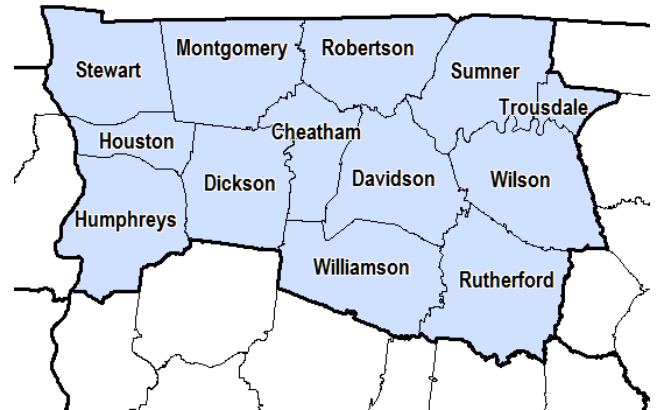


Greater Nashville ECONOMIC IMPACT

Studies have shown that safe, sound, affordable housing is essential to a healthy home, educational achievement, successful employment, and the stability and safety of the neighborhood.

In this study, we developed a comprehensive framework to estimate the *economic* impact of Tennessee Housing Development Agency (THDA) activities in providing safe, sound, affordable housing options to low- and moderate-income households. To this end, we reviewed THDA programs, both loans and grants, to determine the scope and the monetary flows of each program's activities.



Because of the economic multipliers or “ripple” effect, our affordable housing programs impact all industries in the economy, going far beyond the specific unit or neighborhood in which THDA program money is spent.*

BUSINESS REVENUE

- ✓ Total contribution of the THDA-related activities to Greater Nashville's economy was estimated at \$424.91million** in 2007
 - Of this total, \$245.5 million was directly injected into the economy by THDA-related activities
 - Every \$100 of the THDA-related activities generated an additional \$73 in business revenues

PERSONAL INCOME

- ✓ THDA-related activities generated \$145.93 million** in wages and salaries in 2007
 - Every \$100 of personal income produced an additional \$72 in personal income in the local economy

EMPLOYMENT / JOB CREATION

- ✓ THDA-related activities created 3,578 jobs** in 2007
 - Every 100 jobs created by THDA-related activities, primarily in the construction sector, generated 72 additional jobs throughout the local economy

STATE AND LOCAL TAXES

- ✓ THDA-related activities accounted for \$14.59 million in state and local taxes in 2007.

* We used the IMPLANpro input-output model to calculate these “ripple” effects on the Tennessee economy.

** Direct, indirect and induced

Greater Nashville THDA ACTIVITY IN 2007

- ◆ The **Homeownership** programs, in 2007, including Great Start, Great Advantage, Great Rate and New Start loans in Greater Nashville Regional Council area created 1,946 new homeowner(s); a total of \$239,741,116.
- ◆ **Multifamily Bond Authority** utilized \$41,320,000 to create 1,008 apartments.
- ◆ **Low Income Housing Tax Credit** dollars in the amount of \$7,180,158 created an additional 1,691 affordable rental units.
- ◆ **HOME** funds which include **American Dream Downpayment Initiative** (ADDI) grants utilized in Tennessee, \$2,559,176, were allocated to applicant city and county governments, not-for-profit organizations and CHDOs providing various forms of housing assistance to 80 household(s).
- ◆ **THDA Trust Fund**, which in 2007 included **Rural Housing Repair**, awarded \$2,025 and assisted 2 household(s); **Competitive Round**, awarded \$3,546,857 and assisted 181 household(s); **RAMPS**, awarded \$23,158 and assisted 32 household(s); **Homebuyers Education**, awarded \$105,375 and assisted 514 household(s); **Emergency Repair**, awarded \$106,676 and assisted 22 household(s).
- ◆ The **BUILD** Program, which provides low-interest short term loans to eligible non-profits, used \$75,000 to assist 1 household(s). **Community Investment Tax Credit** dollars in the amount of \$257,543 assisted 48 household(s).

Direct Rental Assistance aided 9,442 households and totaled \$47,984,615. Of this:

- ◆ **Tenant-based*** assistance of \$9,659,630 in the form of vouchers aided 1,824 households.
- ◆ **Project-based**** assistance of \$38,246,545 helped 7,582 families pay an affordable rent.
- ◆ **Group Homes for Disabled Adults** programs received \$78,440 assisting 36 Tennesseans.

<u>Program, Date Began</u> (how funded)	<u>Cumulative</u>	
	<u>Units</u>	<u>Dollars</u>
Homeownership, 1974; Homeownership Disaster Loans, 2003 (tax exempt mortgage revenue bonds)	30,480	\$1,973,720,432
Multifamily Bond Authority, 1993 (tax exempt bond authority delegated to local issuers)	5,297	\$213,950,000
Low Income Housing Tax Credit, 1987 (Federal tax expenditures)	10,409	\$45,646,770
HOME, 1992; ADDI, 2004 (Federal grant funds)	1,289	\$31,142,014
THDA Trust Fund, 2007 (Rural Housing Repair, Competitive Round, Ramps, Homebuyers Education, Emergency Repair)	751	\$3,784,092
Build Program and CITC, 2006	396	\$9,494,036

* Section 8 units and amounts totaled are those leased in December 2007. Some urban counties and larger cities administered their own Section 8 Tenant Based programs. These figures only include units administered by THDA.

** THDA has a contract with the U.S. Department of Housing and Urban Development to administer 381 Section 8 Project Based Contracts under Contract Administration.