

Mississippi's 9th Annual Affordable Housing Conference
Monday, January 8, 2001
1:30 p.m.
Vicksburg Convention Center

(Message: Quality, affordable housing for all Mississippians)

Opening

- Good Afternoon
- (Thank Gordon Myrick for his introduction)
- It is great to be here today in historic downtown Vicksburg.
- (Habitat for Humanity Story – Groundbreaking – Pride in homeownership)

Main Points

- There is something to be said for owning your own home, having a greater stake in the community.
- Mississippi's efforts to encourage home ownership have waned over time, but we are doubling our efforts to work with communities, developers and potential homeowners to refocus our resources.

1. **Mississippi Home Corporation (MHC)**
 - a. Has been reorganized

- b. Finding more ways for Mississippi families to find affordable housing.

(Governor: these statistics came from Dianne Bolen with MHC as an email to Donna)

- c. Last Mortgage Revenue Bond Issue was \$55 million in Sept. 2000

- i. This assisted 700 Mississippi working families in obtaining housing.
- ii. Provided borrowers with a 3% cash advance to assist with down payment and closing costs.
- iii. The demand for this money was so great that \$24.6 million was reserved by lenders within the first 90 minutes the funds were available.
- iv. The last funds were obligated in December 2000.

- d. Estimated Economic Impacts from the \$55 million

- i. 700 houses financed
- ii. Average amount financed \$78,571
- iii. 228 construction jobs created
- iv. Average wages paid per job \$19,963
- v. Related spend by homeowners \$2,968,860

- vi. \$1,271,226 generated local property taxes
 - vii. Sales tax generated on set-up spending \$164,308
- e. MHC next Mortgage Revenue Bond
- i. \$60 million will be issued in February 2001
- f. Federal Bond-Cap and Housing Credit Increases
- i. Signed into law by the President in December 2000
 - ii. Increases in both the Private Activity Bond Cap and the Housing Credit
 - iii. Will provide additional funds for both housing and economic development.
 - iv. The Bond Cap increase will make available an additional \$75 million over a two-year period
 - v. The Housing Credit increase will allow building an additional 300 units in 2001 and 2002
 - vi. Both “cap” increases will be indexed to inflation beginning in 2003, barring the need for future congressional action in this regard.

- g. Major changes to the 2001 Qualified Allocation Plan (QAP) – The New QAP
 - i. Provides for pre-application review of QAP “threshold” items to be reviewed by MHC staff
 - ii. Creates a “partnering” program to encourage new developers to enter the Housing Credit Program
 - iii. Establishes a rental assistance pool.
 - iv. Targets counties in the state with the highest number of substandard units to provide quality housing where it is most needed.

2. HOME program

- a. We have refocused the MS HOME program
- b. We have discretion in how certain federal dollars are targeted through the HOME program.
- c. With the Community Services division of MDA and community organizations, we are putting the emphasis on home ownership.
- d. The Single Family Residential Housing Construction Fund
 - i. A cooperative effort between MDA, Fannie Mae and MHC will be back on track and operational this year.

3. Governor's Homes for Seniors Project

- a. We have proposed a unique opportunity to fill the need for housing for Mississippi's seniors.
- b. Mississippi's senior population expected to increase by 84% over next 25 years.
- c. Our prison population is growing rapidly.
- d. Working with Commissioner Robert Johnson and the MS Prison Industries Corp.
 - i. We are addressing:
 - 1. A way to offer older Mississippian affordable homes of their own
 - 2. A way to decrease the number of offenders returning to prison.
 - ii. Inmates will build low-cost, energy-efficient, quality homes designed with the elderly in mind, such as:
 - 1. Elevated outlets
 - 2. Wider doors
 - iii. Inmates will be learning a trade that will provide them a career when they finish their sentence.
 - iv. The homes will be purchased by seniors for placement on their property in MS.
- e. We will be building homes for our parents and grandparents

f. We will be building real opportunity for offenders and expanding the pool of skilled workers for the future.

Closing

- We have set the priorities for our state.
- They are the people's priorities.
- Our agenda is for opportunities in MS.
- We have to find opportunities and make them happen.
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- We have to find opportunities and make them happen.
- We are using every opportunity to create a better quality of life for our people.
- We want our people to have the opportunity to live, work and raise their families right here in the State of MS.