



NEWS

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Rural Texas to get much-needed housing thanks to creative state housing agency initiative

State housing agency releases \$5 million funding notice to develop affordable housing in conjunction with rural economic development projects

(AUSTIN) — Rural Texas communities experiencing or seeking job growth could soon meet the increasing demand for affordable rental housing through an innovative housing program unveiled yesterday by state housing officials which will be tied directly to job creation in rural communities.

The Texas Department of Housing and Community Affairs (TDHCA) announced the release of a \$5 million Notice of Funding Availability (NOFA) for a new rental housing development initiative designed to help small town Texas expand the stock of rental housing affordable to its local workforce. The state predicts the addition of new housing stock will better position rural communities to compete for business and industry, according to Michael Gerber, TDHCA Executive Director.

“The Department is confident that this funding announcement will provide a real shot in the arm to the economic health of several rural communities,” said Gerber. “Too often, rural Texas communities see an opportunity to bring new business and jobs to the area, only to lose that chance simply because of a lack of decent, affordable workforce housing. TDHCA knows our creative use of funds will help rural Texas not just compete for new jobs and industry, but win, improving the quality of life for all.”

Funding must be tied to the creation of new or expanded job opportunities currently in development or created within the previous 18 months. Only housing development sites where businesses employing at least ten new positions in the area will be considered. Such employment locations must be located no more than 20 miles from the proposed housing development

Gerber noted that projects where limited housing is a factor in the overall site selection for new business will be given a priority. Applications for funding must provide evidence of a definite and long-term employment commitment from the employer.

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The \$5 million in awards will be provided through TDHCA's HOME Investment Partnerships (HOME) Program which provides federal grants and loans for housing serving low income households. Eligible applicants have until October 1, 2007, to apply and include nonprofit housing organizations, public housing authorities, sole proprietors, and local governments. Applicants must be located in or represent communities that do not receive HOME Program funds directly from the federal government.

Organizations and individuals interested in applying for funds or who would like more information on the NOFA and this new initiative are encouraged to contact Skip Beaird at (512) 475-0908 or via e-mail at skip.beaird@tdhca.state.tx.us; or Barbara Skinner at (512) 475-1643 or via e-mail at barbara.skinner@tdhca.state.tx.us.

The US Department of Housing and Urban Development (HUD) is the funding source for the HOME Program. The program is designed to increase the state's stock of affordable housing and alleviate the problems of burdensome rent levels, homelessness, and deteriorating housing.

While HUD rules allow HOME Program funds to serve households earning up to 80 percent of the area median family income, this rural rental housing and economic development fund award will place an emphasis on housing individuals and families earning no more than 60 percent of the area median family income.

About The Texas Department of Housing and Community Affairs

The Texas Department of Housing and Community Affairs is Texas' lead agency responsible for affordable housing, community and energy assistance programs, and colonia activities. The Department annually administers funds in excess of \$400 million, the majority of which is derived from mortgage revenue bond financing and refinancing, federal grants, and federal tax credits.