HERO)	The purpose of this program is to provide mortgage financing to homebuyers who purchase a foreclosed, short-sale, or abandoned property, to help stabilize neighborhoods. This program can also provide rehabilitation funds in the first mortgage for repairs up to the FHA Maximum Mortgage Limits.	Pre-Ullman Mortgage Bond Proceeds - \$9 million
Rental Housing Development	Increases the supply and availability of affordable housing for low- and moderate-income families and individuals by offering financial terms not generally available in the commercial market in order to help developers make affordable housing	Total - \$288.2 million Tax-Exempt Bonds - \$278.8 million CHFA Investment Trust Account (ITA) - \$9.4 million ¹

Program Name	Program Description	2014 Funding
Portfolio Preservation Programs	<p>The objective of the portfolio preservation program is to preserve affordable rental apartments, enhance the value of affordable rental apartments and ensure the quality of affordable rental housing.</p> <p>Financing in the form of loans are provided to properties with reserves and/or income that are able to support the debt.</p>	<p>CHFA Investment Trust Account (ITA) - \$9.4 million¹</p> <p>Taxable Bonds - TBD</p>
Federal 9% Low Income Housing Tax Credits (LIHTC)	<p>This Federal program is authorized through the United States Internal Revenue Code and administered by CHFA. Tax credits are made available to each state on a per capita basis. Connecticut receives approximately \$7 million of tax credits each year.</p> <p>9% tax credits are allocated on a competitive basis once a year. Points are allocated based on a Qualified Allocation Plan (QAP)</p> <p>This program provides a direct credit against Federal income taxes for those investing in affordable housing. Developers who receive tax credits typically sell them to private investors who benefit from a reduced tax liability. This proceeds from the sale generate equity for the development reducing the need for debt refinancing and enabling the owner to charge affordable rents.</p>	Tax Credits Available - \$7.7 million (includes Board forward Commitment)
Federal 4% Low Income Housing Tax Credits (LIHTC)	<p>Similar to the 9% credits, this program also is authorized through the United States Internal Revenue Code, is administered by CHFA and provides a direct credit against Federal Income Taxes for those investing in affordable housing.</p>	4% Low Income Housing Tax Credits (LIHTC) - TBD (as needed)
State Housing Tax Credit Contribution (HTCC)	<p>Provides corporations with credits against state taxes for making contributions to non-profit housing development groups for activates in support of affordable housing development.</p> <p>A non-profit can apply for an allocation of up to \$500,000.</p>	Housing Tax Credit Contribution (HTCC) - \$10 million
Group Homes	<p>Mortgage financing for community-based residential facilities for persons with intellectual and developmental disabilities.</p>	501(c)(3) Tax-exempt group home bonds - \$6 million
Energy Conservation Programs	<p>Projects are for a wide range of conservation and efficiency measures for affordable multifamily housing in Connecticut.</p>	Qualified Energy Conservation Taxable Bonds - \$10.8 million

¹Investment Trust Account (ITA) - Investment Trust Account (ITA) funds are revenues generated by CHFA's affordable housing programs that are re-used for additional housing programs and are flexible in use. In 2014 there was \$2 million in ITA funds available split predominately between new Rental Housing Development and Portfolio Preservation Programs. About \$1 million was also allocated to homeownership programs.

Source: Connecticut Housing Finance Authority