



Empowering Memphis: The Impact of the Memphis Affordable Housing Trust Fund

Memphis, TN.- In a concerted effort to revitalize underserved neighborhoods outlined in the Memphis 3.0 comprehensive plan, the Memphis Affordable Housing Trust Fund emerged as a pivotal tool. Established to increase the number of affordable housing units in the City, this financial tool has catalyzed transformative changes under the stewardship of the Division of Housing and Community Development (HCD).

“I was HCD’s Director in 2019, when the Trust Fund was created”, Mayor Paul Young recounts. “The idea was to commit a source of funds towards affordable housing that was non-dependent upon the Federal Government. The most important thing at the moment was getting the structure of the Trust Fund setup”. The Mayor states that this vital resource will allow “to keep investing in affordable units in our city for our residents”.

Since its inception four years ago, the Trust Fund has infused nearly \$9.4 million into the community, fueling the construction or refurbishment of over 400 housing units. Collaborating with 13 dedicated agencies committed to uplifting Memphis' vulnerable populations, the fund has become a pathway to housing for those in need.

This winter marked a significant milestone as 20 multifamily units, supported by the Trust Fund, were unveiled at the Alpha Omega Veterans Service Housing building on Jackson Avenue. These units, dedicated to providing transitional housing for veterans, embody the ethos of the Memphis 3.0 plan by offering residents access to an area with plenty of jobs, bus connectivity, and access to facilities like libraries, parks and stores.

Looking ahead, an additional 150 units are slated for completion before the end of 2025, including projects like Edgeview at Legends Park, Northside Square, and Place of Grace.

The Memphis Housing Authority is partnering with HCD for the Edgeview at Legends Park project, which sits where the Dixie Homes used to be and should be completed in the spring of 2025. This is a 100% affordable development, which means that it will house people at or below the 50% of the area median income, who will benefit from available subsidies, so they don’t have to pay more than 30% of their income on rent.

Dexter D. Washington, Chief Executive Officer of the Memphis Housing Authority, recounts the unforeseen challenges encountered during the project's development, exacerbated by the onset of the COVID-19 pandemic. "Rapid increases in construction materials costs and interest rates threw the project's viability into uncertainty." However, Washington's tone shifts to optimism as he highlights the crucial role played by the Trust Fund. "Fortunately, the Affordable Housing Trust Fund emerged as a

lifeline," he states emphatically. "Securing a \$2.5 million grant, it effectively bridged the funding gap, ensuring the project's completion and safeguarding its transformative impact on our community."

Currently, the Trust Fund relies solely on direct allocations sanctioned by the City. Recent disbursements prioritize the preservation of the city's aging housing stock, offering critical repairs to homeowners facing financial hardship and supporting affordable multifamily projects.

"Having access to the Trust Fund has allowed us to expand the work that we do, which typically relies on volunteers. Now, with these funds we've been able to repair houses that we might not ordinarily be able to repair by working with contractors or roofing crews outside of our volunteer labor. That has really allowed us to make an even greater impact for even more homeowners, by providing them with quality home repairs to keep them warm, safe and dry in their homes", says Phillip Walkley, Executive Director of Service Over Self (SOS), a local non-profit responsible for repairing 115 units through the Trust Fund.

The presence of the Trust Fund has been hailed as a transformative force by key figures in the local community development sphere, including Archie Willis III, founder and president of ComCap Partners. ComCap Partners is among the private agencies collaborating with The Works, INC on the ambitious redevelopment project of the Northside High School Campus, slated to become Northside Square. This revitalization effort is not only set to deliver 40 much-needed affordable housing units for families, but also promises to serve as a dynamic community hub. With designated spaces for commerce and essential services, the Northside Square project aims to address pressing needs within the Klondike-Smokey City area, positioning itself as a hope for progress and opportunity for the community.

"I was involved in three unsuccessful attempts to create an Affordable Housing Trust Fund before", says Willis, who welcomed the completion of the initiative in 2019. "When you are developing these types of projects you need to know you have a reliable source of funding. Bank financing on its own will not get you to the finish line. You can utilize other incentives, like tax credits, but all these types of investments typically require some kind of subsidy. The Trust Fund gives you some degree of certainty that funding will be available, so you can embark on a project that may take 18 months, so you can get it off the ground".

As Memphis forges ahead, the Trust Fund stands as a testament to the power of collective action in realizing the city's vision of equitable and sustainable housing for all. "We have proven that with available resources, we can support the development community in bringing much needed quality, affordable housing to our community. Over the past several years, our partners have leveraged funds from the Trust Fund to bring more housing to families. We hope to see the continued growth and investment from multiple sectors in our City," concludes Ashley Cash, Director of the City of Memphis Division of Housing and Community Development.