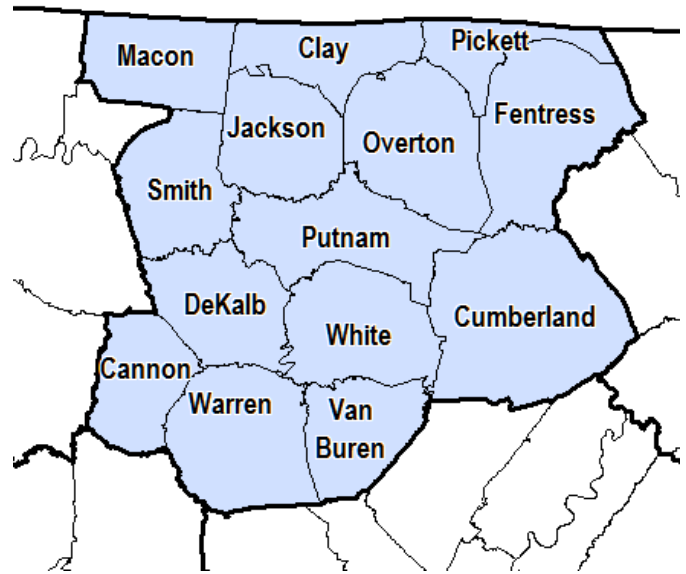


Upper Cumberland ECONOMIC IMPACT

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 Upper Cumberland’s economy was estimated at \$21.7 million** in 2007
 - Of this total, \$14.25 million was directly injected into the economy by THDA-related activities
 - Every \$100 of the THDA-related activities generated an additional \$52 in business revenues

PERSONAL INCOME

- ✓ THDA-related activities generated \$7.36 million** in wages and salaries in 2007
 - Every \$100 of personal income produced an additional \$46 in personal income in the local economy

EMPLOYMENT / JOB CREATION

- ✓ THDA-related activities created 253 jobs** in 2007
 - Every 100 jobs created by THDA-related activities, primarily in the construction sector, generated 45 additional jobs throughout the local economy

STATE AND LOCAL TAXES

- ✓ THDA-related activities accounted for \$768,342 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

Upper Cumberland THDA ACTIVITY IN 2007

- ◆ The **Homeownership** programs, in 2007, including Great Start, Great Advantage, Great Rate and New Start loans in Upper Cumberland Development District created 211 new homeowner(s); a total of \$19,707,563.
- ◆ **Low Income Housing Tax Credit** dollars in the amount of \$692,436 created an additional 76 affordable rental units.
- ◆ **HOME** funds which include **American Dream Downpayment Initiative** (ADDI) grants utilized in Tennessee, \$2,037,276, were allocated to applicant city and county governments, not-for-profit organizations and CHDOs providing various forms of housing assistance to 83 household(s).
- ◆ **THDA Trust Fund**, which in 2007 included **Rural Housing Repair**, awarded \$104,311 and assisted 22 household(s); **Competitive Round**, awarded \$160,715 and assisted 55 household(s); **RAMPS**, awarded \$942 and assisted 1 household(s); **Homebuyers Education**, awarded \$3,075 and assisted 33 household(s); **Emergency Repair**, awarded \$104,571 and assisted 16 household(s).

Direct Rental Assistance aided 1,271 households and totaled \$4,194,191. Of this:

- ◆ **Tenant-based*** assistance of \$1,400,350 in the form of vouchers aided 526 households.
- ◆ **Project-based**** assistance of \$2,779,924 helped 735 families pay an affordable rent.
- ◆ **Group Homes for Disabled Adults** programs received \$13,917 assisting 10 Tennesseans.

<u>Program, Date Began</u> (how funded)	<u>Cumulative</u>	
	Units	Dollars
Homeownership, 1974; Homeownership Disaster Loans, 2003 (tax exempt mortgage revenue bonds)	2,315	\$122,263,708
Multifamily Bond Authority, 1993 (tax exempt bond authority delegated to local issuers)	50	\$800,000
Low Income Housing Tax Credit, 1987 (Federal tax expenditures)	1,529	\$5,978,305
HOME, 1992; ADDI, 2004 (Federal grant funds)	934	\$24,434,867
THDA Trust Fund, 2007 (Rural Housing Repair, Competitive Round, Ramps, Homebuyers Education, Emergency Repair)	127	\$373,614

* 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.