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Washington, D.C. - Today, Rep. Doris Matsui (CA-05) joined a bipartisan majority in passing the National Affordable Housing Trust Fund Act of 2007 by a vote of XXX-XX. The bill is a rapid response to help alleviate the toll the housing market downturn is taking on American families.

The bill will establish a national affordable housing trust fund to build or preserve 1.5 million homes or apartments over the next ten years. The bill is funded through fees from Fannie Mae, Freddie Mac, and the Federal Housing Administration as designated in other House-passed legislation earlier this year. It will initially allocate between \$800 million and \$1 billion annually directly to state and local communities.

“Constructing affordable housing is critical to help families who have lost their homes in the subprime mortgage crisis or due to family financial crisis. This bill is a necessary investment in strengthening the housing market and protecting Sacramentan families,” said Rep. Matsui.

The trust fund will target struggling families, a much-needed service in Sacramento, which is ranked as the nation’s 25th least affordable housing market. All monies must be used for low- and moderate- income families, or those who make below 80 percent of the state median income. It also designates 10 percent of the funds for families earning 50 to 80 percent of median income, assisting families of nurses, teachers, firefighters, and police officers.

In the wake of an alarming rate of disclosures, the trust fund focuses on the need to provide new housing for both renters and homeowners. Funds will be directed to construction, rehabilitation, acquisition, and preservation initiatives. Funds may be dedicated to affordable rental housing, helping Sacramento region residents who have recently lost their homes to foreclosure. Closing cost assistance programs for first-time homebuyers will also be supported by the trust fund, which will help stabilize the housing market and ensure its future growth.

The Sacramento Housing and Redevelopment Agency (SHRA) will be able to compete for the funds from the U.S. Department of Housing and Urban Development (HUD). The trust fund will target the construction of affordable housing and for lower-income families who are the most vulnerable to the volatility of the housing market and subprime mortgage crisis.

SHRA is one of California's largest public housing authorities, serving more than 13,500 low-income families. The agency partners with private landlords to provide housing to very low-income families, reaching 11,000 households through the Housing Choice Voucher program. SHRA has also engaged in projects to redevelop 13 communities and renovated older properties in the Sacramento region.

"Sacramento has worked hard for many years at the local level to improve housing affordability for our working families, disabled residents and seniors. We heartily welcome a new federal partnership in meeting the growing local need and appreciate the congressional leadership that has crafted the National Housing Trust Fund legislation," said Anne Moore, Executive Director of SHRA.

"SHRA is engaging in projects to make our neighborhoods safe and create sustainable residential and commercial communities. I look forward to seeing them continue their mission with the resources created by this important and timely legislation," said Matsui.

This legislation will now proceed to the Senate for passage.

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