



VA Caucus Agenda
Wednesday, Nov. 8, 2023, 10am - 2pm
People Inc. Office ~ 1173 W Main St, Abingdon, VA 42410

- 1) **Welcome, Special Guest Introductions** - Jamie Gross, Vonda Poynter
Christopher Ptomey, Jeanie Barbrow, USDA RD; Amy Schwartz, Jake Naugle, Cliff Millirons, Sam Hanks – VH; Brian Koziol (virtual) – VHA; Elke Hodson, Ph.D., US DOE (tentative)

- 2) **Fahe Membership Business** - Jamie **20-30 minutes**
 - a. Review Previous Minutes and Action Items **pp. 3-7**
 - b. Around the Horn: What do you need most from Fahe? (funding opportunities, technical assistance, training, additional support, etc.)
 - c. Annual Meeting Reflections ...
 - d. Four Corners Working Groups **pp. 8-9**
 - e. Executive Report – Vonda

- 3) **Partner Updates**
 - a. Virginia Housing – Sam Hanks, Cliff Millirons **10-15 minutes**
 - b. USDA-RD – Jeanne Barbrow **10-15 minutes**
 - c. Virginia Housing Alliance – Brian Koziol **10-15 minutes**
 - d. Ballad Collaborative Update – Andy Kegley & Nicholas Bormes **10-15 minutes**

CAUCUS TIME

- 4) **Strength in Numbers - Member Interest/Focus Updates** – Traviss Witt **10-20 minutes**
 - a. Workforce Development
 - b. Dept. of Energy opportunities summary **p. 10**
 - c. EV Partnership Opportunity **p. 11**
 - d. Broadband
 - e. US Dept. of Energy – Elke Hodson

- 5) **Advocacy** **45 minutes**
 - a. State Updates – Maggie Riden
 - State Advocacy Committee

We, the VA Fahe Caucus are the premier housing professionals supporting the underserved and often overlooked population of Southwest Virginia by building homes and providing housing related services. Recognizing the connection between homes and health by identifying social determinants of health to build stronger communities.

 - b. State Advocacy Coalition - Amaya **pp. 12-15**
 - Legislative ask – amount, use, timeline
 - AHTF
 - State and Local ARPA

<https://www.route-fifty.com/finance/2023/08/treasury-expands-uses-arpa-funding/389838/>

 - Plan for Education
 - HFH VA – status of their legislative request

c. Federal Updates – Josh

6) Caucus Discussion – Around the Square

15 Minutes

Susan Dewey retiring from Virginia Housing

7) Fahe Updates –

20 Minutes

- a. Board Report - Board Members Andy Kegley, Jake Powell
 - Membership Committee Update
 - Affiliate Partners (i.e.: housing/comm. dev. partners with shared interest in affordable housing), Associate Member (all still pending)
- b. Membership Updates
 - Reporting – QE 9-30-23 status Vonda
 - Membership Renewals; Training – Jackie Weiss
 - Business Continuity Plans – Status Update – *Diedre Kendall, Fahe VISTA*
- c. Communication Comments – Lina Page
- d. 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 – JustChoice Lending & Community Lending **pp. 16**
- f. Partners for Rural Transformation – Sara Ball **pp. 17-18**

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>
- **Nov. 15-17** – VA Governor's Housing Conference
- **Nov. 21 – 11 am** – VA Advocacy Coalition Call
- **Dec. 6-7** – Fahe Board Meeting
- **Dec. 19 – 11 am** – VA Advocacy Coalition Call
- **Feb.** date TBD – VA 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

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

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

VA Caucus page: <https://www.fahemembers.com/state-caucuses/va-member-information/>



VA Caucus Minutes
Wednesday, June 14, 2023, 10am - 2pm
SERCAP Office ~ 347 Campbell Ave, Roanoke, VA 24016

Attendees:

Name	Organization	Name	Organization
Amy Bowen	AppCAA	Diedre Kendall	Fahe AmeriCorps
Lynn Pannell	BRHA	Jackie Weiss	Fahe (Virtual)
Rich Pannell	BRHA	James Edington	Fahe
Jake Powell	CHP (Virtual)	Katy Stigers	Fahe
Andy Kegley	Open Door Comm.	Maggie Riden	Fahe
Jamie Gross	People, Inc.	Nicholaus Bormes	Fahe AmeriCorps
Cherry Wilson	SERCAP	Nicole Intagliata	Fahe
Fred Jeter	SERCAP	Traviss Witt	Fahe
Sam Hanks	Guest - VH	Vonda Poynter	Fahe
Isabel McLain	Guest - VHA (Virtual)	Jose Quinonez	Fahe/PRT
Mel Jones	Guest - VT	Emily Burleson	PRT(Virtual)
Amanda Scalph	Fahe (Virtual)	Theresa Mantipty	PRT(Virtual)
Andrew Bates	Fahe (Virtual)	Quenten Morgan	PRT Intern (Virtual)

6 of 6 Members Represented = 100% Attendance

Notes:

- 1) **Welcome, Special Guest Introductions** - Jamie Gross, Vonda Poynter Sam Hanks – VH; Isabel McLain – VHA; Mel Jones, VA Tech Institute for Policy and Governance
- 2) **Fahe Membership Business**
 - a. Review Previous Minutes and Action Items Motion made to approve the minutes, seconded. Motion passed.
 - b. Caucus Chair Election – Cherry
 - Motion made to keep Jamie Gross as Caucus chair. Seconded, motion passed.
 - c. Around the Horn: What do you see coming in the housing landscape in the next year – next 5 years?
 - Jose to send document about what PRT is doing within this question.
 - d. Spring Retreat Reflections – Fred Jeter, Amy Bowen

Great experience, met with legislators. DOE has \$ 8B between two energy funds, solar. Will find the info from the DOE and send it on to the group. Talked about housing counseling. Enjoyed those who came to speak, very beneficial. Was asked if members were able to testify if needed, can follow up with legislators on this point.
 - e. CEO/President's Update on Strategic Plan – Vonda
 - Strategic Plan will go in front of the board in a couple of weeks for approval – Theory of change on top of Strategic Plan. Hoping to give a common understanding of what we do, how we do it, why we do it. How we work together. Building the vision of success. Building it around the four corners, money, capacity, narrative, and people. The Strategic plan will also help prioritize work. FY2024 goals will also be reviewed for approval at the board meeting. Separated the CEO/President position, Jim King is CEO still and Sara Morgan is President.
- 3) **Partner Updates**
 - a. Virginia Housing – Sam Hanks: Very busy, will be two more weeks before he has more

information he can share.

- b. USDA - Certificates of eligibility are extended to 120 days with no extension instead of just 30 days certificates. After 120 days, it expires and you have to reapply/start the process again.
- c. Virginia Housing Alliance – Isabel McLain
 - State level, starting to ramp up candidate engagement to get ready for elections, looking at hosting housing forums, making sure people are prioritizing housing in campaigns. For next year's general assembly, get together what asks will be. Advocate for creation of Housing Stability Fund targeting extremely low-income families with children. Also advocating for more money in the Housing Fund. Creating some resources, can share them when they are finished – housing resource guide with all state and federal resources. Also, a 2023 state of housing in VA update with data and facts.
Federal – been doing a lot of advocating for homelessness and affordable housing. Federal debt ceiling negotiations resulted in not an ideal situation but could have been worse. 1% increase for FY2025. With the rising cost of housing, keeping the level the same is basically a cut. This Friday the campaign for Community Housing Development, they are hosting a National Day of Action, communicate with Congress how important funding is. Information for the National Day of Action on Housing Funding:
[https://nlihc.org/resource/join-nlihc-and-chcdf-national-day-action-june-16-demand-congress-increase-hud-and-usda?utm_source=NLIHC+All+Subscribers&utm_campaign=687ea8bb93-memo_061223&utm_medium=email&utm_term=0_e090383b5e-687ea8bb93-293508751&ct=t\(memo_061223\)](https://nlihc.org/resource/join-nlihc-and-chcdf-national-day-action-june-16-demand-congress-increase-hud-and-usda?utm_source=NLIHC+All+Subscribers&utm_campaign=687ea8bb93-memo_061223&utm_medium=email&utm_term=0_e090383b5e-687ea8bb93-293508751&ct=t(memo_061223))
 - Continuing to build relationships with federal, hoping to host learning sessions for congressional staff. Updated 2023 Reach Report released, highlighting the gap between what people earn and the cost of average housing. Link to the Virginia Out of Reach Report for 2023: https://nlihc.org/sites/default/files/oor/Virginia_2023_OOR.pdf
 - Having annual Awards luncheon July 21st, Two conferences in September, Housing Credit Conference, VA most vulnerable meetings back to back so that people who are traveling only have to do one trip.
- d. Ballad Collaborative Update – *Andy Kegley & Nicholaus Bormes* **10-15 minutes**
 - Partnership with Ballad works on housing/health gap. Opens door for referral programs for health. Housing is a top tier health determinant, want to bring that to the table as much as we can. Approaching last reporting for fiscal year for Ballad. Members asked about how far this goes, Nicholaus will follow up and find out. Jake Powell said Carilion has severe budget constraints in health areas, specifically Covid related. Specific ask related to partner with acquisition of land. It was fruitless. Ask was under a million, 600-700k range. Has had some funds available via Ballad to pay for part of Vistas, some employee salary.
 - Community Health Networking and Skills Fair coming up hosted by Ballad – June 23rd. Setting up a booth, talking to other community health organizations, some guest speakers.
 - Training that was offered has wrapped up. If you have any other ideas for training, let them know.
- e. NWA – Any Reporting Update – *Jake Powell*
 - Compass tool – been doing virtual tours with CounselorMax demos, getting feedback. Don't plan to retire CounselorMax any time soon, will give a 12-month lead time. Continuing to plan through updates, hiring new developers to fix known issues. Biggest

complaint hearing is the customer portal – this was the big pitch and it's truly a problem. CHP hired developer to fix it and put it in front of the NeighborWorks program. Cost is way more than CounselorMax, steep learning curve. If interested in more about it, reach out to Jake.

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4) Strength in Numbers - Member Interest/Focus Updates

a. Workforce Development – *Traviss Witt*

- Introduction. Hearing lack of skilled trades workers, lack of general contractors, working on figuring out strategies to get those numbers up, more access via connections.
- DOE opportunity coming down the line, updating your own facilities. Fahe can apply for the funds is best case scenario, worst case scenario 80% would come from grants. Could go toward windows, doors, HVAC systems at home bases.

b. Broadband

- On the radar. Massive amount of money in broadband space but most of it is landing with large telecom companies. There isn't a lot of overlap there. There is a big study being done about needs. The FCC has maps that they are using to divvy out the rest of the money but the maps are wildly inaccurate, however you have to challenge the map on an address by address basis.

5) Advocacy

a. State Updates – Maggie Riden

- State Advocacy Committee
 - Funding Ask of Virginia Legislature – slide presentation
 - Financial resources was definitely the biggest need, so Maggie and Amaya did some digging. Looked at historic 2022 data. 11k per house for repairs, 240k for single family units, and 243k for rental builds. Some members said that the cost estimates are low – 325k for single family unit from CHP. Other members said that the 240k was high. Advocacy asked questions of the members – where do they want to focus?
 - Development cost projections for single-family and multi-family and a cost per square foot – Determine the amount of the ask
 - Gap is about 2B for rental units and single family. Not going to get 2B. Will have to spread it over several years.
 - Option 1: Fund the AHTF at \$250M with a \$100M carve out. Option 2: Fund the AHTF at \$250M with a \$150M carve out. Option one takes almost over 9 years just to fill rental gap. Option two takes just over 7 years. With single family, Option 1 takes 2.5 years, Option 2 takes just over a year and a half.
 - If blend the two, Option 1 takes rental units about 16 years, single family is 6 years, Option 2 rental units take 9.4 years, single family takes 9 years.
 - Does there need to be rehab money included in the ask? Need to have calls with people who can make decisions, have to move quickly on this.
 - Policy recommendations to pursue for this year
 - Mandatory Inclusionary zoning, converting unused or underutilized units, Requiring Affordable Housing Development to build affordable range of neighborhoods, tax incentives, incentives to landlords, Provide financial assistance for home repairs/upgrades, etc.
 - At federal level, overhaul of LIHTC.
 - Should we explore setting up rural or county-level housing trust fund funding levels?
 - How do we marry this ask with workforce development? What other economic opportunities can we tie in? Think about relationships and partnerships that could assist.

- Will send out poll for meeting in July.
- Planned Event for Housing Gap Analysis – Introduce Ask
- Further engagement – Who is doing what... and When
- Use the summer to engage, invite legislators/local decision makers to events, ribbon cuttings, etc.

6) Report/Update - Affordable Housing Gaps in VA Katy Stigers, Mel Jones

Main Fahe report, not Gap Analysis this time. Slide presentation. We have a webinar coming up in July to have time for Q&A and to bring your teams. VA is far more rural (along with KY) than the others. Lost population of households over 2015-2021 time period. Used 5-year data to make it more reliable. Cost-burden generally decreased among renters, entirely decreased among homeowners but the 2021 numbers still reflect pandemic supports that people were receiving. From talking to members, anticipate the trend to soften and maybe reverse when adding the 2022 and 2023 data. Owners' reduction in costs they do expect to be more stable. New component is cost burden breakdown by race. Non-white households have higher cost-burden across all regions by state except one part of KY. Homeownership by race – in all states, all non-white households had disproportionately low homeownership rate.

Gross rent has gone from \$599 in 2015 to \$701 median in 2021. During pandemic, restrictions on how much rent could be increased, etc. Owner costs \$995 in 2015 to \$1093 in 2021.

High energy cost and energy burdened households: Energy burden plus high energy costs 8% in Virginia. If we did an intervention such as weatherization, could help that burden.

Full report rollout next month.

7) Fahe Updates –

20 Minutes

- a. Board Report, March Board meeting - Bd. Members Andy Kegley, Jake Powell
 - Strategic plan ongoing work, bylaw change, splitting CEO/President position.
- b. Membership Committee (*Julie Keel, tentative*)
 - Membership Criteria; Went over as membership committee.
 - Member Application Checklist; already asked to split into two different checklists, the existing new member checklist, will add a renewal checklist as well.
 - Affiliate Partners (i.e.: housing/comm. dev. partners with shared interest in affordable housing), Associate Member (all still pending)
- c. Membership Updates
 - Reporting – QE 3-31-23 status- Vonda
 - Really important to do the reporting.
 - Membership Renewals; Training – Jackie Weiss
 - Biggest is NTI happening August 21-25 in Chicago, register quickly and let Jackie know – because in network can get free lodging but first come, first served. Will have \$200-\$400 to reimburse members for cost depending on how many go, cost \$1300 for classes plus traveling and food.
 - Online courses package has been purchased again, anyone from staff/board can access free courses, usually about 26 classes with some new classes every year. Up to 200 spots in each course that can be used. Have until September 30th to sign up for courses then 60 days after that to take your courses. That info will be out next week.
 - Business Continuity Plans – Status Update – Diedre Kendall, Fahe VISTA
 - Need everyone to do the survey by end of July, get business continuity plan on file, can get discount on insurance.
- d. REED, Research Evaluation Evidence & Data Cmte - Katy Stigers, Camila Moreno
https://www.fahemembers.com/wp-content/uploads/Data-Reference-List_updated-2-

[14-23.pdf](#)

Office hours: First Tues. 9:30-11:30am & third Thurs. 1-3 pm

Standing Committee (REED): Second Mon. of each month, 1:00-2:15 pm

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

Thanks again to Mel for joining us. We did commission the gap analysis at your request and also updated the housing needs assessment to try and mitigate some of the challenges that lack of data poses for you as advocates and for strategies within your organizations.

In addition to the presentation of the Housing Needs Assessment in July, we will be hosting additional research "Lunch n Learns" this July and August. Info will be in Jackie's Newsletter. We also continue to host Research Office Hours twice per month. Please join the REED committee and help build our shared capacity to leverage our data as an asset.

e. Lending – Community Lending and JustChoice Lending – James Edington

Just Choice Lending: Welcome Home second round **opens July 6**

Community Lending:

- In the past two years, 2 M in lending directly to members. Quarter percent of origination fees for members. Loan products are revolving and nonrevolving LOCs – include construction. Mini-perms. 3-year term offered to members instead of 1 year to cut down legal fees. Permanent financing also offered. Quote rate – 3.6, 3.75% right now, very competitive rates right now.
- Members have a referral program with bond guaranteed program – 3% of the interest paid out quarterly for the first year of loan. With community facilities, it is 5%. Just a name and contact, like an email of introduction, that's all. If the loan closes, referral is paid.

f. Partners for Rural Transformation - Jose Quinonez, Essence Smith

- Hired new executive assistant, Theresa Mantiply, any inquiries to Jose or PRT in general, go to Theresa.
- Working on rural equity framework in a 5-point program – Invest in community readiness, flexibility of funds, patient support, resources easier to access, supporting regional approaches and developing relationships.
- Advocacy: PRT has responded to several requests for comments, responses to proposals. The research working group is finalizing PRT metrics dashboard including data that can be used internally.
- New working group on lending, no funding yet but will keep you updated.
- Link to NPQ Articles: <https://nonprofitquarterly.org/series/eradicating-rural-poverty-the-power-of-cooperation/>

For Comms inquiries, please contact Essence Smith (essence@pfrt.org)

For Advocacy/Research inquiries, please contact Emily Burlison (emily@pfrt.org)

For general information/meeting scheduling, please contact Theresa Mantiply (tmantiply@pfrt.org)

Adjourned at 2:21 pm

Upcoming Events

- **July 21** – Virginia Housing Alliance [Annual Awards Luncheon](#)
- **Aug. 21-25** - NeighborWorks America NTI – Chicago
- **September 19-21 (Tues-Thur)**– HOLD for **Fahe Annual Meeting in Charleston!**
- **Nov. 8 (Wed.)** – **VA Caucus Meeting** – location to be determined

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

VA Caucus page: <https://www.fahemembers.com/state-caucuses/va-member-information/>

Four Corner Working Groups

Money:

Christal Crouso – FMHA
Cherry Wilson – SERCAP
Tim Thrasher – CAPNA
Carrie Lea – CAANEAL
Cassie Hudson – PHI

Narrative:

Leah Knicely – Garrett Co. CAC
Victoria Ray – Crossville Housing Authority
Rebecca Dillow – Clinch Powell
Diane Loeffler – Fahe BOD

People:

Emily Wilson – Woodlands
Lynn Parnell – BRHA

Capacity:

Sabrina Seamon, Clinch Powell RC&D
Emily Wilson-Hauger, Woodlands Dev.
Jake Powell, CHP
Graham Goodwin, RCHA
Jackie Mayo, HSetn
Aron Boldog, CAPNA
Maria Catron, ORHA
Tom Manning-Beavin, Frontier Housing
Seth Long, HOMES Inc.

Members have time to sign up as initial meetings will be the first week of December to acclimate the groups with work-work beginning in January!!!

Fahe's 2024-2028 Strategy to Build **Thriving Appalachian Communities** is grounded by Four Corners



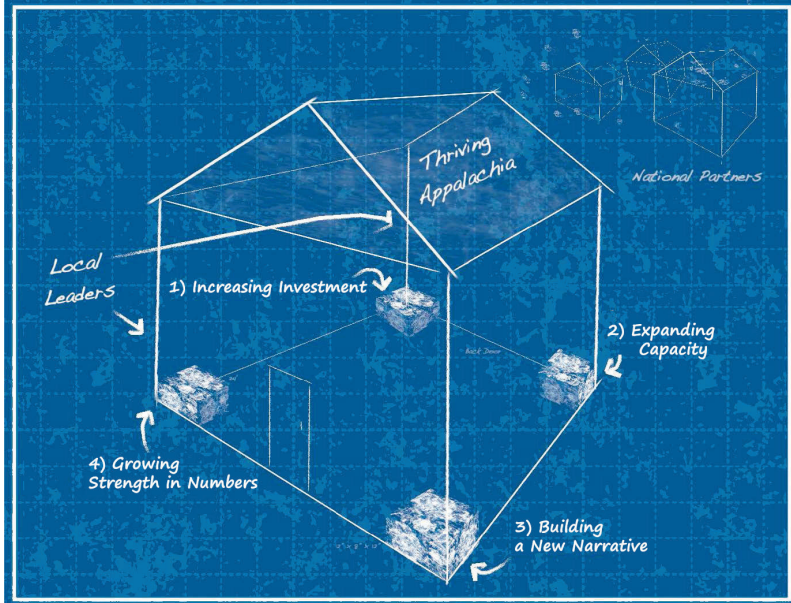
Money

Fahe raises capital and improves delivery platforms that increase investment to our region, so we have the resources to respond to relevant needs and rectify historic disinvestment in Appalachia.



Capacity

Fahe takes a future and community-focused view of capacity. We expand capacity by coupling targeted investment with development services, coaching, shared risk, leadership training, performance challenges, and other collaborative opportunities. We believe bringing lasting change and impact to people and communities is best done by adaptive leaders on the ground, whose perspectives as local practitioners and regional stakeholders make them the best architects for systems change. We engage Appalachia's place-based leaders in designing a path towards a brighter future and scaling solutions to achieve greater impact that benefits all Appalachian people and places.



Narrative

Fahe works to increase visibility and elevate the voices of rural people and Appalachian communities, so that the dominant narrative about the region is crafted by those who live and work here, and contributes to a growing understanding that practitioners and local leaders have the expertise and vision needed to move Appalachia towards prosperity—we simply need more place-sensitive resources, programs, and policies to support that trajectory.



People

Fahe shares knowledge, offers encouragement, and works collaboratively to combat the scarcity mindset and get more work done, so that we are sought out to participate in the creation of solutions for all of our region's people and communities, and influence this work in other rural and impoverished places in our country.

The Greenhouse Gas Reduction Fund (GGRF) is a \$27 billion investment that provides grants and loans to support clean energy investments. The GGRF is implemented by the U.S. Environmental Protection Agency (EPA). Many applicants are focusing on housing, with a vision to connect these funds with weatherization, rehabilitation, and new construction projects with a focus on energy-efficiency, decarbonization and net-zero.

National Clean Investment Fund

Housing Sustainability Collaborative
Housing Partnership Network
Coalition for Green Capital
Appalachian Community Capital
Climate United
Oweesta Corporation

Clean Communities Investment Accelerator

Opportunity Finance Network
Appalachian Community Capital
Coalition for Green Capital
Oweesta Corporation
Climate United
Justice Climate Fund

Solar For All

Grid Alternatives
Neighborworks America
Habitat for Humanity
KY EEC

Fahe has signed partnership letters, provided pipeline estimates, and expressed interest in capitalization funding with the partners listed above. If successful, these partnerships could result in \$50+ million in capitalization funding, grants, and TA to deploy for projects that meet the EPA's requirements for decarbonization.

National Clean Investment Fund (NCIF) \$14 billion National Clean Investment Fund competition will provide grants to 2–3 national nonprofit clean financing institutions capable of partnering with the private sector to provide accessible, affordable financing for tens of thousands of clean technology projects across the country.

Clean Communities Investment Accelerator (CCIA) \$6 billion competition will provide grants to 2–7 hub nonprofits that will, in turn, deliver funding and technical assistance to build the clean financing capacity of local CDFIs working in low-income and disadvantaged communities.

Solar for All \$7 billion competition will award up to 60 grants to expand the number of low-income and disadvantaged communities primed for distributed solar investment.

Award Announcements Expected March 2024

EVNoire Partnership Opportunity

Fahe staff was approached in October by an organization called EVNoire, which is a national organization that focuses on E-Mobility best practices. They are national thought leaders with community engagement, research/focus groups, awareness, education and outreach. They would appreciate Fahe's help with a currently funded program called EVHybridNoire, and have grant funding available currently to assist with these efforts.

In addition to the environmental, social, and financial benefits of EVs they are also focused on getting information to communities about current rebates using DOE's [Alternative Fuels Data Center](#) for the most up to date policies and incentives. The purchase of a new or used EVs can provide a tax credit of up to \$2500 with some qualified residents being eligible for an additional \$2000 enhanced rebate.

For this project, they are currently looking for partners on the ground to offer some community engagement around EVs. Their grant has funds available to assist with some of the items listed below. These activities can be stand alone, or in conjunction with pre-planned events.

- Newsletters
- Community Events
- Educational Campaigns
- Print Materials
- EV Ride Events
- Charging Station Demos

EVHybridNoire aims to utilize modernized communications tools to engage with under-resourced communities in Virginia, with a focus on BIPOC, Latinx, and rural communities, around EVs and their benefits; test different approaches to compel community members to actively explore EV ownership; and share our test results with the broader community.

For more information, please contact Alex Baad at alex@evhybridnoire.com or Traviss Witt at traviss@fahe.org



fahe
Strength in Numbers

Virginia is for Savers

Virginia households pay among highest utility bills in the nation.

Virginia, and particularly Southwest Virginia, has among the highest incidents of energy burden in the country. Seventy-five percent of Virginia households spend more than 6%, and up to 32%, of their income on utility payments – far higher than the national average of thirty-eight percent.¹ This level of utility expenditure, known as high energy burden, compels working families to make difficult trade-offs between necessities (a family might cut back on groceries to afford energy costs, for example) and limits their ability to contribute to their local economies. However, by investing in home efficiency, Virginia can alleviate energy burden state-wide.

Investments in energy pay-off.

Proceeds from RGGI, by supporting the Weatherization Deferral Repair (WDR) and Housing Innovations in Energy Efficiency (HIEE) programs, delivered nearly \$250 million in funding towards energy efficiency for low-income Virginians, improving and supporting the development of over 3,440 units.² These investments have been effective in improving our energy outcomes: immediately following the creation of these programs, Virginia made a significant leap in energy efficiency, climbing nine positions to become the 20th most energy efficient state in the country in a ranking by the American Council for an Energy-Efficiency Economy.³

For consumers, energy saved is dollars earned. By 2030, these investments are expected to produce up to \$89 million in annual customer bill savings, equating to an average of \$676 in annual energy savings per household.⁴ Our withdrawal from RGGI averts improvements to 130,000 households and eliminates an additional \$1.3 billion dollars in impact by 2030, which includes the loss of labor income from at least 1,500 jobs.⁵

By reducing energy burden, improving home habitability, and creating sustainable employment, the WDR and HIEE programs are directly improving lives. And as utility costs in the state continue to climb, these investments in energy efficiency are increasingly needed to maintain the affordability of workforce housing.⁶ It is crucial that developers and weatherization service providers are able to continue doing this valuable work in their communities, so households across the state can attain greater prosperity, creating a brighter future for all.



Investments on-the-ground Meet The Wideners⁷

Thomas and Trish Widener have lived on Widener family land in Washington County since they were married in 1975. Together, they raised two daughters while Thomas worked on a tobacco farm and then at two factories before health issues forced him to stop working. A few years ago, Thomas was hospitalized for six months with a devastating illness. After Thomas was released from the hospital, the pair reached out to People Incorporated about building a ramp on the front of their house.

When Thomas and Trish came up on People Inc.'s Weatherization program waitlist, the Weatherization team found that the Widener's 30-year-old roof had a leak and would need to be replaced before weatherization could take place. They worked with Thomas and Trish to have their new roof approved through the Weatherization Deferral Repair Program.

“We were tickled to death,” said Thomas. “Because there’s no way on our fixed income, we would have been able to get that done.”

Once the roof was taken care of, the crew was able to begin weatherizing their home. The Weatherization crew installed new insulation in their attic and floors, smoke detectors and a carbon monoxide detector; caulked all of their windows; and replaced their furnace and window-unit air conditioners with a new heat pump.

In our footprint, nearly 60% of homes (and half of all rental units) were built before 1980.⁸ These homes are more likely to have poor insulation and antiquated heating equipment, producing higher costs for these homeowners.⁹

Considerable continued investment is needed to improve the housing stock in the region.

How other states are investing in energy efficiency for low-income households.^{10,11}



Maryland

Multifamily Energy Efficiency and Housing Affordability Program

Funding Source: Customer Benefit Charge

Program Description: Maryland Department of Housing and Community Development issues grants or no-interest loans for the purchase and installation of energy efficiency measures in qualifying affordable properties.



Alaska

Weatherization Program

Funding Source: DOE & State Funds

Program Description: Alaska Housing Finance Corporation provides grants to local service providers to weatherize owned and rented units for free. Qualifying households must apply for assistance.

Sources

1. "Electricity Burden and the Myth of Virginia's Rate Utopia." VPLC, August 15, 2018.
2. Damian Pitt, Ivan Suen, Michael MacKenzie, Adelaide Alexander, Molly Lumsden. "Investing in Virginia through Energy Efficiency: An Analysis of the Impacts of RGGI and the HIEE Program." *L. Douglas Wilder School of Government and Public Affairs*, January 2023.
3. Subramanian, S., W. Berg, E. Cooper, M. Waite, B. Jennings, A. Hoffmeister, and B. Fadie. 2022. 2022 State Energy Efficiency Scorecard. Washington, DC: ACEEE.
4. Pitt et al. "Investing in Virginia through Energy Efficiency: An Analysis of the Impacts of RGGI and the HIEE Program."
5. Pitt et al. "Investing in Virginia through Energy Efficiency: An Analysis of the Impacts of RGGI and the HIEE Program."
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The above image shows Hillcrest Apartments - another development of Open Door Community's of a similar size

Investments on-the-ground Fairview Apartments

The HIEE program has been utilized by developers to support the development of over 3,000 housing units, including Open Door Community's soon-to-be completed Fairview Apartments Development in the town of Wytheville, which will feature 12 units for households at 50-150% AMI.

Who We Are

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

Between 2018 and 2021, Virginia Members leveraged \$215,770,058 in public and private funding to build or rehabilitate 11,365 units of housing for 32,579 of our neighbors and loved ones. With continued investments, we are confident we can continue to promote safe and affordable housing for years to come.

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

- + Appalachian Community Action and Development Agency
- + Bristol Redevelopment & Housing Authority
- + Community Housing Partners
- + HOPE, Inc./ Open Door Community
- + People Inc. of Virginia
- + Southeast Rural Community Assistance Project

For more information, contact:
 Jamie Gross, People Inc.
jgross@peopleinc.net
 or Amaya Sizer, Fahe
asizer@fahe.org



fahe
Strength in Numbers

**Building for
Balanced Housing in
Southwest Virginia**

The Fahe Virginia Coalition proposes a state investment of \$30 million over the biennium to support the development of workforce housing in Southwest Virginia.

The Need

A wave of job creation commitments from large manufacturers promises to transform Southwest Virginia, a region that has experienced substantial job losses and population contractions in recent years.¹ Proposed developments such as Hard Rock Hotel and Casino Bristol will provide over 3,700 permanent jobs in the coming years – the largest job growth the region has seen in decades. However, an inadequate supply of safe and affordable housing in the region could prevent this potential from becoming fully realized.² **The Southwest is experiencing a minimum estimated gap of 8,600 safe and affordable housing units, a number which will almost certainly rise as demand for workforce housing grows.**^{3,4}

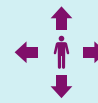
Despite substantial need, during the first half of 2023, multifamily permits in Southwest Virginia decreased by 18% compared to the first half of 2022. Our communities are already lagging behind most of the state in the issuance of new residential building permits, so taken in sum, housing production has not kept pace with current or future demand.^{5,6} Regional non-profit developers are not equipped to address the worsening housing shortage. This is particularly true for rural nonprofit developers who can be the sole producers of new, affordable units in much of their service areas.

Having affordable housing near employment centers is key to sustainable economic growth.

The lack of adequate housing inventory will hamper the overall development of Southwest Virginia. The limited supply of affordable housing means that incoming residents who are better positioned to compete for these units could displace long-time residents, thrusting many locals into housing insecurity. This gap could also mean that employers are unable to attract talent, eliminating hundreds of thousands in potential earnings. **With swift action, we can increase the supply of workforce housing in the region and push the housing market toward equilibrium.**

Housing Matters.

Employers know the availability of affordable housing is key to a healthy workforce.⁷



58% of larger companies report having lost employees due to a lack of nearby affordable housing.



67% of larger companies report that a lack of nearby housing has made it more difficult to retain talent.



Employees making less than \$50,000 are more likely to move closer to work if affordable housing is available.

Impact

By investing in workforce housing, Southwest Virginia can set itself up for sustainable growth amid these advancements in job creation. This injection can also create improved economic and social outcomes in the region by:

⊕ Enhancing economic development.

Investments in housing produce a multiplier effect felt in the broader economy. In Arlington, building 100 rental homes generated \$11.7 million in local income, \$2.2 million in taxes and 161 local jobs in the first year.⁸

⊕ **Bolstering workforce development.** Access to affordable housing near places of employment is key to attracting and retaining talent. It is also essential to maintain a productive workforce - nation-wide, the shortage of affordable housing costs \$2 trillion a year in lower wages and productivity.⁹

⊕ Minimizing the threat of substandard housing.

Most housing units in Southwest Virginia are more than 40 years old, and a substantial portion are more than 60 years old.¹⁰ Many of these homes are in disrepair, creating unsafe housing conditions for thousands of residents. Developing new housing with state subsidy can create better health and life outcomes for children, seniors, and working families.¹¹

Proposal

The Fahe Virginia Coalition proposes the state invest \$30M over the biennium to boost the production of single-family and multi-family rental housing in Southwest Virginia. This funding would be available in the form of interest-only project loans and capacity grants for affordable housing developments and developers in Southwest Virginia. Eligible projects could be awarded a loan of up to \$2M, for which payments on the principal would be deferred for the life of the project, and the loan would be forgiven after a 10 year-compliance period. Further, the project's developer(s) would also be eligible for capacity grants valued at up to 5% of their project's loan amount. **A one-time investment of this amount could produce at least 200 new units.**

Targets For Funding

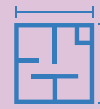
Ideally, this funding would be managed by a public-private intermediary and be made available to housing non-profits, their for-profit partners, and housing authorities to support projects that serve up to 120% AMI. Salaries for incoming positions range between \$37,000 to \$70,000, while county-level Area Median Income ranges from the \$60,000 to \$90,000 in household income. **With such a wide range of salaries and median incomes, serving up to 120% AMI will ensure that workers can be matched with a housing product that meets their needs.**

Sources

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Advancing Housing Equity in the Southwest.

Here's a look at how this initiative could work.



A nonprofit developer has plans to build a 12-unit rental project in Bristol, Virginia for \$1.8M



They are awarded a \$900,000 interest-only loan to fund the project, filling the balance with ASNH funds and bank loans.



They are awarded a \$45,000 capacity grant to pay for administrative costs associated with the project.



The project is completed, and after housing 12 working families for 10 years, the loan is forgiven.

About Our Coalition

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PRT Memo

To: Fahe Caucuses
From: Sara Ball, Senior Program Manager, Impact and Reporting
RE: PRT Quarter 1 Report
Date: October 27, 2023
Cc: PRT Staff

Why should you care about the Partners for Rural Transformation?

One of the greatest benefits of Fahe is that together, whether directly or indirectly, we grow together. As they say, a rising tide lifts all ships. More money into the region benefits the region by alleviating the need in one area or proving that capital can flow into Appalachia, create organizational capacity, and increase our voice, which is good for all of us. Regardless of your specific community's designation – rural, urban, persistent poverty, etc. – your community helps to uphold the economy around it and benefits when relief and capital comes into it.

Partners for Rural Transformation works with much of the same premise. PRT represents rural, urban, persistent poverty counties, etc. regardless of the word rural being in our name. The regions we represent are more readily described as rural, regardless of the presence of cities scattered throughout. The regions collectively benefit from capital flowing well into one of them. This, again, alleviates need in one area and proves that capital can flow and make an impact.

Who is PRT?

We know you have heard about Partners for Rural Transformation for several years now, but who is PRT to a Fahe Member? As a Fahe Member, you are well suited to understand how PRT functions. Much like the Fahe Membership, PRT is owned by its Steering Committee. The Steering Committee is made up of six regional Community Development Finance Institutions (CDFIs): come dream come build, Communities Unlimited, Fahe, HOPE Enterprise Corporation and Credit Union, Oweesta Corporation, and RCAC. Together, we serve 78% of our nation's persistent poverty counties, most of them in rural areas populated by BIPOC individuals.

PRT's strategy focuses on four major strategic objectives:

- Capital: Infuse persistently poor areas (PPAs) with sufficient private and public capital to support economic development efforts and build wealth.

- Thought Leadership: Elevate our collective voice with a new narrative that highlights the solutions we have proven will bring about sustainable change in our regions and the value that we find in the people and places found in our regions.
- Civic Engagement: Build leadership capacity and political involvement to amplify local voices.
- Systems: Strengthen capacity at a local level and work at a regional level to challenge assumptions and build appropriate systems that provide comprehensive strategies as well as complement the work that is being conducted in local communities.

The desired long-term outcomes from these strategies are:

- Hope and Opportunity Mindset
- Engaged Communities
- Equitable Thriving Economies
- Communities and Wealth

How does PRT Represent Fahe Members?

PRT works to mobilize capital in the regions which our Partners work, including Appalachia, the Rural West, Indian Country, the Delta, the Deep South, and the Colonias along the U.S./Mexico border. We acknowledge all Fahe Members' work in these areas, and we hope to highlight this work, while simultaneously spearheading larger narrative and communications, research, advocacy, lending and fund development work that makes it easier for you all to do the great work you do. For example, research aims to produce stats and work that can be used to inform work done by our Partners. Another example is PRT advocating for legislation that is beneficial to Fahe and Fahe members (or against something harmful towards Fahe and Fahe members) to get rid of structural barriers that make the inspiring work you do harder to accomplish. We work to enhance the ability for you all to do the work you're already doing, and PRT does this as a collective of 6 Partners, of which Fahe is a part.

How can you engage?

The best and easiest way to engage with PRT starting out is to volunteer and join one of our four main working groups: Advocacy, Communications, Lending, and Research. The working groups meet once a month for an hour and do have relevant work outside of that time, i.e. submitting comments on proposed legislation.

Contact Emly Burleson (emily@pfrt.org) to inquire about the Advocacy or Research working groups.

Contact Essence Smith (essence@pfrt.org) to inquire about the Communications working group.

Contact Sara Ball (sarab@pfrt.org) for general inquires or to inquire about the Lending working group.