

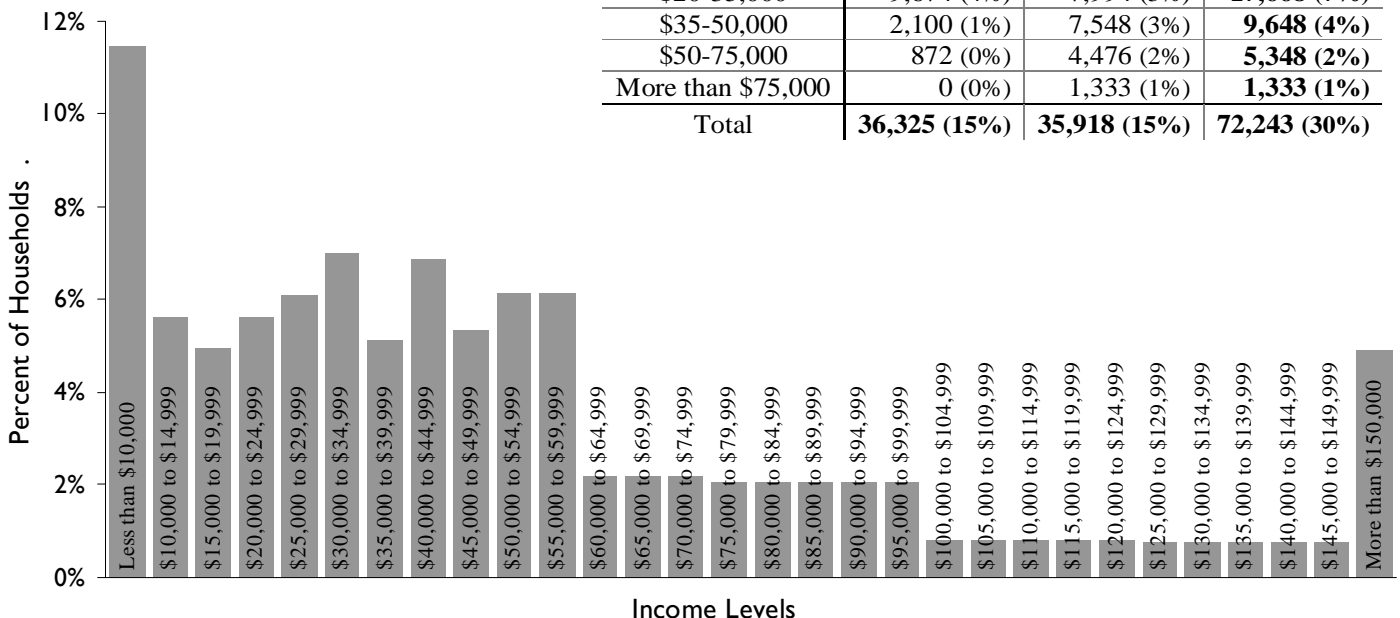
# Why Nashville Needs a Housing Trust Fund

## IN DAVIDSON COUNTY:

- There are approximately **72,000 households** (almost a third of Davidson County's households) spending more than 30% of their income on housing.
- **56,000** of these households earn around or less than **\$34,200** which is **80%** of the county's median income.
- **38,000** households that are close to or below the poverty line (earn less than **\$20,000**) spend more than they should be on housing.

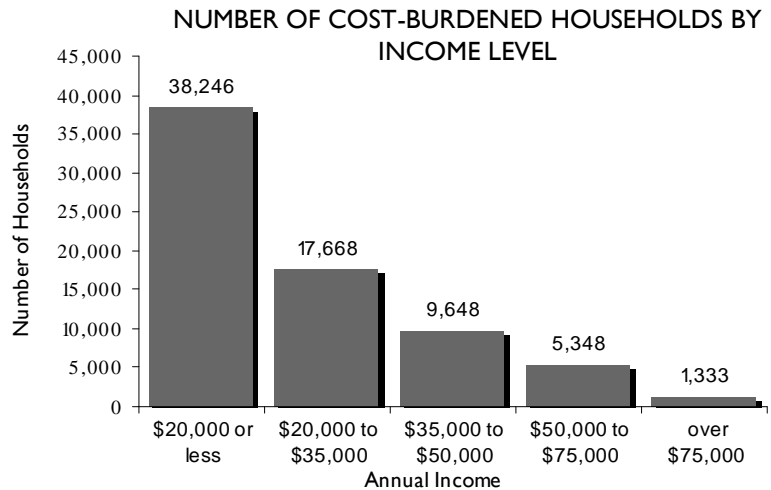
Further,

- There are over **30,000** households in Davidson County that are forced to pay **50% of their income** on housing.
- There are at least **1,800 homeless** people in Nashville on any given night.
- There are approximately **2,000** households on the waiting list for public housing.



ANNUAL HOUSEHOLD INCOME DAVIDSON COUNTY 2004

The Federal Government, banks, and other organizations believe that family housing expenditure should be no more than 30% of annual income. Households that spend more than 30% on housing are considered **cost-burdened households**.



DETAILED TABLE OF COST-BURDENED RENTERS AND OWNERS (% of total households in Davidson County)

ANNUAL INCOME	RENTERS	OWNERS	TOTAL
Less than \$20,000	23,679 (10%)	14,567 (6%)	<b>38,246 (16%)</b>
\$20-35,000	9,674 (4%)	7,994 (3%)	<b>17,668 (7%)</b>
\$35-50,000	2,100 (1%)	7,548 (3%)	<b>9,648 (4%)</b>
\$50-75,000	872 (0%)	4,476 (2%)	<b>5,348 (2%)</b>
More than \$75,000	0 (0%)	1,333 (1%)	<b>1,333 (1%)</b>
Total	<b>36,325 (15%)</b>	<b>35,918 (15%)</b>	<b>72,243 (30%)</b>

Many households in Nashville/Davidson County have very low incomes. Almost 12% of all households have an annual income less than \$10,000 and 35% of all households earn less than \$30,000. Generally, local government efforts to cultivate “affordable housing” are targeting households with an income of approximately \$48,500, thus leaving unaddressed the housing needs of 53% of Davidson County households earning less than that amount of income.

# Housing Trust Funds

## HOUSING TRUST FUNDS:

- Are distinct funds established by cities, counties and states that dedicate public sources of revenue to support affordable housing.
- Are usually created by legislation or ordinance.
- Have an administrative structure to oversee operations with strict regulations for expenditures.
- Finance the construction of new homes.
- Support repairs to pre-existing rental and owned homes.
- Provide rental assistance to those with special needs.
- Aid first-time home purchasers.

## HTF FACTS:

- For every \$1 spent by a HTF, \$5 to \$10 of housing is gained through their leveraging capacity.
- Federal Government support for low-income housing has shrunk by more than 75% over the last 30 years.
- As a local response to diminishing federal funding, over 400 Housing Trust Funds have been created across the country.
- Funding for Housing Trust Funds can come from Real Estate Transfer fees, Developer fees, Municipal Permit and Application fees, amongst a wide variety of other sources.
- Housing Trust Funds provide a flexible source of funding to ensure that communities get the type of housing they want and need.

The data for this handout was retrieved from the American Community Survey 2004 [[www.census.gov](http://www.census.gov)]; the Nashville-Davidson Consolidated Plan 2005-2010; PolicyLink.Org; Boston, Charlotte, and Philadelphia HTF informational websites; and the Center for Community Change [[www.communitychange.org](http://www.communitychange.org)].

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In 2003, Charlotte's Housing Trust Fund constructed, rehabilitated, and assisted the purchase of **1,346** housing units.

Like the one below:



In Philadelphia, a **\$15** million a year HTF is estimated to have an **\$85** million impact on the local economy, and a **\$142** million impact on the region. The \$15 million: repairs **900** houses, creates **275** new homes, and prevents **1,000** families from being homeless.



Metropolitan



Brookview

With just \$82 million, Boston's housing Trust Fund has created **6200** affordable housing units. Including the Brookview and Metropolitan Apartments above.