

# FUNDING THE ARKANSAS HOUSING TRUST FUND \*\*



In Arkansas, the Fair Market Rent (FMR) for a two-bedroom apartment is \$689. In order to afford this level of rent and utilities- without paying more than 30% of income on housing - a household must earn \$2,298 monthly or \$27,572 annually. Assuming a 40-hour work week, 52 weeks per year, this level of income translates into an hourly Housing Wage of: \$13.26 Renters, in effect, need to work @ 66 hours per week at minimum wage to afford a 2-bedroom unit. (National Low Income Housing Coalition - Out of Reach 2016)

*You hold the key to affordable housing!*

## Housing Arkansans for Years to Come

- The Arkansas Housing Trust Fund will provide permanent funds to develop or rehabilitate rental housing or housing designed for owner occupancy, provide rental assistance, down payment assistance, and homeless prevention programs. In addition to helping vulnerable Arkansans, economic benefits accrue to our real estate industry, our banking industry, and the housing construction industry. Based on leveraging experiences from other state housing trust funds, every dollar of housing trust fund money can attract \$7 of additional investment, meaning that approximately \$4.6 million in permanent funding could bring \$32.2 million in additional funds to meet our states' housing needs. (Housing Trust Fund Survey, 2016, Center for Community Change)
- The Arkansas Housing Trust Fund will contribute to economic growth through increased housing production, employment, and tax revenues. In a typical Metropolitan Statistical Area, building 100 single family homes can generate up to \$28.7 million in local income and as many as 394 local jobs in the first year alone.

*In 2014, National Association of Home Builders estimated:*

*Building an average single-family home creates: 2.97 jobs, \$110,957 in taxes*

*Building an average rental apartment creates: 1.13 jobs, \$42,383 in taxes*

*\$100,000 spent on remodeling creates: 0.89 jobs, \$29,779 in taxes*

**\*\*Redistribution of a portion of Real Estate Transfer Tax funds - \$4.6 million annually.**

*"The solution to the problem of assuring an adequate supply of affordable, decent housing is complex, and may involve creating innovative partnerships between the public and private sectors, ..." ~ from A REVIEW OF AFFORDABLE HOUSING IN ARKANSAS: The Supply, the Need, and the Role of Government. (Institute for Economic Advancement, University of Arkansas at Little Rock, June 2012)*

***Sustainable Funding for the Arkansas Housing Trust Fund is an excellent first step!***