

Affordable Housing Trust Fund

City of St. Louis



COMMUNITY BUILDERS
NETWORK OF METRO ST. LOUIS

What is the Affordable Housing Trust Fund?

- The Affordable Housing Trust Fund (AHTF) is funded annually by the Use Tax and dedicated to affordable housing and related services.
- The AHTF awards grants and loans for affordable housing projects, home repair, homeless services, and other supportive services.

AHTF-funded projects, 2003-present

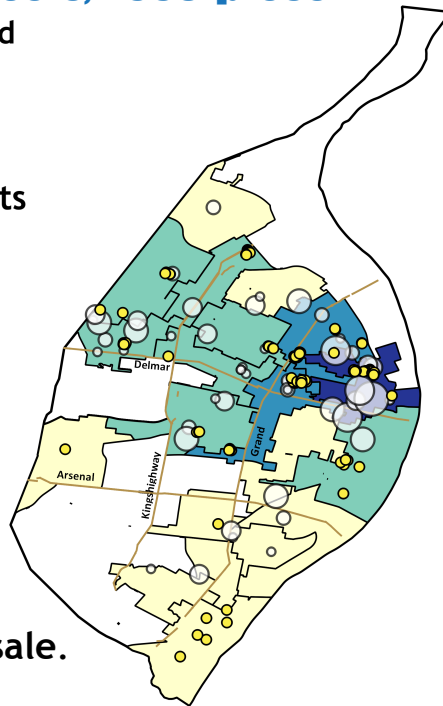
AHTF Housing Projects by Ward

- 1 - 5
- 5 - 13
- 13 - 31
- 31 - 47

AHTF-Funded For-Sale Units

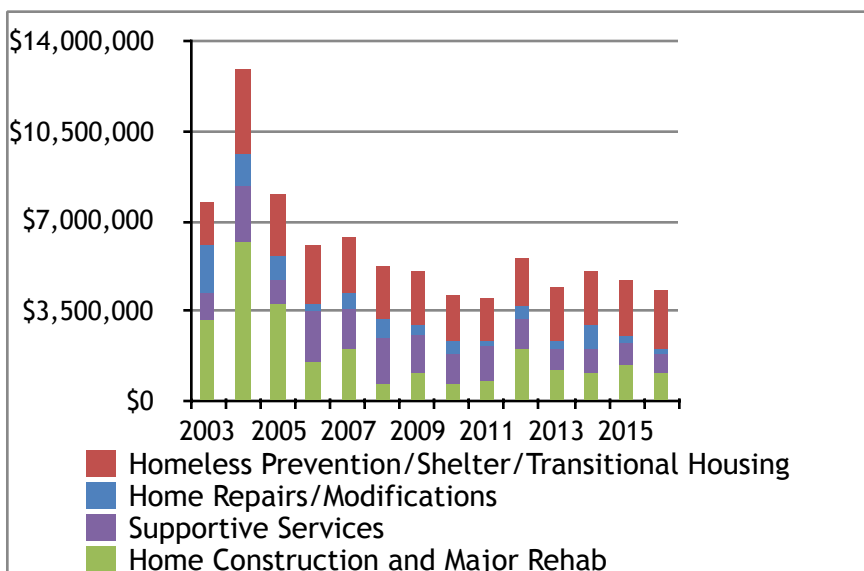
AHTF-Funded Rental Units

- 1 - 15
- 15 - 30
- 30 - 42
- 42 - 63
- 63 - 100
- 100 - 114



Since 2003, the AHTF has funded **1,583** new rental units and **184** homes for sale.

Awarded AHTF funds since 2003



Why the AHTF is important

It catalyzes investment that might not flow otherwise.

- Every \$1 the AHTF spends on home construction and major rehab is matched by \$17 in public and private funds.
- Most loans to developers and home buyers are repayable.
- Expanding AHTF dollars will make St. Louis more competitive for outside funds.

It builds strong communities.

- The AHTF addresses vacancy by rehabilitating properties and putting them to productive use for people who need housing.
- Underutilized, unsafe, and/or substandard buildings are being replaced with safe, attractive, accessible, energy efficient, and affordable homes.

It works to solve homelessness.

- A person earning minimum wage could spend up to 67% of their income on rent, more than twice what the federal government defines as affordable.¹



- The AHTF helps put housing in reach for our most vulnerable.

Affordable Housing Trust Fund City of St. Louis

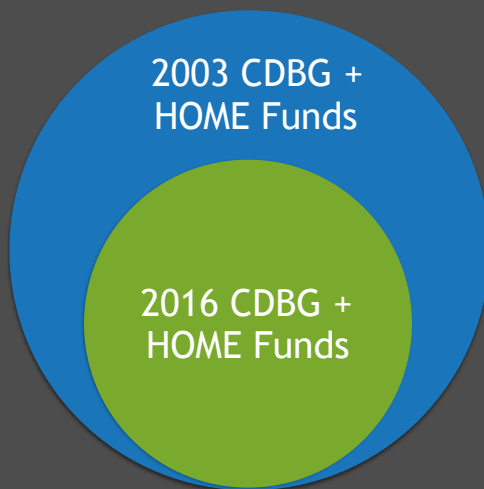


COMMUNITY BUILDERS
NETWORK OF METRO ST. LOUIS

How the Affordable Housing Trust Fund improves St. Louis

- The AHTF funds services that stabilize communities.
 - Rent, utility, and mortgage assistance
 - Elder services that help people age in place
- Affordable housing projects increase property values in low-income areas^{2,3,4} and reduce crime rates.²
- The AHTF eradicates lead from homes. All homes funded by the AHTF are lead safe. Lead exposure has been linked to:
 - Crime⁵
 - Antisocial behavior in children⁶
 - Reduced academic performance⁷
- The AHTF provides funding for home repair to build wealth in areas with low access to capital.

The AHTF is a local solution to federal disinvestment



Federal funds from the Community Development Block Grant (CDBG) and HOME programs have decreased from \$40.2 million to \$18.8 million (in 2017 dollars) since the AHTF was created, a decline of 53%.⁸

The Affordable Housing Trust Fund at work



The AHTF awarded funds to the East Fox Homes project led by Rise Community Development and Messiah Lutheran Church in 2016. The project is restoring 47 affordable and energy-efficient rental homes in the historic Fox Park and Tower Grove East neighborhoods. Messiah Lutheran Church is providing social services for Bhutanese refugees that live in these homes.

Footnotes

1. Based on the Department of Housing and Urban Development fair market rent for St. Louis City in 2017.
2. Diamond, R. and McQuade, T. (2015, July). Who wants affordable housing in their backyard? An equilibrium analysis of low income property development. *Stanford GSB*.
3. Edmiston, K. D. (2012). Nonprofit housing investment and local area home values. *Federal Reserve Bank of Kansas City*.
4. Woo, A., Joh, K., and Van Zandt, S. (2016). Unpacking the impacts of the Low-Income Housing Tax Credit program on nearby property values. *Urban Studies* 53(12), 2488-2510.
5. Feigenbaum, J.J. and Muller, C. (2016). Lead exposure and violent crime in the early twentieth century. *Explorations in Economic History* 62, 51-86.
6. Reyes, J.W. (2014). Lead exposure and behavior: Effects on antisocial and risky behavior among children and adolescents. *National Bureau of Economic Research*. <http://www.nber.org/papers/w20366>.
7. Aizer, A., Currie, J., Simon, P., and Vivier, P. (2016, August). Do low levels of blood lead reduce children's future test scores? *National Bureau of Economic Research*. <http://www.nber.org/papers/w22558>.
8. HUD Exchange. (2017) Department of Housing and Urban Development <https://www.hudexchange.info/grantees/allocations-awards/>.