Housing trust funds overview

Housing trust funds are a flexible source of funding that can be used to support a variety of affordable housing activities. Because they are created and administered at the city, county, or state level, housing trust funds are not subject to the restrictions of federal subsidy programs and therefore can be designed specifically to address local priorities and needs.

The entity administering the fund determines eligible activities, which vary widely from community to community, from emergency rent assistance for families facing the threat of eviction or homelessness to gap financing for new construction of affordable housing to repairs and weatherization for older homeowners. Ideally, funding for the trust fund comes from a dedicated revenue source established with the support and approval of key stakeholders. While the actual amount of funding received each year may fluctuate, securing a dedicated revenue source allows some predictability and eliminates the need to go through the budget allocation process each year.