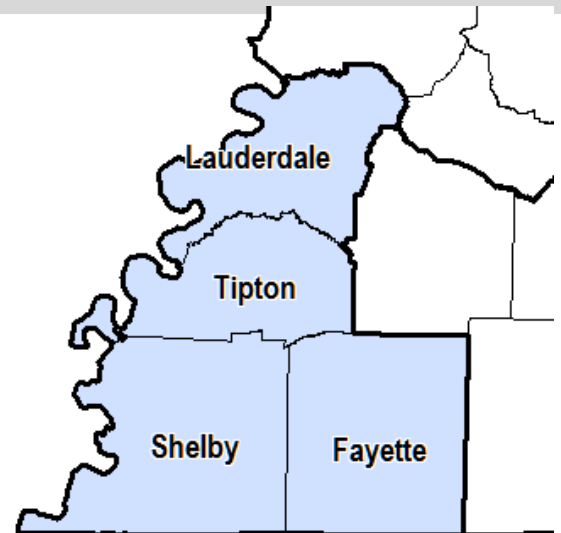


Memphis Area ECONOMIC IMPACT

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 Memphis Area economy was estimated at \$188.2 million** in 2007
 - Of this total, \$112.1 million was directly injected into the economy by THDA-related activities
 - Every \$100 of the THDA-related activities generated an additional \$68 in business revenues

PERSONAL INCOME

- ✓ THDA-related activities generated \$62.8 million** in wages and salaries in 2007
 - Every \$100 of personal income produced an additional \$70 in personal income in the local economy

EMPLOYMENT / JOB CREATION

- ✓ THDA-related activities created 1,780 jobs** in 2007
 - Every 100 jobs created by THDA-related activities, primarily in the construction sector, generated 58 additional jobs throughout the local economy

STATE AND LOCAL TAXES

- ✓ THDA-related activities accounted for \$6.6 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

Memphis Area THDA ACTIVITY IN 2007

- ◆ The **Homeownership** programs, in 2007, including Great Start, Great Advantage, Great Rate and New Start loans in Memphis Area Assn. of Governments created 587 new homeowner(s); a total of \$64,581,105.
- ◆ **Multifamily Bond Authority** utilized \$58,904,673 to create 1,826 apartments.
- ◆ **Low Income Housing Tax Credit** dollars in the amount of \$6,472,696 created an additional 2,210 affordable rental units.
- ◆ **HOME** funds which include **American Dream Downpayment Initiative** (ADDI) grants utilized in Tennessee, \$500,000, were allocated to applicant city and county governments, not-for-profit organizations and CHDOs providing various forms of housing assistance to 6 household(s).
- ◆ **THDA Trust Fund**, which in 2007 included **Rural Housing Repair**, awarded \$66,462 and assisted 12 household(s); **Competitive Round**, awarded \$1,125,037 and assisted 111 household(s); **RAMPS**, awarded \$10,427 and assisted 23 household(s); **Homebuyers Education**, awarded \$19,875 and assisted 196 household(s).
- ◆ The **BUILD** Program, which provides low-interest short term loans to eligible non-profits, used \$462,100 to assist 21 household(s). **Community Investment Tax Credit** dollars in the amount of \$253,540 assisted 74 household(s).

Direct Rental Assistance aided 7,581 households and totaled \$42,143,474. Of this:

- ◆ **Tenant-based*** assistance of \$5,645,358 in the form of vouchers aided 982 households.
- ◆ **Project-based**** assistance of \$36,498,116 helped 6,599 families pay an affordable rent.

<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)	19,488	\$993,070,034
Multifamily Bond Authority, 1993 (tax exempt bond authority delegated to local issuers)	7,346	\$199,799,673
Low Income Housing Tax Credit, 1987 (Federal tax expenditures)	9,664	\$35,544,102
HOME, 1992; ADDI, 2004 (Federal grant funds)	459	\$10,853,522
THDA Trust Fund, 2007 (Rural Housing Repair, Competitive Round, Ramps, Homebuyers Education, Emergency Repair)	342	\$1,221,801
Build Program and CITC, 2006	123	\$2,062,731

* 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.