



OPEN THE DOOR



Travis Yates
BOARD PRESIDENT

I have had the pleasure of serving on the Louisville Affordable Housing Trust Fund (LAHTF) Board for over four years. However, when I was first asked to serve on the Board there were no funds associated with the organization. Few comments I could boast brings greater pride than for three years in a row, LAHTF is able to fund projects with allocations from a variety of sources. Last year alone, LAHTF was able to assist in the preservation, creation, and even acquisition of 1,306 units splattered throughout Metro Louisville. Reasonable ideology would agree that affordable housing is essential to a successful community. More importantly than the effect affordable housing has on a city, is what it does for each individual household. The testimonials heard from someone able to afford a quality home speaks volumes more than an income statement, census data, or a balance sheet.

None of this would be possible without the efforts of our Executive Director, Christie McCravy and her staff. They know trends before they become a trend. They implement that knowledge to identify neighborhood needs and challenges to ensure the funds are utilized in a way that makes the most sense for our entire community. She also utilizes my fellow Board of Directors effectively, and the support and volunteer efforts from each of them does not go unnoticed by either Christie or me. This strong narrative needs to continue, and grow even stronger, to continue to fight the battle against a lack of quality affordable housing for our community. Thank you all for your vision and forethought both to this point and moving forward.

BOARD OF DIRECTORS

EXECUTIVE COMMITTEE

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Coalition for the Homeless
IMMEDIATE PAST PRESIDENT

Travis Yates
Beacon Property Management
PRESIDENT

Theresa Zawacki
Louisville Forward
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Elite Homes

Hon. Bill Hollander
Louisville Metro Council, District 9

Michael Gardner
Housing Partnership Inc.

Matthew Harrell
Developer

Carol Clark
California Kutz Barbershop

Stephanie Wood
Uspiritus Residential Facility

Christopher Haragan
Air Equipment Company

Mika McClain
Louisville Metro Housing

FY2018 has been an impact-filled year! The Louisville Affordable Housing Trust Fund (LAHTF) has been instrumental in creating and preserving opportunities for more than nearly 1,300 households in our community! It was the first year that Louisville Metro Government came close to the target of \$10 million annually for the Fund. And this investment of \$9.57 million leveraged more than \$164 million in construction dollars for our community. Where else can you find a 17:1 return on investment!?!

However, the investments made into the Trust Fund are not just economic investments, but investments in human capital! The jobs created will pay livable wages. Workers are then able to spend their wages on goods and services their families both need and want. Yet human capital extends far beyond the short-term, tangible measures. Studies show that children in stable housing are more successful in school. Affordability allows parents to provide their children with the tools to make educational success attainable. Safe neighborhoods provide the peace of mind needed to grow and thrive.

Although the Trust Fund currently has adequate funding, it still needs a dedicated funding source to ensure its place in the community. Thus, there is still work to do. Developers create projects when they know that funding is available. Without this assurance, a developer may never risk growing an idea into bricks and mortar.

Thank you to the members of Citizens of Louisville United Together (CLOUT) for your unwavering support of the Trust Fund. Thank you Mayor Fischer and Metro Council for going beyond lip service to invest \$10 million for 2019! This investment allows endless possibilities for our community. I know that the best is still yet to come!



Christie McCravy
EXECUTIVE DIRECTOR

LAHTF STAFF



Tonya Montgomery
Program Compliance Manager



Lynda Gibson
Administrative Assistant

1,306 UNITS

TOTAL NUMBER OF HOUSING UNITS FUNDED



492 NEW HOUSING UNITS



33
SINGLE
FAMILY
HOMES

22
PROJECTS



814 **PRESERVED**
AFFORDABLE
UNITS

\$164 MILLION

IN TOTAL DEVELOPMENT COSTS

A man with glasses and a mustache, wearing a black polo shirt, stands behind a wooden podium. The podium features a circular seal with a fleur-de-lis in the center, flanked by two stars. The text around the seal reads "LOUISVILLE" at the top, "JEFFERSON COUNTY" at the bottom, and "1778" on both sides. The background shows a kitchen-like setting with wooden cabinets, a white countertop, and a stainless steel refrigerator. A purple banner is overlaid on the right side of the image.

CHANGING LIVES

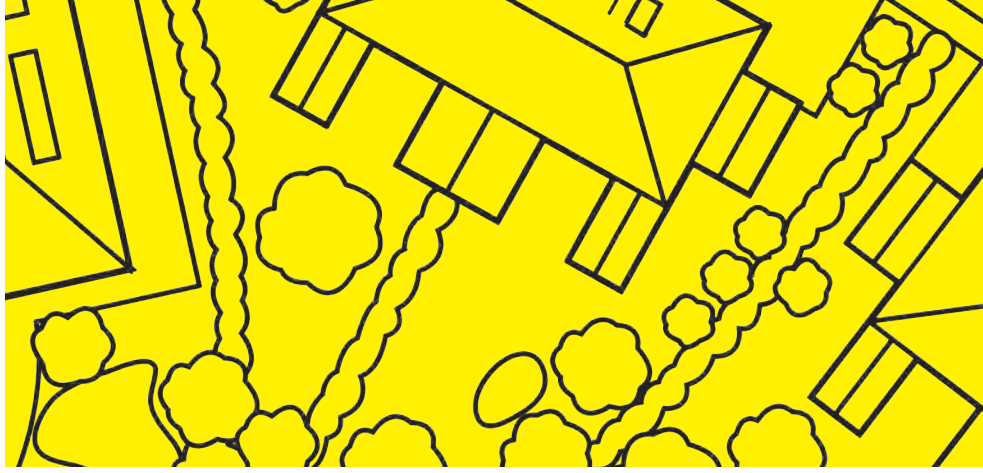
In 2017, The Louisville Affordable Housing Trust Fund (LAHTF) provided \$477,000 in forgivable funds to the Chestnut Street YMCA for major deferred maintenance repairs for its 41-unit permanent supported housing program. The program is the only such program in the city, that provides housing for men moving towards self-sufficiency.

Emmitt William is a graduate of the program. He found himself homeless after years of drug addiction and decided that he needed a change. Once he was accepted into the Y, he enrolled in the programs, developed job skills, and gained employment. He learned to become self-sufficient and secured his own place to live after more than two years in residency at the Y.

In January 2018, a ribbon cutting was held to celebrate the renovated space! The renovation included upgrading plumbing and bathroom facilities, laundry facilities, individual HVAC units for residents and common areas and new appliances in the main community room. This renovation has enhanced not only our facility, but the self-worth and hopes of every man that lives here," says Leah Mullaney, Senior Program Director for Housing of the Chestnut Street YMCA. Prior to the renovation, residents had to find alternative places to eat and use laundromats to clean their clothes.

"We are excited to be able to fund the types of projects that have been presented and also understand that, without the flexible type of funding available through the Trust Fund, programs like the Y would not receive the funds needed to continue to provide these services in our community," said Christie McCravy, director of the Louisville Affordable Housing Trust Fund. "This is just one example of what is possible when the Trust Fund receives funding."





LAHTF ALLOCATES FY18 FUNDS



The Louisville Affordable Housing Trust Fund (LAHTF) has announced the allocation of Fiscal Year 2018 (FY18) funds. LAHTF allocated about \$9.2 million to 22 different projects which will assist in the creation or preservation of 1,306 units across 8 Metro Council Districts.

Because of Trust Fund dollars, 814 of these units will be updated and upgraded while maintaining their affordability. 492 of the units will be brand new, through new construction or renovation of a vacant property.

The allocation was celebrated at the ground breaking of Middletown Apartments, a project that was allocated FY18 funds, as well as funds from Louisville CARES. The Apartments will consist of 80 one, two and three bedroom units on Urton Lane.

"An increase of affordable housing units, scattered across our community, is essential for our residents to reach their full human potential," Mayor Greg Fischer said. "When families are cost-burdened by their rent, they have to give up other things like time with children, food or other essentials. The allocation by LAHTF will open housing opportunities for people who need them while simultaneously attacking other problems in our community like vacant properties."

"Fully funding the Trust Fund is the only way we can begin to move the needle on the affordable housing shortage," LAHTF Executive Director Christie McCravy said. "Projects and jobs are created, residents have choice...it's a win for the entire community."



LAHTF FY18 funds have been allocated as such:

- \$175,000 to Winterwood Property Management for the renovation and rehab of the 27 unit Rivertown Apartments complex in District 6
- \$2.3 million to LDG for the new construction of 316 unit multifamily apartment development in District 24
- \$1 million to Housing Partnership Inc. (HPI) for the rehab of the 89 units at York Towers in District 4
- \$450,000 to Habitat for Humanity of Metro Louisville for the new construction of 15 single family homes on vacant properties in Districts 1, 4, 5, and 16
- \$350,000 to New Directions Housing Corporation and River City Housing for the renovation and rehab of 7 vacant single family homes in District 4
- \$1 million to HPI and Urban Acupuncture for the new construction of a 24 unit multifamily development designed to house refugee families on a vacant property in District 5
- \$30,000 to HPI for Operation Victory, a collaboration between HPI and local unions to build a home on a vacant property for the purposes of housing a homeless veteran
- \$225,000 to HPI for the renovation and rehab of 11 vacant single family homes in District 4, 5 and 6



- \$566,000 to Dayspring Community Living for the new construction of 3 single family homes on vacant properties in Districts 6 and 15, creating 9 single room occupancy housing units for the disabled
- \$58,000 to House of Ruth and River City Housing for the new construction of a duplex on a vacant property in District 4
- \$500,000 to Allied Argenta for the renovation and rehab of 125 units of the Henry Greene Apartments in District 4
- \$1 million to Telesis Corp. for the renovation and rehab of 503 units at City View Park in District 4
- \$250,000 to HPI for the new construction of the 80 unit Middletown Apartments in District 19
- \$266,000 to Wabuck Co. for the renovation and rehab of the 16 unit Lions Arms I complex in District 1
- \$200,000 to AME Church and Allied Argenta for the renovation and rehab of the 15 units Greater Community Apartments in District 5



- \$300,000 to REBOUND, Inc. for the purchase and rehab of 4 vacant properties in District 4
- \$189,000 to APK Development for the purchase and rehab of 5 vacant single family homes in Districts 1 and 5
- \$330,000 to DF Property Holdings, LLC for the rehab of 11 vacant single family homes in Districts 4,5,6, and 15
- \$100,000 to Blackrock, LLC for the rehab of 12 units of a vacant multifamily complex in District 4
- \$34,000 to Yvonne and Crystal McAfee for the rehab of one vacant single family home in District 4

Additional funds were allocated to Homes of the Innocents (\$10,000), HPI (\$3,500) and Louisville Urban League (\$15,000) for supportive housing services.



HOUSING NEEDS ASSESSMENT

MULLIN &
LONERGAN
ASSOCIATES
INCORPORATED



COMMUNITY FOUNDATION
OF LOUISVILLE

In late 2017, the Louisville Affordable Housing Trust Fund (LAHTF) and Louisville Metro Government partnered to select a consultant to produce a Housing Needs Assessment for the Louisville Metro area. Mullins and Lonergan, a housing and community development consulting firm in Pittsburgh, PA, was selected to produce the study. The report will address the following:

- What are current housing market conditions throughout the city (analysis of rents, unit sizes, home sales, unit construction, foreclosures, property maintenance violations, vacant properties, and other indicators to be identified)?
- How well is supply meeting demand for various income levels and household sizes?
- Where are the locations of “naturally affordable” low-cost housing?
- What is the inventory of all subsidized housing?
- Where will existing residents experience potential risk of displacement due to rising housing costs and evolving local markets?
- What income groups will be served by new market-rate housing development?
- Where should new affordable housing development, including housing rehabilitation, be encouraged to locate? (Proximity to job centers, neighborhood and regional amenities/ transportation corridors, etc.)
- How many residents face housing cost burdens? Where are housing cost-burdened households located?
- What are demographic trends that will affect housing supply and demand?
- How can strategic investment be planned to further fair housing choice throughout Louisville Metro?

The overall goal of the study is to identify specifically where and how the housing market is not meeting the current and future needs of residents and workforce in terms of product, location, and pricing; and identify the housing units in the community that are at-risk.

Public input was sought and residents were encouraged to participate in the process. The study should be released in early 2019. Thank you to the Community Foundation of Louisville for its \$20,000 grant to offset part of the Trust Fund’s expenses for the study.





How's it
going in
YOUR
neighborhood?



We want to know what
you think is important for
making your neighborhood
a good place to live!

Take Our
SURVEY

Louisville
Affordable
Housing
Trust Fund



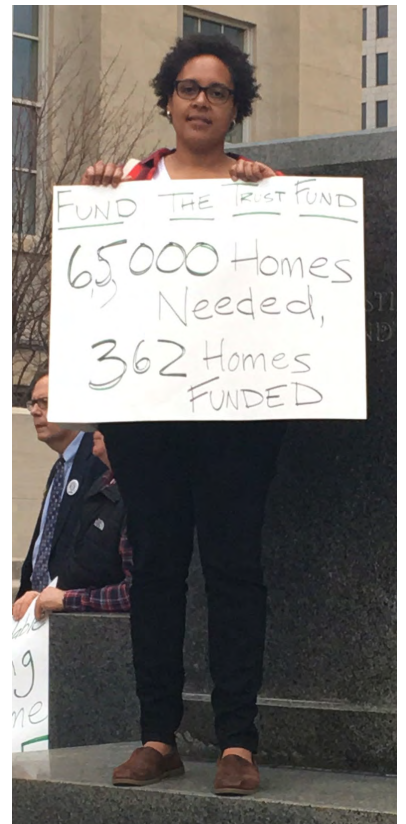
Louisville's Office of Housing & Community Development and the Louisville Affordable Housing Trust Fund have begun a Housing Needs Assessment across the entire city. We're interested in hearing from residents about issues that are important for improving Louisville neighborhoods.

Take the online survey and get more information at
www.louisvillehna.mandl.net

Come inside and use a library
computer to complete a
Resident Survey.



OPEN THE DOOR



ADVOCACY WORKS

Louisville
**Affordable
Housing**
Trust Fund



A black street sign with white lettering that reads "POSSIBILITY WAY" is mounted on a black pole. The background is a bright blue sky with scattered white clouds. A solid green rectangular box is positioned in the upper right corner of the image.

BUILDING CAPACITY

Louisville Affordable Housing Trust Fund (LAHTF) dollars not only change the lives of those needing housing, but the investments also build capacity for those seeking an opportunity to gain skills and employment. APK Development and Construction is a small, local development firm making inroads in the Louisville community, thanks in part to the Trust Fund.

Collaborating with local organizations such as YouthBuild, Louisville Urban League, and The Healing Place, APK Development & Construction has helped to create jobs for local youth and prior offenders, throughout different phases of construction. The LAHTF approved two loans for the developer to rehab five vacant properties for single family homeownership and to rehab two vacant multiplexes that will produce seven apartments affordable to families making up to 50% AMI. All of the work is being done in various neighborhoods of Louisville's West End.

APK's efforts helped a life-long renter become a homeowner and assisted her in obtaining down payment assistance through the Kentucky Housing Corporation, as well as provided \$3,000 in closing costs. While producing sustainable homeownership, they reduced the buyer's overall monthly, housing expense by \$300 below what she was previously paying.





FIFTH THIRD BANK
**HOME
ASSISTANCE
LOAN
PROGRAM**



Through the Fifth Third Foundation's Strengthening Our Communities Grant Funds, the Louisville Affordable Housing Trust Fund (LAHTF) provided a low-interest loan, in various zip codes¹, to low-income homeowner's below 80% AMI. The \$5,000 maximum loan amount empowered individuals to choose the home items in need of critical repair, and the low-interest rate allowed clients to repay, with very little accumulation of interest.

Eligible program repairs include:

- HVAC mechanical repairs or replacement
- Windows and door replacement
- Roofing
- Energy efficiency upgrades (i.e. insulation)
- Accessibility improvements (i.e. ramps, bathroom repairs)
- Safety or Soundness repairs (i.e. concrete work, deck repair)
- Exterior improvements (i.e. painting, siding, gutters)

As a result of the \$75,000 Grant presented to LAHTF for the program, the loan will become forgivable after 36 monthly on time payments, as long as the borrower remains in the home as an owner occupant! The minimal eligibility criteria also includes a 580 credit score; 2 years residency; 1 mortgage lienholder at the time of application; and the ability to support a \$50 (or less) payment.

Applicants are subject to a review of their credit reports to learn their credit scores, and a one hour credit counseling session to develop a budget and Financial plan provided by our partners, the Louisville Urban League Center for Housing and Financial Empowerment.

The Home Owner's Loan Assistance Program has been a great success and the LAHTF expects to assist at least 15 Home Owner's with needed repairs in the community.

¹ Zip codes 40203, 40210, 40211, 40212, 40218, and 40219





SUPPORTIVE HOUSING GRANT PROGRAM



Affordable housing would not be possible without developers, builders, bricks or mortar. However, without the necessary services to create and sustain successful homeowners and renters, residents may become unstable or no longer able to lead productive lives. Louisville Affordable Housing Trust Fund (LAHTF) allocated \$50,000 to effectively address these needs through the Supportive Housing Services Grant Program.

The Grant Funding from this program can be used by organizations providing supportive, permanent housing services intended to provide assistance and obtain the skills needed to secure and sustain their housing options. The services might include programs that provide HUD approved housing counseling; HUD approved education services; employment and workforce skills development; and other programs that invest in the intangible human component of affordable housing projects.

During the FY2018, LAHTF provided grants to five (5) organizations very involved in the housing industry. The Home of the Innocents, Housing Partnership, Louisville Urban League, Metropolitan Housing Coalition, and St. John Center each received dollars to sustain, create, or further their internal support programs in compliment to their missions.

As a result, each organization who received grant dollars provided specialized programs with the following outcomes:

- 165 individuals recruited to provide housing for the pilot Host Homes Program, to help end homelessness for young adults
- The Creation of a Financial Capabilities Program currently reporting rent payments to Credit Bureaus; thereby increasing credit worthiness for renters
- 55 new low-income families received Housing and Financial Empowerment education
- 193 homeless men moved into permanent housing
- 99% of homeless men in a Supportive Housing Programs retained their housing for one year
- 47 previously homeless and unemployed men obtained employment while working with an employment specialist



“Not In My Back Yard” or NIMBY-ism has always been a threat to fair housing and affordable housing policies. In 2018 alone, Louisville has seen affluent residents come out in force against promising developments that could have offered choice in some of our least impacted areas.

We all understand that myths arise due to lack of knowledge. Therefore, if the information below enlightens even one person, we have done our part.

WHAT DOES AFFORDABLE HOUSING MEAN?

In the U.S., the term affordable housing is used to describe housing, rental or owner-occupied, that is affordable no matter what one’s income is. The U.S. government regards housing costs at or below 30% of one’s income to be affordable.

WHAT DOES SUBSIDIZED HOUSING MEAN?

Though it is incorrectly used to describe housing that is assisted by the government, subsidized housing is used when describing housing that has rental assistance. That is, housing where all of a portion of the occupants’ monthly housing cost is paid for directly by the government. An example of this is Section 8 housing vouchers, where a renter only pays the portion of the rent that is determined to be affordable to them based on their income.

WHAT IS LIHTC?

Low Income Housing Tax Credits (LIHTC) is a Federal housing assistance program that provides tax incentives to owners of affordable housing. The program does not provide direct assistance to renters and is strictly used to finance the construction (not the operation) of rental properties. Usually, LIHTC properties have units available for families earning 60% or less of the Area Median Income (AMI). The rental properties are usually of very high quality and are often mistaken for luxury apartment communities. LIHTC is America's most successful affordable housing program having created millions of affordable rental units since its inception in the late 1980's.

ABOUT FAIR AND AFFORDABLE HOUSING



ABOUT FAIR AND AFFORDABLE HOUSING

HOW DO I KNOW IF MY INCOME QUALIFIES ME FOR A GIVEN AFFORDABLE APARTMENT?

There are literally dozens of different housing programs that you might qualify for. Generally, if you earn less than 60% of the median income for your area, you can qualify for LIHTC apartments, which makes up the largest chunk of rental apartments available. To qualify for rental subsidies, where you only pay 30% of your income for rent, you'll need to earn less than 50% of the median income. Many of the programs go out of their way to target even lower income people, even as low as 30% of the median income, so make sure you ask the property manager what they have available.

WHAT IS AREA MEDIAN INCOME (AMI)?

All government housing programs qualify recipients based on their income. Since each market area has varying living costs and income levels, the government determines an Area Median Income (AMI) for each housing market. For example, the area median income for Louisville in 2018 is \$71,500.

WHAT IS SECTION 8?

Unfortunately, Section 8 has turned into a bad word though it's a good program that helps good people. Section 8 is a HUD program that helps renters pay their rent by paying for any rent costs that exceed 30% of the renters income. Simply put, If a renter earns \$2,000 per month in Louisville but their rent costs \$1,150 per month, Section 8 helps by paying \$550 of that rent since 30% of the renters income is \$600. This rental subsidy is very scarce and there are waiting lists locally and across the country for the program.

WHAT IS A HOUSING AUTHORITY?

Housing authorities have been around for many years and was the country's first concerted effort to provide affordable housing to lower income Americans. A housing authority is usually locally based and serves a whole city or county. Some housing authorities are statewide and assist housing across the entire state. Housing authorities received funding from HUD, the Department of Housing and Urban Development, to operate Section 8 voucher programs and low rent housing called public housing. Our local housing authority is the Louisville Metro Housing Authority.

Source: <https://affordablehousingonline.com>



STATEMENT OF FINANCIAL POSITION

June 30, 2018

June 30, 2017

2018

2017

ASSETS

Cash

\$2,343,370

\$2,630,539

Cash held in Escrow

\$564,639

\$557,276

Prepaid Expenses

\$250

\$250

Grants Receivable

--

\$25,115

Mortgage Loans Receivable, Net

\$1,009,220

\$159,950

Furniture and Equipment, Net

\$349

\$1048

Total Assets

\$3,917,828

\$3,374,178

LIABILITIES AND NET ASSETS LIABILITIES

Accounts Payable

\$17,213

\$24,751

Accrued Expenses

\$9,353

\$45,707

Total Liabilities

\$26,566

\$170,458

NET ASSETS

Unrestricted

\$1,977,934

\$526,577

Temporarily Restricted

\$1,913,328

\$2,677,143

Total Net Assets

\$3,891,262

\$3,203,720

TOTAL LIABILITIES AND NET ASSETS

\$3,917,828

\$3,374,178

OPEN THE DOOR

The Louisville Affordable Housing Trust Fund would like to thank all of its supporters for your advocacy, monetary contributions, or in-kind donations! Some made verbal and personal appeals to Metro Council. Some educated neighbors and friends about what affordable housing really is. Some provided financial support. Please know that whatever you did, it is greatly appreciated!

John Bucher
Citizens of Louisville United Together
(CLOUT)
Community Foundation of Louisville
Beverly Duncan
Kevin Dunlap
FifthThird Bank Foundation
Kentuckians for the Commonwealth
Lynn Haner
Matthew Harrell
Natalie Harris
Lauren Kehr
LDG Development
Michael Lambert
Bryan Lloyd
Rob Locke
Louisville Metro Government

Metropolitan Housing Coalition
Doug Magee
Anne Mayhugh
Crystal McAfee
Christie McCravy
Tonya Montgomery
Charles Montgomery, Jr.
PNC Bank
Rebecca Roehrig
Anne Sanders
Curtis Stauffer
Richard Vance
Lisa Von Halle
Travis Yates
Ralph Zalph
Theresa Zawacki

