

**Our Community Needs
Your Support**

**Please Contact Your
Council Representative
Ask Them to Pass a
Fully Funded
Affordable Housing
Trust Fund**

CKHHI meets the 1st Thursday of every month,
9:30 AM at Goodwill Industries
administrative offices at
130 W. New Circle Road, Suite # 110
in north Lexington

This meeting is open to
anyone and we welcome
new attendees.



Executive Committee

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*Mobilizing the non-profit, public, faith-based and
private sectors in our community in an effort to
end homelessness and housing insecurity.*

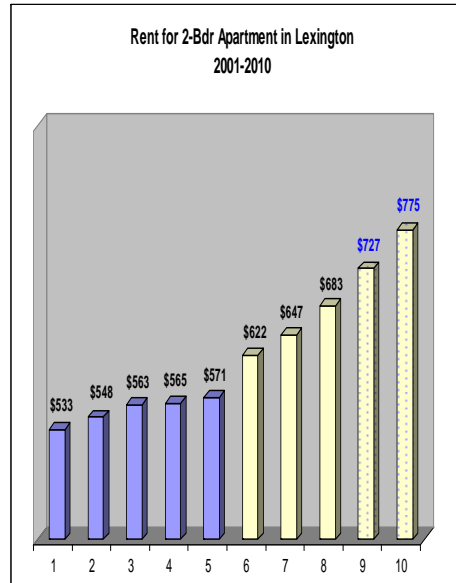
***Affordable
Housing
Trust Fund
Campaign***

What is an Affordable Housing Trust Fund?

An AHTF will provide our community with an *ongoing public commitment* to expanding the supply of safe and affordable housing in Lexington-Fayette County. **Over 600 other communities in America have already established AHTFs.**

Why do we need an AHTF?

- The cost of rental housing has been increasing faster than wages for decades.
- In Lexington, rents increased an average of 1.8% per year from 2000 to 2005 but have averaged 6.5% per year since then. If this trend continues, rents in Lexington will increase nearly 33% in the last half of the decade compared to just 9% in the first half of the decade.
- HUD states that housing is *affordable* if it costs no more than 30% of a family's gross income.
- In Lexington, **17,312** households (35.8% of all renters) pay more than **thirty percent** of their household income on their housing.
- Even more alarming, **8,753** of all renter households in Lexington (18.1%) are paying more than **half** their gross income to put a roof over their heads.
- The federal commitment to affordable housing has been dropping for decades. The budget of the Department of Housing and Urban Development (HUD) has plummeted from **\$104.5 billion** in 1980 (in 2005 dollars) to only **\$19.2 billion** in 2005.
- *The private sector cannot solve this problem. There is too little profit in it.*



- *When individuals and families cannot afford housing they are at much greater risk of homelessness.*
- In Fayette County, 1,242 persons (individuals and families) are staying in shelter programs. Another 186 persons (including children) are living on the streets.
- A recent study in Louisville calculated the cost to the *community* at \$6,184 each year for each homeless person. Using these statistics, homelessness is now costing our community almost \$9,000,000 per year.

How do we create an AHTF here?

- A recent report by Mayor Newberry's **AHTF Commission** proposed that the City add 1% to the current insurance premium tax (currently at 6%). This would generate \$4 million each year to fund the Trust.
- The AHTF Commission also recommended the creation of an independent Board to allocate Trust funds on a competitive basis each year. This would enable the AHTF to

build affordable permanent housing as well as provide assistance for long-term sustainability of existing permanent housing, rental assistance and transitional housing leading to permanent housing.

Cost to you About \$15.00 per year, including a \$7.60 annual increase in the average household's homeowners insurance and a \$7.42 annual increase in the other most commonly paid insurance premium - automobile insurance. Health insurance premiums are not affected.

Outcomes for Our Community

- AHTFs bring other investment dollars into the community, usually at a ratio of 6 to 1.
- Matched at this level, a \$4 million Trust Fund would bring an additional \$24 million into the community for a total investment of \$28 million.
- At this level the AHTF would build 336 units of new affordable housing each year.
- It would also generate new jobs - 448 jobs in the first year of funding, and 176 jobs on an **annual ongoing** basis after that for each funded year.

