

U.S. Department of the Treasury
Departmental Offices

Grants to States for Low-Income Housing Projects in lieu of Tax Credits
OMB Control No. 1505-0218

Emergency Justification

The American Recovery and Reinvestment Act created the Section 1602 program. Since May 2009, Treasury has awarded \$5.4 billion to state housing credit agencies for developing affordable housing. Awarding of funds ceased on January 1, 2011. When construction/rehabilitation is complete, over 89,000 units of affordable rental housing will be available in 49 states, the District of Columbia, Puerto Rico, the Virgin Islands, Guam, the Northern marianas, and American Samoa.

The housing owners/developers must comply with the requirement of the 1602 program, which also incorporate the requirements of the Low-Income Housing Tax Credit program, during the construction/rehabilitation phase and for a 15-year period after the buildings are placed in service. To be effective in meeting this goal it is critical that the compliance reporting collections of information contained therein be made available immediately because compliance reporting is essential to maintaining the \$5.4 billion investment for affordable housing for families and individuals during the difficult housing period.