Alabama Caucus Agenda
Friday, February 9, 2024
9am-12pm Central (10am-1pm Eastern) Via Zoom:
https://us02web.zoom.us/j/82014840739?pwd=VmJMNVV0VEFaUk5GQ1l1RnVsNDhBQT09

1) **Welcome** (Tim Thrasher) – recognition of any guests

CAUCUS TIME

2) **Fahe Membership Business** **30 minutes**
   a. Approval of Nov. Minutes ***pp. 3-7***
   b. Around the Horn: Anything "sparking" for you in this new year; what are you planning?
   c. Fahe Executive Report ***pp. 8-10***
   d. 4 Corner Working Group stories – ***Capacity – Narrative – People - Money***
3) **Advocacy** **30 minutes**
   a. State –AL Caucus Pitch – are you using it?? – Maggie Riden

We seek to empower communities by eliminating poverty. We bridge gaps through education and collaboration because if not us, then who?

   b. AL Advocacy Coalition Activities - Amaya Sizer ***pp. 11-24***
      i. Review of district and state one-pagers
      ii. Discussion about legislative outreach
      iii. Bill tracking
      iv. Elections and filling vacancies – Maggie
   c. Federal Update – Josh Stewart

4) **AL Caucus – Supporting Members and Growth Opportunities – check in** **15 minutes**
   a. AHFA – invited to discuss income averaging option for LIHTC
   AHFA-Recap of 2024 Application Workshop on Feb. 8, Montgomery – Aron Boldog

AHFA 2024 HOME-ARP Application Cycle Events	Dates
2024 HOME-ARP Application Release	3/1/2024
2024 HOME-ARP Application Question Deadline	4/12/2024
2024 HOME-ARP Application Deadline	4/24/2024
2024 HOME- ARP Award Announcements	TBD

   b. Affordable Housing Association – Tim Thrasher
      i. Status of state Workforce Housing Tax Credit ***pp. 25-32***
      ii. Lt. Governor's Workforce Report: https://www.fahemembers.com/wp-content/uploads/Lt.-Governors-Workforce-Report.pdf
   c. ADECA
   d. USDA

STRENGTH IN NUMBERS

15-20 minutes

5) **Housing Needs Assessment - Mapping Discussion –** Katy Stigers, Jackie Strager ***pp.33-43***
Final Report: https://www.fahemembers.com/wp-content/uploads/Fahe-Final-Report-WVU-June-2023.pdf

6) **Member Interest/Focus Updates –** Traviss Witt **15-20 minutes**
   a. Organizational Strategies – Drafts for Member Input ***pp.44-48***
   b. Workforce Development
   c. Energy Opportunities - anticipate funding announcements in March

7) **Fahe Updates** **25 Minutes**
   a. Board Member Report – December, 2023 - Mary Ellen Judah, Aron Boldog
   b. Membership Committee - Mary Ellen
      - Affiliate Partners (i.e.: housing/comm. dev. partners with shared interest in affordable housing) – attached for review ***p.49***
   c. Membership Updates ***p.50***
      - Reporting – QE 12-31-23 status- Vonda
      - Membership, Training - Jackie
      - Disaster Preparedness/Business Continuity Planning – Diedre Kendall, AmeriCorps VISTA
      - Member Disaster Risk Assessment – Jeremy Cornett VISTA
      - Health and Housing Intersection – Nicholaus Bormes
   d. Communication Round Up – Lina Page
   e. REED, Research Evaluation Evidence & Data Cmte - Katy Stigers, Camila Moreno
      Next: Housing Economic Development Impact
   e. Lending – Community Lending and JustChoice Lending ***p.51***
   f. Partners for Rural Transformation – Sara Ball

Upcoming Events

- **Feb. 22, 11:30 am ET** - Fahe Advocacy Webinar– **Primer on the Federal Budget w/Josh Stewart**
- **Feb. 26-Mar 1** - NeighborWorks Training Institute (NTI) returns to San Francisco, CA
- **April 17-18** – Fahe Spring Retreat/Leadership Symposium, Berea, KY
- **May 6-10**: NeighborWorks America Virtual Training Institute (VTI)
- **May 21-24** – 2024 Alabama Affordable Housing Assoc. Conference, Sandestin, FL
- **June 14 – AL Caucus** – Potential to change to accommodate in-person meetings
- **Aug. 26-30**: NTI Pittsburgh, PA
- **Sept. 9-10-11** – Fahe Annual Meeting, Roanoke, VA
- **Aug. 26-30**: NTI Pittsburgh, PA
- **2024 Southern Conference** on Housing and Homelessness - TBD

Sign up for Fahe's Member Newsletter here: www.fahemembers.com/signup

Sign up for Fahe's Blog here: www.fahe.org/signup

AL Member Page: https://www.fahemembers.com/state-caucuses/alabama-caucus-information/

Alabama Caucus Minutes
Thursday, Nov. 9, 2023
1-4 pm Central (2-5 pm Eastern)

Via Zoom: https://us02web.zoom.us/j/83849102154?pwd=M09idFU1WDNjRS9wanNkQW5FMnFIZz09

Name	Attendance	Name	Attendance
	AL Rural Ministries	Jackie Weiss	Fahe
Carrie Lea	CAA Northeast Alabama	Jeremy Cornett	Fahe
Joseph Cunningham	CAA Northeast Alabama	Jerri Dyer	Fahe
Tim Thrasher	CAP North Alabama	John Niederman	Fahe
Aron Boldog	CAP North Alabama	Jon Brooks	Fahe
Justin Petruff	CAP North Alabama	Joshua Stewart	Fahe
Karen Boykin Bonner	HERO	Maggie Riden	Fahe
Kristina Elliot	Neighborhood Concepts	Nicholaus Bormes	Fahe
Mary Ellen Judah	Neighborhood Concepts	Vonda Poynter	Fahe
Twanda Parker	NHS-Birmingham	Essence Smith	PRT
Amanda Scalph	Fahe	Sara Ball	PRT
Amaya Sizer	Fahe	Savannah Smith	PRT Intern
Diedre Kendall	Fahe	Theresa Mantiply	PRT
Emily Burleson	Fahe		

5 of 6 Members Represented = 83 % Attendance

1) **Welcome** (Tim Thrasher)

2) **Fahe Membership Business**
   a. Approval of June Minutes - Aron Boldog motioned to approve, Carrie Lea seconded. Motion passed unanimously.
   b. Annual Meeting Reflections
      i. Thought it went very well, got a lot out of the meeting, enjoyed and learned a lot, meeting other members.
   c. Working Group Strategies – Vonda
      i. Make sure we have our members well represented – the information that started with came from Membership Committee, doing research on and will be sharing the report with members, 4th and 5th of December, working groups will be meeting, let Vonda know which group you'd like to be a part of. Will start work in earnest in January.
   d. Executive Report – Vonda
      i. Jim and Sara had noted the housing crisis, not enough affordable housing. HUD has a program that they are going to be sharing about manufactured housing. Not sure HUD has talked to practitioners on the ground or if it's the manufacturer's influence. Program is called PRICE. Six members have really tried to make manufactured housing work, not also cheaper or faster if have to be up to code. HUD has a series of trainings online, one open next week.

NHS of Birmingham was super interested in this - was mainly interested b/c it cut down construction time so substantially. Meant the teams could move faster.

Navigate Housing in Birmingham is a big advocate for modular housing in the state and federally.

HR strategies – having problems with recruiting and maintaining positions. Also having difficulties with construction management. All things equal, hire local if you can but remote gives opportunities to get the best candidates for your organization. Or hire from local schools for those who are in the programs that can be used. During the spring retreat next April, going to spend some time going over HR Strategies.

e. Around the Horn

Neighborhood Concepts update – Kristina Wilson – expect to bring on housing development expert, have 5-6 multi-family developments, loan finance interest with several in the pipeline. CAPNA – Aron Boldog – real estate investment management working to close 2020/2021 tax projects, trying to get 2022 deals online and going, some older projects have home loans that are maturing, investor buyouts, home loan extensions and refinances, getting eligible for new rounds of tax credits. HomeCredit is helping HeadStart with a kitchen. Small home project with city of Montgomery, added an additional house. Tim and Aron looking at community auditorium for city of Decatur, have some drawings from the architect. Just closed a property in Phoenix City. Looking to help HERO settle some debt by leveraging one of their tax credit properties, invited Mary Ellen into that project. Working on acquisitions of rural properties as well. Weatherization project – looking at completing 90 homes by March 31st. Financial counseling and rent assistance is continuing, some housing opportunities that have closed on. HeadStart is up for reapplication, working on that.

NHS-B'ham - working with APHA funds, working on eight homes in healthy housing initiative in two districts, onboarded a new housing counselor, has another opening in the beginning of the year, was awarded a down payment assistance with City of Birmingham.

HERO – if anyone is interested in biomaterial or bioplastic building materials, let Karen know. Working on a proposal.

3) **AL Caucus – Supporting Members and Growth Opportunities**

a. Affordable Housing Association
   i. Movement on the state housing tax credit – (Tim)

b. Fahe/AL state Agencies
   i. AHFA
   ii. ADECA
   iii. USDA

4) **Advocacy**

a. State – Review of Caucus Statement – Maggie Riden

We seek to empower communities by eliminating poverty. We bridge gaps through education and collaboration because if not us, then who?

b. AL Advocacy Coalition Activities - Amaya Sizer

i. Identifying opportunities for administrative/legislative advocacy and setting new goals
   - Ex. Amending how AHFA awards points for projects in DDA's
   - Try to get AHFA to re-evaluate their Design Quality Standards to reflect some of the newer construction techniques that could reduce cost, expedite construction time, etc.

ii. Reflecting on our MI cap conversation with LIHCA and how we can approach educating partners on development in the future
   - Standardizing exemptions from property and sales tax, precludes a lot of properties being exempted at the moment.
   - Opportunity for administrative advocacy.
   - Response to rising insurance cost, maybe state level insurance fund. 20-25% increases in insurance so making it very difficult. Mary Ellen Judah does know an insurance broker that could talk to about it, Tim Thrasher has talked to AHA about it as well. Can FHA lend their influence to this problem? Would income averaging help? Look at partially self-insured property insurance models that also provide a cooperative self-insured portion?
   - Walked through the complexity of housing financing, the debt to income ratio, and there are social and economic benefits to think about this pool of funding as being as flexible as possible. Trust fund legislation to go up to 80% of populations that can be served. Rusty didn't show, don't think they are that interested in changing at this point. Offered to have some conversation and training with LIHCA members.
   - Support but not take the lead on the trust fund, are there other things we can do to

help with challenges.
- The property taxes in areas have gone up, lawsuit was filed through AHA and a lot of them were stabilized so there is hope but it takes a long time.

iii. State and local ARPA Opportunities: https://www.route-fifty.com/finance/2023/08/treasury-expands-uses-arpa-funding/389838/

iv. Plan for Education
- Expanded the regulations on what the funds can be used for, bear that in mind.

c. Federal Update – Josh Stewart
- Federal appropriations – Senate numbers are better than House, House failed to pass any bills, not even HUD bill. Looking at either government shutdown on 18th, which is unlikely, or continuing resolutions until January which is what the Speaker is pushing for, or Senate prevails and have traditional CR that goes to Christmas time. CR for a full year, if that happens, the government takes a 1% haircut. Been beating the drum about 502 this year because it wasn't being robustly defended, that seems to be bearing some fruit, verbal assurances that the harmful provision to the maximum interest rate from 1% to 2% will not be in the final bill. Aderholt is in the running, would be great to check in, now is a really good time to put together an email about the work you've been doing, invite him to ribbon cuttings, etc.
- CRA – There are new CRA regulations, not quite finalized. They are not as we had hoped, Fahe comments were included but not addressed. If have not been historically served by CRA, it is unlikely that you will be served in the future. If you have worked with the CRA in the past, may have to work a little harder starting in 2026. Not as good for rural banks. Some mild incentives for banks to work with CDFI's. Will send out detailed reported once the analysis is complete.

5) Member Interest/Focus Updates – Vonda

a. Workforce Development – Looking at and watching HR strategies. Trying to connect with universities, share expertise.

b. Dept. of Energy - Inflation Reduction Act and Infrastructure bill – have a Workforce Development component – where can an intersection have impact?
List in packet, provided about 13 letters of support for different organizations that put in for DOE money. If you are doing weatherization, that is a checkmark. If hearing anything specific from state offices, give Traviss a call. Greenhouse Gas Reduction fund is important topic right now. Everyone seems to be still in planning mood, money should hit next week.

c. Broadband - Digital equity piece is starting to come out – broadband expansion and deployment of funds. ADECCA is hoping to use it, CAPNA been tapped to help with that as well. Provider of Senior Planet through AARP to provide services to seniors.

d. Opioid Settlement money – some is going to cities, some going to states. Been looking at because housing is such an important part of recovery. If can streamline assistance, happy to help figure that out.

e. US DOE – Presentation on Unleashing Investments in Clean Energy through the Inflation Reduction Act's Tax Credits.

6) Fahe Updates

a. <u>Board Member Report</u> - Mary Ellen Judah, Aron Boldog
The Executive Committee met in lieu of a board meeting. Board meeting coming up in December. Did Jim's evaluation, went well. Accepted the audit, it was a clean audit. If anyone has any concerns that would like to go before the board, let Mary Ellen or Aron know.

b. <u>Membership Committee</u>
Affiliate Partners (i.e.: housing/comm. dev. partners with shared interest in affordable housing). Membership Committee is made up of members, board members, advisory members. Affiliated partner is not a member, they do not vote, they do not have member

status, there would be a fee to be an affiliated partner but would help people to know how to work with nonprofits, will have more information at next caucus.

c. Membership Updates
   - Reporting – QE 9-30-23 status- Vonda
      - Reporting was down the last quarter, 65.5% overall. AL was either 56 or 58%. Take a look at it. Can include September numbers when report in December as well. Need the numbers to monitor impact. Numbers are extremely important as fundraise and look at funding.
   - Membership Training – Jackie
      - Registration is open for NTI training in San Francisco, Fahe does have some money available to help with that, around $200 to support. With Fahe, can register for free hotel room, limited number, for in network. Also get a discounted rate for classes, it is $1200-1500 for the week of classes. Let Jackie know if planning to attend.
      - Virtual NTI in May.
      - Another NTI training in August in Pittsburgh, PA. Let Jackie know if you want to go as soon as possible.
      - Mary Ellen said they applied for affiliation with NeighborWorks but was not selected.
   - Disaster Preparedness/Business Continuity Planning – Diedre Kendall, AmeriCorps VISTA
      - Working with AL and WV on plans. Have a Business Continuity Template if you need it. If interested in working on a plan with Diedre, reach out to her and let her know. You can get a discount on insurance with a plan, need them to be a NeighborWorks member, and can be required by grants. Diedre can also review if you have an existing plan.
      - Updating disaster recovery page on Fahe, if you are doing anything in disaster preparedness, mitigation, send it to Diedre and she will highlight it on the website. Also, if there is anything you want on the page, let her know. Survey will help with business continuity plan to see what you are needing: Survey Link: https://www.surveymonkey.com/r/FaheDisasterSurvey
      - Website: https://www.fahemembers.com/disaster-response-resources/
   - Health and Housing Intersection – Nicholaus Bormes
      - In NE TN, SW VA, there is an organization called Ballad Health, a nonprofit health conglomerate. Fahe has partnered with them, receiving grant funds, giving them reports and sending them narratives and part of their activity in the region.
      - Just been approved for year 3 of Ballad funding. Healthcare organization can refer to us in housing, those of us in housing can refer to healthcare organizations if needed. Mary Ellen mentioned she talked to a hospital head that he needs 500 nurses, but they don't have housing for 500 nurses so asked if there was a way that Mary Ellen can help.
      - CAPNA is partnered with some healthcare through Headstart, eyesight, dental. Also partner with Free Clinic.
      - Monthly working group meetings with Ballad, brainstorms ideas, decide what to focus on. If interested, let Nicholaus know, can get you a guest spot in the meeting.
      - Trauma Informed Care training is coming up next year starting in late January. Nicholaus will be sending out more information on the training.

d. Communication Team Update – Lina Page
   - Clearly our network has the know-how to get the work done on the ground, we just need the resources, so we are building our brand and reputation. We are well known in our circles, working to expand the circle. One method of awareness and visibility is public relations, recently talked with Luke Schaeffer. At Luke Schaeffer's university, they have a publication, so Fahe and Jim provided quotes in an article in the publication

that was new and different. Was on call with Mortgage Banker magazine, national lenders but you never know who might want to partner with Fahe. Plan over the next several months to share stories with Fahe and Lina in particular. Will be reaching out to discuss stories, would like any press releases that the members get. Invites members to join narrative working group if believe in the impact of words.

   i. https://capna.org/podcast/

e. REED, Research Evaluation Evidence & Data Cmte - Katy Stigers, Camila Moreno Office hours: 1st Tues. 9:30-11:30am & 3rd Thurs. 1-3 pm
   Standing Committee (REED): 2nd Mon. of each month, 1:00-2:15 pm
   Contacts: kstigers@fahe.org cmoreno@fahe.org

e. Lending – Community Lending and JustChoice Lending
   - In packet, Home Sweet Home flyer, second mortgage piece of financing.

f. Partners for Rural Transformation – Sara Ball
   - Had a lot of questions about what PRT is and its relationship to Fahe. Addressed in memo in packet as well as contact information. PRT has members that own the coalition, they bring their voice to the coalition, and their voice is put out through advocacy and fundraising so similar to the membership in Fahe. Comprises of six CDFIs.
   - Ways that Fahe and PRT had victories – the 10-20-30 language in USDA regs and HUD that has been put into effect. Places in persistent poverty and rural persistent poverty lifts the areas around them as well. Advocating for more language to go out to different agencies.
   - Had some of Fahe/PRT's language in an executive order from President Biden about rural. Torres-Small knows Fahe now, have built relationships in the White House.
   - For Communications inquiries: essence@pfrt.org
     For Research/Advocacy inquiries: emily@pfrt.org
     For Fund Development/Lending inquiries: sarab@pfrt.org
     For general inquiries: prt@pfrt.org

g. Federal Home Loan bank just came out that they have 500k per project, 16M overall available, rural properties score competitively, member bank of Atlanta. Across the nation, Federal Home Loan bank has more money, affordable housing has higher limit. Applications due by the end of the month. Will be able to fund more projects. Start planning now for those.

h. Candy from CAPNA is now on LIHCA board.

i. Jeremy Cornett is AmeriCorps VISTA, he just started. Nicholaus is a Fahe employee now.

Upcoming Events

- **Nov. 15** – 1 pm ET (12 pm Central) – Lunch & Learn Member REED Cmte **with Dr. Jessica Mahone** researcher + data analyst, and director at UNC-Chapel Hill's Center for Innovation and Sustainability in Local Media https://us02web.zoom.us/j/82094251333?pwd=TkYzRDJnZ01JMmRvMUhKZ09mU0JjUT09
- **Dec. 6-7 –** Fahe Board Meeting
- **Feb**. date TBD – AL Caucus Meeting
- **Feb. 22** – 10 am ET **-Fahe Advocacy Webinar**
- **Feb. 26-Mar 1** - NeighborWorks Training Institute (NTI) returns to San Francisco, CA
- **April** date TBD – Fahe Spring Retreat/Leadership Symposium, Berea, KY
- **May 6-10**: NeighborWorks America Virtual Training Institute (VTI)
- **Aug. 26-30**: NTI Pittsburgh, PA
- **Sept**. date TBD – Fahe Annual Meeting

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AL Member Page: https://www.fahemembers.com/state-caucuses/alabama-caucus-information/

Memo

To: Fahe Members
From: Jim King, CEO
Sara Morgan, President
Re: Executive report
Date: January 30, 2024

This is the first six months for FY2024 report on the organization from President Sara Morgan and CEO Jim King. Our vision is for Appalachia to be a place of growth, opportunity, and hope so that all people fulfill their potential and have a high quality of life. A vision that will take a generation of work. Our job over the next 10 years is to build the foundation capable of meeting that vision. All foundations have corners, necessary to building structures that will last. Our corners of Money, Capacity, Narrative and People also serve as the frame to our next strategic plan. We are organizing working groups of the Members around each of the corners to give greater clarity and direction to the strategic plan so that Members and their communities are at the center.

Money. Engage funders to bring significant new and increased investments to the region while also analyzing and advocating for policy reform to support the flow of more, place-sensitive resources to benefit Appalachia.

- Fahe joined several applications as part of the Inflation Reduction Act's Greenhouse Gas Reduction Fund.
- Fahe was selected via RFP from Kentucky Housing Corporation to serve as the Regional Implementation Agency for the Community Development Block Grant Disaster Recovery FY2022 Funding of $298 million coming from HUD to the state in response to the East KY Flooding of 2022. We are working with the KY Governor's office on an administrative contract to manage both the High Ground Communities and the Team KY dollars for the Commonwealth.
- Under the leadership of Fahe's SVP of Advocacy, Maggie Ridden and SVP of Membership Vonda Poynter, Fahe's TN coalition is being awarded $10M in ARPA funding to support the development of workforce housing which is much needed in the state. Building on these successes, staff will expand their efforts in the future to the states of Virginia, West Virginia and Alabama.
- With PRT we have been making progress with the Heron Foundation to create a plan to get significant philanthropic resources in the tens of millions to Appalachia and other persistently poor regions over the next several years.

Expanding Capacity. Expand capacity to meet the growing needs in our communities.

- Fahe's 2023 Annual Meeting was held with great attendance from members, USDA, State Housing Finance Agencies, ARC, etc. Sessions highlighted members responding to leaders such as Luke Shaefer.

- We launched working groups around each of the four corners identified in the 2024-2028 strategic plan and Members self-selected to participate in these working groups advising on the implementation direction.
- There is a real vacuum of leadership in the community development field on appropriations strategy. Fahe's advocacy team has begun engaging and pushing on national coalitions and groups to not only address the near term of "regular order" appropriations work, but to think longer term to the end of the year and work towards that goal.
- The Kentucky Caucus has formed solid working relationships with several major state nonprofit players, including the Louisville Urban League, KY Habitat for Humanity, and the KY Affordable Housing Coalition. Centering rural issues within this coalition is a work in progress, but LUL and KY Habitat lent their active support to the Rural Housing Trust Fund effort in the 2023 session.
- The AL Caucus continues to maintain a working relationship with LIHCA to uplift the HTF.
- Members of the VA Caucus are exploring collaborating with organizations like the SELC and VPLC to respond to (with litigation) the Younkin administration pulling out of RGGI and eliminating a substantial funding source for weatherization and residential energy work.
- Tennessee Members had Rep. Rose join their Making Housing Work for Working Families Event.
- In West Virginia, we have engaged with the WV Center for Budget and Policy, namely Seth Distefano, their main legislative person who expressed that he is glad someone is working on affordable housing issues in WV because there isn't much of a presence there.

Building a New Narrative. Work to achieve a collective brand and voice capable of building a new narrative that uplifts the culture, worth, and importance of Appalachia to the country's overall success.

- The Fahe Membership has an authentic community presence and that does allow the opportunity to elevate the voices of community.
- During the 1st six months we utilized a number of meetings and presentations to push the Fahe brand, as a leading voice on Appalachia, Strength in Numbers as a replicable approach, persistent poverty and leading change.
- We released the Housing Needs in Appalachia Study in July with a webinar. Met with Alanna McCargo of Ginnie Mae. Presented with the National Association of Business Economists.
- We continue to build on the Concrete solutions conversations, receiving commitments from USDA and the Heron Foundation to work on a Theory of Change that elevates our voices of experience to solutions. And we started the conversation to add academics, Luke Shafer and Katharine Edin to this group.

Strength in Numbers. Invest time and energy in trusted relationships across the region, growing our Strength in Numbers to create transformational impact that builds Thriving Appalachian Communities. We have long said that our identity is "Strength in Numbers". You have heard us repeat "if you want to go fast, go alone. If you want to go far, to do something big, go with friends."

Staff have worked hard on state level advocacy and coalition building. Our success in TN was driven by forming a coalition of over 100 organizations. In KY around flood relief work and some statewide work, our organizing did result in an increase of $20 million in the Trust fund and dedicated resources for flood work.

The Annual meeting was a success, we had over 80% members present for the event. Chrystel Cornelius from Oweesta got us started with inspiring words that helped members see the connection to another part of the country. Luke Shafer enlightened and validated our understanding of deeply disadvantaged places of which Appalachia is one. We were able to highlight the work and thought leadership of the members in response to these speakers and showcase how the Strategic plan frames our work together.

Fahe in partnership with PRT has developed a Rural Equity Framework for which we have identified a set of principles and practices that inform our work: ***Framework*** harnesses the insights from ongoing analysis of what is possible to influence an important body of work that is DIFFERENT than what anyone else has done before because it builds on a shared understanding of the interrelatedness of racial, spatial, and economic inequities in places of deep poverty.

We believe policy makers, investors and philanthropists will benefit from the Framework as they consider how to make a greater difference in rural persistent poverty areas.

The last part of the Annual meeting with USDA, Luke Shaefer, Christie Cade, (policy makers, investors, philanthropists, academia and practitioners) was to conclude the event and direct us to a next step, to have Fahe host a conveying on the Framework.

As we head into the second half of FY2024, we will have strong strategic plan, backed by a well thought out Theory of Change. Our momentum is strong and we are feeling confident in our ability to make good progress on the goals and vision before us. By working together, we have before us the ability to change the narrative for Appalachia and the people and places that are affected by persistent poverty.

Prepared by fahe Strength in Numbers

Housing matters.

Alabama's long-term economic success and stability relies on a robust and diverse workforce. Maintaining such a workforce that meets the labor demands of local businesses and fuel economic growth requires housing that workers can afford to buy or rent. Investing in quality housing promotes creates jobs, resilient households, and strong local economies.

In a typical local area, 100 new single-family homes can produce a $28.7 million increase in local income, a $3.6 million increase in local government revenue, and 395 local jobs.

NAHB, 2015

Housing unaffordability hinders business growth. A 1% point increase in homeowner cost burden is significantly correlated with a reduction in the numbers of Retail, Information, and Professional Establishments.

Oluku & Cheng, 2021

Homeownership is an effective tool to build generational wealth, but the rise in housing prices coupled with the decrease in housing supply inhibits renters from taking that crucial next step.

By building 100 affordable rental homes, the one-year benefits generate $11.7 million in local income, $2.2 million in government revenue, and 161 local jobs

Arlingtom COC, 2018

Cost-burdened households have less disposable income to contribute to the local economy. In 2020, severely cost-burdened renters spent 38% less on food and 70% less on healthcare.

Harvard Joint Center for Housing Study, 2022

The availability of workforce housing gives a competitive advantage when attracting employers. Companies reporting a lack of nearby housing believe this deficit has a negative impact on retaining qualified entry- and mid-level employees.

Walters Kluwer, 2007

Housing in District 7: At a glance

Low inventory is driving housing prices above what working families can afford

VACANCY RATE FOR OWNED UNITS

0.6%

A rate of 2-3% is considered healthy for owned units.

COST BURDENED OWNERS

1 in 5

homeowners with mortgages spend over 30% of their income on housing.

VACANCY RATE FOR RENTAL

4.5%

A rate of 5-8% is considered healthy for rented units.

COST BURDEN FOR RENTERS

46.3%

of renters spend over 30% of their income on housing.

Source: American Community Survey

Be a housing hero.

Sustained economic development requires a solid workforce, and those workers need quality homes they can afford. To achieve a more balanced housing market and stronger economy, we need your partnership.

What we're supporting for the '24 session

Workforce Housing Tax Credit

Establishes a state tax credit program to encourage greater private investment in affordable housing. This program would close the gap between revenue available through LIHTC and actual project expenses.

Funding for the Alabama Housing Trust Fund

Secures a dedicated revenue source for the Housing Trust fund. This funding would support the creation and rehab of owned and rented homes. A one-time investment of $25M is projected to have an economic impact of $175M, including $24.6M in tax revenue and 1,000 FTE jobs.

SB3 Land banking

Amends the Alabama Land Bank Act to allow land bank authorities to acquire tax delinquent properties and would enable the creation of temporary local land bank authorities in response to natural disasters . This would make it easier for localities to address blight and deteriorating properties.

About us

For over 40 years, the Alabama members of Fahe have delivered safe, quality housing, community services, job training, and opportunity to our neighbors across the state.

Between 2019-2023, we leveraged $81,796,794 in public and private funding to build and rehabilitate 978 units of housing. With continued investments, we will continue to deliver quality, affordable housing in the years to come.

To Learn More

Contact Alabama's Caucus Chair, Tim Thrasher
1909 Central Parkway SW
Decatur, AL 35601
tim.thrasher@capna.org
256-260-3127

Fahe is a consortium of nonprofit housing experts, including 5 groups serving Appalachian Alabama

Prepared by fahe Strength in Numbers

Housing matters.

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Walters Kluwer, 2007

Housing in District 7: At a glance

VACANCY RATE FOR OWNED UNITS

0.9%

A rate of 2-3% is considered healthy for owned units.

COST BURDENED OWNERS

3 out of 10

homeowners with mortgages spend over 30% of their income on housing.

VACANCY RATE FOR RENTAL

7.1%

A rate of 5-8% is considered healthy for rented units.

COST BURDEN FOR RENTERS

52.9%

of renters spend over 30% of their income on housing.

Source: American Community Survey

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Housing in District 54: At a glance

Low inventory is driving housing prices above what working families can afford

VACANCY RATE FOR OWNED UNITS

2.7%

A rate of 2-3% is considered healthy for owned units.

COST BURDENED OWNERS

1 in 3

homeowners with mortgages spend over 30% of their income on housing.

VACANCY RATE FOR RENTAL

9.1%

A rate of 5-8% is considered healthy for rented units.

COST BURDEN FOR RENTERS

52.7%

of renters spend over 30% of their income on housing.

Source: American Community Survey

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Housing in District 3: At a glance

Low inventory is driving housing prices above what working families can afford

VACANCY RATE FOR OWNED UNITS

0.8%

A rate of 2-3% is considered healthy for owned units.

COST BURDENED OWNERS

1 in 6

homeowners with mortgages spend over 30% of their income on housing.

VACANCY RATE FOR RENTAL

5.1%

A rate of 5-8% is considered healthy for rented units.

COST BURDEN FOR RENTERS

1 in 3

renters spend over 30% of their income on housing.

Source: American Community Survey

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Housing in District 7: At a glance

VACANCY RATE FOR OWNED UNITS

0.8%

A rate of 2-3% is considered healthy for owned units.

COST BURDENED OWNERS

1 in 5

homeowners with mortgages spend over 30% of their income on housing.

VACANCY RATE FOR RENTAL

5.5%

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COST BURDEN FOR RENTERS

44.5%

of renters spend over 30% of their income on housing.

Source: American Community Survey

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VACANCY RATE FOR OWNED UNITS

1.6%

A rate of 2-3% is considered healthy for owned units.

COST BURDENED OWNERS

1 in 4

homeowners with mortgages spend over 30% of their income on housing.

VACANCY RATE FOR RENTAL

8.6%

A rate of 5-8% is considered healthy for rented units.

COST BURDEN FOR RENTERS

53.8%

of renters spend over 30% of their income on housing.

Source: American Community Survey

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Housing in Alabama: At a glance

SHORTAGE OF AFFORDABLE RENTALS

86,000+

Alabama lacks 86,000 affordable homes for extremely low-income renters

HIGH DEMAND FOR AFFORDABLE HOMES

170,500+

renter households are extremely low-income, making below 30% of their area's median income

HIGH HOME VACANCY RATE

0.7%

This is a record-low for the state, and well-below the healthy range of 2-3% for owned units.

HOUSING COST BURDEN

2 out of 5

households in Alabama spend over 30% of their income on housing.

Source: American Community Survey; NLIHC, Housing Needs by State

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ADDRESSING ALABAMA’S WORKFORCE HOUSING CHALLENGE

The Issue at Hand

Alabama faces a pressing issue: a low labor participation rate is greatly inhibiting the state’s employers from meeting their workforce needs in a growing and evolving market.

Industrial recruiters have identified a lack of access to quality workforce housing as one of the top three obstacles hindering Alabama from increasing workforce participation and attracting new talent and jobs to the state. To boost workforce participation, it's essential to ensure that employees have access to affordable housing near their workplaces.

Proposed Solution | Alabama Workforce Housing Tax Credit

The Alabama Workforce Housing Coalition, consisting of the REALTORS Association, multifamily housing developers, major banks, and other stakeholders, is proposing a state workforce housing tax credit that can be used in concert with the existing federal tax credit. This will allow the state to take advantage of hundreds of millions of dollars in existing unused/underutilized federal funds to construct multifamily workforce housing developments in the state, specifically targeting blue-collar and service industry workers earning between $11 and $30 per hour. This group includes construction workers, light truck drivers, retail employees, home health workers, nursing assistants, as well as individuals starting their careers.

Program Model | Leveraging Outside Capital for Affordable Housing

This proposal complements and enhances an existing federal housing program initiated during the Reagan Administration designed to incentivize private capital investment in the development of affordable workforce housing. Under the program, developers receive tax credits in exchange for committing to cap rental rates at 30 percent of the Area Median Income (AMI). For instance, in Jefferson County, individuals earning up to $51,000 would qualify for this program. This program leverages private, state, and federal dollars to address Alabama’s workforce housing crisis.

Specifically, state tax credits would generate around 25% of the necessary development capital while private and federal capital fund the remaining 75%. The state credit could not be utilized by taxpayers until after a project is placed in service. Accordingly, 100% of the capital needed for the development of a project must be spent and the development must be operational before the state spends a single penny on the tax credits.

Competitive Landscape | Following the Example of Others

Several neighboring states, such as Florida, Georgia, South Carolina, and Tennessee, have already implemented similar programs to address workforce housing development. It's crucial for Alabama to take similar steps to remain competitive in job recruitment.

A Strategic Investment

The program has a three-year* sunset to demonstrate its effectiveness and the total cost of the program will not exceed $45 million per year at its peak. The program requires that non-state capital is invested before any state funds are expended. Economic impact studies show that the program can create as many as 7,500 new and rehabilitated housing units and generate $3.3 billion in total economic contribution, translating into over 9,000 jobs.

**Each year establishes a $15 million tax credit cap that is used each year for 10 years*

ALABAMA WORKFORCE HOUSING TAX CREDIT OVERVIEW

Executive Summary

This white paper outlines a proposal by which a relatively modest expenditure of state tax revenue could be used to leverage a significantly larger source of federally generated funding and private debt financing to generate high quality workforce housing at statutorily mandated affordable rental rates. The twin focus of development would be in metropolitan areas of Alabama which have been targeted for industrial development needing a strong workforce and rural areas in need of economic development opportunities.

The proposed tax credit (the "Workforce Housing Credit") would be $15 million per initial award year and for nine additional years for that award year series, for a total period of ten years. This follows the structure of the federal low income housing tax credit described below. The Workforce Housing Credit would be available for award over a pilot period of three years following enactment. The tax credits could be applied against corporate income tax, individual income tax, insurance premium taxes and the state portion of financial institution excise taxes. The credits would not be refundable but could be carried forward up to ten years and would be transferable.

For a given development allocated the State Workforce Housing Credit, the tax credit would not be usable until the year that the related development is placed in service and continuing in equal amounts for the next nine years, all consistent with the federal low income housing tax credit ("LIHTC"), a highly successful program enacted in the Reagan administration which is the primary federal source for funding new affordable workforce housing. The amount of the Workforce Housing Credit per development would be that determined by the Alabama Housing Finance Authority ("AHFA") to make the development financially feasible, taking into consideration the amount of LIHTC under Section 42 of the Internal Revenue Code (the "Code") available to the development. The Workforce Housing Credits would be allocated by the AHFA in conjunction with its underwriting and approval of issuance of private activity bonds to finance at least 50% of the construction costs of the related development, and a related allocation of LIHTC. Approximately 25% of State Workforce Housing Credits would be targeted for use exclusively for rural areas of the state in conjunction with ordinary, so-called 9% LIHTC allocated by the AHFA in its annual competitive cycles. The Workforce Housing Credits would be available for new construction developments and rehabilitation of existing developments.

The State of Alabama receives a yearly allocation of approximately $550 million in tax-exempt private activity bonds from the IRS, which are largely underutilized in Alabama. When these bonds are awarded to a development, that development also receives a federal LIHTC allocation at a rate of 4% per year for ten years, of the aggregate development costs of the development (exclusive of land and other non-depreciable items), *i.e.*, 40% of depreciable project costs. The allocation of LIHTC in connection with private activity tax exempt financing does not reduce the amount of LIHTC otherwise available to the State through the AHFA and thus is a significant addition to affordable housing resources.

Background

Alabama presently receives approximately $550 million in private activity bond cap from the Internal Revenue Service ("IRS") each year. Currently, 25% of this amount is earmarked to the AHFA. Rarely, if ever, has AHFA been able to use all of its allocation to support multifamily housing, e.g. $0 in 2018, $19.6 million in 2019 and $18.0 million in 2020. Moreover, much of the other portion of Alabama's private activity bond cap is not used for its primary purposes either. Thus, in most years, there should be a plentiful supply of available private activity bonds which would generate additional LIHTC. Thus, this is a significantly underutilized resource.

In contrast, other southern states have used significant amounts of available private activity bond cap for multifamily housing. Georgia in 2020 used over $1 billion as did Florida.[1] Tennessee used over $300 million, whereas in 2018 Mississippi, Louisiana and Arkansas all used at least $50 million. South Carolina recently adopted a state tax credit which can be used with private activity bonds and its usage rate for its private activity bonds has soared.

Roughly speaking, the federal tax credits generated by the bonds will equal cash for development purposes of approximately 50% of the face amount of the bonds and about 37% of total project costs, leaving 63% to be financed from other sources. The challenge in Alabama is that relatively low rental rates will not support sufficient debt service to provide long-term debt financing for the developments, even with the support of the federal tax credit equity. In the most general terms, the gap appears to be about 20% of the total development cost. Thus, for this lack of 20% of funding, no activity is occurring with the loss of an even greater amount of federally supported equity investment in Alabama and even more private debt investment.

It is estimated that the aggregate tax expenditure investment of $450 million over ten years would generate construction activity for new workforce housing of almost $1.2 billion in the three years (plus construction time) after enactment of the incentive. It would use private activity bond cap of at least half of that amount, or about $133 million per year, the amount AHFA currently has available to it before any additional reallocation.

This substantial investment in workforce housing will make a meaningful but far from complete improvement in the availability of rental housing for working Alabamians. In that respect, of the more than 550,000 renter households in Alabama, it is estimated that almost 45% of those are cost-burdened (that is, they spend more than 30% of their wages on rent and of those), and almost 25% are severely rent-burdened, where they spend 50% or more of their income on rents.

In Alabama, average fair market rents for two-bedroom units are $849.00 and for a one-bedroom unit are $698.00. For LIHTC-supported developments, rents (after taking into account utility allowances) are typically at least 20% less than this amount and, in any event, never exceed designated "fair market rents". LIHTC supported housing are also high quality, meeting the strict design quality standards of AHFA. This is far different from 1970's era "Section 8" properties.

Example

As an example, in general terms, a 200-unit development would have a total costs of approximately $40 million, including land. The development would generate federal tax credits supporting an equity cash investment of approximately $13.5 million toward the costs of the development. Taking into consideration applicable rents in, for example, Montgomery County, Alabama (one of the higher rental rates in the state), the amount of debt which could be supported would be approximately $17.5 million. This leaves a gap of approximately $9 million in total development costs. Total annual Workforce Housing Credits of $1.5 million over ten years would generate approximately $9 million in cash equity[2], which would fill this gap and permit the

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[1] Bond financed transactions in Georgia are viable because of the availability of a state income tax credit for low income housing; in Florida because of state-funded subordinated loan programs ("State Apartment Incentive Loan" (SAIL) and "State Housing Initiatives Partnership" program (SHIP)) and in Tennessee because of a financial institutions tax credit.

[2] This estimate of the cash generated is based on the record of other states' affordable housing tax credits. Those are generally income tax credits and are available in, for example, Georgia, South Carolina, and Missouri. The pricing of state tax credits at approximately $0.60 per dollar reflects both the annuitization of the stream of credits as well as the impact of the loss of federal deductibility for the amount of taxes not paid by virtue of the credit.

development to go forward. The typical renter would be a family, with a plurality being working single mothers or elderly persons, earning from $25,000 to $45,000 in family income per year.

Economic Impact

Thus, in the example above, for a tax investment by the state, over a period of ten years, of a total of $15 million, 200 units of workforce housing could be created, the construction of which would generate both employment and sales tax receipts (the sales tax receipts themselves at 6% of materials cost equal to 50% of total cost would generate more than $1 million in immediate tax revenue). More importantly, this would generate high quality housing for working and elderly Alabamians earning 60% or less than the median area income at rents that will be affordable to them (not more than 30% of their available income, including payment of utilities costs). This will also, of course, generate property tax revenue and local jobs through ongoing management and maintenance.

More broadly, the $15 million made available annually to workforce housing developments across the state would likely support ten to 30 new developments each of the three years in the pilot period, with almost 2,000 units built, or 6,000 over the three year pilot period. This compares to 2,563 total multifamily units (market rate and affordable) which received building permits in 2019. Over the proposed three-year allocation window, this program will more than double existing LIHTC supported activity over those three years.[3]

Political Considerations

This program requires no new government support infrastructure. AHFA has in place robust policies to ensure that developments are placed in areas of need and are geographically scattered. AHFA also has a strong record of financial stewardship and ensuring high quality units that are financially feasible in the long term. The proposed legislation also has provisions for coordination with the Alabama Department of Commerce to complement its industrial development programs.

This proposal can be expected to have broad-based support. It would be supported by the Alabama Realtors Association, Alabama Home Builders Association, the Alabama Affordable Housing Association, banks, metropolitan area political leaders, and civil rights and affordable housing advocates.

Technical Recommendations

The Workforce Housing Credit should be permitted to be allocated by agreement without regard to whether the allocation follows rules similar to 26 U.S.C. § 704(b) and regulations thereunder. The Workforce Housing Credits should be permitted to be utilized by flow-through or other entities. The Workforce Housing Credit should be permitted to be transferred from one party to another with respect to any credits not previously available to be claimed, upon notice to the Alabama Department of Revenue. Credits should be able to be applied quarterly on a ratable basis in the same way that quarterly tax payments are computed by the taxpayer. Otherwise, the Workforce Housing Credit should be subject to similar rules and conventions as those applied to LIHTC by the IRS and the AHFA.

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[3] In 2020, each state received $2.8125 per capital in LIHTC available each year over a ten year period. For Alabama, this is approximately $14 million per year, or $140 million total. The workforce housing Credit would generate at least an additional $150 million in federal LIHTC per year.

FREQUENTLY ASKED QUESTIONS

Q: Why workforce housing?

A: Industrial recruiters tell us that one of the three most significant challenges in attracting businesses with lots of good paying jobs is providing sufficient assurance that there are capable workers who live near the business. In many cases, as larger scale businesses are built on the periphery of population centers, the lack of housing which would be affordable to workers there, and be available in a timely way, is seen as a significant impediment. Coordinating workforce housing and industrial development, as the proposed Act provides for, will be a win-win solution to this issue.

Q: What are the income limits for persons who qualify to live in workforce housing?

A: Under the federal rules, which the proposed Act contemplates adopting for consistency purposes, the traditional limit is sixty percent (60%) of median income, adjusted for both family size and the location, while under the average income test the limit is eighty percent (80%) of median income. For persons living in a metropolitan area, location is determined by that metropolitan area, and for persons living outside of metropolitan areas it is determined on a county-by-county basis. For instance, in Madison County, part of the Huntsville MSA, the area median income ("AMI") under the traditional income limits at the sixty percent (60%) level for a four-person family is $58,860. Under the average income test limits, the AMI of Madison County at the eighty percent (80%) level for a four-person family is $78,480. This equates, assuming one person has a full-time job and one has a part-time outside job and is a part-time caregiver for children (2,700 working hours per year), to an hourly rate of $21.80 at the sixty percent (60%) level and $29.07 at the eighty percent (80%) level. As another example, the AMI at the traditional sixty percent (60%) level for a single person in Covington County is $28,140, while the AMI at the eighty percent (80%) level is $37,520.

Q: How does the income restriction relate to the rents?

A: Rents are set such that they cannot exceed thirty percent (30%) (the standard measure for affordability) of the maximum AMI. Further, such rents are also deemed to include average utility costs. Thus, the actual rent is reduced by such utility costs. Utility costs vary by size of unit and location, but generally range from $80.00 to $130.00 per unit per month. Thus, for the single person in Covington County, maximum gross rents at the sixty percent (60%) level would be $753 per month or, net rents less an assumed $100.00 of utility costs, $653; maximum gross rents at the eighty percent (80%) level would be $1,005 per month, or $905 after the assumed $100.00 of utility costs.

Q: Why is it called workforce housing? Isn't this a substitute for public housing and to house homeless persons?

A: The federal program on which the proposed Alabama workforce housing credit based, is specifically targeted to support housing for working persons. As a practical matter, the rent levels (which generally do not have other subsidy) require the renter to earn somewhat more than minimum wage in order to be able to afford the rents. Thus, the realistic band of income for renters is between about thirty percent (30%) of AMI and eighty percent (80%) of AMI or, for that hypothetical family of four in the Huntsville MSA of $29,430 to $78,480, or $10.90 to $29.06 per hour, assuming one full time and one part-time working (and caregiving) adult.

Q: Given the narrow band of practical income targeting, doesn't that mean only a small part of the population stands to benefit from this program?

A: There are actually more than 100,000 Alabama households who are renters who fall within this income band.

Q: Wouldn't it be better to support home ownership rather than rental housing?

A: This should not be viewed as an either/or proposition. Alabamians need opportunities for both rental housing and home ownership. Many persons, either because of their age, the stage in life or financial resources or recent moves, are unable to be homeowners or it is not wise at the time for them to be homeowners. High quality, affordable rental housing provides a stepping stone to home ownership. Alabama has a number of existing programs to support home ownership, such as the Alabama Housing Finance Authority's ("AHFA") step-up mortgage program and mortgage certificate program. Moreover, there is a broad array of federal support, including FHA mortgages, VA mortgages, USDA mortgages, as well as special loan programs from Freddie Mac and Fannie Mae to support home ownership. Multifamily rental housing does not have this broad support structure.

Q: Hasn't Section 8 housing proved just to create blighted and low quality housing?

A: Because Section 8 housing has had a number of issues since its inception in the 1970s, it has almost been entirely phased out for production of new housing. Instead, new affordable housing in the United States is primarily created through the low income housing tax credit ("LIHTC") program on which the Alabama workforce housing program is modeled. The LIHTC was adopted in the Reagan administration to support working persons as well as the elderly. The structure of the program incentivizes its private owners, who typically receive no government rental assistance or other government funding, to use the tax credits to lower their needed amount of debt and thereby be able, and required, to charge lower rents. Strict quality control requirements are imposed by both the AHFA and the Internal Revenue Service. The program is not administered by HUD.

Q: Do these income requirements exclude elderly persons?

A: No, many elderly persons receiving Social Security and/or other modest retirement benefits are excellent candidates for residency. Generally, the AHFA seeks to fund both "family" and "elderly" projects, which would be focused on residency by persons age 55 and older. This creates a good mix between those two project types.

Q: Won't this bleed off available tax exempt bonds which could be used for industrial purposes to lure industry?

A: For the past 15 years, since the great financial crisis, private activity bonds have rarely been used for industrial development. This is because for many years, taxable rates were actually lower than tax exempt rates. Further, the cap on the size of issues for industrial development purposes, which has not been adjusted in dozens of years, makes it too small for typical projects, particularly when the transaction costs of issuing those bonds are taken into account. Thus, Alabama over almost all recent years has had substantial amounts of private activity bonds which went unused for their primary purpose. This state credit proposal contemplates leveraging only that portion that is already earmarked for the AHFA. This takes a federal resource that is currently underutilized and uses a smaller amount of state dollars to create high quality housing that would not otherwise exist. Further, in the usual case, AHFA has the ability to seek additional unused private activity bonds from other state agencies.

Q: Won't this only benefit the big metropolitan counties?

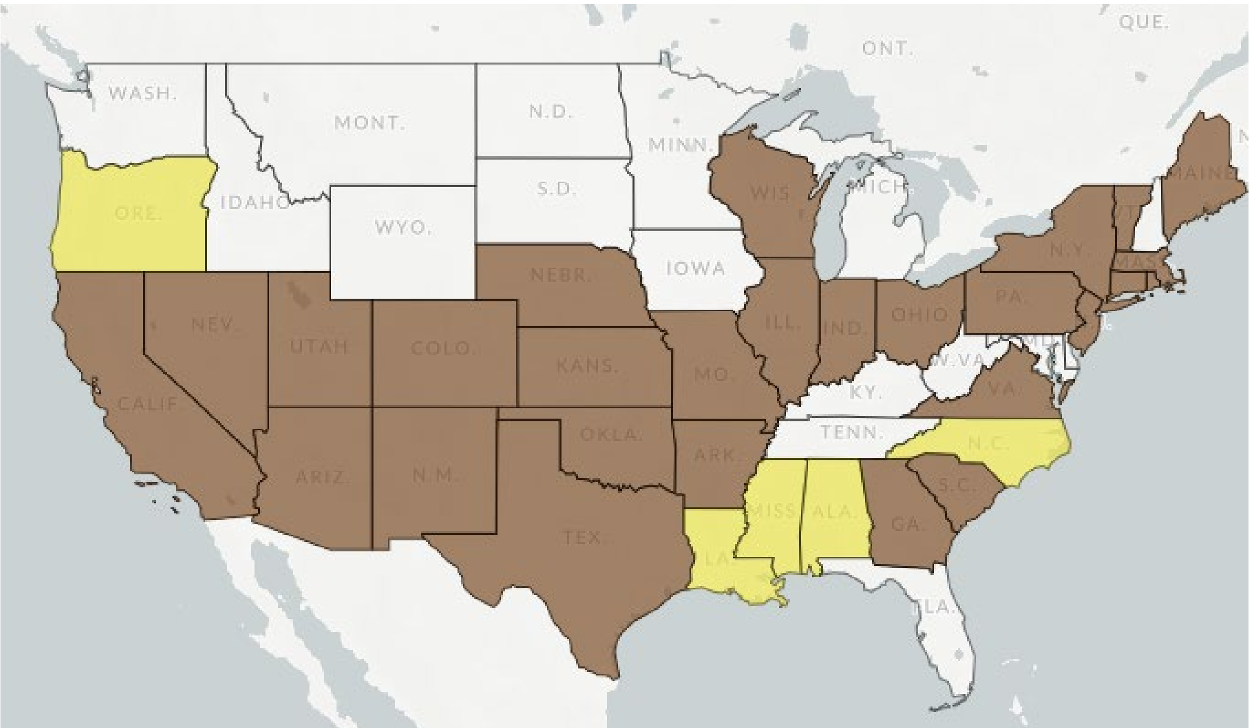
A: Tax exempt bond financed multifamily projects do generally “work” better in larger markets because they support larger projects, permitting the fixed costs of issuing the bonds to be spread across more units. In addition, many of those metropolitan counties have somewhat higher rent levels which support greater debt amounts, reducing the existing funding gap. However, to counter-balance this, the proposed legislation earmarks twenty percent (20%) to twenty-five percent (25%) of the credits to support the development of housing in rural counties. This creates a larger pool generally for available tax credits and helps the development of affordable housing across Alabama through the existing federal LIHTC program.

Q: Won’t this just be a boondoggle for out-of-state owners and developers?

A: The LIHTC program on which this is based has repeatedly been found to be one of the most effective and efficient government programs to support housing. This is why it has almost entirely supplanted new projects supported by Section 8 (which supplements rent on a sliding scale and thus essentially requires no income level for tenants). Alabama is fortunate to have a very strong, indigenous group of owners and developers of tax credit supported housing. In fact, some Alabama owners and developers are leading owners and developers in other states such as Tennessee, Georgia and South Carolina. The significant majority of existing federal supported tax credit transactions in Alabama are developed and owned by Alabama based firms. AHFA has existing caps on the amount any one developer can obtain, which ensures wide allocation and maintains broad-based financial strength and expertise to consummate these deals with local parties, including local bond underwriters and local banks as financial partners.

NATIONAL LANDSCAPE

Currently, 29 states plus the District of Columbia have state housing tax credits. You may find an overview of the state programs here: **State LIHTC Program Descriptions**



Notably, neither Tennessee nor Florida have state income tax. Therefore, a state income tax credit would be of no effect. However, each have other programs to support affordable housing.

Tennessee

In TN, the state support is through the "Community Investment Tax Credit", which is a credit against financial institution franchise and excise taxes. This is a description of that program:

https://thda.org/government-nonprofit-partners/community-investment-tax-credit

Florida

In FL, there are two low interest loan programs to support affordable housing, known as the "SHIP" and "SAIL" programs. SHIP is a revenue sharing program from the state to local jurisdictions which commit to use the funds for affordable housing in various manners. SAIL is a direct, low interest loan program for affordable housing administered by the Florida Housing Finance Corporation (the FL counterpart to the AHFA). These are links to descriptions of those programs:

https://www.floridahousing.org/programs/developers-multifamily-programs/state-apartment-incentive-loan

https://www.floridahousing.org/programs/special-programs/ship---state-housing-initiatives-partnership-program

Texas also has no state income tax, nonetheless being noted to have a state affordable housing tax credit. That credit, (HB 1058, enacted 6/13/2023) applies against franchise taxes and insurance premium taxes. This is a detailed description of that program: https://frostbrowntodd.com/texas-implements-a-state-low-income-housing-tax-credit/

FAHE Progress Update

April 2023 - Original

January 2024 – Final Update

Jackie Strager, West Virginia University

Project Description

- Housing Metrics for Central Appalachia, Appalachian Alabama
- Exploratory spatial data analysis for Census tracts
- Issue: Census socio-economic variable estimates (from ACS) are not reliable for non-urban tracts
- Goal: Group census tracts together based on shared housing-related characteristics
- Result: Census tract-based clusters (by state) for further analysis
- Approach:
  - Develop tract-based socio-economic variables (ACS, GIS)
  - Use spatially constrained multivariate clustering to group tracts of interest
  - Present final results as maps, tables

Clustering work

- Main task: Clustering/grouping census tracts
- Approach: Spatially constrained multivariate clustering (ArcGIS Pro)
- Details:
  - Spatially constrained: Location matters (clusters will be contiguous)
  - Multivariate: Groups tracts based on values for selected variables
  - All variables for clustering must be numeric or (0,1)
  - 35 different variables quantified for each tract (10 used in final clustering)
  - Variables are normalized

Tract Variables

N=35 variables considered

Variables quantified for each tract

Data sources:
American Community Survey, GIS analysis

Highlighted variables (n=10) used for final clustering (not dependent on tract size/population, not highly correlated with one another)

HH	total households
POP25	population over age 25
HUNITS	total housing units
OCCU	occupied housing units
OWNU	owner occupied housing units
RENTU	renter occupied housing units
HHINC	median household income
HHINC_O	median household income, owners
HHINC_R	median household income, renters
MEDDOL	median dollars (value)
MEDGRO	median (dollars) gross rent
MEDM	median (dollars) with mortgage
MEDNOM	median (dollars) without mortgage
WITHM30	30.0 to 34.9 percent_WithM
WITHM35	35.0 percent or more_WithM
PCBM	% Cost Burden Owner with a mortgage
PCB30	30.0 to 34.9 percent_Rent
PCB35	35.0 percent or more_Rent
PCBR	% Cost Burden Renter
NLCD_PFOR	Percent (0-100) forested in tract, from 2019 NLCD forested land cover categories
NLCD_PDEV	Percent (0-100) developed in tract, from 2019 NLCD developed land cover categories
NLCD_PWAT	Percent (0-100) water in tract, from 2019 NLCD category 11 open water only
UA_PERC	Percent (0-100) urbanized area in tract, from 2010 Census urbanized areas
ACSPOP_19	Estimated population in tract, 2019 ACS 5-year estimates
AreaSqMi	Area of tract in square miles (calculated by GIS)
PopDen_19	Estimated population density (2019 population divided by area in sq miles)
Q75_UA	0 or 1. Is tract over 75th percentile in urbanized area relative to other tracts
Q75_NLCDDE	0 or 1. Is tract over 75th percentile in developed area relative to other tracts
Q75_PopDen	0 or 1. Is tract over 75th percentile in population density relative to other tracts
PUBLIC_PCT	Percent (0-100) public land in the tract as defined by US CBI
COMMUTERS	number of commuters (ACS journey to work data 2014-2019)
PCT_COMM90	percent of commuters traveling over 90 minutes to work (ACS 2014-2019)
PCT_COMM60	percent of commuters traveling over 60 minutes to work (ACS 2014-2019)
PCT_HHRENT	percent of households renting (calculated by WVU for tracts with data) based on households renting divided by total occupied households
PCT_HHOCC	percent of households occupied (calculated by WVU for tracts with data), based on total occupied households divided by total households

Variable correlation results

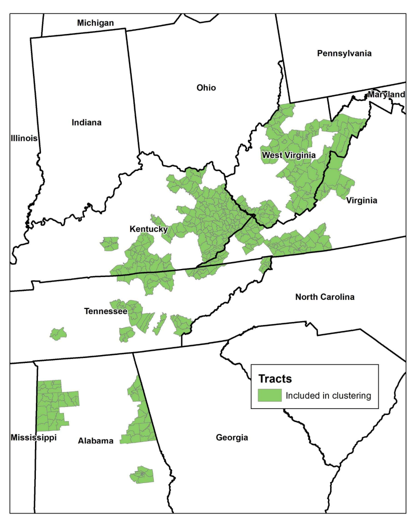
- Simple correlation matrix calculated for all potential variables
- Eliminated variables with high correlation from clustering

	HHINC	HHINC_O	HHINC_R	MEDDOL	MEDGRO	MEDM	MedNoM	PCBM	PCBR	NLCD_PFOR	NLCD_PDEV	NLCD_PWAT	UA_PERC	PopDen_19	PUBLIC_PCT	PCT_COMM60	PCT_HHRENT	PCT_HHOCC
HHINC	1.00																	
HHINC_O	0.87	1.00																
HHINC_R	0.68	0.48	1.00															
MEDDOL	0.51	0.54	0.39	1.00														
MEDGRO	0.34	0.26	0.40	0.30	1.00													
MEDM	0.36	0.42	0.24	0.58	0.20	1.00												
MedNoM	0.23	0.36	0.14	0.40	0.21	0.43	1.00											
PCBM	-0.27	-0.31	-0.17	-0.18	-0.06	-0.03	-0.06	1.00										
PCBR	-0.28	-0.17	-0.51	-0.25	0.03	-0.15	-0.05	0.12	1.00									
NLCD_PFOR	-0.21	-0.33	-0.20	-0.38	-0.14	-0.23	-0.31	0.18	0.11	1.00								
NLCD_PDEV	-0.02	0.18	0.03	0.17	0.14	0.07	0.33	-0.07	0.04	-0.56	1.00							
NLCD_PWAT	0.12	0.13	0.08	0.17	0.05	0.14	0.13	-0.06	-0.07	-0.25	0.11	1.00						
UA_PERC	-0.03	0.14	0.02	0.10	0.12	0.01	0.32	-0.06	0.05	-0.47	0.94	0.10	1.00					
PopDen_19	-0.01	0.18	0.01	0.16	0.12	0.06	0.29	-0.04	0.04	-0.45	0.92	0.07	0.87	1.00				
PUBLIC_PCT	0.10	0.06	0.08	0.14	-0.06	0.00	-0.08	0.03	-0.08	0.27	-0.14	0.10	-0.09	-0.10	1.00			
PCT_COMM60	-0.10	-0.18	-0.06	-0.13	-0.10	-0.16	-0.14	0.01	-0.09	0.28	-0.29	-0.07	-0.24	-0.22	-0.02	1.00		
PCT_HHRENT	-0.33	0.03	-0.23	-0.02	-0.07	0.02	0.27	-0.03	0.12	-0.28	0.50	-0.01	0.47	0.48	-0.13	-0.24	1.00	
PCT_HHOCC	-0.06	0.04	-0.06	-0.06	0.08	0.08	0.12	-0.01	0.04	-0.17	0.10	-0.20	0.00	0.06	-0.25	-0.03	0.15	1.00

Highest correlations:
- Household income and household income owner occupied (use household income only)
- Population density, urban area %, NLCD developed area % (use population density only)

Study area: Tracts for clustering

- For ARC counties in 5 states
- Excluded tracts within metropolitan statistical areas or micropolitan statistical areas
- Clustering performed by state

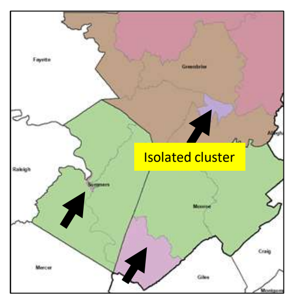


State	# Tracts (total in ARC)	# Tracts included	# Contiguous Groups of Tracts
Alabama	728	64	3
Kentucky	318	170	3
Tennessee	646	59	7
Virginia	185	76	3
West Virginia	484	100	2

Clustering methods: Spatially constrained multivariate clustering

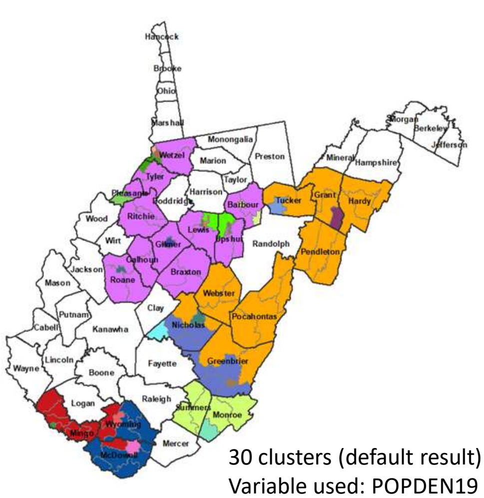
- Clustering model iterations – by state
  1. Perform clustering with single variable (n=10) at a time, examine R^2 values
  2. Perform clustering with two variables (variables w/highest R^2 values)
  3. Perform clustering with three variables (highest R^2 values)
  4. Evaluate cluster results using R^2values (variable contribution) and F-statistic graphs (optimal # of clusters)
  5. For each state, determine best single cluster model = final clusters
  6. Note: Most runs end up with default n=30 clusters
- For final clusters – adjustments:
  - Eliminate single-tract (isolated) clusters by merging with adjacent clusters
  - See guidelines (next slide)

Final cluster adjustment (merge)

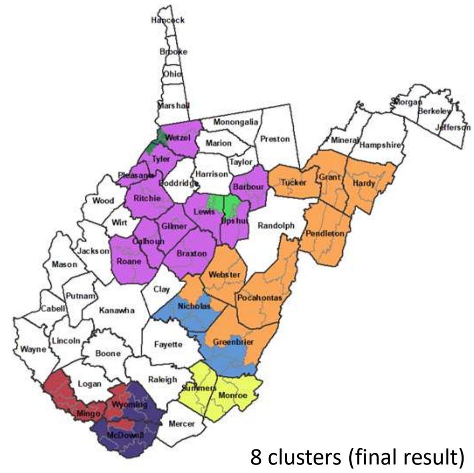


- Goal: Eliminate single-tract (isolated) clusters
- Guidelines:
  - Use of ancillary data layers: CDPs, census incorporated places, census primary/secondary routes
  - Is isolated cluster surrounded by another larger cluster? If so, merge
  - Is isolated cluster located along a primary/secondary highway? If so, merge with adjacent cluster on the same route
  - Is isolated cluster adjacent to a mapped CDP or census place? If so, merge with cluster adjacent to the same mapped place
  - If none of the above applies, merge isolated cluster with adjacent cluster with longest shared border
  - Did not take into account cluster geographic size or population (but could!)

Cluster results: WV (before and after merge)



30 clusters (default result)
Variable used: POPDEN19
R2 = 0.999



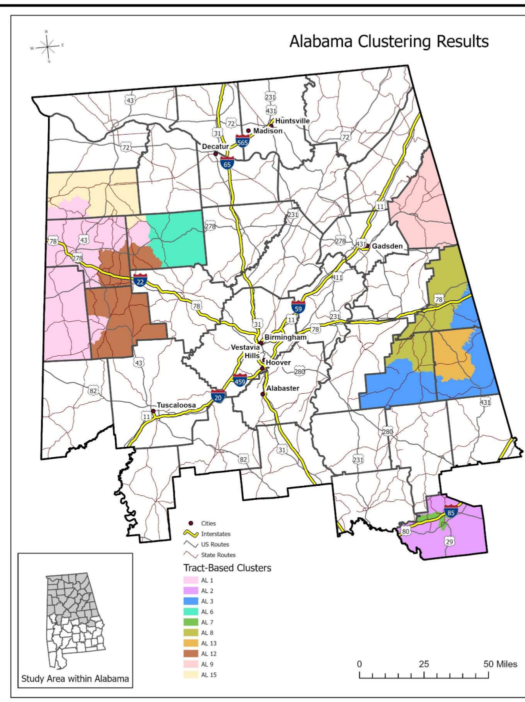
8 clusters (final result)
after merging to eliminate
isolated clusters (single tract)

Cluster results: AL

Final model for clustering:
POPDEN19 (r2 = .906)
PUBLICPCT (r2 = .917)
PCTCOMM60 (r2 = .767)
PCTHHOCC (r2 = .829)

Final # original clusters: 17
Final # clusters after merging: 10

Smallest cluster (by # tracts) (Randolph County) has n=2 tracts



Cluster results: AL

Final model for clustering:
POPDEN19 (r2 = .906)
PUBLICPCT (r2 = .917)
PCTCOMM60 (r2 = .767)
PCTHHOCC (r2 = .829)

Final # original clusters: 17
Final # clusters after merging: 10

Smallest cluster (by # tracts) (Randolph County) has n=2 tracts

Cluster	Tracts (N)	Households (N)	Housing Units (N)	ACS Population 2019 (Estimate)	Total Area (mi2)
AL 1	12	18,933	23,593	45,980	1413.74
AL 2	7	5,216	6,500	11,541	571.81
AL 3	8	10,628	13,266	27,487	833.05
AL 6	4	5,537	8,607	13,440	430.92
AL 7	5	2,258	3,796	7,167	41.40
AL 8	4	5,947	7,413	15,984	645.28
AL 9	6	10,737	16,579	25,903	599.98
AL 12	7	8,819	10,985	22,037	843.81
AL 13	2	3,005	5,061	7,429	272.82
AL 15	9	12,006	15,181	34,038	568.31

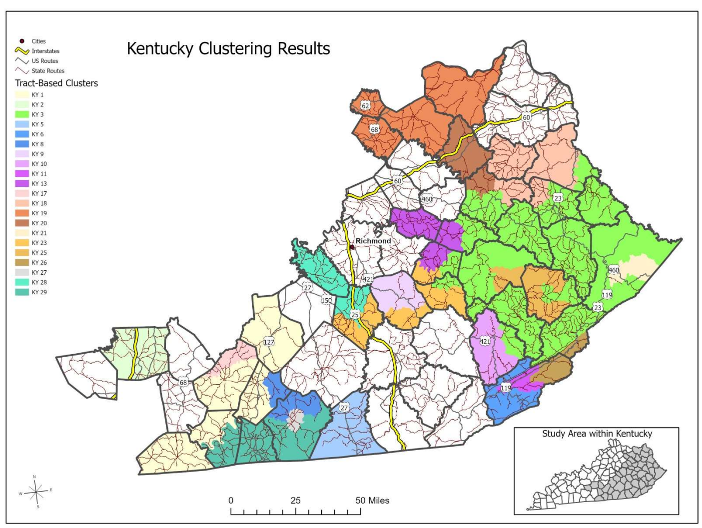
Final Clusters

Cluster results: KY

Final model for clustering:
POPDEN19 (r2 = .967)
PUBLICPCT (r2 = .951)

Final # original clusters: 30
Final # clusters after merging: 21

Several clusters with only 2 tracts



Final Clusters

Cluster results: KY

Final model for clustering:
POPDEN19 (r2 = .967)
PUBLICPCT (r2 = .951)

Final # original clusters: 30
Final # clusters after merging: 21

Several clusters with only 2 tracts

Cluster	Tracts (N)	Households (N)	Housing Units (N)	ACS Population 2019 (Estimate)	Total Area (mi2)
KY 1	19	23,335	29,269	60,393	1,436.82
KY 2	5	7,351	9,077	18,729	417.85
KY 3	69	89,645	108,621	219,695	3,492.12
KY 5	4	6,052	7,523	17,465	430.95
KY 6	4	4,245	5,296	10,246	257.37
KY 8	2	3,285	5,920	7,908	222.39
KY 9	2	3,322	4,170	8,261	236.85
KY 10	2	2,968	4,004	7,637	321.41
KY 11	4	4,330	4,982	10,628	88.21
KY 13	4	8,080	9,870	20,498	369.65
KY 17	2	1,394	1,778	3,610	113.89
KY 18	8	9,395	12,185	25,427	758.21
KY 19	11	14,774	17,646	37,206	1,143.63
KY 20	5	9,352	11,311	26,286	374.94
KY 21	2	3,199	3,958	7,116	133.21
KY 23	5	6,116	7,190	15,201	514.81
KY 25	4	4,647	5,427	10,932	348.55
KY 26	4	3,007	3,970	6,807	173.07
KY 27	2	3,940	4,806	9,407	43.31
KY 28	6	10,700	12,429	27,574	358.49
KY 29	6	7,367	9,672	19,630	657.15

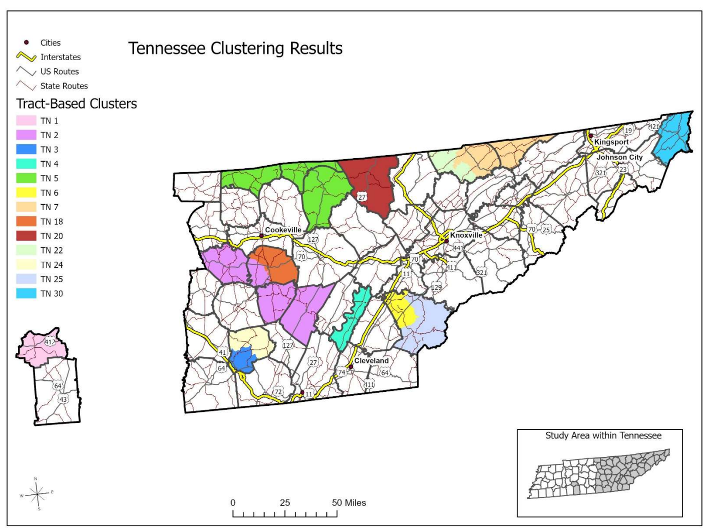
Final Clusters

Cluster results: TN

Final model for clustering:
POPDEN19 (r2 = .952)
PUBLICPCT (r2 = .880)
HHINC (r2 = .844)
PCTHHOCC (r2 = .797)

Final # original clusters: 30
Final # clusters after merging: 13

Several clusters with only 2 tracts



Final Clusters

Cluster results: TN

Final model for clustering:
POPDEN19 (r2 = .952)
PUBLICPCT (r2 = .880)
HHINC (r2 = .844)
PCTHHOCC (r2 = .797)

Final # original clusters: 30
Final # clusters after merging: 13

Several clusters with only 2 tracts

Cluster	Tracts (N)	Households (N)	Housing Units (N)	ACS Population 2019 (Estimate)	Total Area (mi2)
TN 1	2	4,715	5,548	12,027	282.49
TN 2	11	17,695	21,596	48,085	1,118.31
TN 3	2	2,475	3,331	6,294	129.73
TN 4	3	4,938	5,888	12,104	216.75
TN 5	7	12,763	16,893	30,946	932.77
TN 6	4	11,301	12,993	29,391	178.20
TN 7	8	12,588	14,945	30,401	471.14
TN 18	4	7,092	8,382	19,158	271.38
TN 20	5	8,664	10,018	21,969	533.23
TN 22	3	3,435	4,097	7,918	193.91
TN 24	2	2,345	3,129	7,050	231.40
TN 25	3	6,686	8,242	16,673	474.39
TN 30	5	6,794	9,002	17,753	302.69

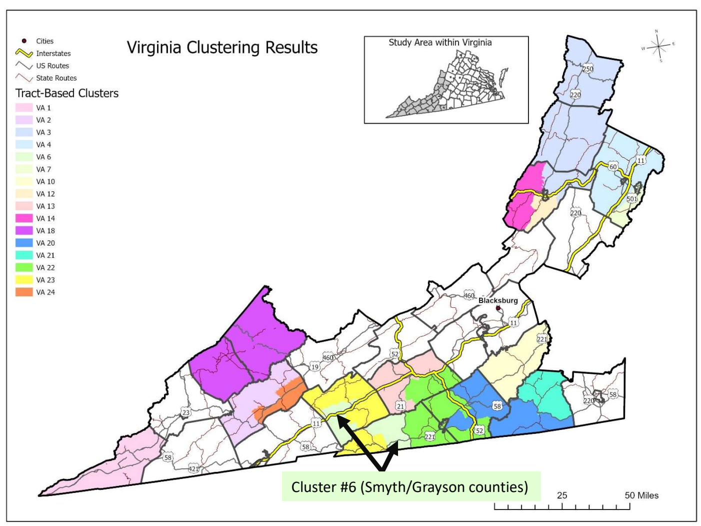
Final Clusters

Cluster results: VA

Final model for clustering:
POPDEN19 (r2 = .994)
MEDDOL (r2 = .975)

Final # original clusters: 30
Final # clusters after merging: 16

Several clusters with only 2 tracts



Final Clusters

Cluster results: VA

Final model for clustering:
POPDEN19 (r2 = .994)
MEDDOL (r2 = .975)

Final # original clusters: 30
Final # clusters after merging: 16

Several clusters with only 2 tracts

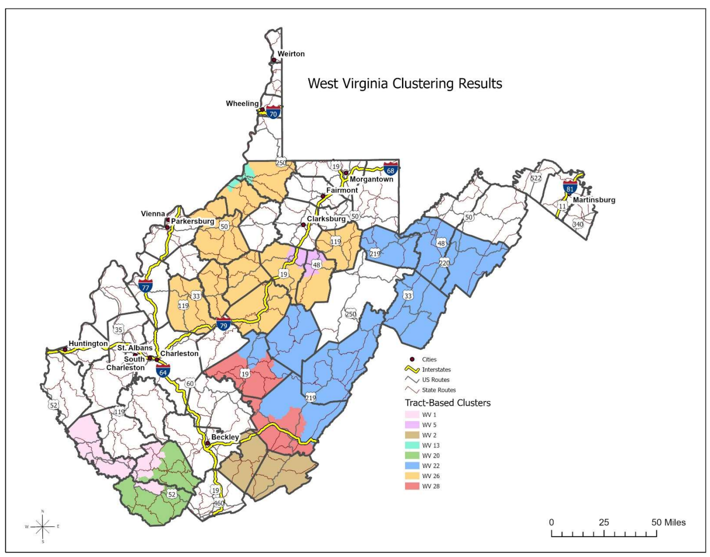
Cluster	Tracts (N)	Households (N)	Housing Units (N)	ACS Population 2019 (Estimate)	Total Area (mi2)
VA 1	6	9,149	11,798	23,948	437.27
VA 2	5	7,579	9,703	18,584	350.06
VA 3	6	8,373	12,131	19,233	1,104.67
VA 4	4	9,767	11,901	25,717	518.82
VA 6	5	7,599	9,405	18,156	264.23
VA 7	2	4,156	4,853	10,578	90.19
VA 10	3	6,493	8,048	15,704	381.77
VA 12	2	2,169	2,586	4,910	88.42
VA 13	4	8,427	9,956	19,703	309.81
VA 14	2	1,321	1,692	3,123	212.78
VA 18	11	14,347	19,156	36,544	837.51
VA 20	5	9,673	13,168	23,016	512.53
VA 21	2	3,920	5,051	9,029	241.54
VA 22	11	16,978	22,280	42,105	562.43
VA 23	6	7,345	9,452	17,410	444.13
VA 24	2	3,233	3,844	8,557	126.38

Final Clusters

Cluster results: WV

Final model for clustering:
POPDEN19 (r2 = .999)

Final # original clusters: 30
Final # clusters after merging: 8



Final Clusters

Cluster results: WV

Final model for clustering:
POPDEN19 (r2 = .999)

Final # original clusters: 30
Final # clusters after merging: 8

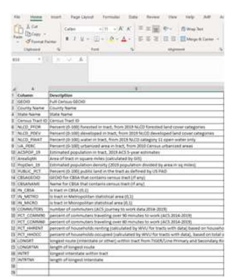
Cluster	Tracts (N)	Households (N)	Housing Units (N)	ACS Population 2019 (Estimate)	Total Area (mi2)
WV 1	11	15,683	19,297	36,612	658.03
WV 2	7	11,284	15,346	26,249	841.37
WV 5	7	9,641	11,173	24,513	170.75
WV 13	4	4,709	5,965	12,591	68.87
WV 20	10	11,230	15,683	27,620	802.66
WV 22	23	29,463	48,061	70,173	4,453.56
WV 26	28	40,713	55,055	105,316	3,678.66
WV 28	10	19,702	24,280	46,300	907.41

Final Clusters

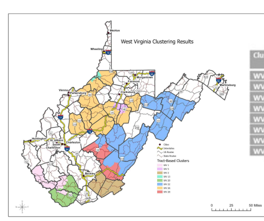
Results/Deliverables

- Deliverables
  - Final Technical Report
  - Appendices (Excel)
    1. All tract data - housing
    2. All tract data - GIS
  - Figures (maps, as PDF)
  - Zip archive
- For each state:
  - Map of cluster results
  - Cluster summary table

Final report



Sample appendix



Cluster result map for WV

Cluster	Tracts (N)	Households (N)	Housing Units (N)	ACS Population 2019 (Estimate)	Total Area (mi2)
WV 1	11	15,683	19,297	36,612	658.03
WV 2	7	11,284	15,346	26,249	841.37
WV 5	7	9,641	11,173	24,513	170.75
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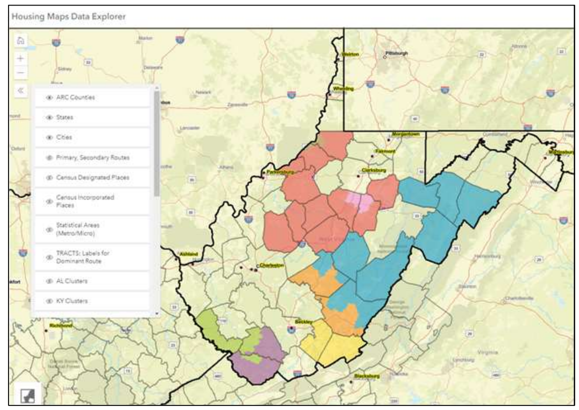
WV 26	28	40,713	55,055	105,316	3,678.66
WV 28	10	19,702	24,280	46,300	907.41

Cluster result summary table for WV

Viewing results on the web

- Housing Maps Data Explorer (ArcGIS Online web map app)
- No password or account required
- Link: https://arcg.is/1OLSrn
- Layers included:
  - Cluster results by state (merged final clusters)
  - Dominant routes
  - Additional reference layers (metro/micro, CDPs, Census places)



Operational Strategies- Substance Use Disorder

Problem to be Solved

The Appalachian region faces a severe substance use disorder (SUD) crisis, particularly with the opioid epidemic, leading to elevated "deaths of despair." Limited housing compounds the challenges for those seeking treatment, impacting public health, emergency services, workforce participation, and community engagement.

Strategies

Funding and Program Access: Proactively secure grants to support diverse opioid-use disorder programs, emphasizing proven treatment services for widespread community accessibility.

Innovative Recovery Housing: Acquire funding for pioneering recovery housing models that address housing needs, provide supportive services, and offer ongoing assistance, fostering a comprehensive approach to rehabilitation.

Collaborative Partnerships for Holistic Support: Harness existing resources and grants through partnerships with healthcare facilities, career opportunities, and transitional housing, creating a network of support for individuals in recovery.

Education and Stigma Reduction: Promote continuous education on best practices, clinical findings, and research related to substance use disorders, aiming to implement effective strategies while actively working to reduce societal stigma.

What Does Success Look Like?

Fahe aims to break the generational cycles of poverty and addiction, emphasizing sustainability for prevention, treatment, and recovery initiatives. Appalachia should no longer be characterized as the epicenter of the opioid epidemic. Combining Federal, state, local, and private resources to make a significant impact should result in sharp declines in overdose and fatalities. Success is marked by frictionless access to treatment for anyone in Appalachia with SUD, leading to a larger volume of individuals in recovery living healthy, productive, and prosperous lives.

Operational Strategy – Public Health

Problem to be Solved

The Appalachian region grapples with escalating health disparities, marked by increasing rates of heart disease, cancer, diabetes, and stroke. The heart disease mortality rate is 17 times higher than the national average, with a common correlation between rural areas and higher cardiovascular disease rates. Access to healthcare, clean water, healthy food, and affordable housing are critical components of the public health landscape, requiring attention to bridge the existing gaps.

Strategies

Strategic Financial Support for Healthcare: Secure capital to fund quality healthcare services, collaborating with health partners to ensure widespread availability in communities.

Investment in Healthcare Infrastructure: Allocate capital to strengthen healthcare infrastructure, promoting proximity to quality healthcare, telehealth services, and essential tools.

Funding Health Promotion and Education: Prioritize health promotion and education funding, integrating them into programs to facilitate access to necessary health services.

Optimizing Referral Systems and Collaboration: Enhance referral systems for efficient access to housing, healthcare, mental health services, and holistic support, while fostering collaboration on community-centered health initiatives to address diverse healthcare needs.

What Does Success Look Like?

Fahe aims to transform the public health landscape in the Appalachian region. Success involves increased integration between Fahe's network and healthcare service providers, leading to improved health outcomes across the region. Long-term success is marked by enhanced accessibility and affordability of healthcare options, ultimately dispelling the region's reputation for poor health rankings. We will strive to align strategies around financial commitment, infrastructure, promotion, and collaboration.

Operational Strategy - Broadband

Problem to be Solved

Broadband access in the Appalachian region is marked by a rural-urban divide, with subscription rates over 20% lower in rural areas, hindering opportunities in education, telework, telehealth, business growth, and more. A lack of reliable broadband threatens to leave whole areas behind, necessitating a coordinated effort to bridge the digital divide and ensure equitable access.

Strategies

Strategic Capital and Platform Enhancement: Secure capital and enhance delivery platforms to increase investment in broadband infrastructure, addressing historical disinvestment in connectivity.

Affordable Access Advocacy: Implement solutions for affordable broadband connectivity by seeking grants, expanding partnerships, and advocating for policies that promote affordability, deployment, and equitable access.

Market-Driven Deployment Strategies: Tailor broadband solutions to address market gaps, conduct community needs assessments, and leverage resources to align solutions with demands, ensuring Federal resources effectively reach the region.

Overcoming Geographical Challenges: Focus on realistic strategies for comprehensive broadband coverage by collaborating on infrastructure projects, leveraging grants, and forming community partnerships to overcome topographical complexities.

What Does Success Look Like?

Fahe aims to empower Appalachian communities for a connected future, where broadband is an expectation, acting as a catalyst for economic growth, empowerment, and sustained connectivity. Success results a net-positive impact on broadband attainability, whether it be residential or community. Ultimately, success is achieving a world where high-speed broadband is universally accessible no matter who your momma is.

Operational Strategy - Infrastructure

Problem to be Solved

Appalachian residents face challenges in accessing affordable utilities and essential infrastructure, hindering economic growth. The region is lacking in not only basic utilities but also economic and workforce development infrastructure, including housing, transportation, and childcare, impacting the attraction and retention of a skilled workforce.

Strategies

Comprehensive Infrastructure Redefinition: Expand the infrastructure definition to include housing, transportation, and childcare. Innovate solutions for housing challenges, transportation programs, and childcare deserts, redefining these elements as essential infrastructure.

Housing Advocacy and Economic Stimulus: Develop a unified narrative characterizing housing as crucial infrastructure. Advocate for government responsibility in providing attainable housing, emphasizing community needs assessments and resource leveraging. Invest in affordable and attainable housing to stimulate economic activity, job creation, and employee retention.

Financial Sustainability Commitment: Demonstrate a commitment to financial sustainability in infrastructure development through grant-seeking, expanded partnerships, and tailored solutions to address financial challenges.

Collaborative Infrastructure Development: Collaborate on projects, leverage grants, and form community partnerships for comprehensive infrastructure development. Consider workforce development and address exclusionary zoning practices. Strengthen relationships with Urban Local Governments (ULGs) for improved safety, public access, transportation, utilities, and community access.

What Does Success Look Like?

Fahe aims to stimulate economic activity, create jobs, and enhance community well-being, emphasizing the interconnectedness of these elements in fostering sustainable and inclusive development. Built environments are capable of meeting basic needs, and state governments align on a comprehensive definition of infrastructure, contributing to a positive narrative around tailored infrastructure development solutions. Ultimately, success is marked by the creation of more livable communities with accessible, affordable, and better maintained infrastructure.

Operational Strategy – Residency/Fellowship

Problem to be Solved

The non-profit workforce in Appalachia faces a talent vacuum, with an aging workforce and motivated youth drawn out of rural areas, posing challenges in attracting, recruiting, and retaining skilled individuals. The regions labor force participation rate lags significantly behind the national average, and the specialized skills that Fahe needs are in increasingly short supply.

Strategies

Strategic Investment Prioritization: Prioritize private investment, philanthropy, and donor-advised funds to support residency and fellowship programs, emphasizing the essential return on investment for cultivating future non-profit leaders.

Match Requirement Solutions: Develop methods to overcome match requirements in fellowship and residency programs, with a focus on directing leadership development funding to attract and retain promising leaders for the future.

Leadership Engagement and Capacity Building: Actively involve current leaders in residency and fellowship initiatives, expanding their involvement to enhance mutual benefits for participating organizations and contribute to leadership development.

Innovative Recruitment and Capacity Expansion: Build new residency and fellowship programs, connect Members to existing resources, and establish a centralized recruitment strategy to engage a qualified pool of professionals, while collaborating across networks to expand reach, recruitment, and retention. The traditional candidate pool is shrinking, so Fahe will need to expand the candidate pools for residency and fellowship programming, as well as recruitment more generally.

What Does Success Look Like?

Fahe aims to develop and share successful, self-sustaining residency models within and outside the network, fostering collective expertise and ensuring the long-term success of organizations and the region. Success is realized through residency and fellowship programming that attracts professionals to live and serve in Appalachia, gaining ground in qualified non-profit leadership for the future. Fahe seeks to address this by emphasizing its mission-driven focus to bolster residency and fellowship programs, providing long-lasting positive community impact.

Fahe Affiliated Partner Criteria

Thank you for your interest in becoming an Affiliated Partner of Fahe; we are building hope, building relationships, strengthening communities, and nurturing families through housing and support systems. By building on trusted relationships in Appalachia, we make more happen together. We work together and openly share brand, influence, and successful strategies. We speak with a strong voice and create dynamic impact, gathering expertise from each other. We envision Appalachia as a place proud of sustaining its culture and environment, where growth, opportunity and hope are balanced so that all people fulfill their potential with regard to housing, employment, education opportunity and quality of life.

Fahe Affiliated Partners are trusted organizations sharing a common goal with the Fahe Network to carry out activities related to the general betterment of the housing or community conditions for low-income families in Appalachia. A Prospective Affiliated Partner can be introduced/invited by a Member or by Fahe Staff.

Benefits of being Affiliated with the Fahe Network:

- Access to open Fahe Meetings & Collaborative Opportunities:
  - Expertise among staff and peers
  - Networking through meetings events
  - Discounts for events
  - Access to Fahe-led Training
  - Shared Voice/Tools for Advocacy
  - Opportunities to connect to State/Regional/Federal Agencies
- Access to Capital: Lending and Equity products
  (subject to applicable rules/regulations)
  - Mortgages, including Broker/Loan Packager Relationships
  - Commercial loans, including Lines of credit, Construction Loans, Community Facilities Loans
  - Low Income Housing Tax Credit (LIHTC) expertise
- Program Services by contract

Becoming an Affiliated Partner is a patient process, beginning with invitations to meetings, introductions, getting to know each other, and if interested, a formal letter of request to apply. Partnership is open to Nonprofit and for-profit organizations with a mission or purpose that fits with Fahe’s vision for the region serving or investing in Appalachia and a demonstrated commitment to affordable housing.

Fahe Updates – AL Caucus

Quarterly Reporting – 12/31/23:

Without NWOs			With NWOs		
Total Organizations	**46**		**Total Organizations**	**54**	
Turned in by 1/10	11	*23.91%*	**Turned in by 1/10**	19	*35.19%*
Turned in by 1/15	26	*56.52%*	**Turned in by 1/15**	34	*62.96%*
Turned in by 1/25	28	*60.87%*	**Turned in by 1/25**	36	*66.67%*

AL Organizations	4		AL Organizations	6	
Turned in by 1/10	2	*50.00%*	**Turned in by 1/10**	4	*66.67%*
Turned in by 1/15	3	*75.00%*	**Turned in by 1/15**	5	*83.33%*
Turned in by 1/25	3	*75.00%*	**Turned in by 1/25**	5	*83.33%*

821	Hale Empowerment & Revitalization Organization (HERO)	
824	Neighborhood Concepts, Inc. (NCI)	Additional info sent -1/8- Ashlee A
825	Alabama Rural Ministries (ARM)	Reports Sent -- 1/5 - Lisa P Not compelete
826	CAA of Northeast Alabama (CAANEAL)	Reports Sent- 1/19- Luke L

REED, Research Evaluation Evidence & Data Committee

Office hours: 1st Tues. 9:30-11:30am & 3rd Thurs. 1-3 pm

Standing Committee (REED): 3rd Mon. from 1:00- 2:15 pm each month

Contacts: kstigers@fahe.org cmoreno@fahe.org

Partners for Rural Transformation

- Twitter
- Facebook
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- LinkedIn

- Sara Ball sarab@pfrt.org - Acting Operations Director
- Essence Smith essence@pfrt.org - Program Manager for Comms and National Partnership
- Emily Burleson emily@pfrt.org - Project Manager for Advocacy and Research
- prt@pfrt.org - general inquiries

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