



**HOMELESS
& HOUSING**
COALITION OF KENTUCKY

Endorse the KY Affordable Housing Trust Fund Campaign

Proposed Revenue Sources

1. Increase the Legal Processing Fee portion of the recording fees for deeds and 1st mortgages by up to \$20. This would add \$40 or less than 2% to the closing costs when purchasing a home (closing costs are typically over \$2,500).
2. Excess revenue for new contractor's certification fee. (Legislation being proposed)
3. Create enabling legislation permitting localities to fund Local Affordable Housing Trust Funds through increasing one or more of the following fees: filing and recording fees pertaining to deeds, agreements, easements, mortgages and fixtures by up to \$10 and increase Building Permit Fees by up to \$.04 cents per sq. ft. to fund a local trust fund.
4. Maintain or increase current level of funding within the general budget.

The Need for Affordable Housing

There is a dire need for additional decent, safe, and affordable housing units in Kentucky.

- **Substandard Housing and Extreme Cost Burdens-** One in four Kentucky households live in substandard housing, overcrowded conditions, or paying over 30% of household income for housing.
- **Disabled Individuals-** In 2004, an SSI recipient (receiving \$564 monthly) could afford a monthly rent of no more than \$169, while the Fair Market Rent for a one bedroom unit is \$438.
- **Housing/Wage Gap-** A minimum wage worker in Kentucky must work **79 hours per week** to afford the Fair Market Rent for a modest two-bedroom apartment. The **Housing Wage** in Kentucky is **\$10.23**. This is the amount a full time (40 hours per week) worker must earn per hour in order to afford a two-bedroom unit at the area's Fair Market rent.
- **Homelessness** – It is estimated that nearly 44,000 Kentuckians experience homelessness over the course of a year, including 14,600 children.
- **Federal and State Funding Cuts** - In the light of shrinking federal and state budgets, funding for affordable housing continues to decrease.

The Affordable Housing Trust Fund Impact

- ◆ Over 5700 affordable homes have been created with \$39.3 million in AHTF over 12 years
- ◆ Every \$1 of AHTF leverages over \$5 of additional funds
- ◆ All AHTF funds are used to create affordable homes for low income Kentuckians under 60% area median income, with over 1/3 of the funds going to assist those 30% of area median income and below
- ◆ AHTF increases Economic and Community Development through the contractors, building suppliers, banking and realtor industries. New homes also increase the local property tax base.

Declaration of Support

(Name of Individual, Organization or Elected Official)

endorses the KY Affordable Housing Trust Fund Campaign and pledges to work for passage of legislation increasing the state revenue to the KY Affordable Housing Trust Fund. We agree to join other organizations, businesses and local leaders in being listed as a partner in the KY Affordable Housing Trust Fund Campaign.

Authorizing Contact _____

Mailing Address _____

City _____ **State** _____ **Zip** _____

Phone _____ **Fax** _____

Email _____

Mail, fax or email to the Homeless and Housing Coalition of KY
Fax # 502-226-4968 Email: gchamberlain@hhck.org