

FY 2026

Housing Trust Fund (HTF) Allocation Plan for the District of Columbia

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Overview

The National Housing Trust Fund (HTF) is a federal affordable housing production program that will complement existing District of Columbia efforts to increase the supply of affordable housing for extremely low-income households, including individuals and families experiencing homelessness and persons with special needs. Congress established the HTF through the Housing and Economic Recovery Act of 2008. On January 30, 2015, the US Department of Housing and Urban Development (HUD) published an [Interim Rule](#)¹ that guides the implementation of HTF by the states. HUD requested comments to the Interim Rule on 4/26/21. See FR-5246-N-04.

In years when total national funding is less than \$1 billion, 100 percent of each state's allocation must benefit households at or below the federal extremely low income (ELI) level, which is 30 percent of Area Median Income (AMI), or households with income below federal poverty level, whichever is greater. In the District, the federal poverty level is lower than the federal ELI; therefore, HTF will serve households earning 30% or less of the federal ELI level.

Given the requirements of the program and the need for rental housing affordable to ELI households in the city, the District will use HTF program funds to finance housing units for ELI households, for homeless individuals and families consistent with the Priority Needs and the Strategic Plan's Goals laid out in the District's Consolidated Plan.

The District's HTF funding will be blended with other federal and local funding resources to finance properties that include ELI units.

Program Administration

The District's Department of Housing and Community Development (DHCD) will administer the national Housing Trust Fund (HTF) program. The Department of Housing and Community Development, Development Finance Division (DFD) will obligate funds and undertake eligible activities.

¹ In years that total HTF funding exceeds \$1 billion nationally, up to 25 percent of a state's allocation can benefit very low-income (VLI) households (those at or below 50 percent of AMI).

Eligibility Requirements

Per 24 CFR §93.2, DHCD will award HTF (or, as specified in the regulations, “HTF”) funds to applicants meeting the definition as stated in the rules: “Recipient means an organization, agency, or other entity (including a public housing agency, or a for-profit entity, or a nonprofit entity) that receives HTF assistance from a grantee as an owner or developer to carry out an HTF-assisted project.

A recipient must:

- (1) Make acceptable assurances to the grantee that it will comply with the requirements of the HTF program during the minimum 30-year period of affordability, that begins upon 100 percent lease up and final payment of HTF funds and ends upon the conclusion of all HTF-funded activities.
- (2) Demonstrate the ability and financial capacity to undertake, comply, and manage the eligible activity.
- (3) Demonstrate its familiarity with the requirements of other federal, state, or local housing programs that may be used in conjunction with HTF funds to ensure compliance with all applicable requirements and regulations of such programs; and
- (4) Have demonstrated experience and capacity to conduct an eligible HTF activity as evidenced by its ability to:
 - (i) Own, construct, substantially rehabilitate, manage, and operate an affordable multifamily rental housing development; or
 - (ii) Design, construct or substantially rehabilitate, and market affordable housing for homeownership;
 - (iii) Provide forms of assistance, such as down payments, closing costs, or interest rate buydowns for purchasers.”

DHCD will accept and consider eligible development proposals from all applicants that meet this definition and any additional requirements of a recipient according to 24 CFR §93.2. Upon application, eligible recipients shall meet the threshold requirements provided in DHCD’s 2025 Low Income Housing Tax Credit Qualified Allocation Plan (QAP). To provide input to the QAP, please visit, <https://dhcd.dc.gov/publication/2025-low-income-housing-tax-credit-lihtc-qualified-allocation-plan-qap>.

Ability to enter a Commitment for HTF Funds/Timeliness

The ability to enter a commitment to HTF funds and undertake eligible activities promptly is a minimum requirement of DHCD’s application process. DHCD will publish its project selection criteria including the threshold eligibility requirements and evaluation criteria, in the 2025 Low Income Housing Tax Credit Qualified Allocation Plan (QAP). To provide input to the QAP, please visit, <https://dhcd.dc.gov/publication/2025-low-income-housing-tax-credit-lihtc-qualified-allocation-plan-qap>.

Performance Goals and Past Performance

HTF currently allocates \$3,100,000 per year exclusively for ELI housing. The District is estimated to allocate \$6,200,000 during the remainder of the FY2022-FY2026 Consolidated Plan cycle. Given the cost to produce housing restricted to households earning less than 30 percent AMI, the District could only support between one and three small projects annually.

Historically, DHCD evaluated past project proposals that leveraged 4 percent low-income housing tax credits the average requests from projects with units at 30 percent AMI average \$146,000. All projects funded with 30 percent AMI units have been new construction, which drove the weighted average higher.

In FY 2026, HTF funds will be used for acquisition in conjunction with new construction. Upon HUD approval of written rehabilitation standards, HTF funds may also be used for acquisition in conjunction with rehabilitation projects creating on average 20 new HTF units restricted to 30 percent of the area median income.

Citizen Participation in the Development of the HTF Allocation Plan

On March 18, 2025, DHCD held a hybrid Needs Assessment Public Hearing for the FY 2026 Annual Action Plan, including the FY 2026 National Housing Trust Fund Allocation Plan.

On July 4, 2025, DHCD published the 2025 Low Income Housing Tax Credit Qualified Allocation Plan (QAP), the document to be used to select projects for the HTF funds. To provide input to the QAP, please visit, <https://dhcd.dc.gov/publication/2025-low-income-housing-tax-credit-lihtc-qualified-allocation-plan-qap>.

On July 21, 2025, DHCD conducted the FY 2026 Annual Action Plan Public Hearing, to include a discussion on the Housing Trust Fund allocation and on August 5, 2025, DHCD will hold, a second public hearing. More information may be found at, <https://dhcd.dc.gov/featured-content/dhcd-public-hearing-fy-2026-annual-action-plan>.

A summary of the outreach events is below.

Table 2: Summary of Citizen Participation

Postings and Advertisements			
Document Type	Posting Location	Date of Posting	Proof Uploaded to Box (Tear Sheets, Screen Shots, etc)
Public Hearing Notice	DC Register	February 28, 2025	District of Columbia Register: Notice ID N140004
Public Hearing Advertisement	Washington Times	February 28, 2025	Hard copy attached to the document upon submission.
Website Language	DHCD Website	February 28, 2025	Public Hearing – Needs Assessment for Draft FY2026 Annual Action Plan
Social Media Posts	Facebook, Instagram, and X (FKA Twitter)	March 18, 2025 March 25, 2025 April 8, 2025	Facebook ; Instagram ; X (FKA Twitter)
Email Bulletin	GovDelivery	March 18, 2025 March 25, 2025 April 8, 2025	Email blasts were sent to more than 17,000 GovDelivery subscribers March 18, 2025 March 25, 2025 April 8, 2025