

# Arizona Department of Housing Housing Trust Fund

## ADDRESSING ARIZONA'S MOST CRITICAL HOUSING NEEDS.

The Housing Trust Fund (HTF), a dedicated source of monies derived from Unclaimed Property proceeds, is the only state resource devoted to addressing Arizona's housing-related needs. The Arizona Department of Housing does not receive any general fund or tax generated support but relies on the Housing Trust Fund to sustain critical programs and support housing throughout Arizona.

Since many rural communities receive few, if any federal dollars, more than 70 percent of the HTF is spent in rural Arizona, often serving as the only source for developing and preserving housing in those communities.

### what are the **BENEFITS?**

Housing Trust Funds are flexible dollars that can be used to fund numerous critical housing activities, many of which cannot be funded with the limited federal monies that come to the state, including:

- ❖ Mortgage Foreclosure Counseling, including Arizona's toll-free mortgage foreclosure help line, 1-877-448-1211.
- ❖ Eviction prevention and emergency housing funding to provide one-time assistance for mortgage/rental payments, housing deposits and utility assistance.
- ❖ Homes for Arizonans Downpayment Assistance Program to help families achieve homeownership.
- ❖ Homeless and domestic violence shelter developments and operating support.
- ❖ Emergency home repairs to assist low-income households.
- ❖ Emergency and disaster-related housing assistance.
- ❖ Support for the Arizona Housing Finance Authority bonding programs to assist new homebuyers.
- ❖ Homeownership and rental development projects not conducive to federal funding.
- ❖ Matching funds for several federal programs, including Community Development Block Grant (CDBG) funds for neighborhood revitalization, federal HOME program funding and the Homeless Management Information System, mandated by HUD.

### what are the **CONSEQUENCES** of a **FUNDING DECREASE?**

Loss of viability of all ADOH programs which rely on HTF for grantee administration, gap financing and other support. For instance:

- ❖ The activities of the Arizona Housing Finance Authority would be threatened, including its ability to issue over \$150 million in mortgage revenue bonds to assist new homebuyers in calendar year 2009.
- ❖ Without HTF to provide additional gap financing, Low Income Housing Tax Credit rental projects (funded with federal tax credits) would not be viable and will not be built.
- ❖ Without grantee administration dollars, Arizona's communities could lose up to 25 or more housing-related positions serving Arizona communities.
- ❖ Over \$25 million in federal funding would be jeopardized due to loss of required federal match, and elimination of funding for fair housing activities, an unfunded federal mandate.
- ❖ There would be no dollars to continue to address the state's current mortgage foreclosure crisis, including the Department's ability to administer over \$38 million in federal neighborhood stabilization funds.

### what is the **ECONOMIC IMPACT?**

Housing is an industry that generates jobs and wages, local and state tax revenue, long term property taxes and enhances the viability of safe stable neighborhoods and communities. HTF contributes greatly to the economic health of Arizona's communities by leveraging new dollars into the economy.

This table represents the estimated economic impacts of various levels of HTF construction related funding.

**Note:** Estimates shown are based on estimated impact of FY2007 HTF commitments. The economic impact of the Arizona Housing Finance Authority's \$100 million in bonding authority is not included.

Economic Impact Area	\$1 Million HTF Plus Associated Leverages	\$5 Million HTF Plus Associated Leverages	\$10 Million HTF Plus Associated Leverages	\$20 Million HTF Plus Associated Leverages
<b>Employment Impact (Number of Jobs)</b>				
Rural Counties	48	240	480	960
Urban Counties	18	90	180	360
State Total	66	330	660	1,320
<b>Wages and Salaries Impact</b>				
Rural Counties	\$1,056,267	\$5,281,335	\$10,562,670	\$21,125,340
Urban Counties	\$559,745	\$2,798,725	\$5,597,450	\$11,194,900
State Total	\$1,656,012	\$8,280,060	\$16,560,120	\$33,120,240
<b>State and Local Tax Revenues Impact</b>				
Rural Counties	\$205,093	\$1,025,465	\$2,050,930	\$4,101,860
Urban Counties	\$127,023	\$635,115	\$1,270,230	\$2,540,460
State Total	\$332,929	\$1,664,645	\$3,329,290	\$6,658,580
<b>Output or Total Economic Value Impact</b>				
Rural Counties	\$2,912,871	\$14,564,355	\$29,128,710	\$58,257,420
Urban Counties	\$1,994,537	\$9,972,685	\$19,945,370	\$39,890,740
State Total	\$4,907,408	\$24,537,040	\$49,074,080	\$98,148,160

# Housing Trust Fund

## HOUSEHOLDS assisted by year

### by PROGRAM

	2003	2004	2005	2006	2007	2008	TOTALS
Rental - New Construction	51	93	185	112	25	49	515
Rental - Rehabilitation	50	118	72	23	128	29	420
Rental Assistance	0	0	0	0	247	327	574
Homeownership - New Construction	0	36	26	10	5	10	87
Homeownership - Rehabilitation	135	320	516	456	410	248	2,085
Homeownership Assistance	161	144	322	263	218	287	1,395
Eviction/Foreclosure Assistance	3,545	3,542	3,806	6,694	6,210	12,348	36,145
Shelter Development	20	146	501	65	177	189	1,098
Shelter Operating and Services Assistance	1,471	8,283	284	1,246	5,344	710	17,338
Other	41	0	14	0	8	59	122
TOTALS	5,474	12,682	5,726	8,869	12,772	14,256	59,779

### by ARIZONA COUNTY

	2003	2004	2005	2006	2007	2008	TOTALS
Apache	145	182	445	570	678	726	2,746
Cochise	112	363	218	295	234	380	1,602
Coconino	343	213	12	666	518	4,088	5,990
Gila	213	240	226	638	504	577	374
Graham	38	41	103	54	53	85	85
Greenlee	30	35	39	49	48	77	278
LaPaz	112	188	164	223	178	259	1,124
Maricopa	2,680	7,863	1,826	3,432	7,833	4,497	28,131
Mohave	237	321	304	390	430	499	2,181
Navajo	264	300	826	722	614	682	3,408
Pima	443	2,035	534	463	477	529	4,481
Pinal	295	305	256	575	661	804	2,896
Santa Cruz	115	58	88	138	87	357	843
Yavapai	293	324	300	299	233	393	1,842
Yuma	154	214	235	355	224	303	1,485

**NOTE:** These numbers do not include Housing Trust Fund utilized by the Arizona Housing Finance Authority for the issuance of multi-and single-family bonds.

#### For more information, contact:

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