



A PROPOSAL FOR ENABLING LEGISLATION for municipalities, counties or regions that choose to create a Housing Trust Fund with options for dedicating public revenue to affordable housing, blight amelioration, rent subsidies and related purposes.

GEORGIA'S HOUSING AFFORDABILITY CRISIS

Georgia, like the rest of the United States, is facing a growing affordable housing crisis that affects urban, suburban and rural communities. The gap between wages and average rents has expanded at a fast rate so that now more than half of Georgia households are cost burdened, spending between 30-50% of household income on housing, with over one in five households severely cost burdened, paying more than 50% of their income on housing.

Local governments are increasingly aware that housing affordability impacts families with children, people with disabilities, seniors, veterans and returning citizens, and more and more moderate income working families and people providing essential services such as nurses, teachers, police and fire fighters, retail and food service workers - who can't afford to live in the communities they serve.

As the need for affordable housing has grown, federal support, which has been the mainstay for funding in this area, has decreased. Only one in four eligible households can actually access Section 8 rent subsidies. Federal authorization for low income housing tax credits has remained flat. There have been severe cuts to the HOME program that is the primary grant to states and communities to fund a wide range of affordable housing activities. At the same time, the stock of federally-supported affordable housing is diminishing as subsidies expire. In rural areas the lack of affordable units is compounded by access to few, if any, state or federal supports to build new housing for working families or senior Georgians with low or fixed incomes.

The resulting need to fill the housing gap has increasingly fallen to counties and cities. Many have met the crisis by establishing local Housing Trust Funds with a dedicated revenue stream that allow them the resources and flexibility to meet the need for safe, decent and affordable housing that is essential for community well-being and economic growth.

GEORGIA LAW CAN PROVIDE THE TOOLS AND FLEXIBILITY TO ADDRESS THIS NEED

Research shows that every dollar invested in affordable housing generates an average of \$6 in public and private funds, with some showing returns of up to \$14. The proposed enabling legislation would amend Georgia law to empower communities to act, but only if they so choose.

Local communities face varying affordable housing challenges. The best tools to address those needs require flexibility. The proposed legislation would allow each community to decide whether to create a Housing Trust Fund and select from appropriate revenue sources the one they wish to dedicate. Each community would have the power to choose how to best meet local housing needs, such as workforce housing, housing for persons leaving institutions, supportive housing for people with disabilities, blight amelioration, housing rehabilitation and home modification for seniors and people with disabilities, home purchase assistance, etc. Communities would establish the criteria for allocating funding and determine the form the financial assistance would take, e.g., loans or grants. The legislation would also provide flexibility in how communities could designate responsibility for administering the fund, monitoring activities and reporting on accomplishments.

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