



STATE OF
Metropolitan Housing Report
2006



Metropolitan Housing Coalition

state of metropolitan housing report

Letter to MHC Members

The Metropolitan Housing Coalition releases its fourth *State of Metropolitan Housing Report*, an ongoing report card of the affordable housing challenges and successes in the nine Kentucky and four Indiana counties that define the Louisville metropolitan statistical area (MSA). In this report, we look at nine measures of housing conditions in our region. Within each of these measures MHC found that:

- ▶ Subsidized housing remains concentrated in the Louisville Metro urban core.
- ▶ The majority of the Hispanic and Latino families in the region live in the central Louisville area and in Shelby County.
- ▶ Annual incomes and hourly wages have not kept pace with cost of living increases.
- ▶ New allocation procedures for the distribution of Section 8 vouchers will have an adverse effect on the number of families being served.
- ▶ Homeownership in the Louisville MSA is still racially divided; only 12 percent of Louisville Metro homeowners are African-American or black.
- ▶ Jefferson County foreclosure rates are higher than statewide rates in Kentucky.
- ▶ The lack of affordable housing units is a major factor in the increase of homeless persons and families; locally, 25 percent of the city's homeless population had been unable to make rent or mortgage payments.
- ▶ The federal budget for CDBG programs was cut by 9.9 percent from 2005.

The year in review:

Questions raised by the disaster and diaspora resulting from the flooding of New Orleans and the Gulf Coast have guided our work this last year. MHC has deliberately raised the issues of segregation by race and poverty this year, hosting speakers such as Dr. Ed Goetz and Dr. Gary Orfield. In April, 2006 MHC published a paper on the Open Housing movement and African American and White housing patterns in Louisville from 1960 to 2000. MHC worked with about a dozen organizations to create a four part program on the Open Housing Movement, with presentations in April and October this year and two more scheduled for 2007.

MHC has emphasized the Coalition part of our name; almost all our work has been with great partners and our results have been synergistic. The work on the Affordable Housing Trust Funds, state and local, has been our biggest, systematic advocacy project to date, with over 90 organizational endorsers and over 1,200 postcards signed by supporters. This work is the best example of how much more we can do by working closely with aligned organizations than we can accomplish ourselves. For the first time, Kentucky's Affordable Housing Trust Fund has a dedicated, renewable, public source of revenue. Locally, Mayor Abramson has convened a Task Force around the goal of an Affordable Housing Trust Fund as outlined in the administration's Comprehensive Housing Strategy. The Metro

Council has established a bi-partisan Sub-Committee to study this useful tool in effectively addressing affordable housing needs. MHC has been part of the leadership to mobilize the grassroots effort to support a local Affordable Housing Trust Fund.

Once again we had over 600 people at MHC's Annual Meeting. People were there to talk to each other at Louisville's largest gathering of affordable housing advocates and to hear Dr. Gary Orfield, Director of Harvard's Civil Rights Project and a consultant to the Jefferson County Public School system on our desegregation plan. His words were prophetic as he talked about the possibility of the case involving the JCPS plan being heard before the United States Supreme Court. It was only a few weeks later that the Court accepted review of the case. Dr. Orfield talked about the important role of housing opportunities in desegregating the schools.

Locally, we have moved forward with our foreclosure work. A dedicated group of MHC volunteers has drafted a brochure for people who are in foreclosure: a teaching tool. CHASE Bank will sponsor the printing of these brochures. We are working on the plan for getting that information to people in crisis and to neighborhood leaders. We have also undertaken to oversee a study of households in foreclosure; the second step in a two part study on foreclosures in which we have participated. Major supporters of this effort are Making Connections of Louisville and the Kentucky Housing Corporation.

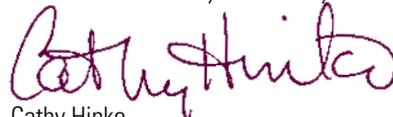
MHC has a loan pool for production or rehabilitation of affordable housing by non-profit developers. The Kentucky Housing Corporation has awarded MHC loans and grants to create and operate this loan pool. This year was a banner year for the award and it enables MHC to have more innovation in the loan pool.

MHC received the financial support of 178 organizations and 266 individuals as well as grants from Louisville Metro Government, the Kentucky Housing Corporation, Making Connections Louisville, PNC Bank, US Bank, Presbyterian Church USA, Catholic Charities, the Gannett Foundation, Republic Bank & Trust Company and the Judah Foundation. This support allowed us to maintain a strong focus on safe, decent and affordable housing in the region.

Thank you for your continued support of the work of the Metropolitan Housing Coalition, both financial and with your time and effort. Truly, we are working as a coalition and the effort of every one of you is important if we are to accomplish our mission.



Kevin Dunlap
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planning and zoning in louisville metro: It's Effect on Affordable Housing

Planning and zoning is a land use tool used by communities to guide development; it became widely accepted throughout the United States when it was court tested in a 1926 U.S. Supreme Court case (*Euclid v. Ambler*). This significant and landmark case was instrumental for states to adopt legislation that enabled cities and towns to enact their own zoning ordinances. Kentucky's planning and zoning statutes were first adopted in the early 1930s. Shortly thereafter, the city of Louisville implemented its first planning and zoning codes and Jefferson County followed suit in the 1940s.

After World War II ended, Louisville and Jefferson County, like most other U.S. communities, experienced rapid population and economic growth. With the development of the interstate highway program and the national trend of planning that led to a dependency on the automobile as the primary means of transportation, Louisville and Jefferson County's zoning followed the conventional wisdom that integrating new housing and commercial developments was no longer best planning practice.

Thanks to the inception of federally insured mortgages and the availability of FHA and VA loans new homes became very affordable. To meet these housing demands, most of the undeveloped land throughout Jefferson County was zoned residential to enable subdivision developments to be built without having to file for a zoning change. The only requirement was, and still is, that the development must comply with the criteria in the Subdivision Ordinance.

During this period of expansive suburban growth, restrictive covenants (which were initially in place in the early 1920s) were allowed. Some of these were discriminatory in nature, prohibiting the sale of homes to persons other than Caucasians or Christians, or mandating homes of a certain minimum size. Racial and religious discrimination continued until the 1960s when the Civil Rights movement over-

turned this as illegal and unconstitutional. Unfortunately this was not soon enough to deter or prevent the practice of creating housing developments that were socially and economically exclusive. Requiring minimum square footage for homes is still in effect.

Over the next several decades, the post-war pattern of subdivision development continued throughout Jefferson County. As more land was being developed and average home sizes were getting larger, property values increased. Housing prices have escalated since the late 1970s while growth in real income has not kept pace. The gap between those who can or cannot afford to buy a new home continues to widen. The end result is that persons and families with low- to moderate-incomes simply cannot afford to buy the market-rate homes built in our community.

In an effort to keep up with economic and residential growth, Kentucky's planning and zoning statutes require that a municipality's comprehensive plan and zoning ordinances be reviewed and amended or rewritten every five years. In June 2000, Louisville and Jefferson County replaced its 21-year old comprehensive plan with *Cornerstone 2020*. It was seven years in the making and included the expertise and input of many businesses, organizations, advocacy groups, and concerned citizens throughout the community.

The housing goals and objectives outlined in *Cornerstone 2020* center on both determining the housing needs as new areas are commercially and industrially developed and preventing barriers to affordable housing. The Land Development Code, effective March 2003, should have put into practice *Cornerstone 2020*'s goals and objectives through its ordinances and regulations.

The 12 jurisdictions in Jefferson County that have zoning powers had the option to adopt the Land Development Code separately.



planning and zoning in louisville metro: Its Effect on Affordable Housing

Anchorage, Indian Hills, and St. Matthews still use the old code and some of the other small cities made special provisions to the ordinances and regulations. For example, Middletown does not permit any new single-family home to be built on a lot less than 9,000 square feet, and a one-story single-family home in Prospect must be at least 2,500 square feet in size.

Though affordable housing is cited in *Cornerstone 2020* in its community form and land use goals and objectives, the only place it is addressed in the Land Development Code is in Chapter 4, Part 5: Alternative Development Incentives (ADI). ADI has characteristics similar to inclusionary zoning, but is solely a voluntary, incentive program. The difference between the two are that inclusionary zoning requires that new residential developments must dedicate a minimum percentage of the housing units for low- to moderate-income families, whereas the Louisville Metro ADI regulation is not strictly for the inclusion of affordable homes. The regulation also awards density bonuses if a development provides open space, preserves cultural resources, demonstrates efficient land use or land conservation techniques, or includes higher-priced housing in poor neighborhoods. The end result is zoning legislation that is not concentrated on the community's need to meet the demands for affordable housing units.

Housing units within ADI subdivisions are restricted to single-family homes built on lots that are zoned either R-4 or R-5. The regulations do allow for the homes to be adjoining and share lot lines (patio homes, townhouses), however this is also a restriction that excludes other forms of housing (duplexes, apartments, condominiums) which are more affordable than the single-family home.

Since its inception, only 10 ADI residential developments have been approved. Nine of these developments included provisions for affordable homes. When built, 75 are to be Levels 1 and 2 priced homes, and 87 are to be Levels 3 and 4 priced homes. On the other hand, since ADI was approved in March 2003, 108 market-rate subdivisions have been approved representing approximately 6,173 market-rate homes.

It has taken three years for the earliest approved ADI subdivisions to begin construction of affordable homes. As of August 2006, two buyers have been certified as Qualified Buyers. The current version of ADI has no provisions that would prohibit the resale of these houses at market rate or to unqualified buyers within any set time period.

In other communities across the U.S., zoning ordinances with an affordable housing component have been an effective means for local governments to generate homes for low- to moderate-income families. Though there is not a blanket affordable housing ordinance that suits all communities, there are some components that have proven to be very successful. MHC suggests that incorporating the following options would make ADI more effective:

Mandatory Inclusionary Zoning

Even though incentives are often used as tools to encourage the inclusion of affordable units within residential developments, the effectiveness of such measures may be limited, given their voluntary nature. Adopting inclusionary zoning ordinances are an assurance that affordable housing options are part of any residential develop-

ment, regardless of its location within the county; in other words, it levels the playing field. Under mandatory inclusionary zoning, developers are required to dedicate a set percentage of units in any new residential development for low- and moderate-income households. If such a program were in place in Louisville Metro, the overall effect could be a concerted distribution of economically diverse housing units ending the historical isolation of poverty within the community.

Developer Incentives and Concessions

Encouraging or mandating the production of affordable housing units should always include developer incentives and "cost offsets" (Rusk, 2002). The current ADI does offer density bonuses in exchange for the inclusion of affordable single-family units but other incentives and bonuses should be considered. In some communities where the average length of time spent for the approval of development plans impacts the cost of housing, developments that contain affordable housing units might qualify for expedited permitting of plan reviews and building permits. Other incentives could be the waiver of fees, and eased development standards (e.g., reduced setbacks, narrower street widths, etc.). For example, in Montgomery County, MD, where over 10,000 affordable units have been built during the past 30 years, water and sewer development charges and development impact fees are waived for projects that fulfill the affordable set-aside requirements. Likewise, the developer incentives in Longmont, CO, include relaxed regulatory requirements on parking setbacks, landscaping, etc.

Time Restrictions on Affordability

Currently under ADI, there are no time restrictions on how long the low- to moderate- level housing units remain affordable. To meet the demands for affordable housing needs, these new units should not be allowed to be resold at market rate for a pre-determined period of time. Across the country, these time periods may vary from 15 to 50 years and in some cases the units are to remain affordable in perpetuity.

Multi-Family and Mixed-Use Developments

ADI does not include the production of any housing units other than single-family. By restricting the developments to lots zoned R-4 and R-5, alternative housing developments that often contain affordable housing units such as apartments and condominiums are ignored. If expanded to include any residential zone on any size lot, ADI could be an effective tool for regenerating older, declining neighborhoods as well as motivating development in designated town centers. However, density bonuses in a multi-family or mixed-use development would be inconsequential; other incentives would need to be considered to make these options effective.

Brownfields

ADI does offer density bonuses for the redevelopment of a brown-field site, however nearly all of the brownfields in Louisville Metro are on land zoned other than R-4 or R-5. Unless the brownfield happens to be abandoned contaminated farmland, ADI cannot be used as a redevelopment tool. If ADI was broadened to include multi-family and mixed-use developments on land uses other than R-4/R-5, it could be an effective brownfield redevelopment tool.

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MHC proposes that a task force should be formed to evaluate the effectiveness of ADI and make recommendations to strengthen this regulation. Task force members should include, but not be limited to, local government officials, planners, housing advocates, builders, potential consumers and financial lenders.

MHC advocates that the appointed task force consider:

- ▶ Placing a higher emphasis on *Cornerstone 2020*'s goals and objectives on housing by making affordable housing an important element of each residential development, thereby acknowledging that ADI is only one of several planning tools to advance the supply of affordable housing units within Louisville Metro.
- ▶ Making affordable housing a critical issue when the Planning Commission and Metro Council review and approve development plans.
- ▶ Strengthening ADI by mandating the inclusion of affordable housing units within each new major subdivision and multi-family development in every Louisville Metro council district.
- ▶ Amending ADI to expand beyond traditional single-family subdivisions by permitting a mix of residential uses within the subdivision development.
- ▶ Studying the impact of lowering the minimum lot size for a standard R-4/R-5 single-family home subdivision in a full urban service area on the availability of affordable housing units.
- ▶ Allowing an ADI development in any residential zone. ADI could then be used in an older neighborhood like Russell, where much of the land is zoned R-6 and a single-family subdivision is very much in keeping with the neighborhood's aspirations.
- ▶ Expanding the permitted uses to include duplexes and multi-family units, thereby allowing ADI to be used in urban as well as suburban areas. Amending ADI to include mixed-use developments would be an effective tool for brownfield redevelopment projects, infill development, neighborhood revitalization, and new town centers.
- ▶ Stipulating that affordable housing units within developments built using ADI remain as such in perpetuity.
- ▶ Forming a regional coalition made up of representatives of all planning commissions within the Louisville MSA to examine local zoning practices that limit or deter affordable housing developments and explore adopting new regulations to expand the region's supply of affordable housing.
- ▶ Identifying and recommending additional incentives and concessions, such as fee reductions and waivers, that could be added to ADI.
- ▶ Creating a model of an affordable housing development using ADI that would demonstrate the need to ease the location restriction to major corridors, utilize multi-family units, blend housing with commercial and retail, and include design criteria.

Planning and Zoning Definitions

What is a Comprehensive Plan – *Cornerstone 2020*?

K.R.S. Section 100 et seq., Kentucky's planning and zoning statutes, mandates that a planning unit (city, town, or county) write and adopt a comprehensive plan. As defined in the state statutes, a comprehensive plan "... shall serve as a guide for public and private actions and decisions to assure the development of public and private property in the most appropriate relationships." The comprehensive plan is the prerequisite for zoning regulations, and the regulations are written to implement the plan. Plan commissions and legislative bodies are required to use the comprehensive plan as a basis when evaluating and deciding rezoning requests.

Louisville Metro's current comprehensive plan is *Cornerstone 2020*. Adopted in June 2000, the plan articulates the vision and direction for the community's future growth through its goals and objectives. It was seven years in the making and more than 600 local citizens participated in its development, either in focus groups or committees.

Cornerstone 2020 is organized around five major planning elements: Community Form, Marketplace, Mobility and Transportation, Livability and Environment, and Community Facilities. Each element ties into the community values that had been identified and, when taken together, form a stratagem for Louisville Metro's future.

The plan's affordable housing goals and objectives are stated in the section on Community Form Strategy. The plan uses the term 'appropriate/inclusive housing' in reference to affordable housing. As defined in the glossary, 'appropriate/inclusive housing' "... establishes and reinforces both income diversity and a variety of choices of housing types and costs in a neighborhood. It is affordable for all income ranges." (pg. 117)

Community Form Districts outline that developments "[i]nclude a wide variety of medium and high-density housing types, including single family, duplexes, townhouses, and apartments," (pg. 23) and the Traditional Neighborhood, Neighborhood, and Village Form Districts specifically call for "... new neighborhoods that are culturally and economically diverse" (pg. 16).

What is a Neighborhood Plan?

Like a comprehensive plan, a Neighborhood Plan is a vision of future growth and/or revitalization for a defined area. Local citizens and community stakeholders, working in conjunction with planning staff, draft the plan. Each neighborhood plan must be consistent with the goals and objectives that are outlined in the comprehensive plan, and can also recommend changes to the land development code, zoning, and form districts. Once a neighborhood plan is approved, it becomes a supplement to the comprehensive plan, and part of the land use decision-making process by both the plan commission and local legislative bodies.

▶ *Cornerstone 2020*

www.louisvilleky.gov/PlanningDesign/Cornerstone+2020.htm

▶ Land Development Code

www.louisvilleky.gov/PlanningDesign/ldc

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What are Land Use and Zoning Regulations and the Land Development Code?

The Land Development Code (LDC) is a compilation of Louisville Metro's land uses and zoning regulations. In order to manage land use, each parcel of land is assigned a zoning district. Each of these districts represents the permissible use for the land and specific allowances and regulations. In Louisville Metro, the major district classifications are: Residential (R), Commercial (C), Industrial (M), Planned Development (PD), and Special Purpose districts (such as Louisville Metro's Waterfront District).

Within each of these major zoning classifications are multiple zoning districts. Louisville Metro has 17 residential zoning districts that range from Rural Residential to Office/Residential. Each classification sets a specific minimum lot size, density, and the intensity of permitted uses.

Within the boundaries of Louisville Metro, approximately 75 percent of the land is zoned residential. This means that three quarters of the land in the entire county is currently used or reserved for residential and related purposes (churches, schools). In addition, over 69 percent of the R-zoned land falls under one particular residential zone – R-4. Land zoned R-4 permits single-family detached homes built on lots no smaller than 9,000 square feet or, in other words, no more than 4.84 dwellings per acre. As a comparison, single family residential lots in Crescent Hill/Clifton neighborhoods (many zoned R-6) are typically smaller than those in St. Matthews (zoned R-4/R-5). This difference is reiterated comparing lot sizes in St. Matthews with a development such as Lake Forest (zoned- R-4). Furthermore, there are few if any R-4 lots throughout the old City limits.

What are Form Districts?

Form Districts are additional zoning requirements that are placed on a geographic area but do not change the underlying zoning. These districts impose design standards, including building height and yard sizes, in addition to standard zoning requirements. Within the Metro planning area there are 11 designated Form Districts, each with its own specific design standards.

A little over two-thirds of the land in Louisville Metro falls under the Neighborhood Form District. This form district is predominant in the suburban areas which lie outside the former Louisville city boundaries. Though it is described as having both low- to middle-density uses, most of the housing units are single family homes.

As outlined in *Cornerstone 2020* (pg. 72), this district is described as being "... characterized by predominantly residential uses that vary from low to high density and that blend compatibly into the existing landscape and neighboring areas ... [and] will contain diverse housing types in order to provide housing choice for different ages and income."

What are Subdivisions?

Whenever a parcel of land is divided in two or more parcels, a subdivision is created. The design and layout of subdivisions is subject to the Land Development Code's subdivision regulations. The only exception is if the land being subdivided is for agricultural purposes only.

Zoning outside Louisville Metro



To gain a broader perspective of the effect zoning regulations have on the production of new affordable housing units, MHC contacted local planning officials in each of the counties outside of Louisville Metro that are part of the Louisville MSA. With the exception of Trimble County, KY and Washington County, IN, all have zoning on the county level and some have city and town zoning as well.

Nearly all of the local planning officials have said that at one time or another, there has been conversation about the supply and availability of affordable housing units in their communities; Meade County officials do not consider housing affordability an issue since their zoning code permits mobile home developments. While updating their comprehensive plans, Clark County and Jeffersonville, IN planning officials said that housing affordability has been discussed. Ramona Bagshaw, the executive director for Clark County's zoning office, said that her community is concerned that young professionals cannot live within proximity to employment centers.

Though none of the planning and zoning jurisdictions offer incentives to developers to include affordable housing units within new developments, many use Planned Unit Developments (PUD) as a way to work with developers who submit plans for affordable housing developments. Allowances are often made to build homes on smaller lots, thereby lowering the overall cost of the housing unit. Sharon Wilson, Clarksville, IN's planning director, cited two residential developments affordably priced that were built using PUD; one of the sites is a ten-acre infill condominium development that permits zero-foot lot lines, allowing the units to be built side-by-side.

In counties such as Bullitt, a single-family subdivision in a non-urban setting can be built using lots smaller than what is required in Louisville Metro. The town of Brandenburg is currently discussing authorizing subdivisions with smaller minimum lot sizes; the town has also approved two subdivisions that had deed restrictions attached to the homes to maintain affordability.

All of the county planning directors agreed that the lack of sewers is a limiting factor when considering affordable housing regulations. For example, Georgetown, IN, requires a third of an acre, and Spencer County, KY, an acre, for a single-family home that is built on a lot not serviced by sewers.

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Most of the new subdivisions that have been developed since the adoption of *Cornerstone 2020* and the Land Development Code have been in the suburban area of the county which is zoned R-4 and in the Neighborhood Form District. As long as these developments comply with the rules and regulations of the subdivision ordinance, no public hearing with the full planning commission is required.

What is Alternative Development Incentive (ADI)?

Government commonly uses incentives to motivate development of a certain type or location. Incentives are used to encourage housing developments, whether for infill (defined in LDC as “Development that occurs on vacant or underutilized land in an area within which a majority of the land is developed or in use.”), conservation, or to provide housing that is affordable to workforce households. Some of these incentives are tied to economic development projects and can be in the form of a reduction or waiver of property taxes for a limited time period, reduced plan review and permitting fees, and infrastructure improvements such as street, sidewalk, and landscaping.

Cornerstone 2020 advocates incentives for housing for those with low to moderate incomes and states that these incentives “may include but not be limited to density bonuses . . . waiving local fees as appropriate, and encouraging mixed-use projects that include appropriate housing components” (pg. 83).

The Alternative Development Incentives (ADI) was written as part of the Land Development Code to encourage the development of subdivisions that included low- to moderate-level housing units. The concept behind ADI is to award density bonuses, allowing developers to create smaller buildable lots than would be possible with a standard subdivision.

Housing units in a development using ADI are not limited to detached single-family homes. Patio homes and townhouses are allowed, and as such, there is no restriction on the distance between these adjacent lots.

To qualify, subdivisions must be created in areas zoned R-4 and R-5 and set aside a minimum percentage of homes for persons with low- to moderate-incomes. These new homes can only be sold to Qualified Buyers (forms must be submitted for verification).



The Land Development Code set four levels for the sales price for these homes, which are derived by multiplying low- to moderate-income levels by a given value assigned to each of the four levels (prices increase with each level). See Table 1. The income levels are updated annually by the U.S. Department of Housing and Urban Development for the Louisville MSA.

All subdivisions approved using ADI earn density bonus points by having a minimum of 10 percent of the building lots dedicated to Levels 1 and 2 priced homes. Additional density bonus points can be accumulated by building Levels 3 and 4 priced homes, for providing common or public open space, the preservation of cultural resources, efficient land use which includes developing along major transit corridors and on brownfield sites, and by dedicating land for right-of-way for future roadways. Sales of Level 3 and 4 homes must follow the same procedures outlined for Levels 1 and 2.

ADI density bonuses can also be earned for increasing the diversity of housing available in Qualified Neighborhoods. There are two types of Qualified Neighborhoods, higher income and lower income. If a neighborhood has more than 20 percent of its households below poverty level, density bonus points can be earned by providing higher priced houses (e.g., three bedroom homes at \$153,075 or higher). If census figures show that a neighborhood’s median income is 150 percent or higher than the County median, density bonus points can be earned by building 10 percent of the homes within the ADI price limits.

Table 1

| | 1 Bedroom/2 Persons | 2 Bedrooms/3 Persons | 3 Bedrooms/4 Persons | 4 Bedrooms/5 Persons |
|---|---------------------|----------------------|----------------------|----------------------|
| Low-moderate income* (80% of Median) | \$37,700 | \$42,400 | \$47,100 | \$50,850 |
| Level 1 House Price | \$94,250 | \$106,000 | \$117,750 | \$127,125 |
| Level 2 House Price | \$103,675 | \$116,600 | \$129,525 | \$139,838 |
| Level 3 House Price | \$113,100 | \$127,200 | \$141,300 | \$152,550 |
| Level 4 House Price | \$122,525 | \$137,800 | \$153,075 | \$165,263 |

*Income limits are based on HUD standards, and are subject to change at HUD’s discretion.
Source: Louisville Metro Planning and Design

concentration of subsidized housing

Measure 1

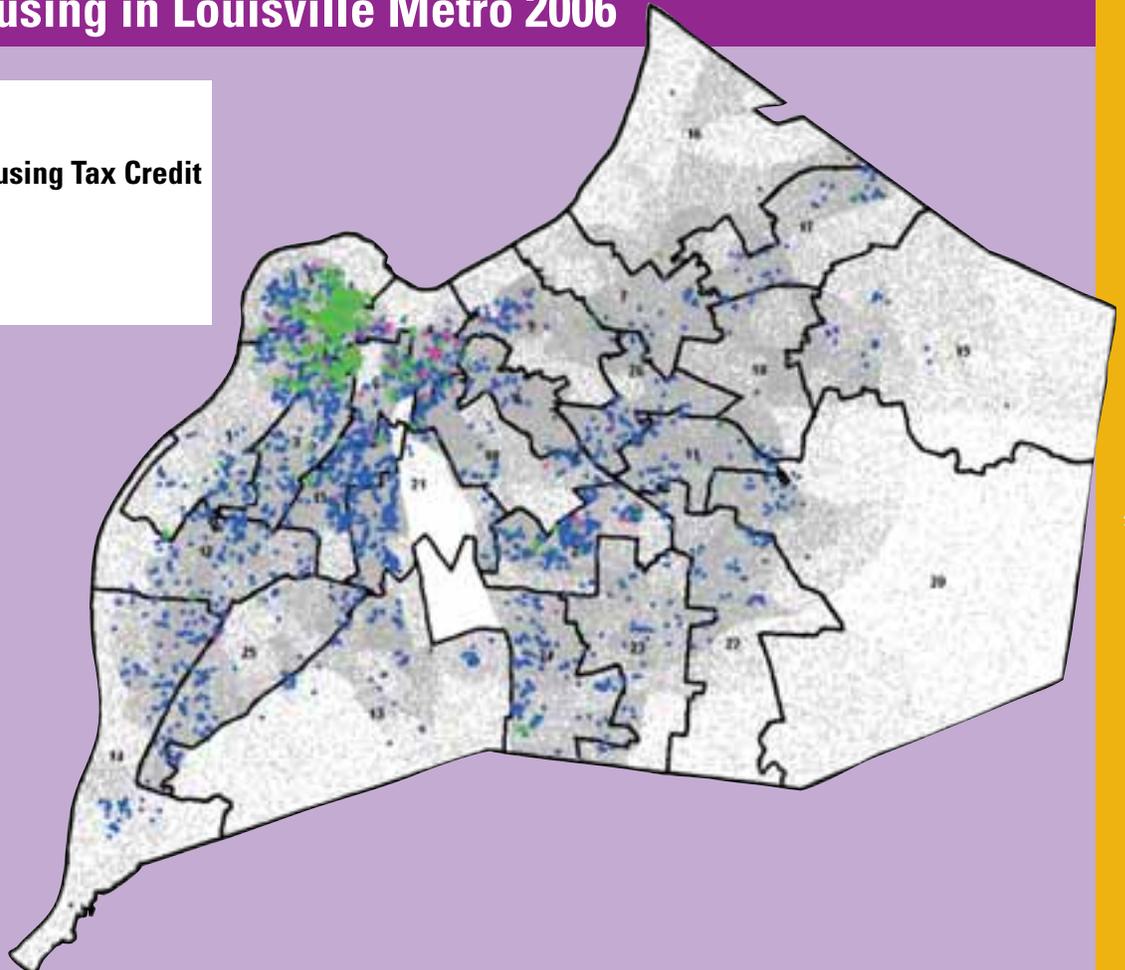
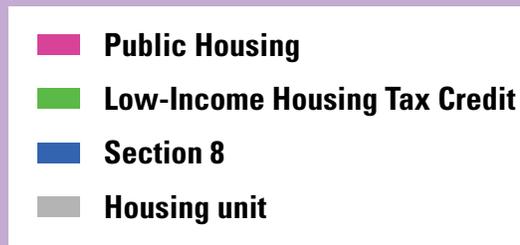
Traditionally, subsidized housing is concentrated in the neighborhoods and council districts with the most need. However, it is equally as important that these same housing opportunities be dispersed throughout the entire Louisville Metro area. **MHC advocates that local leaders and housing advocates work together to create housing strategies that would include options for workers to live near employment centers and for senior citizens to stay in their established neighborhoods and near their families.**

In Louisville Metro, poverty is more prevalent in five Louisville Metro council districts. All are in older urban neighborhoods and located in the western section of the county (U.S. Census, 2000). Likewise, the majority of the subsidized housing units are within these same five council districts. The demographics of these council districts show that more than half of the residents are black or African-American and that female heads of household constitute 40 or more percent of all households.

Additionally, housing units subsidized by either Section 8 or Low Income Housing Tax Credits are scarce in the eastern section of the county. In some districts, it is virtually non-existent. The practice of clustering subsidized housing in one locale fosters racial and economic segregation.



Subsidized Housing in Louisville Metro 2006



housing segregation by gender, race/ethnicity, and income

Measure 2

The Brookings Institution recently reported that Louisville was among several communities across the country with a loss of middle-class neighborhoods over the past three decades. During this same time period, median house values rose 22.6 percent while the increase in median household incomes was virtually stagnant (3.2 percent change from 1979 to 1999). Households with the lowest incomes are most often families with female heads of household, the elderly and young adults trying to make it on their own. Finding decent affordable housing that is within a short distance to job and service centers is a challenge for many; in some council districts, affordable housing choices are minimal. **MHC supports a strategic approach on the locations of affordable housing units in the Louisville Metro region. Affordable housing policies should foster an integration of housing types that are within a close proximity to workplaces, shopping, and healthcare facilities for people of all ages and incomes.**

The following statistics are indicators for the need for a wide range of affordable housing choices throughout our community:

► **Gender** – According to the 2005 American Community Survey, 31 percent of the total number of households in Jefferson County are headed by women. However, when comparing the household incomes by family type, we find that 30 percent of the female householders, with no husband present, have family incomes that are below the poverty level. It is disturbing that the median family income for a female single-family household with children age 18 and younger is \$17,866 as compared to the median family income of \$53,493 for all family households in Jefferson County.

► **Race/Ethnicity** – MHC has added maps that show the distribution of Hispanic and Latino households in the Louisville MSA and by council district in Louisville Metro. The highest concentration of Hispanic/Latino households is in District 21, where Churchill Downs is located. It appears that many of the Hispanic/Latino households are located along transportation corridors, indicating a reliance on public transportation.

► **Economic Status** – Of all the households in the Louisville MSA, 41 percent have incomes that are 80 percent or below the median household income. When dividing householders into age groups, seniors (65 and older) and young adults under 25 years were the hardest hit, with each of these population groups having the majority of the households with incomes well below the median.



Louisville MSA Household Income

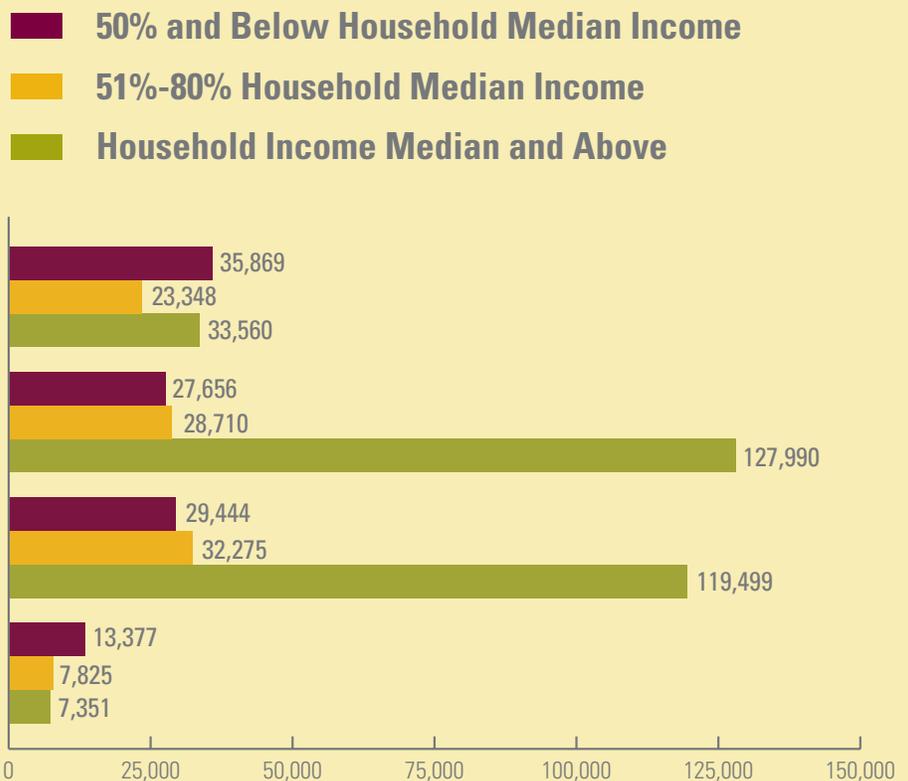
Median and Below by Age of Householder (Median Household Income = \$43,344)

65 and older

45-64

25-44

Under 25



Source: U.S. Census, American Community Survey, 2005

housing segregation by gender, race/ethnicity, and income

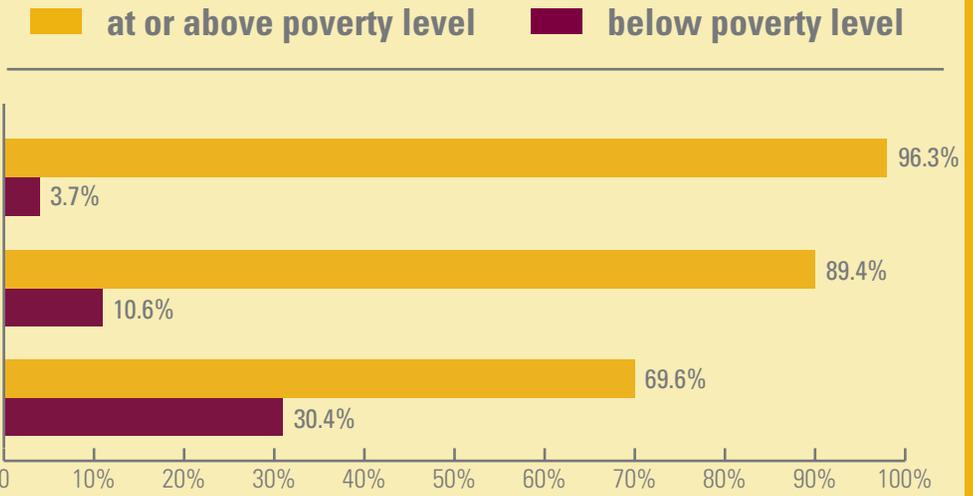
Measure 2

Jefferson County Family Income Status by Family Types

Married Couple Family

Male Householder, no wife present

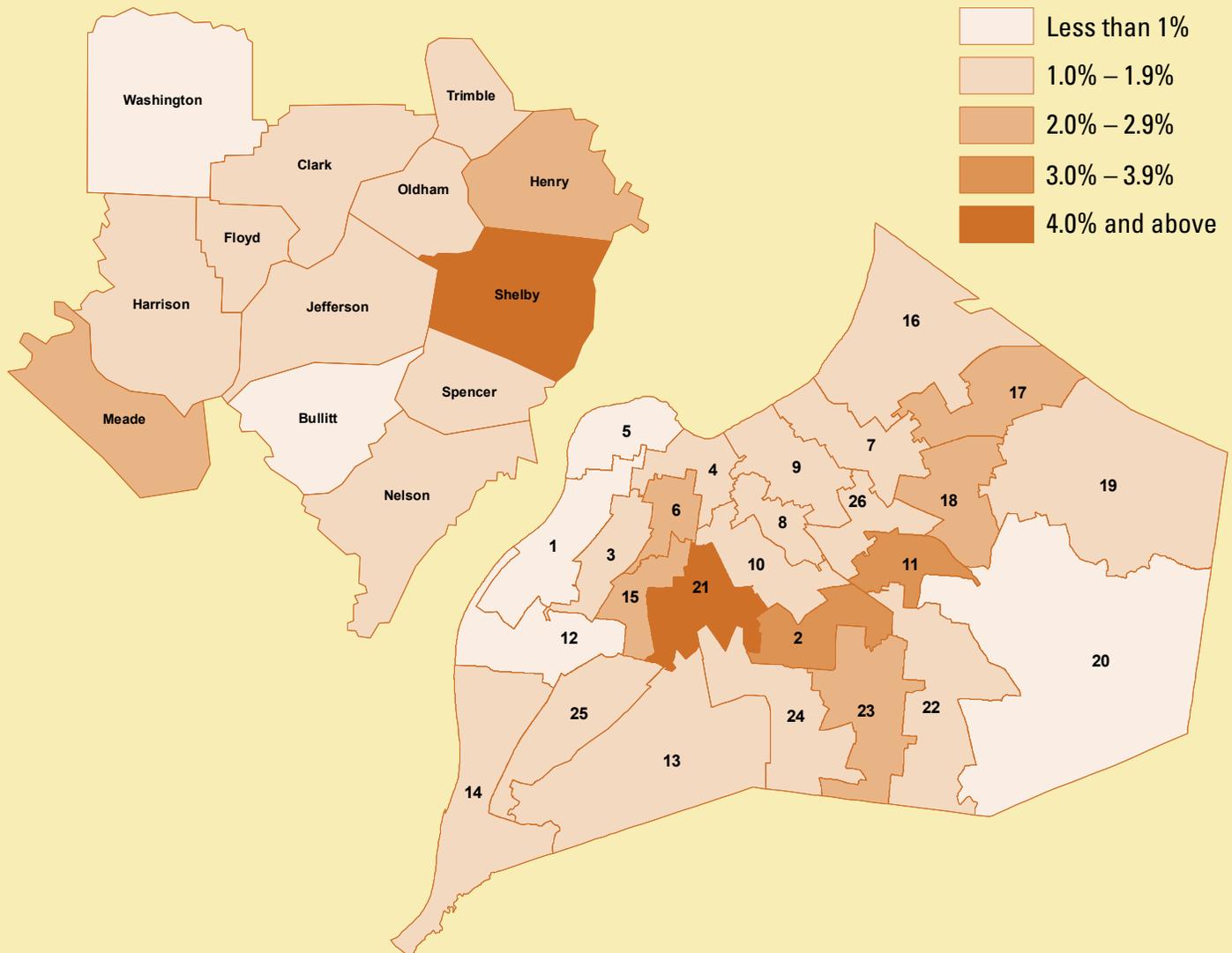
Female Householder, no husband present



Source: U.S. Census, American Community Survey, 2005

Percentage Hispanic Population

Louisville MSA Counties and Louisville Metro by Council District (2000)



renters with excessive cost burden

Measure 3

In Louisville Metro, the 2004 median gross rent was \$551. For the past five years, the number of households in Louisville Metro who are paying 30 percent or more of their household income to gross rent has been increasing at an alarming rate, from 36.2 percent in 1999 to 46.5 percent in 2004*. This represents workers in the food industry, janitorial services, cashiers, as well as those holding seasonal jobs.

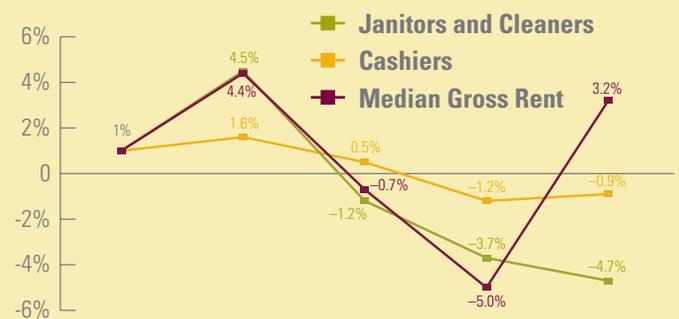
In order to stay within the recommended limit of 30 percent of income for shelter costs, renters would need an annual household income of \$22,520 (or \$10.83/hour) to afford a two-bedroom apartment at fair market value in the Louisville MSA (National Low Income Housing Coalition, 2005). For a renter earning minimum wage (\$5.15/hour), this translates to an 84-hour workweek. Within the Louisville MSA, 42 percent of the renters do not have the annual income needed to afford a two-bedroom apartment at fair market value.

Annual income has not kept up with the increase in the price of goods for the past several decades, and in some instances, adjusted for inflation, annual incomes have decreased. The mean annual salary for a janitor working in the Louisville MSA was \$17,670 in 2000 and \$18,370 in 2004 (Bureau Labor Statistics, 2005). After adjusting for inflation in 2004 dollars, the janitor's annual income actually dropped by -4.7 percent. Likewise, the 2004 annual mean salary for a cashier (\$16,250) was less by -0.9 percent.

MHC advocates that local governments within the Louisville MSA work closely with housing agencies and advocates to create incentives for the development of more of low- to moderate-income rental units throughout the region.

* The 2005 American Community Survey housing data was not released at the time of this publication.

Percentage Change in Median Gross Rent and Annual Salaries* Cashiers & Janitors 2000-2004



*adjusted for inflation in 2004 dollars
Source: Bureau of Labor Statistics and U.S. Census

production and rehabilitation of affordable housing

Measure 4

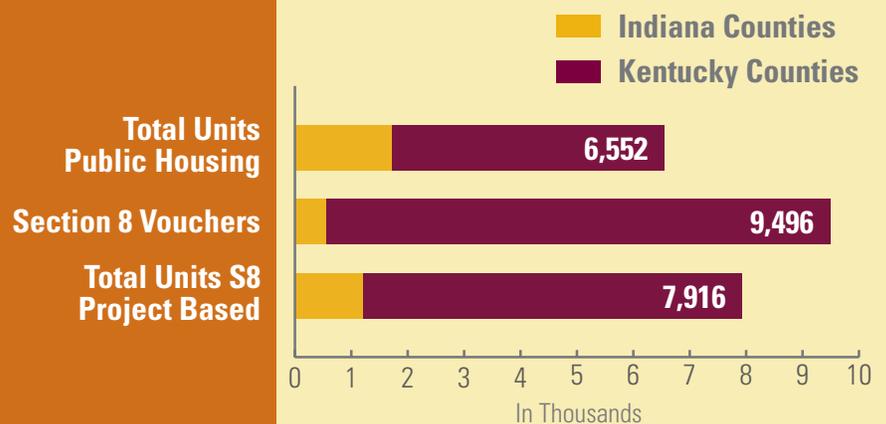
Though there has been a slight increase in the number of public housing and Section 8 project-based units in the Louisville MSA, the total number of Section 8 vouchers for the 13-county region has decreased. This is due both to a decrease in federal funding and to a restructuring in how the HUD dollars for Section 8 vouchers are distributed.

Previously, housing authorities' allocation funds were based on a fixed number of Section 8 vouchers. Since federal funds for this program have not been able to keep pace with housing costs inflation rates, the method for allocating funds for Section 8 vouchers has switched from a number-based to a dollar-based system. Housing authorities will now only be able to provide vouchers based on the dollars they receive and how many units that set amount of money can fund. As housing costs go up, fewer vouchers will be funded.

In Louisville Metro, there are over 13,000 households on a waiting list for either a public housing unit or a Section 8 voucher. As annual

incomes continue to stagnate or decrease while housing costs continue to rise, MHC would expect the number of households who are waiting for available subsidized housing units to grow at a steady pace. **MHC advocates for proactively seeking funds to offset the reduction of federal housing subsidies.**

Numbers of Subsidized Rental Housing Units, Louisville MSA 2006



homeownership rate

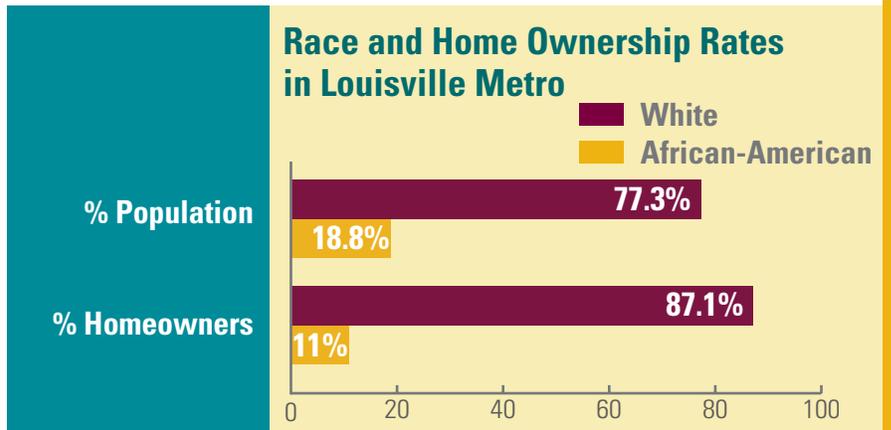
Measure 5

In 2000, nearly 65 percent of the total housing units were owner-occupied in Louisville Metro. However, when comparing the homeownership rates by race, there is a significant disparity. Housing units owned by whites count for 86 percent of the total owner-occupied housing units in the city, whereas blacks or African-Americans represent only 12 percent of the city's homeowners. The remaining two percent of these homes are owned by Asians and Hispanic/Latinos (U.S. Census, 2000).

Another way of looking at this is by comparing the percentage of renters vs. homeowners by race. For all housing units where the head of household is white, 75 percent are owner-occupied. The homeownership rate is much lower for blacks or African-Americans; less than half (43 percent) of black or African-American heads of household own their own home. Though the number of housing units with heads of household that are either Hispanic/Latino or Asian is a small percentage of the total, it can be noted that a third of the Hispanic/Latino and a little over half of the Asian households are owner-occupied.

The rate of homeownership from 2000 to 2004 rose by two percent, representing an additional 9,722

owner-occupied units. The rise in the first time buyers' affordability index coupled with the simultaneous dip in mortgage interest rates contributed to this increase in homeownership. Foreclosure rates, however, climbed during this same time period. This illustrates the pitfalls of having easy access to untested and exotic new home financing products which offer hidden terms as well as a lack of reserves for households. **MHC advocates for increased racial diversity among homeowners, as well as financial skills education and regulatory oversight of exotic mortgage provisions.**



affordability of homeownership

Measure 6

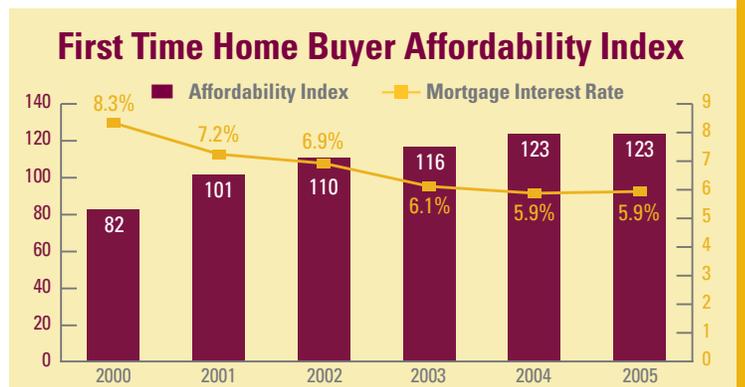
Equity in homeownership is one of the most effective ways for households to acquire access to capital. However, with the ongoing disparity in household incomes, buying a home is still a challenge for those with low- to moderate-incomes. Barriers to homeownership also include a decrease of Louisville's middle-class neighborhoods (Brookings, 2006), the impact declining neighborhoods have on housing appreciation rates, and the lack of affordable units in upper income neighborhoods.

To illustrate the ability for homeownership at current interest rates, the real estate industry often refers to the First-Time Home Buyer Affordability Index. For instance, in 2005, the index showed that Louisville Metro's first-time home buyers once again experienced a favorable year for homeownership. However, even though there has been a slight rise in the area's affordability index, the following years may show a declining affordability now that mortgage interest rates have continued to rise since the end of 2005 (National Association of Realtors, 2006).

The First-Time Home Buyer Affordability Index measures housing affordability using median family income, the median price for homes sold in the Metro area, and regional mortgage interest rates. An affordability index of 100 or higher means that a family

earning 70 percent of the median income should be able to afford a home priced 85 percent of the median for all houses sold in the region.

The ability to own a home is more than making the monthly mortgage payments. All homes, even newly constructed ones, need maintaining. **MHC advocates for a commitment to consumer counseling for families and individuals of all ages, including those in middle and high schools, continued outreach to first-time home buyers regarding loan types and property choice, as well as addressing the needs of those who cannot meet their financial obligations.**



foreclosures Measure 7

Since 1996, the number of reported foreclosures in Louisville has increased from 437 to 2,508. The 2005 total appears to signify a leveling off of the dramatic increase that occurred from 2002-2004. Nationally, foreclosures increased 28 percent from May 2005 to May 2006. On the state level, however, Kentucky's rate of foreclosure for the same time period dropped by 17 percent, whereas Indiana experienced a 46 percent increase, ranking among the five highest states in reported foreclosures (RealtyTrac, 2006).

Even though Jefferson County recorded a slight dip in the number of foreclosures ordered (-4 percent) this is still a higher rate than statewide cumulative figures. Within the Louisville MSA, Henry and Trimble counties reported a significant drop in the number of foreclosures ordered (-32 percent and -27 percent respectively), while Oldham and Meade counties had an increase over what was recorded for 2004. The only Indiana county included in the Louisville MSA that showed a significant increase was Harrison (30 percent), whereas Washington County's foreclosures decreased by 24 percent.

Numbers of Foreclosures Started (Ordered) in Kentucky Counties in the Louisville MSA

| County | 2002 | 2003 | 2004 | 2005 | % Change from 2004 to 2005 |
|-----------|-------|-------|-------|-------|----------------------------|
| Bullitt | 104 | 171 | N/A | 250* | |
| Jefferson | 1,262 | 2,161 | 2,610 | 2,508 | -4% |
| Oldham | 71 | 89 | 105 | 112 | 7% |
| Henry | N/A | N/A | 79 | 54 | -32% |
| Nelson | N/A | N/A | 125 | 125 | 0% |
| Shelby | N/A | 80 | 83 | 86 | 4% |
| Spencer | N/A | N/A | N/A | 30** | |
| Trimble | N/A | N/A | 37 | 27 | -27% |
| Meade | 90 | 72 | 92 | 102 | 11% |

* estimate

**reflects 2nd half of year only

Numbers of Foreclosures Started (Filed) in Indiana Counties in the Louisville MSA

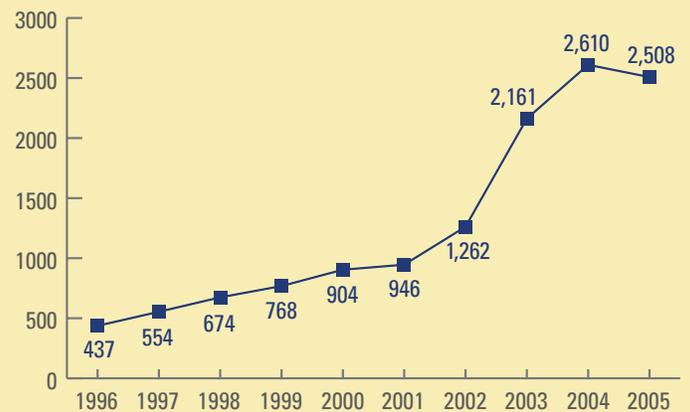
| County | 2002 | 2003 | 2004 | 2005 | % Change from 2004 to 2005 |
|------------|------|------|------|------|----------------------------|
| Clark | 369 | 385 | 429 | 455 | 6% |
| Floyd | 253 | 212 | 323 | 304 | -6% |
| Harrison | 112 | 141 | 117 | 152 | 30% |
| Washington | 102 | 123 | 119 | 90 | -24% |



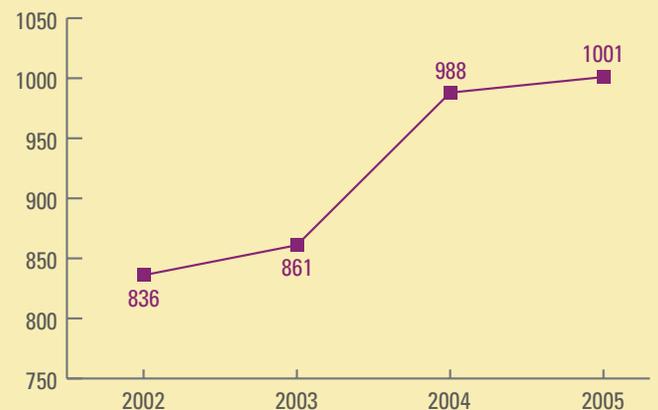
This year marks the first time that all counties in the Louisville MSA have reported foreclosure data. It should be noted that Spencer County's foreclosure data was limited to six months, but overall the reporting of the number of foreclosures for each county has improved and MHC appreciates the cooperation of the county court clerks, master commissioners and their staff.

MHC supports the need for a wider range of housing choices within the metropolitan communities as well as an increased effort to educate homebuyers on lending practices and budgeting for home ownership.

Foreclosures in Louisville Metro 1996-2005



Foreclosures in Southern Indiana 2002-2005



Source: Jefferson County Circuit Court, 2006. Data represent the annual number of mortgage foreclosures for which there were "orders of sale" in Louisville Metro (for years prior to 2002, data reflect combined numbers for Jefferson County and the City of Louisville).

homeless

Measure 8

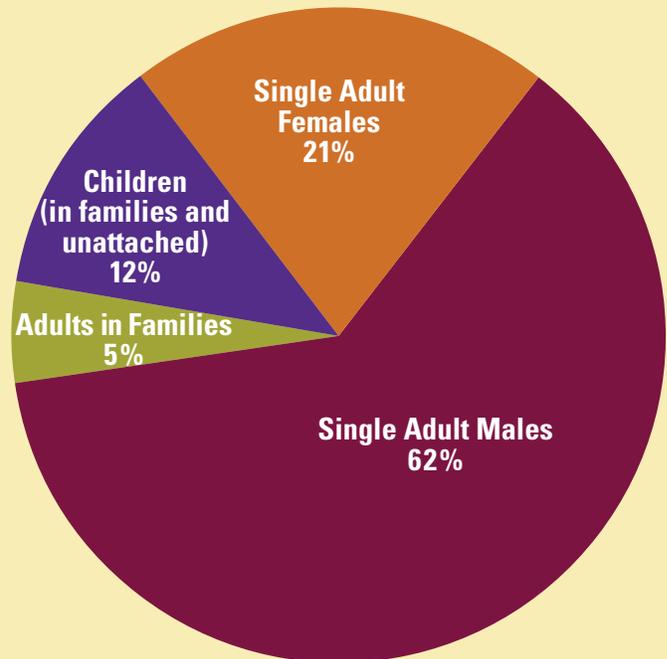
There was an increase in the number of persons who used homeless shelters in the Louisville area during 2005 than from the previous year. The Coalition for the Homeless reported 11,251 persons using homeless shelters. In southern Indiana, due to a greater effort at outreach in other Indiana counties, the Haven House in Jeffersonville served 1,823 persons which represents a 17 percent increase from 2004. However, it should be emphasized that these numbers are not an accurate assessment of the total number of homeless men, women, and children in the Louisville MSA. There is not a proven method for counting the number of homeless individuals who do not actively seek shelter from a homeless provider. In addition, these counts do not include the 991 Katrina victims that were accommodated by homeless providers in the Metro area.

A contributing factor to homelessness is the need for affordable housing. In their *2005 Homeless Services Census Findings*, the Coalition for the Homeless reported that at least a quarter of homeless persons surveyed stated that their inability to make rent or mortgage payments was the main reason for their homelessness. This concurs with research conducted by the National Coalition for the Homeless which found that "a growing shortage of affordable rental housing" was one of the major factors for the increase in the number of homeless people over the past two decades (National Coalition for the Homeless, 2006).

In the Louisville MSA, a person would need to earn a minimum of \$10.83 per hour (National Low Income Housing Coalition, 2006) to afford an average 2-bedroom apartment. The number of shelter residents that participate in the Coalition's survey earning less than \$10 per hour has grown over the past year. These numbers do not factor the percentage or number of homeless persons whose sole income is Disability or Social Security payments.

MHC advocates not only for an increase in the number of decent, affordable rental units in the entire Louisville MSA, but also for a regional emphasis on job training and the recruitment of better paying jobs for the working poor.

Louisville Metro Homeless Population 2005



Source: The Coalition for the Homeless 2005 CoC Point-in-Time Survey, Louisville Metro.



use of cdbg funds

Measure 9

Community Development Block Grants (CDBG) has been one of HUD's most successful and important allocation programs for more than 30 years. CDBG funds are distributed as annual grants and earmarked for projects that provide decent and affordable housing and contribute directly to the economic benefit of the low- to moderate-income population.

These annual grants are distributed either directly to entitlement communities, or to the states to be awarded to smaller cities and communities. Entitlement communities represent principal cities within an MSA, cities with populations of 50,000 or higher, and counties with populations of 200,000 or more (excluding their entitlement cities). Locally, Louisville Metro and New Albany are the only two municipalities in the Louisville MSA that are entitlement communities. Since non-entitlement funds are distributed at the state level, the remainder of the counties and small cities and towns therein that are included in the Louisville MSA face a competitive process when seeking CDBG funds and cannot rely on these monies on an annual basis.

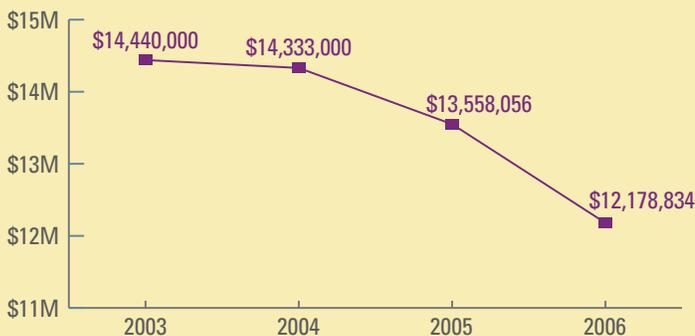
The 2006 federal budgets for both CDBG entitlement and non-entitlement programs were reduced by 9.9 percent from the previous year. Since entitlement funds are based on a set formula, it should

be no surprise that the 2006 CDBG allocations for Louisville Metro (\$12,178,834) and New Albany (\$748,887) were both nearly 10 percent less than what was received in 2005.

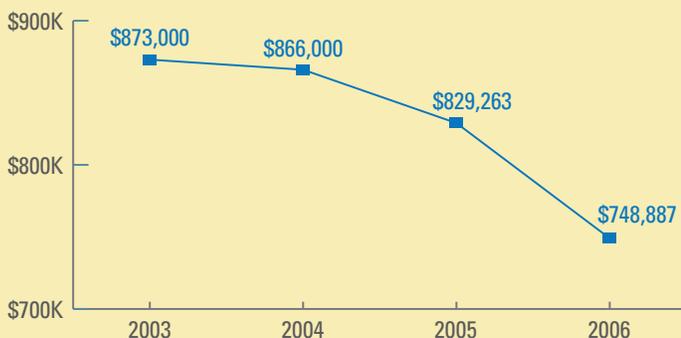
In addition to the money received from annual allocations, the budget for CDBG expenditures also includes program income. Examples of program income can be in the form of revenue earned from investing CDBG allocations as well as from interest received from the distribution of low-interest loans.

More than half of Louisville Metro's CDBG expenditures were spent on housing and public improvements. *Housing* represents the rehabilitation of housing, both single and multi-family units, lead-based paint abatement and testing, and code enforcement. Public improvements include construction and improvements of public facilities, street improvements, sidewalks, and tree planting. **MHC advocates that the federal government focus on our country's housing and community infrastructure for low- to moderate-income people and neighborhoods and that local governments take control by developing local affordable housing trust funds with new funding sources to generate safe housing for people and families with the lowest incomes.**

Federal CDBG Allocations, 2003–2006 Louisville Metro

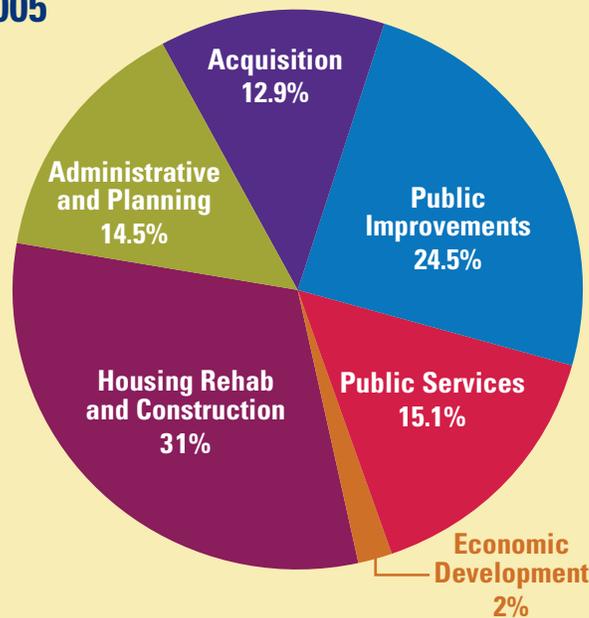


Federal CDBG Allocations, 2003–2006 New Albany



Source: Louisville Metro Housing and Community Development, New Albany Economic and Redevelopment Department, U.S. Housing and Urban Development (HUD)

CDBG Expenditures Louisville Metro, 2005



| | |
|--------------------------------|---------------------|
| Acquisition | \$2,959,148 |
| Administrative & Planning | \$3,338,844 |
| Economic Development | \$450,000 |
| Housing Rehab and Construction | \$7,133,359 |
| Public Improvements | \$5,648,892 |
| Public Services | \$3,485,154 |
| TOTAL EXPENDITURES | \$23,015,397 |

data sources

Appendix

Measure 1: Concentration of Subsidized Housing pg. 8

Statistics on subsidized housing by council district were obtained by geocoding administrative data by street address and then capturing the data for the districts. Subsidized housing data were provided by the Louisville Metro Housing Authority, the U.S. Department of Housing and Urban Development, the Kentucky Housing Corporation, and the Indiana Housing Finance Authority.

The population data (used as the basis for assessing the geographic distribution of subsidized units) are drawn from the 2000 census Summary File 1. Within Jefferson County, census block group data were aggregated to obtain statistics for the districts. Where a district boundary split a block group, the data were partitioned by overlaying a land use map on a map of the LOJIC master address file. Residential addresses were then captured for each “split” and census data were allocated to the “splits” based on their share of residential addresses in the entire block group.

Measure 2: Segregation by Race, Income, and Gender pg. 9

The poverty, minority, and ethnic data are drawn from the 1990 and 2000 census Summary File 3. Minorities were defined to be everyone except non-Hispanic whites. The household income and age data is from the 2005 American Community Survey. Census block group data were aggregated to obtain statistics for the districts. Where a district boundary split a block group, overlaying a land use map on a map of the LOJIC master address file. Residential addresses were then captured for each “split” and census data were allocated to the “splits” based on their share of residential addresses in the entire block group. We compared the number of persons in poverty with the number of persons for whom poverty level was determined (rather than the total population) in each geographic area.

Measure 3: Renters with Excessive Cost Burdens pg. 11

Annual income data was obtained from the Bureau of Labor Statistics Occupational Employment Survey and dollars were adjusted for inflation using the Bureau’s inflation calculator. Median gross rent data was gathered from the U.S. Census and American Community Surveys.

Measure 4: Production of Affordable Rental Housing pg. 11

Subsidy data were obtained from the Indiana Housing Finance Authority, Kentucky Housing Corporation, Louisville Metro Housing Authority, New Albany Housing Authority, Jeffersonville Housing Authority, Charlestown Housing Authority, Sellersburg Housing Authority, and the Indiana and Kentucky offices of the U.S. Department of Housing and Urban Development (HUD). Section 8 and public housing numbers refer to units allocated by HUD; LIHTC numbers refer to units in service.

Measure 5: Rate of Homeownership pg.12

The 2000 Census asks every household to state whether they are owner occupants or renters. American Community Survey data, specific to Louisville Metro as a whole, reflect 2004 sample data on whether those surveyed are owner occupants or renters. The definition of the Louisville metropolitan area changed between 1990 and 2000, and between 2000 and 2004; however, we report 1990 and 2000 data for the same counties as those included in the 2003 definition of the Louisville metropolitan area.

Measure 6: Affordability of Homeownership pg. 12

The Kentucky Real Estate Commission affordability indexes (1990-2000) are produced by the Center for Real Estate Studies at the University of Kentucky and are published on the World Wide Web at <http://gatton.uky.edu/CRES/>. House price data for the Louisville region are obtained from the Greater Louisville Association of Realtors. For 2001-2005, the first-time homebuyers affordability index for the Louisville MSA was calculated by the Metropolitan Housing Coalition based on the following assumptions: median purchase prices for first-time home buyers are about 15% lower than the median for all houses sold; first-time buyers make a 10% down payment; consequently they must pay for mortgage insurance, which increases the cost of financing; and first-time homebuyer incomes are about 30% lower than median household incomes.

Measure 7: Foreclosures pg. 13

Court records regarding foreclosure data are maintained differently in the two jurisdictions of the Louisville MSA. Therefore, for all Kentucky counties in the Louisville MSA, we have defined the rate to be the number of actual foreclosures (or orders of sale) as a percentage of the number of owner-occupied homes with mortgages. The foreclosure rates for Indiana counties in the MSA reflect the number of foreclosures filed as a percentage of the number of owner-occupied homes with mortgages for all Indiana counties in the MSA. The number of foreclosures was obtained from the relevant court clerks in each county.

Measure 8: Number of Homeless pg. 14

Shelter usage data were provided by the Coalition for the Homeless for the Kentucky counties and Haven House for the Indiana counties. The data may include some duplication of individuals. The demographic data for individuals using homeless shelters were provided by the Coalition for the Homeless, based on a survey conducted by The Coalition for the Homeless of persons living in Louisville area shelters in 2005, the CoC Point-in-Time Survey.

Measure 9: Targeting of CDBG Funds pg. 15

Data were obtained from Louisville Metro Housing and Community Development and the New Albany Economic and Redevelopment Department.

Affordable Housing – As defined by HUD, housing is affordable when a low-income family pays no more than 30 percent of its income for housing and utilities combined.

CDBG – The Community Development Block Grant program (CDBG) is a federal program aimed at creating prosperous communities by providing funds to improve housing, the living environment, and economic opportunities, principally for persons with low and moderate incomes. The CDBG program was established in 1974. At least 70 percent of the CDBG funds received by a jurisdiction must be spent to benefit people with low and moderate incomes. The remaining 30 percent can be used to aid in the prevention or elimination of slums and blight—often used by local government officials to justify downtown beautification—or to meet an urgent need such as earthquake, flood, or hurricane relief. Both Louisville Metro and the City of New Albany are entitlement cities eligible for CDBG funds.

Emergency Shelter – Emergency shelter is basic, overnight accommodation provided for persons and families. The shelter is generally for one night only, and provides a cot for sleeping and perhaps a meal. Shelters typically provide service referrals to clients.

Family Household (Family) – For statistical purposes, a family consists of a householder and one or more people living in the same household who is related by birth, marriage, or adoption. Each person living in the same house that is related is considered to be part of the same family. If there is a person, or persons, living in a family household that are not related to the householder, that person, or those persons, is not included in the family household census tabulations.

Gross Rent – Gross rent, as defined by the U.S. Census Bureau, is “... the sum of contract rent, utilities (electricity, gas, and water), and fuels, (oil, coal, kerosene, wood, etc.) [and] as a percentage of household income, is a computed ratio of monthly gross rent to monthly household income.” Excluded in these totals are units for which no cash rent is paid and units occupied by households that report no income or net loss.

HOME Program – The largest federal block grant to state and local governments, the HOME Program is designed exclusively to create affordable housing for low-income households. Fifteen percent of HOME funds must be used for projects sponsored, owned, or developed by Community Housing Development Organizations (CHDOs). Participating jurisdictions may allocate more funds for CHDOs, but 15 percent is the minimum amount.

Participating jurisdictions may use HOME funds to provide home purchase or rehabilitation financing assistance to eligible homeowners and new homebuyers; build or rehabilitate housing for rent or ownership; acquire or improve housing sites; demolish dilapidated housing to make way for HOME-assisted development; and pay relocation expenses. HOME funds can also support tenant-based rental assistance for up to two years.

Householder – As defined by the U.S. Census Bureau, a householder is “the person, or one of the people, in whose name the home is owned, being bought, or rented.” If that person is not present, than any household member, age 15 and over, is considered the householder for census purposes.

HUD – The United States Department of Housing and Urban Development is the cabinet-level department of federal government whose mission is to ensure “a decent, safe, and sanitary home and suitable living environment for every American.” HUD allocates federal funds for housing to states and local governments and public housing authorities.

Low Income - HUD defines low income as those families whose annual incomes do not exceed 80 percent of metropolitan area median family income. This figure is adjusted for the size of the family. In 2005, 80 percent of median income for the Louisville Metro area was \$41,900 for a family of three.

Low Income Housing Tax Credit - Created by the Tax Reform Act of 1986, the Low Income Housing Tax Credit (LIHTC) has assisted in the production of more than one million affordable homes for low-income renters, by providing investors in eligible affordable housing developments with a dollar-for-dollar reduction in their federal tax liability. Developers, including nonprofit community-based organizations, typically do not have sufficient tax liability to use the tax credits, so they sell the credits to corporations. Corporations purchase 98 percent of all housing credits, as tax code rules effectively prevent individuals from investing. Developers then use the cash they receive from the corporations to finance the affordable housing. The Credit accounts for most new affordable apartment production and drives up to 40 percent of all multifamily apartment development. There is some overlap between LIHTC and Section 8. For this reason, LIHTC units are presented separately from units subsidized by the other programs.

Median Income – Median income is the midpoint of the income distribution; 50 percent of families are above the median and 50 percent are below the median.

Moderate Income – HUD defines those of moderate income as having income greater than 80 percent up to 120 percent of area median income.

Poverty Threshold – The U.S. Department of Health and Human Services defines the poverty threshold and, except for adjustments for household composition, it is the same across the 48 contiguous states. The original poverty thresholds were developed in the early 1960s and they have been revised annually by the Consumer Price Index since then. Poverty thresholds are significantly lower than the low-income thresholds defined by HUD.

definitions

Appendix

Public Housing - The public housing program is the nation's oldest effort to provide decent and affordable housing for families, elderly persons, and people with disabilities who have very low incomes. Public housing was created in the 1937 Housing Act, and is owned and operated by public housing agencies (PHAs) that are chartered by the states in which they operate and governed by locally appointed or elected Boards of Commissioners.

Section 8 – Also called Housing Choice Vouchers, Section 8 is federal tenant-based rental assistance. It works two ways. One is by providing certificates and vouchers, each with different rental payment formulas. Housing vouchers are one of the major federal programs intended to bridge the gap between the cost of housing and the incomes of low wage earners and people on limited fixed incomes. The Housing Choice Voucher program provides flexibility and options by issuing vouchers to eligible households to help them pay the rent on privately owned units. Project-based Section 8 provides a housing subsidy directly to the leasing agent of buildings that are designated as Section 8 properties.

Subsidized Housing – The term subsidized housing refers to houses and multi-family dwellings (generally apartments) that receive some federal funding either in their construction, or in the form of assistance to families renting the units.



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Robert and Felice Sachs
Henry Wallace
Chris Harrell & Jane Walsh

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Morgan Ransdell*
Stephen Reily & Emily Bingham
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Joe Gliessner
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James & Virginia Gregory
Alane Goldstein
Muriel Handmaker
Kristin Hansen
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Geoff Hobin & Jennifer Hubbard
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David & Truzella Howard
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metropolitan housing coalition

Organizational Members

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Louisville Metro Housing Authority
National City Corporation
New Directions Housing Corporation
Norton Healthcare, Kosair Children's
Hospital
PNC
Republic Bank
Stites & Harbison, PLLC
Stock Yards Bank
TARC
US Bank

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Community Bank
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Construction Trades Council
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Louisville, Inc.
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South Central Conference Council
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Local 227
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Tennessee

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Borders & Borders, Attorneys at Law
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Corporation
Center for Neighborhoods
Citizens Union Bank
Community Action of Southern
Indiana, Inc.

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Louisville
Home Builders Association of
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The Housing Partnership, Inc.
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Sustaining

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Apple Patch Community, Inc.
Architectural Investments
Baptist Towers, Inc.
Cabbage Patch Settlement House, Inc.
Cedar Lake Residences

Sustaining (cont.)

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Dreams With Wings
Fairness Campaign
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Gold Key Realty*
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Homeless & Housing Coalition of
Kentucky
Honeywell DMC Services LLC
Housing Associates
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2629, AFSCME*
Kentucky Refugee Ministries
Kentucky Resources Council
Kentucky State AFL-CIO
KIPDA
Legal Aid Society
Louisville Central Community Centers,
Inc.
Louisville Central Development
Corporation
Louisville Metro Community Action
Partnership
Louisville Metro Department of
Human Services
Louisville Metro Human Relations
Commission
Metro Louisville Health Department--
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Corporation
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Foundation, Inc.
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Programs, Inc.
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The Puritan Apartments
The Society of St. Vincent De Paul
Thomas Jefferson Unitarian Church
Union Labor Housing
University of Louisville
School of Urban and Public Affairs

Sustaining (cont.)

Urban Development Enterprise
Vision Homes, LLC
"We Can" Community Development
Corporation
Women 4 Women
York Towers Apartments
YouthBuild Louisville
Neighborhood
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Arthur S. Kling Center
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Phoenix Hill Association
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Southern Indiana Housing Initiative
St. Matthews Area Ministries
United Crescent Hill Ministries
Zion Community Development
Cporation

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The Metropolitan Housing Coalition exists to bring together this community's private and public resources to provide equitable, accessible housing opportunities for all people through advocacy, public education and support for affordable housing providers.

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