



VA Caucus Agenda
Wednesday, June 12, 2024, 10am - 2pm
Virginia Housing, 105 E. Main Street
Wytheville, VA 24382

- 1) **Welcome, Special Guest Introductions** - Jamie Gross welcomes
Anne Herring, Kerry Crowley, Myron Wooden, USDA-RD; Cliff Millirons, Sam Hanks – VH; Brian Koziol (virtual) – VHA; Cheri Miles, DHCD

- 2) **Fahe Membership Business** - Jamie **35 minutes**
 - a. Review Previous Minutes and Action Items **pp. 3-8**
 - b. Caucus Chair Election
 - c. Around the Horn: What's going on – any big events upcoming this year – anniversaries, Homeownership Month activities??
 - d. Jim's challenge – any thoughts? Summer Work – responses?
 - e. Four Corners Working Groups:
 - Money – Pete
 - Capacity – Jake Powell
 - Narrative – Andy - Survey Input/discussion
 - People – Jamie

- 3) **Partner Updates**
 - a. Virginia Housing – Sam Hanks, Cliff Millirons **10-15 minutes**
Program update – HUD FY23 Counseling Grants – expend by Sept. 30, 2024
Subgrantee Timeline pressures
 - b. VA DHCD Program Update – Cheri Miles
Acquire/Rehab/Sell; HOME; First Time Homebuyers
 - c. USDA-RD - Kerry Crowley, Myron Wooden **10-15 minutes**
 - d. Virginia Housing Alliance – Brian Koziol **10-15 minutes**
 - e. Ballad Collaborative Update –Nicholaus Bormes **5-10 minutes**

CAUCUS TIME

- 4) **Strength in Numbers - Member Interest/Focus Updates** Traviss, Katy **20 minutes**
 - a. ARISE – [VITAL Project](#)
 - b. Workforce Development
 - c. Energy Opportunities – GGRF announcements; pending RFP opportunities from national awardees – Appalachian Community Capital - Traviss
 - d. PRICE Application - Traviss
 - e. Research - Katy
 - Data Request - Economic Impact Analysis Project with Daniel Eads, WVU Extension
 - Show and Tell Tableau for Members (REED participation!)

- 5) **Advocacy** **pp. 9-11** **40 minutes**
 - a. Jim's Big Challenge
 - b. Updates – Maggie – State Impact One-Pager
 - VA Caucus Elevator Pitch
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.

- c. State Advocacy Coalition – Amaya
 - Legislative Outreach recap
 - Rural Housing subsidy advocacy – Habitat Proposal?
 - Good year to build the momentum and put in the ask in. Serious look at it to meet the needs.
 - Elections and filling vacancies – Maggie
- d. Federal Updates – working on HOME Proposed Final Rule
 - Code changes 2021 IECC: <https://codes.iccsafe.org/content/IECC2021P2>
 - BABA Memo: <https://fahemembers.com/wp-content/uploads/BABA-Memo-14-May-2024.pdf>

6) Caucus Discussion – Members' suggestions on caucus speakers/presentations
Overton McGee, VA HFH , From Gov Housing Conference - VA Energy will be receiving “green” money; broadband Info? Solar Energy Plan in Washington County

7) Fahe Updates –

20 Minutes

- a. Board Report – December, 23 - Board Members Andy Kegley, Jake Powell
 - Membership Committee Update (Hope, Vonda) **pp. 12-17**
- b. Membership Updates
 - VA Tech Research Project **pp. 18-19**
 - Reporting – QE 3-31-24 status Vonda **p. 20**
 - Membership Info - Training – Jackie Weiss
 - Business Continuity Plans – Status Update – Diedre Kendall, Fahe VISTA
 - Member Disaster Risk Assessment – Jeremy Cornett Fahe VISTA Status Report
- c. Communication Comments – Lina Page
- d. Lending – Community Lending - Loan Committee report **pp. 21-22**
 - JustChoice Lending – Home Sweet Home, open until funds exhausted **pp. 23**
- e. Partners for Rural Transformation – see memo from Sara Ball **pp. 24-26**

Lunch – Open Door Café after meeting

Upcoming Events

- **Aug. 26-30:** NTI Pittsburgh, PA
- **Sept. 9-10-11–** Fahe Annual Meeting, Roanoke, VA
- **Nov.** VA Caucus Meeting – Bristol Housing Redevelopment Authority
- **2024 Virginia Housing Conference** – November 13-15, 2024

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, February 7, 2024, 10am - 2pm
Virginia Housing SW VA Office
105 E. Main Street, Wytheville, VA 24382

Name	Organization	Name	Organization
Lisa Barton	AppCAA	Amaya Sizer	Fahe
Lynn Pannell	BRHA	Diedre Kendall	Fahe
Rachel Armor	BRHA	Nicholaus Bormes	Fahe
Jake Powell	Community Housing Partners	Traviss Witt	Fahe
Andy Kegley	Open Door Comm.	Vonda Poynter	Fahe
Jordan Stidham	Open Door Comm.	Camila Moreno	Fahe-Virtual
Rachel Stevens	People, Inc.	Jackie Weiss	Fahe-Virtual
Jamie Gross	People, Inc.	Jeremy Cornett	Fahe-Virtual
Cherry Wilson	SERCAP	John Niederman	Fahe-Virtual
Pete Stigers	Guest -Frontier-Virtual	Katy Stigers	Fahe-Virtual
Brian Koziol	Guest VA Housing All.-Virtual	Kylie Milliken	Fahe-Virtual
Cliff Millirons	Guest-Virginia Housing	Maggie Riden	Fahe-Virtual
Sam Hanks	Guest-Virginia Housing	Emily Burleson	PRT-Virtual
Shelley Woods	Guest-Virginia Housing	Essence Smith	PRT-Virtual
Jackie Strager	Guest-WVU-Virtual	Sara Ball	PRT-Virtual
		Theresa Mantiply	PRT-Virtual

6 of 6 Members Represented = 100% Attendance

- 1) **Welcome, Special Guest Introductions** - Jamie Gross welcomes Rachel Stevens Amy Schwartz, Jake Naugle, Cliff Millirons, Sam Hanks – VH; Brian Koziol (virtual) – VHA; Mel Jones – VA Tech; Daniel Eades & Jackie Strager – WVU
- 2) **Fahe Membership Business** - Jamie
 - a. Review Previous Minutes and Action Items
 - i. Motioned to approve the minutes, seconded. Motion passed unanimously.
 - b. Around the Horn: What's going on – any big events upcoming this year – anniversaries, Homeownership Month activities??
 - i. **Comm. Housing Partners** - Jake Powell– Lots of staff turnover. Finally broke ground on development, phase 1 is 20 homeownership units.
 - ii. **Open Door Community** - Andy Kegley (Sr. consultant)– working with Jordan, Jim, the board, traveling.
 - iii. Jordan (ODC) – Emergency shelter, 16 rooms/night for homeless in the community. Closing next week on a 12 unit in town. Working on application for a 32-unit in town and an IOU for 4 unit in town.
 - iv. **Appalachian CAA** -Lisa Barton– 60-year anniversary. Looking at purchasing land and building a warehouse.
 - v. **Bristol RHA** - Lynn Powell – Building on same property, 26 units. Awarded 3.5M so building on another piece of land, 6 duplexes. Looking to expand offerings, hire.
 - vi. **Virginia Housing** - Cliff Millirons– Getting a new executive director, Susan retired.
 - vii. **People Inc.** - Jamie Gross - celebrating 60th anniversary as well this year. Hiring a new staff member.
 - c. **Executive Report**
Thinking about the four corners strategy, this is a framework. Fahe, in partnership with PRT, have developed the equity framework to influence our work.
 - d. **Four Corners Working Groups: Capacity, Narrative, People Money**

- i. Can still join a working group. Charters were provided in the first meeting. Meeting every other month.
- ii. Capacity: (Jake) Talked about charters, definitions. Two types of capacity – need capacity of staff to attract money from funders but you can't hire staff without money.
- iii. Narrative (Andy) – To be able to tell the story, working on a new narrative to craft our story, mission, objectives. Getting goals together for presentation to membership.
- iv. People (Jamie) – Ensure a vibrant and viable membership, build up network. Kip Park is co-chair. Identified three goals, increase Fahe membership by ____ organizations. 2: Attract new affiliate partners. How to engage a certain percentage of the membership on Fahe committees. Action items: full list of committees, ways to engage. Caucus meeting attendance, reporting, spring retreat and annual meeting attendance.
- v. Money (Pete) – What resources we have, what kind of money we have, what kind of money we wanted. Flexibility of use money, frictionless money. General operating costs. Not chasing dollars that change that we do, finding money that fits what we need.

e. **Housing Needs Assessment** - Mapping Discussion – Katy Stigers, Jackie Strager Final Report: <https://www.fahemembers.com/wp-content/uploads/Fahe-Final-Report-WVU-June-2023.pdf>

Housing needs assessment: Recognize that often the geographic area tracking isn't as useful as could be. Looking for feedback. Project Goal: methodology for aggregating rural census tracts to enable regional analysis of housing data. Result: Clustered census tracts by state for further analysis. Method is called Spatially constrained multivariate clustering. Virginia started with 185 total tracts, final includes 76 tracts. Started with 32 variables, narrowed them down to 10. 30 original clusters, ended up with 18 final clusters after merging. [https://arcg.is/1OL\\$rn](https://arcg.is/1OL$rn)

Jmstrager@mail.wvu.edu

3) Partner Updates

a. Virginia Housing –

- i. Pre-Development Loan; S/W VA Projects progress
 - Pre-Development Loan for multi-family housing, zero interest unsecured money for building. Up to 36 months. For under 5M project, can do 100k. For 5M to 20M, can do 250k. Higher than 20M, can do 500K. The Family Crisis Support Center opened 50 new shelters in Rice County.
 - Single family: mid-December introduced and expanded income limit program to help with housing crisis. Can do a 2nd loan to cover things like down payment and closing costs with FHA loans, don't have to be a first-time home buyer. Working with Virginia Mobile Homes – making a mobile housing duplex. Has a shared fire wall in-between. Can be used as single-family homes or investment. Working with appraisers to be able to finance like a normal duplex.

b. USDA-RD – no one available to attend

c. Virginia Housing Alliance – Brian Koziol

- i. Making sure housing is properly accessed – advanced out of subcommittee last night. Enabling legislation that would allow jurisdictions a right of first refusal program. Retain affordable units that are at the end of their 30-year affordability period.
- ii. Bill that was looking to expand eligibility for Housing Trust Fund from 80% to 120% median income, that was turned down.
- iii. Budget – All 21 Senate democrats co-patroned amendment to double the Housing Trust Fund to 150M per year.

- iv. Doing a lot of outreach, op-ed published by Lisa Porter about 5000 families campaign, pilot program to establish state wide rental housing assistance, modeled after federal voucher program for extremely low income households with school age children. The governor proposed cutting the budget by 10M, trying to prevent that. https://vahousingalliance.org/legislative-tracker/?blm_aid=65843
- d. Ballad Collaborative Update – Andy Kegley & Nicholaus Bormes
 - i. Doctor is working on a health blueprint to present to southwest VA Health Authority, might be interested in matching grant. Would be interested in tapping into those funds with help from Fahe/membership.
 - ii. Radon mitigation – have a program that is working in Colorado, seeing if there is any replication opportunity.
 - iii. Not sure if the free training is going to be available like it was last year but looking at hosting in person training before the fiscal year ends at least once.
 - iv. Fahe members website – updating, organizing. Working on keeping updated advocacy information and more.

CAUCUS TIME

4) Strength in Numbers - Member Interest/Focus Updates – Travis Witt

- a. Organizational Strategies – Drafts for Member Input
 - i. Operational strategies in membership – residency/fellowships/succession planning, public health, substance use, infrastructure, broadband. Substance abuse/mental health was mentioned. Folks that are exiting treatment facilities need more rehab facilities. Also need more family/children support.
 - ii. Can't build anything with vouchers because then you don't have the cash flow that is needed.
- b. Workforce Development
- c. Energy Opportunities – Anticipate funding announcements in March
 - i. Still waiting on Greenhouse Gas Reduction Funds – guessing around 2% interest rate, not just solar, any net decrease on the amount of carbon, energy efficiency upgrades qualify. Patiently optimistic.

5) Advocacy

- a. State Updates – Maggie Riden
 - i. VA Caucus Elevator Pitch

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
 - i. Legislative Outreach recap
 - Lisa did not have any luck. BRHA hasn't had a chance to meet, working on it. CHP – no update there, been focusing on local officials.
 - Rescue plan dollars – trying to identify what are the top 10 occupational growth sectors in local county? Health care is a big one. Growth sectors are having trouble getting housed.
 - Had a meeting with the director – very supportive of greater investments in housing – additional subsidy for housing in the state.
 - ii. Rural Housing subsidy advocacy

- Inequity in funding – Who would be good partners? Good year to build momentum.
- In the past two months, 6 visits with different legislators. Have meetings now to have the name recognition of Habitat.
- iii. Planning on Advocacy Day?
 - Rural housing day? Spend time thinking about what it could look like over the next few coalition meetings.
- iv. Elections and filling vacancies – Maggie
 - There is usually substantial turnover, are there senior leaders in agencies that are going to conclude their term of service, if so, who do we know in our network that we could recommend or lift up?
- c. Federal Updates – (Virtual, Maggie)
 - i. Introduced Kylie, will be working with Josh on federal landscape.
 - a. Current fiscal year in Congress, current bills will expire March 1st and March 8th. The one new thing of note, there is a side deal that is being negotiated 69B side deal for domestic shortfalls, not enough money for all existing HUD vouchers. When we get the new bills, the 502 direct program is going to continue to bear the blunt of cuts in the Ag department. Believe has convinced the Senate to drop the language about changing the interest from 1% to 2%. Timeline – new bills on the floor in about a week or two, will know better what's in them at that point, may hear from us again. If don't see new bills, then there will be another continuing resolution. Earmarks – if there is any form of long-term funding deal, the very least that Congress will do is make sure the earmarks are included.
 - b. Income limits – Rural income limits – HUD has come out with a notice for comment on their methodology for how they calculate income limits. Fahe has written a robust comment in response to the notice, encouraging HUD to institute a national floor for income limits. Closes on the 8th.
 - c. In January, Fahe produced a memo for members about the newly released change to Community Readjustment Act. It's a proposed final rule, would go into effect Jan 2026.
 - ii. Have just begun fiscal year 2025 appropriations on the hill, having a Fahe webinar on the federal budget process on Feb 22nd.
- d. **Caucus Discussion** – Members' suggestions on anyone you want to hear from? Any presentations you would be interested to see?
- e. Habitat, DHCD (Sherry Miles), Virginia Housing Grant administrators.

6) Fahe Updates –

- a. Board Report – December 23 - Board Members Andy Kegley, Jake Powell
 - i. Lots of big funding opportunities, some very specific like KY flood relief, Fahe will be administering those relief funds. Also continuing relationships with big foundations like HERON foundation, how do we continue to nurture those relationships.
 - Membership Committee Update
 - Affiliate Partners (i.e.: housing/comm. dev. partners with shared interest in affordable housing) Attached for review
 - Affiliate requirements. Affiliates do not vote, they are not members, but they do want to sit at the table and create that relationship. Will have requirements but less intense than members since they do not get the same benefits.

b. Membership Updates

- Reporting – QE 12-31-23 status Vonda - Reporting was down across the board for December reporting. 58% overall. If you didn't report, include December's numbers in next quarter's reporting.
- Membership Info - Training – Jackie Weiss - NeighborWorks events are in upcoming events and training sessions.
- Business Continuity Plans – Status Update – Diedre Kendall, Fahe VISTA
 - Some said did not have capacity, if that has changed, let Diedre know. Gauging interest in getting a better connection with Emergency Management Agency.
- Member Disaster Risk Assessment – Jeremy Cornett Fahe VISTA
 - Risk assessment packets – collection of existing tools for counties in member services footprint, put into packet for each member. This is step 1. Step 2 is to allow information from Step 1 to help direct questions Jeremy is going to ask members directly. Step 3 is compiling the two and analysis the findings and making specific hazard plans by fall 2024.

c. Communication Comments – Lina Page

Working on the launch of new website. Also running the Narrative working group. Hoping to hire someone as well for social media work.

d. REED, Research Evaluation Evidence & Data Cmte - Katy Stigers, Camila Moreno

Next initiative: Housing Economic Dev. Impact

Research Evaluation Evidence and Data –CHP is part of REED committee, invite more members to join. 3rd Monday of each month 1:00 -2:00 pm, contact info is in packet. Also offer office hours twice a month.

Also has been hosting lunch and learns with external partners, creating opportunities for collaboration and generating ideas.

e. Lending –

- Community Lending
- JustChoice Lending – Home Sweet Home, open until funds exhausted

f. Partners for Rural Transformation – Sara Ball

- i. Just launched Comms and Funds development.
- ii. Advocacy – working to uplift work members are doing, this fall PRT issued a comment to office of management, comment requested greater transparency with audits, fee costs, include accessibility and usability.
- iii. Working on project management structure to have better accountability and impact. Have working groups.

Learn more about PRT:

Twitter: <https://twitter.com/PfRTorg>

Facebook: <https://www.facebook.com/ruraltransformation.org/>

Instagram <https://www.instagram.com/thepartners.pfirt/>

LinkedIn: <https://www.linkedin.com/company/pfirt/?viewAsMember=true>

Upcoming Events

- **Feb. 20th – VHA Housing Advocacy Day ~ St. Paul's Episcopal Church, Richmond - [Register Here](#)**
- **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**

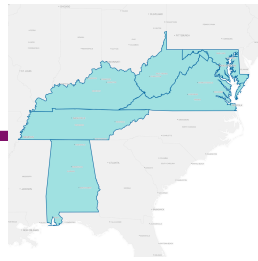
- **April 17-18** – Fahe Spring Retreat/Leadership Symposium, Berea, KY
- **May 6-10**: NeighborWorks America Virtual Training Institute (VTI)
- **June 12** - June Caucus meeting – Location TBD
- **Aug. 26-30**: NTI Pittsburgh, PA
- **Sept. 9-10-11**– Fahe Annual Meeting, Roanoke, VA
- **2024 Virginia Housing Conference** – November 13-15, 2024

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

FAHE 5 YEAR IMPACT



\$1.4 Billion

Investment

Between 2019 and 2023; Fahe invested nearly \$1.4 Billion in funds to support affordable housing & community development.

Impact

This monumental investment impacted nearly 30,000 households across our footprint.



30,000



\$268 Million

3,600 Units

Fahe deployed over \$268 to create over 3,600 affordable units. in our footprint.

\$730 Million

23,289 Units

Fahe invested over \$730M to repair or rehab over 23,000 units in our foot print.



LENDING & INVESTMENTS

\$138 Million

Invested in community lending



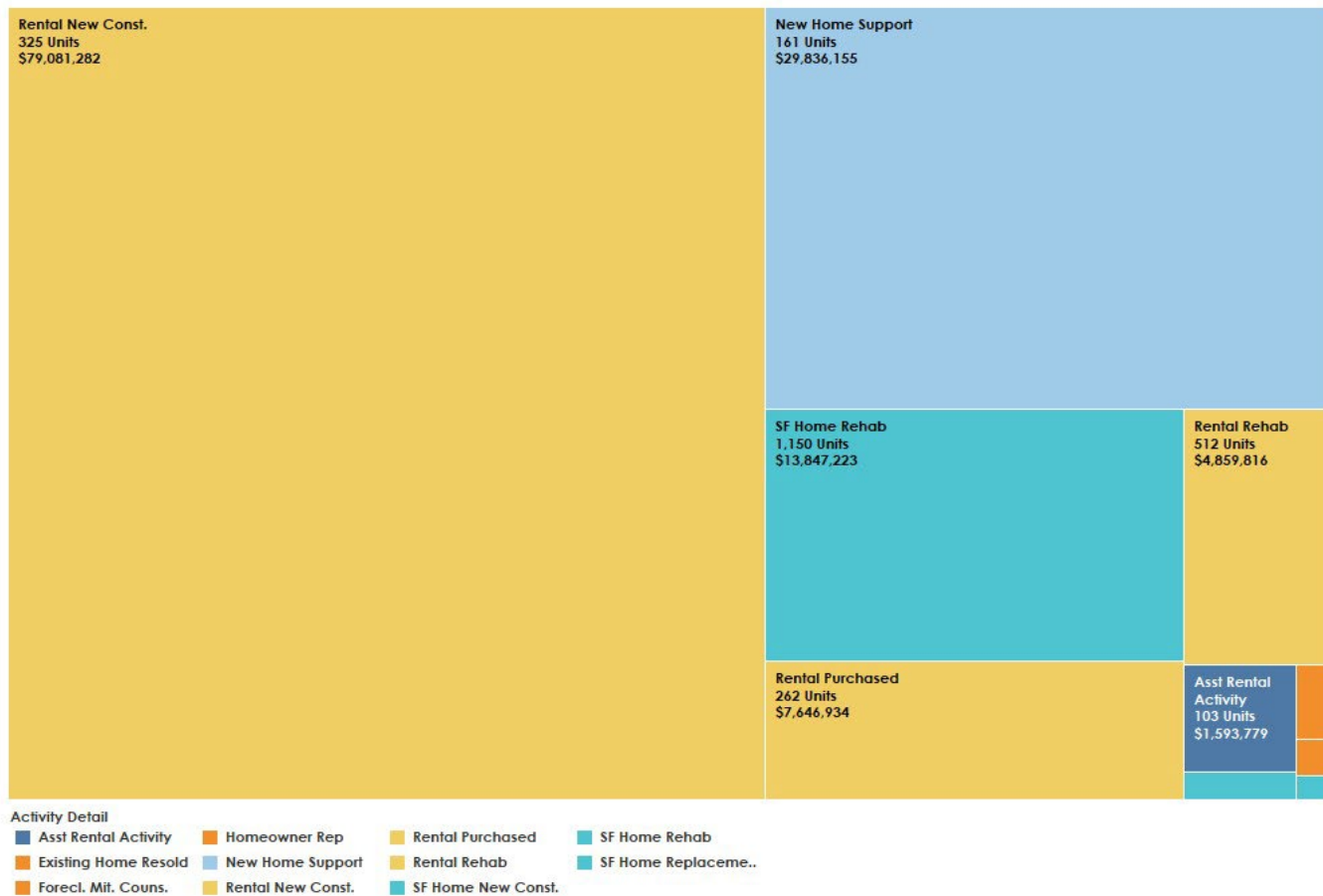
\$157 Million

Mortgage lending activities

Fahe Impact: Commonwealth of Virginia

Fahe is a Network of over 50 nonprofit organizations building thriving communities in Appalachia. We do this by channeling investments through our Community Development Financial Institution (CDFI), leading community and economic development work, and by building, repairing, and rehabbing homes that our neighbors can afford. **Between 2019 and 2023, the Fahe Network invested more than \$280.6 million to change the lives of 16,034 households in Virginia:**

VA Investments 2019-2023



Why Our Work Matters

Despite the over \$280 million we have invested since 2019, there is still much work to be done. Due to decades of underinvestment, rural Virginia is characterized by an aging and insufficient supply of housing, as reflected in the data on the next page. Greater public investments in workforce housing will allow employers to attract talent and empower local residents to find the stability needed to make long-term plans such as pursuing a career, starting a family, and achieving homeownership. Furthermore, construction is a common economic engine in every community, creating jobs, providing training and career development, and injecting funds via wages into local economies.

The Housing Shortage in Virginia

Source: Statista Research; National Low-Income Housing Coalition tabulations of 2021 American Community Survey; Bureau of Labor Statistics; Federal Reserve Economic Data; RubyHome Luxury Real Estate

- Rental shortage:
 - 174,187 rental units affordable to extremely low-income households (<30% AMI).
 - 192,239 rental units affordable to very low-income households (<50% AMI).
- Rent burden:
 - 25% of renters pay more than half of their income for rent + utilities.
 - 78% of extremely low-income renters pay more than half of their income for rent + utilities.
 - On average, a minimum-wage employee would need to work up to 89 hours per week to afford a two-bedroom apartment in Virginia.
- Declining homeownership:
 - Homeownership is becoming increasingly inaccessible: VA's homeownership rate has nearly dropped 9% since 2000 – the largest decline of any state.
 - Concurrently, home prices have risen approximately 146% while the average annual pay of VA employees has only increased 79%. Home prices are rising faster than household incomes.
- Aging stock:
 - 76.2% of homes were built before 2000 (at least 23 years old).
 - Of these, 58.9% were built before 1980 (at least 43 years old).

Building thriving communities in Virginia



LEFT: Fahe Member People Inc. operates the Highland View Apartments in Abingdon. With one-, two-, and three-bedroom units available at below-market rates, Highland View provides quality housing without sacrificing affordability. Amenities including on-site laundry facilities, dishwashers, walk-in closets, a playground, and a spacious community center for social and recreational events.

The tenant application process prioritizes handicapped residents, holders of housing vouchers, and low-income households.

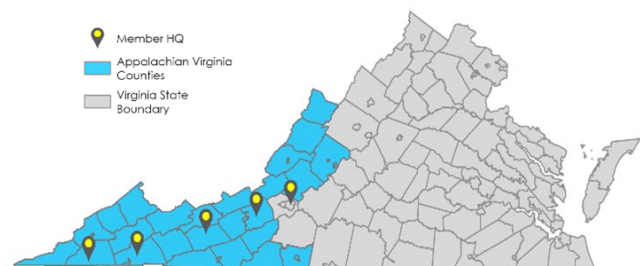
RIGHT: In 2020, Fahe Member Community Housing Partners (CHP) acquired the Ridge apartment complex, a Low-income Housing Tax Credit property in Woodstock.

The Ridge offers high-quality, affordable rental homes to families at 50% and 60% of Area Median Income, with amenities including dishwashers, washer/dryer hookups and picnic and play areas for families with children.



Fahe Members Active in Virginia

Appalachian Community Action and Development Agency (AppCAA)
 Appalachia Service Project (ASP)
 Bristol Redevelopment and Housing Authority (BRHA)
 Community Housing Partners (CHP)
 HOMES, Inc.
 Open Door Community f.k.a. HOPE, Inc.





MEMO

To: Fahe Board of Directors
From: Vonda Poynter, Senior VP of Membership
Re: Affiliate Partner Process for Approval
Date: May 20, 2024

Purpose

The aid each Caucus to identify and attract regional housing, economic, and community development organizations, Fahe will launch the Caucus Affiliated Partner Program. The Affiliates will expand our understanding of local needs and further aid Fahe to nurture potential Members and assist with our leadership development/succession planning. This memo is to seek approval of the following recommendation from the Fahe Membership Committee, staff and Caucus organizations:

Approval of Fahe Caucus Affiliated Partner proposal with criteria and compliance process including eligibility, application and benefits

Background

Membership Committee had early input from the Governance Committee, more recently from the Fahe Board of Directors and from Caucus meetings and staff discussion identifying the need for a different type of relationship other than Membership that invites trusted partners to our table – these partners would be invited to Caucus meetings by Members. The Committee and staff have supplied the attached process and expectations that any organization requesting to be a Fahe Caucus Affiliate Partner would need to complete.

The Affiliate Partner Process documents were reviewed by each Caucus in the February, 2024, meetings and was accepted by each Caucus with the caveat that the Kentucky Caucus preferred to have the Affiliate Partners approved by the Board.

Upon taking that request to the Membership Committee, it is a unanimous recommendation of the Committee that the Affiliate Partner Process be vetted by state Caucus and membership staff. Should there be a multi-state affiliate partner request, it will be a joint Caucus decision. We anticipate that Affiliate Partners would be organizations that have similar interest, may not be nonprofit, may not have “housing” as a core activity, but overlap with Fahe in housing or other community and economic development activities (examples: Addiction Recovery Care in KY, Bennet Development Group in AL). As the Affiliate Partners are not Members, there is no requirement for Board approval; however, Membership will inform the Fahe Board of Directors within the Board reports and assure that the Board is informed on any and all Affiliate Partner requests and status of application.

The committee concentrated on the following in their review and preparation of the Affiliate Partner process to exemplify best practices in affordable housing and community and economic development in Appalachia:

- Benefits of collaboration
- Required documentation/material
- Why documents are needed
- Sliding Scale Dues for Affiliate Partner status

Membership is presenting this process to the Board for approval. In summary, upon submission of the required documentation and material by any perspective Affiliate partner, membership staff will work with Community Lending for any financial analysis of the perspective Affiliate Partner as well as a review of documents for completeness and best practice standards related to Fahe expectations. The analysis and recommendation from staff will be reviewed by Fahe Executive Leadership, Membership Committee and by the appropriate State Caucus. The Caucus will determine the appropriateness of accepting the organization as an Affiliate Partner by vote or consensus.

For Action

Based on the work of the Membership Committee and Membership staff, and each state caucus review, the Affiliate Partner Criteria and Process are recommended for approval.

Attachments

1. Affiliate Partner Process Documents

Fahe Caucus Affiliated Partner Criteria

To aid each Caucus to identify and attract regional housing, economic, and community development organizations, Fahe will launch the Caucus Affiliated Partner (identified as "Affiliated Partners") Program. The Affiliated Partners will expand our understanding of local needs and further aid Fahe to nurture future Members and help with our leadership development.

We appreciate 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.

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/nominated by a Member or by Fahe Management. Below you will find additional details regarding the benefits, criteria and process associated with becoming an Affiliated Partner.

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.

Caucus Affiliated Partners Approval Process/Procedures

Eligibility Requirements:

- Organization type
 - Nonprofit corporation with 501(c)3 status
 - For profit corporation with a mission or purpose that fits with Fahe's vision for the region
 - Community Action Agency
 - Housing Authority
 - Other Governmental or Quasi-Governmental Agency
 - Other Organization types as approved on a case by case basis by the Board of Directors
- The Affiliated Partner must be serving and investing in Appalachia
- The Affiliated Partner must have demonstrated a commitment to affordable housing through one or more of the following activities:
 - Development
 - Preservation
 - Counseling
 - Financing
 - Property Management
 - Advocacy
 - Other Activities as approved on a case by case basis by the Board of Directors

Documents Checklist:

- Organizational Requirements
 - Goals and Objectives – should identify commitment to performance in furthering housing/community development
 - Map of service area indicating counties and cities served by the Organization
 - Must have a Conflict of Interest Policy and identify any potential conflicts of interest with Fahe/Members
- Financial Stability
 - Follows Generally Accepted Accounting Principles
 - Financially Sound
 - Must submit the current annual dues upon acceptance as an Affiliated Partner.
- Other Criteria
 - Identify all other membership/organizational affiliations i.e.: CDFI, LISC member, NeighborWorks America, etc.
 - Provide a summary of housing/community development work
 - The Affiliated Partner must not be involved in any pending litigation which would negatively impact the work of the organization and/or Fahe.

Application process:

1. Invitation/Introduction of Prospective Affiliated Partner to corresponding state caucus or Fahe Staff via referrals, meetings, events.
2. Visit/Call with Fahe Membership/Staff and Prospective Affiliated Partners Executive staff and/or key personnel. (this can happen elsewhere in the process)
3. Formal Letter of request to Fahe Membership Staff will result in the invitation to submit application materials for qualified organizations (per requirements above)
4. All applicable checklist materials submitted
5. Materials reviewed by Fahe Staff who provide summary of qualifications to present to the state caucus(es) for their consideration/recommendation and for input from Fahe Executive Team.
6. Prospective Caucus Affiliated Partner is invited to make a short presentation to appropriate state caucus(es) with summary material provided and Fahe Executive Team invited.
7. State Caucus discusses without Prospective Affiliated Partner(s) in the room.
8. If the Caucus agrees, an Action is recorded (vote or consensus) that the Prospective Affiliated Partner is approved by the caucus.
9. Affiliated Partner material is provided to the BOD in the Membership Report
10. Should the Affiliated Partner be multi-state, each appropriate Caucus must approve.

Compliance:

In exchange for these benefits, Fahe expects its Affiliated Partners to comply with Fahe Values, Mission and Vision, disclose conflicts of interest and to comply with any reasonable request that furthers Fahe's ability to provide resources to Members.

The Affiliate Partnership is an At-Will Relationship as either party can decide to end the relationship at any time.

Affiliated Partner Renewals:

Dues and documents (listed below) submitted no later than January 15

- Annual Report - If your organization does not produce an official annual report, please include a brief overall summary of this year's successes, highlights, accomplishments, challenges, etc., and/or include 2 or more of your most recent newsletters.
- Most Current audit
- Certificate of Good Standing with appropriate State
- Signed MOU

Exhibit A

Fahe MISSION, VALUES, IDENTITY AND CORE VALUES

Mission

Fahe brings people, organizations, and resources together to build homes, communities and a thriving Appalachia through expanding economic opportunity and security for all. As leaders we speak with a unified voice to influence policy, philanthropy and systems change.

Vision

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, educational opportunity, and quality of life.

Identity

Fahe is 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.

Mission Purpose

Fahe believes that in implementing our mission we must maintain the integrity of individuals and families in terms of their physical, financial and socio-cultural needs as a whole and build the healthy communities they need to thrive, while empower them to create lasting change in their own lives and communities.

Our Core Values

- Fahe values a culture of warmth and belonging, where everyone is welcome. In doing so, we are committed to individual and organizational efforts to build respect, dignity, fairness, caring, equity, and self-esteem.
- Fahe values a culture of excellence where everyone has the freedom to pursue knowledge through innovation and creativity. In doing so, we are committed to develop a highly-skilled, dedicated, and diverse workforce that is empowered to achieve outstanding results.
- Fahe values a culture of accountability and transparency, where everyone is expected to act responsibly to guarantee integrity, trustworthiness, reliability and dependability. In doing so, we are committed to create a strong sense "organizational health and integrity" by holding everyone accountable to their duties, responsibilities, and commitments.
- Fahe values a culture of collaboration and partnership where everyone engages with respect, openness and trust in pursuit of a common purpose. In doing so, we are committed to do no harm to the communities we serve, act with political, ideological, and religious neutrality having regard for individuals, ideals, and the institution as a whole.
- Fahe values a culture of trust where everyone is being honest and ethical in all interactions, maintaining the highest ethical standards in public engagement and service. In doing so, we are committed to earn the trust of our staff, leaders, customers, Members and Partners through a pattern of unquestioned honesty and humility.

ARC ARISE Workshop Recap

MEMBER INFORMATION ONLY – NOT FOR PUBLIC DISTRIBUTION

On May 30th, Virginia Tech researchers held a focus group to learn about Appalachian housing providers' experiences and perspectives on manufactured and modular housing. Funded by an ARC ARISE planning grant, the study aims to increase housing manufacturing in Appalachia to solve the housing shortage, create jobs, and lift up communities.

In their presentation titled, "Setting Appalachia's Workforce on Track to Adapt to Industrialized Construction", the Virginia Tech researchers argued that the construction industry has stagnated, and Appalachia as a whole can't produce enough units fast enough to meet needs. However, the region has a lot of potential to provide skilled workers for construction and manufacturing. The goal of the focus group was to get insight from regional stakeholders to identify construction labor force gaps and create a workforce training roadmap that both generates industrial and economic growth in Appalachian communities and builds more housing. This roadmap would involve ADL Ventures, a company that helps implement energy efficiency innovations.

The researchers laid out a three-part process for industrialized offsite construction (IOC):

- Productize typologies
 - Create standardized and configurable parts and implement automation
 - View housing as a product
- Aggregate demand
 - ADL Ventures would help pool real estate assets and identify demand for different kinds of housing
- Modernize capacity
 - Add infrastructure and develop workforce

Researchers argued that IOC can optimize the development of housing because of the ability to design, manufacture, and assemble products in one place. However, there is an on-site aspect the final assembly and installation of manufactured pieces happens on the lot. For ICO to work, a community needs a skilled workforce to work in the factory and on site, as well as a robust labor supply in connected industries like infrastructure construction, contracting, timber processing, glass manufacturing, administration, architecture/engineering, and transportation. Much of the existing workforce will be retiring in the next ten years, so there is a real need for outreach and training.

During the focus group, participants discussed the status quo of housing in the communities they serve (problems and opportunities) and how industrialized offsite

construction could help solve problems or take advantage of opportunities. When talking about the problems regarding housing, the conversation focused on the interconnected set of issues that have compounded to create the housing crisis. Participants talked about high land costs, construction workforce shortages (exacerbated by transportation, childcare, and healthcare costs, as well as a lack of outreach to interested high schoolers), the high costs to build and to purchase/maintain a home, and the lack of incentive for private companies to build/repair homes. When talking about manufactured and modular housing, there were a few salient points that came up:

- People with expertise in industrialized offsite construction said that factory-produced homes are just as safe and durable as stick-built and can be built to the same energy efficiency standards, so there is no difference in quality.
 - They also argued manufactured/modular homes can be produced faster and cheaper in the controlled environment of the factory, which is good for the house, the worker building the house, and the eventual buyer.
- There was a lot of talk about “marketing” or combatting bias against factory-produced homes.
- However, one attendee said that stigma is less of an issue, and had heard that some communities are wary of factory-produced homes because they worry that they’ll lose the local construction workforce.
 - The perception, which she acknowledged could be flawed, is that importing panelized walls from other states will undermine Kentucky’s construction workforce.
- There was also a lot of talk about attracting workers to construction and/or home manufacturing – the importance of job training and benefits, the need to reach out to young people, etc.
- One issue with factory-built homes is that real estate agents don’t know how to sell them.
- There were some people in the room who had expertise in related fields like workforce education, and they didn’t know the difference between manufactured and modular. Circulating good definitions is important.

The researchers will share their findings with participants when they have completed all their focus groups, and your Fahe participants will share the takeaways with Members. The data will contribute to an implementation plan for a grant application from the ARC.

Fahe Updates

Quarterly Reporting – 3/31/24

ORG INFORMATION			Report/Communication Sent		
State	Org Name		4/10/2024	4/19/2024	4/25/2024
VA	Appalachian Community Action Agency (AppCAA)				
	Helping Overcome Poverty's Existence, Inc. (HOPE)				
	People, Inc.				
	Southeast Rural Community Assistance Project (SERCAP)				
	Bristol Housing Redevelopment Authority (BHRA)				
Without NWOs			With NWOs		
Total Organizations	47		Total Organizations	55	
Turned in by 7/10	11	23.40%	Turned in by 7/10	19	34.55%
Turned in by 7/15	26	55.32%	Turned in by 7/15	34	61.82%
Turned in by 7/25	27	57.45%	Turned in by 7/25	35	63.64%
MD Organizations (Includes MD)			WV Organizations (Includes MD)		
Total Organizations	11		Total Organizations	12	
Turned in by 7/10	3	27.27%	Turned in by 7/10	4	33.33%
Turned in by 7/15	5	45.45%	Turned in by 7/15	6	50.00%
Turned in by 7/25	6	54.55%	Turned in by 7/25	7	58.33%

Fahe AmeriCorps VISTA project update (Jeremy Cornett):

In phase one of this project, each of our Members received a Risk Assessment Packet. If you have any questions regarding its contents, please feel free to reach out to Jeremy at jcornett@fahe.org for clarification and discussion.

During phase two, we've initiated conversations with Member Hazard Mitigation Planning representatives. We've compiled nearly three hours of audio dialogue between your organizations and Fahe Membership. If you have yet to participate in these discussions and would like to contribute your thoughts, ideas, and perspectives, we'd greatly appreciate and value your input. Additionally, there's a brief mobile-friendly text survey available for you to share your local knowledge regarding hazards and disasters.

https://qualtricsxm37z9m7g3f.qualtrics.com/jfe/form/SV_5vT1HqE8lplhJvo

Looking ahead to phase three, we will analyze the data and draft region-specific Hazard Mitigation Plans for each Member. The development of these plans will likely require follow-up conversations to further gather your viewpoints and boots-on-the-ground outlook toward the future. Your ongoing input is invaluable and has been instrumental in driving this project forward. Together, we can make a meaningful impact on the Appalachian disaster experience.

Community Lending FY24's: HIGHLIGHTS

Community Lending has closed over \$49M in loans in 2024. \$14M has gone to Members for Housing, Healthcare and Working Capital.

We are excited about the opportunity to reach and help Members, and we're equally excited that we're able to put those dollars into our communities; up and down Appalachia.

We continue to have different sources of funding available, with a continued emphasis on the Bond Guarantee Program. Here's a quick outline for the BGP:

- \$3M still available
- Loan has to be for real estate, with an 80% LTV requirement
- Maturity is March 2049
- Rates are very favorable for Members, especially compared to banks and local credit unions

If you would like to discuss the Bond Guarantee Program, Community Facilities Funding (ideal for funding related to healthcare services) or other funding such as construction, working capital, and bridge loans. Please don't hesitate to reach out and we can discuss further.

Thank you!
Drew Pritchard

Drew Pritchard
Fahe – Community Lending
Business Development Officer
dpritchard@fahe.org
859-756-6255

	COMMUNITY FACILITIES PERMANENT LOAN
PURPOSE	Purchase, construct and/or improve essential community facilities where the borrower is a public body or nonprofit corporation located in a USDA eligible rural community of less than 20,000.
PROJECT TYPE	<ul style="list-style-type: none">• Health Care facilities such as hospitals, medical clinics, dental clinics, nursing homes or assisted living facilities.• Public facilities such as town halls, courthouses, airport hangers, or street improvements.• Community support services such as child care centers community centers, fairgrounds or transitional housing.• Public safety service such as fire departments, police stations, prisons, police vehicles, fire trucks, public works vehicles or equipment.• Educational Services such as museums, libraries, or schools.• Utility services such as telemedicine or distance learning equipment.• Local food systems such as community gardens, food pantries, community kitchens, food banks, food hubs or greenhouses.
LOAN AMOUNT	\$50,000-\$5,000,000**
INTEREST RATE	TBD at time of closing
TERM	40 years
REPAYMENT	Monthly principal and interest
LOAN FEES	1% + legal/closing costs
COLLATERAL	First Lien position on the subject real estate or equipment with less than 80% LTV.

For more information on Fahe's loan products: Contact Drew Pritchard at dpritchard@fahe.org.

***Loans over \$5,000,000 are possible and typically require participation by other lenders.*

****Discounts available with other lending services.*

.25% for ACH payment withdrawal

.25% conversion from Fahe construction to Rental Perm loan

.25% good borrower discount

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- 0% Fixed Interest Rate Deferred Mortgage
- \$9,000.00 Second Mortgage Loan
- Due at year 35 years (balloon)
- No Income Restrictions
- Funds not available in West Virginia
- Primary Residences only
- CLTV cannot exceed 105%
- Homebuyer education is required
- May be used for Purchase or Refinance
- Cannot be used to meet the Borrower's Minimum Required Investment (MRI) for FHA Loans
- Must be paired with Fahe's JustChoice Lending 1st Mortgage



JustChoice Lending is an Equal Opportunity Housing provider and does not discriminate on the basis of handicap, race, color, national origin, religion, sex, familial status, or age.

NMLS #52473

All information contained herein is for informational purposes only. Rates, terms, programs and underwriting policies subject to change without notice. This is not an offer to extend credit or a commitment to lend. All loans are subject to underwriting approval. No cash back at closing. Credit can only be used toward closing costs on a purchase transaction. Not valid on Home Equity products.



1

Quarterly Update

It is PRT staff's desire to work with the Fahe to uplift the advocacy and comms efforts for the region. In the past quarter we released new stories on our Everything Else story map ([Rural Voices – Partners for Rural Transformation](#)) which now contains stories from Whitesburg, Kentucky, and Wytheville, Virginia. PRT staff have also pulled together a poster presentation that was accepted at the Richmond Federal Reserve Bank's Investing in Rural America Conference that highlights the work of Frontier Housing with their DreamBuild partnership with cdc. These are the ways that we are uplifting the work and stories of local leaders in Appalachia to the national level.

2

Quarterly Update (Continued)

There was a lot of change with PRT leadership in the preceding quarter and this quarter we have spent a lot of time ensuring that the work continues on and that staff are on target to meet grant deliverables. Right now, our largest piece of work is the second phase of our latest Robert Wood Johnson Foundation grant, that focuses on a research project. This research is being conducted by Fahe and PRT staff with six community partners across the regions, testing our Rural Equity Development Framework. This framework is our expression of the way that we think our work is best pursued, and you have heard it referred to as the three-legged stool. It could be the beginning of a really solid theory of change, and we hope to have the results of the research by the end of the current quarter (July 30).



3

How PRT Came to Be: Our Origin Story

PRT was birthed in 2014 as the “Persistent Poverty Working Group” at Fahe. Our six CEOs joined forces to focus on eradicating persistent poverty across their various service areas. In 2021, the PPWG formalized as Partners for Rural Transformation.

How We Began



PRT has grown to include a Steering Committee made up of our 6 CEOs and their deputies, 4 full time staff, and 15 regular partners at the local, regional, and national levels.

Where Are We Now



Every member of the Working Groups that are not PRT staff are from our partner CDFIs. However, they are all volunteers, meaning they willingly give their time to PRT and our efforts while performing their duties at their primary organizations. Currently, we have 80 collective members across our working groups.

Our Membership

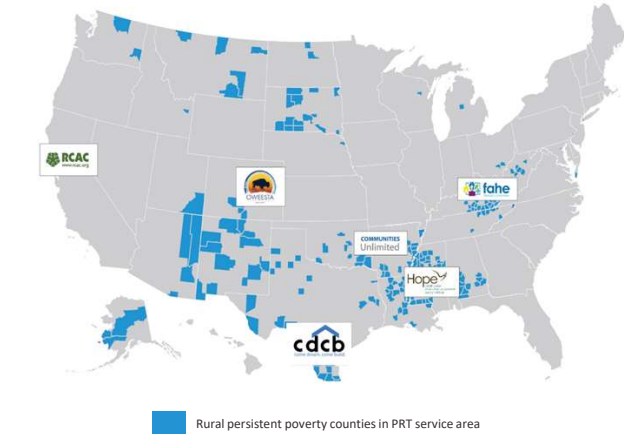


4

Who are the Partners for Rural Transformation?

- PRT is led by a steering committee of **six place-based community development organizations** that serve **78% of rural persistent poverty counties** across the United States.
- PRT envisions a future where everyone can have the opportunity to **build wealth, provide for their families and achieve their dreams** in the community they call home.

Despite current perceptions, rural persistent poverty areas **span the United States** - including Appalachia, the Mississippi Delta, the Deep South, the Rio Grande Valley, Native American communities, and the rural West.



 PARTNERS FOR RURAL TRANSFORMATION