

2014 Rural Policy Forum

August 8, 2014

Restore the State Housing Trust Fund



What Is The Housing Trust Fund?



For over 25 years, the Housing Trust Fund has created homes and jobs for Arizonans.

- The only flexible state funding for Arizona's housing needs
- 1988: Housing Trust Fund created with funding from 35% of unclaimed property sales proceeds
- 1998: an additional 20% was added to address rural housing needs
- Prior to budget cuts, the Housing Trust Fund received over \$30 million
- 2010: Housing Trust Fund capped at \$2.5 million

What Did it Fund?



In a **typical year**, the Housing Trust Fund:

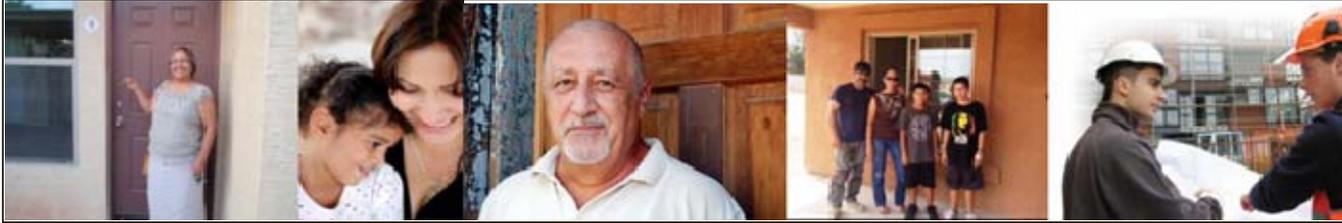
- **Created 250 apartments** for our most vulnerable populations
- Provided disaster-related housing relief such as housing for families displaced by fires
- Helped **230 rural** families become **homeowners**
- **Prevented 6,000** Arizonans from experiencing **homelessness**
- **Repaired 360 rural dilapidated homes**
- **Helped 3,000 people in shelters**
- Provided assistance for housing on Arizona's tribal lands, many with the direst housing needs including lack of water

Unclaimed Property Distributions 2004-2013

Year	General Fund	Housing Trust Fund	Seriously Mentally Ill Housing Fund	DOR Admin Fund	Other Funds*	Amount
2004	\$ 8,044,000	\$ 20,708,300	\$ -	\$ -	\$ 9,782,800	\$ 38,535,200
2005	\$ 30,715,200	\$ 23,942,700	\$ -	\$ -	\$ 11,096,600	\$ 65,754,500
2006	\$ 22,825,000	\$ 26,004,600	\$ -	\$ -	\$ 10,848,700	\$ 59,678,300
2007	\$ 12,346,200	\$ 40,972,900	\$ -	\$ -	\$ 19,108,800	\$ 72,427,900
2008	\$ 58,020,600	\$ 33,684,300	\$ -	\$ -	\$ 12,459,400	\$ 104,164,300
2009	\$ 9,526,600	\$ 28,554,100	\$ -	\$ -	\$ 10,537,000	\$ 48,617,700
2010	\$ 101,669,100	\$ 10,500,000	\$ -	\$ 24,500,000	\$ 760,000	\$ 137,429,100
2011	\$ 49,120,900	\$ 10,500,000	\$ -	\$ 24,500,000	\$ 1,202,900	\$ 85,323,800
2012	\$ 45,840,400	\$ 2,500,000	\$ 2,000,000	\$ 24,500,000	\$ 240,000	\$ 75,081,300
2013	\$ 60,899,600	\$ 2,500,000	\$ 2,000,000	\$ 25,014,700	\$ 969,400	\$ 91,383,700

* Includes Racing Fund, Victim Compensation Fund, Utility Assistance Fund, Permanent School Fund

Why It Matters



- Hardworking families, veterans, seniors and people with disabilities should be able to pay for their home and still have enough left over to buy basics like groceries, gas, and child care.
- When people live in stable homes, children achieve more in school, families are stronger, and seniors and people with disabilities live with dignity.
- We have a responsibility to care for the most vulnerable among us; our seniors, people who are disabled, and veterans who are homeless.

What are the Benefits of the Housing Trust Fund?

- Jobs and a Stronger Economy
 - With an investment of \$550,000 in State Housing Trust Fund gap financing, a 75-unit apartment complex generates
 - Over \$1.6 million in construction related taxes
 - \$158,000 in ongoing taxes
 - 119 construction jobs
 - 7 ongoing jobs



Elliott D. Pollack & Company, "Arizona Low Income Housing tax Credit and Housing Trust Fund Economic and Fiscal Impact Report", January 2014

What are the Benefits of the Housing Trust Fund?

- Local example of economic impact

**Madison Gardens – \$27M Development - 133 units of LIHTC Senior Housing – Phoenix, AZ
WESCAP Investments**



- 337 jobs created
- \$3.9M in local taxes produced
- \$13.6 M in wages generated

What are the Benefits of the Housing Trust Fund?

Children in stable homes are healthier and more successful in school.

Children in unstable homes are:

- **59% more likely to be hospitalized**
- **35% more likely to be food insecure**
- **52% more likely to be at risk for developmental delays**



- **Achievement scores drop 1/10 of a standard deviation for every move a child makes**
- **The dropout rate is 3x greater for students who move 3+ times**

What are the Benefits of the Housing Trust Fund?

- Homes for Homeless Veterans
 - With the help of \$50,000 of Housing Trust Funds, Phoenix was the first city in the country to end chronic homelessness among veterans.



What are the Benefits of the Housing Trust Fund?

- Housing Chronically Homeless Individuals Creates Huge Cost Savings
 - People who are chronically homeless cost the system, on average, \$177,000 per year (shelter, emergency room visits, hospitalization, incarceration)
 - Housing chronically homeless people in permanent supportive housing costs \$21,000 per year



Pathways to Housing, "Housing First Model", municipal costs per capita per night

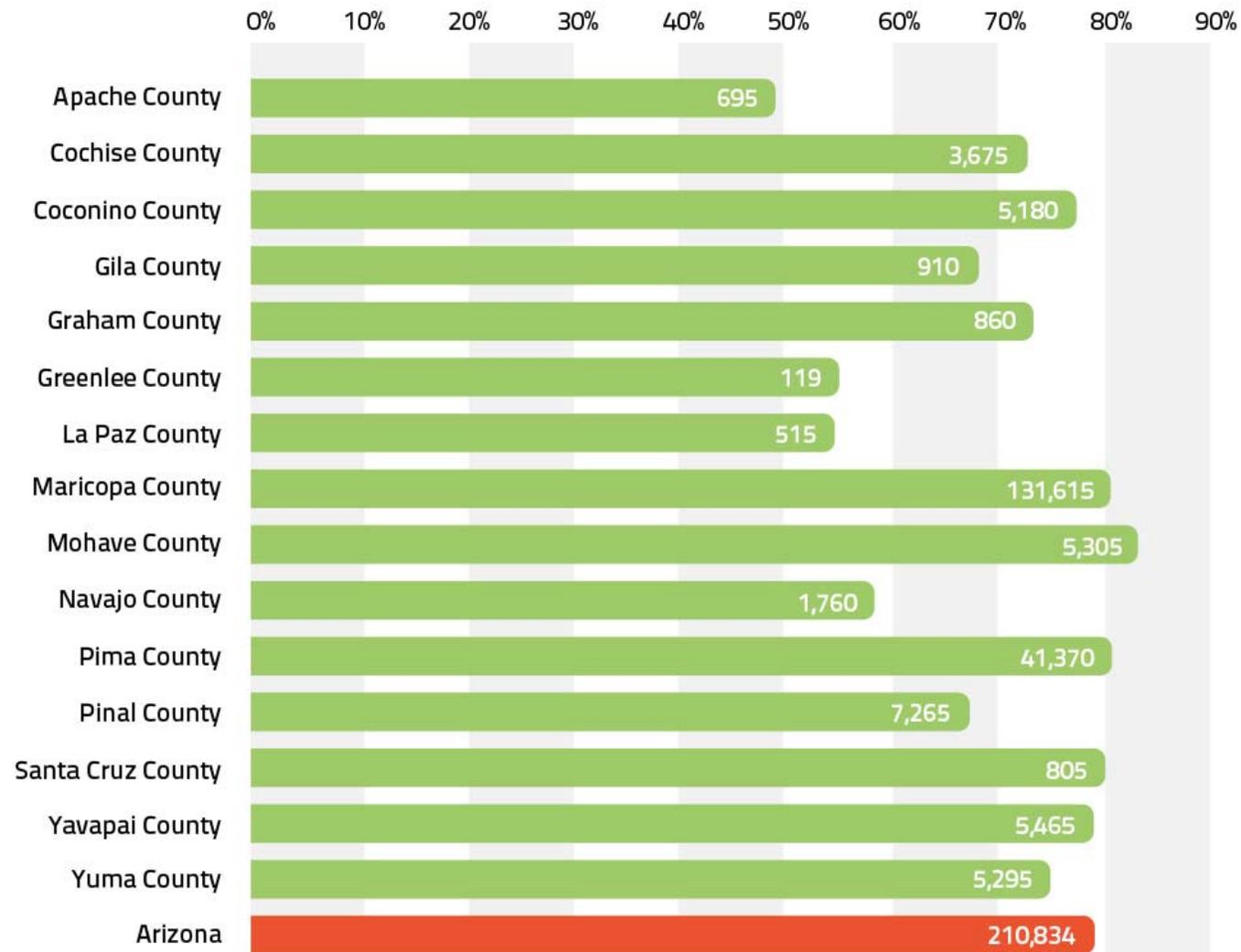
What are the Benefits of the Housing Trust Fund?

- Cost Effective Opportunities for Seniors to Age in Place
 - An affordable home coupled with services for seniors can save \$73 per day over living in a nursing facility.



What is the Housing Need?

Number and percent of very low income cost burdened renters



Source: National Low Income Housing Coalition

Typical Projects Funded by Housing Trust Fund

- Owner Occupied Housing Rehab Program: Globe



Before

After



Typical Projects Funded by Housing Trust Fund

- Low Income Housing Tax Credit Program



Glendale Lofts, Glendale



Bell Mirage Estates, Surprise



Encore on Farmer, Tempe



Grandfamilies Place, Phoenix



Glenstone Village, Tucson

Public Opinion Research



Growing Movement



Housing Values that Resonate

opportunity

fairness

security

home

stability

responsibility to care
for the less fortunate

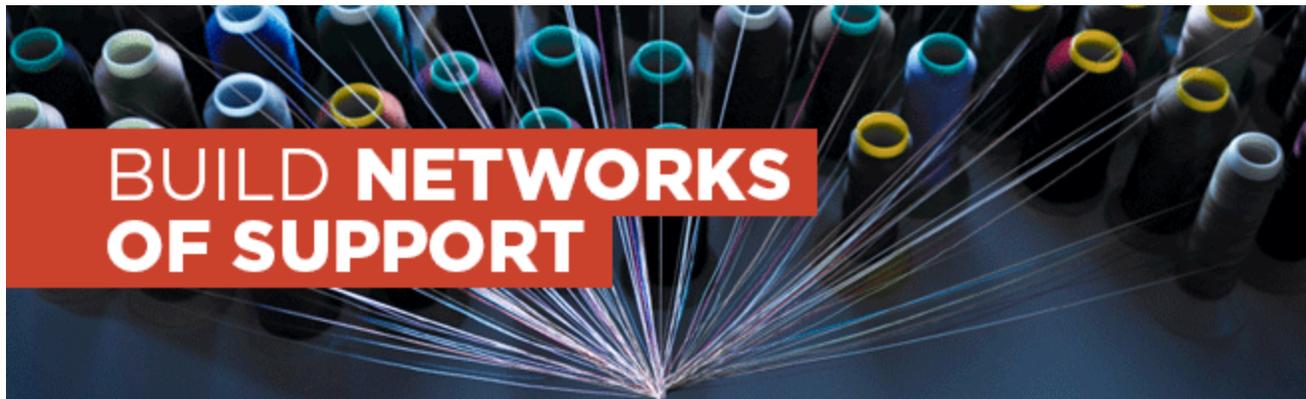
reward for work

Value Messages to Restore the Housing Trust Fund

- Working families, veterans, seniors, and people with disabilities should be able to pay for their home and still have enough left over to buy basics like groceries, gas, and child care.
- When people live in stable homes, children achieve more in school, families are stronger, and seniors and people with disabilities live with dignity.
- We have a responsibility to care for the most vulnerable among us; our seniors, people who are disabled, and people who are homeless.
- Local job growth and a strong economy start at home.
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- Public investment is necessary to ensure the private housing market works for all Arizonans.

Housing Trust Fund Campaign

- 🏠 **Create a Steering Committee.**
- 🏠 **Explore strategies to Restore the Housing Trust Fund.**
- 🏠 **Educate our partners and friends about Home messaging.**
- 🏠 **Build networks of support.**



How can I help?

Meet with your legislator

Find Client stories

Help build the social media buzz

Questions? Contact:

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