



Alabama Caucus Agenda
Friday, February 19, 2021, 9:00-12:00pm CST
Via ZOOM <https://us02web.zoom.us/j/82458332646>
Passcode: 886921

- 1) Welcome Members** (*Vonda Poynter*)
- 2) Message from Jim King** **p. 3** **10-15 Minutes**
- 3) AL Caucus Business** **pp. 4-8** **20 Minutes**
 - a. Election of a Caucus Chair
 - b. Appoint a Nominating Committee Representative (not eligible to serve on the board)
 - c. Formal Request to Fahe Board to recognize the Alabama Caucus
 - i. Board will formally recognize the Caucus; initiate process for Alabama Caucus Board seats for next scheduled election in Spring 2022
 - ii. Review of Caucus formation process from Member's perspective
 - d. Determine dates for June and October Caucus Meetings
 - June Caucus Meetings:*

Wed. June 23	WV
Thur. June 24	VA
Tues. June 29	KY
Wed. June 30	TN
 - October Caucus Meetings:*

Tues. Oct. 19	KY
Wed. Oct. 20	TN
Wed. Oct. 27	WV
Thur. Oct. 28	VA
- 4) Caucus Member Conversation – “around the square”** **20 Minutes**

What's going on?
- 5) Advocacy** (*Alex Dadok, Josh Stewart*) **pp. 9-10** **20 Minutes**
 - a. State priority update: Weakening third-party opposition to AL AHTF
 - b. Federal update: prospects for passage of legislation
 - c. Strength in Numbers
 - d. Hiring update from Advocacy Department
- 6) Establish Caucus Friends Email List** **10 Minutes**

For example: Alabama Housing Finance Agency? AL USDA-RD? LIHCA? Habitat Affiliates? CSPWAL? North AL CDC? CAA of AL? North AL Coalition for the Homeless? Family Services Groups?
- 7) Member Recruitment Strategy – engagement grid** **p.11** **15 Minutes**

8) Fahe Updates – Memo Attached *pp. 12-13*

20 Minutes

- a. Member Updates (*Vonda*)
 - Reporting – QE 12-31-20
 - Training for 2021; Member Training schedule; HUD Counseling 8/21
- b. Resource Plan
- c. Lending
 - Community Lending
 - Just Choice Lending

Upcoming Events

- **2020 MIT Student Report/Review Webinar** coming soon
- **Thurs. Feb. 18** – 2 pm: Monthly Training Webinar – 502 Updates/Refresher
- **Thurs. Mar. 25** – 11am: Monthly Training Webinar – Fair Housing Workshop
- **April 21/22 - Fahe Spring Retreat/Executive Director Symposium**
- **Thurs. May 27** – 11am: Monthly Training Webinar – TBD
- **June – Date TBD** AL Caucus Meeting
- **Thurs. June 24** – 11am: Monthly Training Webinar – TBD
- **Sept. 21/22/23 – Fahe Annual Meeting**
- **Oct. – Date TBD** AL Caucus Meeting

Sept. 21-22-23 - SAVE THE DATES!!

2021 Fahe Annual Meeting, MeadowView Conference Center, Kingsport, TN

Sign up for our monthly newsletter here: www.fahemembers.com/signup

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

January 27, 2021

Dear Alabama Caucus Members,

I wanted to take the opportunity to congratulate you on hosting the first Alabama Caucus meeting. This moment began more than 9 years ago, when Fahe was asked to come to Alabama following the tornadoes. From there we saw the long term need to expand our membership to the state and have a long term presence. Fahe staff and your organizational staff have worked hard to get to this meeting.

Over the past few months the Fahe staff, Board of Directors, and various committees of the Board have been working with legal counsel to ensure the creation of a new Caucus, an honest first for Fahe since the creation of Caucuses came after Fahe had Members in various states, sets the Membership up for the addition of future Caucuses in an orderly fashion. To that end, we need to formalize the creation of the Caucus with a few more steps than originally thought. Here's what you should expect and what we need to complete:

Alabama Caucus to Do:

- Elect a Caucus Chairperson (Ideally this is someone who will not serve on the Board, although that can be done)
- Appoint a member of the Nominating Committee (Someone who cannot serve on the Board.)
- Formally request that the Board of Directors recognizes the Alabama Caucus for organizational record and Membership acknowledgement.
- Continue meeting as a Caucus.

Fahe Board of Directors:

- Receive the request from the Alabama Caucus and formally recognize the Caucus, setting into motion the steps needed to fill the newly created Alabama Caucus Board seats as a part of the regular Board election process.

Nominating Committee:

- Begin regular Board election cycle, including new Alabama Caucus representative, guided by the attached process. The next scheduled election is Spring 2022.

We are really excited that we have all made it to this milestone. We look forward to the good work and leadership that will come out of the formation of this Caucus. Congratulations again.

Sincerely,



Jim King
President and CEO, Fahe



Process for Board of Directors Nominations

Background

The Governance Committee of the Board of Directors of Fahe has been reviewing the Bylaws to ensure that Fahe is acting within them. As our Bylaws focus on the requirements and framing, we, at times, need to provide a process to fill in the framework successfully. This process hopes to clarify and strengthen the nominations for the Board of Directors, which is governed by Sections 3.04 (Caucuses – Purposes) and 4.14 (Board of Directors – Nominating Committee), found in the Fahe Bylaws.

Section 3.04 – Purposes

Each caucus shall:

- a. Appoint a representative to the Nominating Committee.
- b. Recommend nominees for Caucus Directors and at-large Directors to the Nominating Committee.
- c. Provide advice on the development of policy and programs.

Section 4.14 – Nominating Committee

The Nominating Committee shall consist of the President and one individual appointed from each Caucus by act of the Caucus. A member of the Nominating Committee shall not be nominated to the Board of Directors. The Nominating Committee will accept at least two (2) nominations for Caucus Directors from each of the Caucuses. The Nominating Committee shall seek out nominations for At-Large Directors from outside the membership. The Committee will elect a Chair from amongst themselves.

Our current practice, as we do not have a defined procedure, is that we bring up need for nominations at a round of caucus meetings, ask for nominations for both the open seat and the Nominating Committee (typically we receive one nomination per caucus), accept the nominations, pull together the Nominating Committee to discuss the nominations in the case of having more than one nomination or the need for an At-Large Director, last the slate is presented to the Membership in a timely manner to prepare for the vote.

Nomination Process

Regular elections for the Board of Directors occurs every two years (on even years). When appointing the Nominating Committee, the term of service will be two years. At the beginning of the fiscal year that an election is to take place, Fahe staff will outline the following process so that the Members are aware of what they are being asked to participate in:

May (prior fiscal year) – Fahe staff (Executive Office) will reach out to the current Nominating Committee Members to see if they are willing and able to serve on the Nominating Committee for another two year term. If they are willing, the committee will elect a chair for the committee and the Board of Directors will confirm the appointment of the Nominating Committee.

June – July – Nominating Committee Members begin reaching out to folks within the Caucus to find and prepare potential Board nominees.

Summer Caucus Meetings – Fahe staff (Membership) will present the Nominating Committee Members, or need for replacement Nominating Committee Members to the Caucuses. The Caucuses will be asked to voice their opinions for nominations to the Board via secret ballot (see end of document for an example). They are allowed to nominate themselves or someone else. The ballots will be collected and Fahe staff (Executive Office) will reach out to the nominees to acknowledge their nomination, present them with the Board of Directors Job Description, and let them know to expect a call from their Caucus’s Nominating Committee representative.

September – If the Nominating Committee appointment still needs to be confirmed by the Board of Directors, Fahe staff (Executive Office) will pursue that confirmation. The Nominating Committee Members will reach out to the nominees from their Caucus and gage the nominee’s desire and ability to serve on the Board of Directors for a four year term.

Fall Caucus Meetings – Share this process, ballot instructions, and job descriptions will be shared with the Caucus’ via the packet. The Nominating Committee will conduct due diligence with interested nominees.

Winter Caucus Meetings – The Nominating Committee will have a vetted list of nominees and will solicit feedback from the Caucus. Per the by-laws, for Caucus Representative seats we are required to have one more nomination than the number of seats open.

February – Early March – The President/CEO will meet with the Nominating Committee to solidify a list of candidates for the election at the Spring Meeting.

1 Month Prior to the Spring Meeting – Fahe staff (Executive Office) will communicate the list of candidates for the election to the Membership via email, presenting the Board of Directors Job Description, candidate bios, and ballot for their information.

Spring Meeting – At the Spring Meeting the Membership will vote on the list of candidates as presented by the Nominating Committee. The ballots will be tallied by Fahe staff (Executive Office) and the election results announced before the end of the Spring Meeting.

Fahe Board of Directors Nomination Ballot	
Kentucky Caucus	
As a Fahe Member, I nominate the following people for election to the Fahe Board of Directors:	
Name:	Fahe Member:



fahe
Strength in Numbers

board of directors

Memo

To: Vonda Poynter, Senior Vice President of Membership
From: Sara Ball, Corporate Secretary
Re: Onboarding New Caucus
Date: January 27, 2021

As a means of clear communication, I am documenting the result of all of the conversations that have been held between Fahe Staff, the Board of Directors, the Membership Committee, and our legal counsel, with respect to the onboarding of a new caucus within the Fahe Membership.

Process as we see it on 01/22/2021:

- New Members can be brought in from new states if they meet all of the Membership Criteria and are recommended by a neighboring/surrogate Caucus, with which they will participate as they journey towards and after achieving Membership.
- At least three organizations that are Fahe Members from the same state, are actively participating in their designated surrogate Caucus. Those Members begin to express a desire to meet as a new Caucus.
- New proposed Caucus meets adjacent to surrogate Caucus meeting for (determined amount of time), to begin proving stability.
- The new Caucus begins meeting separate from surrogate Caucus, and appoints a Caucus Chair and a Nominating Committee representative. The new Caucus sends a request to the Board of Directors to be recognized as a Caucus.
- The Board of Directors will recognize the new Caucus and will request that the Nominating Committee, including the new Caucus' representative, include the new Board seats in the next regular election cycle, electing to fill both seats in staggered terms, on seat filling the first four year term and the second a half term of two years. We recognize that the seats are available and empty from the moment of acknowledgment of the Caucus.
- New Caucus continues meeting, to continue proving stability.
- Updated Nominating Committee begins the process to solicit nominations for open Board of Director seats per the Board Election Process.
- All Caucus functions will, at this point, align with other Caucus processes and functionality.

This process will be updated as necessary by the Board of Directors, the Governance Committee, the Membership Committee, Fahe Staff, or Fahe Legal Counsel.



fahe
Strength in Numbers

board of directors

Board of Directors

Mission

Fahe leads a network of Appalachian organizations to sustainable growth and measurable impact through collective voice and provides access to capital that creates housing and promotes community development.

For more information, please Fahe's website at www.fahe.org.

Roles of the Board of Directors

- To guide and approve of Fahe's mission and purpose, including adapting these as needed as the organization and region changes.
- To select and support the President/CEO, including an annual review of the President/CEO.
- To actively participate in regular strategic planning, including but not limited to creating a plan, reviewing alignment to the plan annually, and adjusting the plan if necessary.
- To act with fiduciary duty, approving Fahe's annual budget, audit reports, and material business decisions; being informed of, and meeting all, legal and fiduciary responsibilities.
- To hold staff accountable by reviewing outcomes and metrics created by staff for evaluating our staff and network impact, and regularly measuring Fahe's performance and effectiveness using those metrics.
- To help create, guide, and ultimately approve Fahe's policies.
- To assist the President/CEO and Nominating Committee in recruiting Board Members.
- To acting as an ambassador for the organization.

Expectations of Board Members

The Board Member will provide leadership to Fahe as it grows. The Board Member will support the work of Fahe, and provide governance leadership and strategic advocacy support. Specific responsibilities include:

Leadership, governance, and oversight

- Regularly attends board meetings and important related meetings.
- Makes serious commitment to participate actively in assigned Committee work.
- Volunteers for and willingly accepts assignments and completes them thoroughly and on time.
- Stays informed about Committee matters, prepares themselves well for meetings, and reviews and comments on minutes and reports.
- Gets to know other Board and Committee members and builds a collegial working relationship that contributes to consensus.

Advocating

- Commit to be responsive to calls for participation in advocacy action.
- Be an advocate for Fahe in their communities, states, and our region.
- Be the eyes and ears of Fahe in the Membership and the communities that they serve.

Board Terms

- Fahe's Board Members will serve a four-year term to be eligible for re-appointment for up to two additional terms. Board meetings will be held quarterly and committee meetings will be held in coordination with full Board Meetings.

Qualifications

This is an extraordinary opportunity for an individual who is passionate about the success of Fahe's Members and who has a track record of Caucus participation. The selected Board Member will have achieved leadership stature in business, government, philanthropy, or the nonprofit sector. His/her accomplishments will allow him/her to attract other well-qualified, high-performing Board Members.

Ideal candidates will have the following qualifications:

- Extensive professional experience with significant leadership accomplishments in business, government, philanthropy, or the nonprofit sector
- A commitment to and understanding of Fahe's Members and mission preferably based on experience with Fahe
- Personal qualities of integrity, credibility, and a passion for improving the lives of Fahe's Members

Service on Fahe's Board of Directors is without remuneration, except for administrative support, travel, and accommodation costs in relation to Board Members' duties.

Alabama Affordable Housing Trust Fund Talking Points

For use with: Home Builders Association of Alabama & Alabama Association of Realtors

The purpose of this conversation is to find out what objections BHAA and AAR have to the Fund and figure out mitigation strategies to get them on board and reduce political opposition. Research into the groups' public statements have informed the framing language, and responses to points of opposition below. This is an internal document, not for sharing beyond Fahe Member groups.

Framing Language:

- **As housing advocates and real estate professionals, we all have the same goal: to get clients into homes.** Funding a statewide Housing Trust Fund will make it easier to achieve this aim, build you a deeper client pool, and increase demand for your services in the near term and for decades to come.
- **A Housing Trust Fund could help satisfy the current unmet demand in the Alabama housing market.** Despite the pandemic, the state housing market has remained tight, with home sales up 32.5% from May 2020 according to the Alabama Association of Realtors.¹ However, inventory is down approximately 20% to a historic level — we must build more homes for Alabamians. For lower income folks, this shortage of housing is particularly acute.² Housing Trust Funds ensure a dedicated revenue stream to construct and maintain homes that are affordable to folks making 60% of the Area Median Income (AMI) or below. The Alabamians we work with are not the same as your clients, and our work does not hurt your business.
- **A functional Housing Trust Fund in Alabama would benefit the economy.** Every dollar invested in state housing trust funds leverages an average of \$7.00.³ In the first decade after implementation, the Alabama Housing Trust Fund's total economic impact would equal \$1.1 billion and would create or rehabilitate more than 7,100 homes.⁴
- **Alabama lags behind the vast majority of the country, which already has access to a Housing Trust Fund.** Forty-seven states, D.C., and the territories of Guam and Puerto Rico have created sixty housing trust funds. Eight states have created more than one state housing trust fund.

¹ [Al.com](https://www.al.com/story/news/economy/2020/05/15/alabama-real-estate-market-resilient-during-pandemic/): “Alabama’s real estate market resilient during pandemic.”

² [NLIHC: Housing Needs By State — Alabama](https://www.nlihc.org/state-housing-needs-by-state-alabama)

³ [Housing Trust Fund Project](https://www.housingtrustfundproject.org/)

⁴ [Housing Assistance Council, https://www.alarise.org/wp-content/uploads/2018/11/Alabama-Housing-Trust-Fund-Arise.pdf](https://www.alarise.org/wp-content/uploads/2018/11/Alabama-Housing-Trust-Fund-Arise.pdf)

Answers to Anticipated Objections:

Claim: The increase in transfer taxes will decrease home sales by increasing the cost to buy a home, deterring buyers.

Response:

- **Studies find that introducing a housing transaction tax has little long-term effect on the volume or timing of house sales**, despite public awareness of the tax.⁵ It's true that studies have found slightly decreased activity in the housing market when real estate taxes are higher. The Review of Economic studies, which found a reimposition of a 1% transfer tax post-holiday caused a decrease in housing market activity of about 8%. Still, that would overestimate the impact in Alabama, as the 1% tax increase is way larger than what the Affordable Housing Trust fund would require. Legislation proposed for the trust fund would tax \$0.20 for every \$100. The current tax is set at \$0.15 for every \$100, so it's only really an increase of \$0.05 for every \$100, or a 1/20th of a percent tax increase. It's a seller's market in Alabama anyway; buyers will not be deterred by this fractional increase.
- **Real estate transfer taxes are the most popular way to fund Housing Trust Funds.**⁶ Many states with the hottest real estate markets over the last 10 years — Nevada at 91% growth, for example — fund their housing trust funds with transfer taxes.⁷
- **In summary: such a marginal tax increase will have no negative effect on the market, but providing thousands of families with access to homeownership will increase demand for your services. It creates permanently increased demand in several years for little or no cost to current demand.**

Claim: Individuals served by the Housing Trust Fund will not add value to the housing market.

Response:

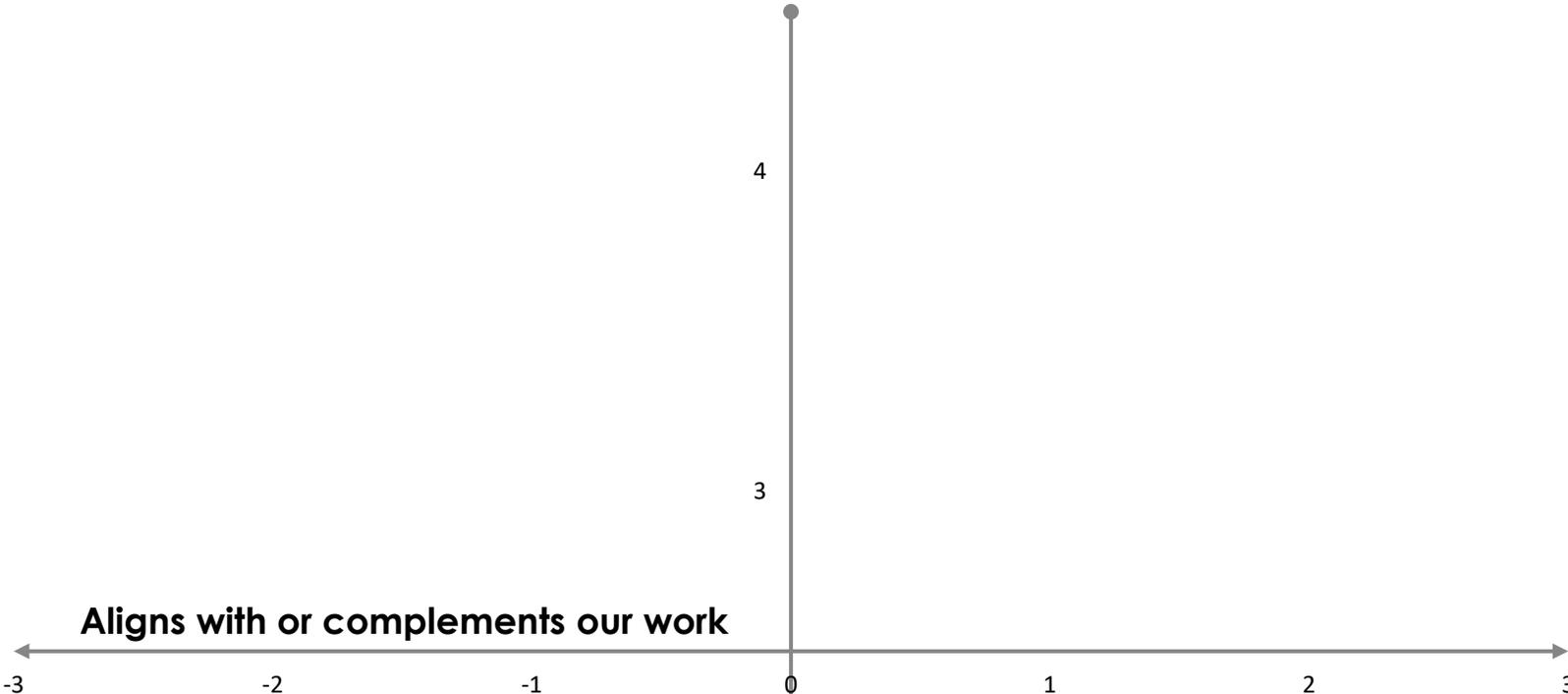
- **The Trust Fund will actually infuse new clientele into the housing market.** The Housing Trust Fund can enable low-income renters to enter the homeownership market, who otherwise would not have been able to buy a home. Once they buy their first home and build equity, they will be able to buy new homes without the Trust Fund. [The National Association of Home Builders](#), studying single-family first-time owners, found that five years post-buy, 30% of them are ready to move. In 12 years, over 1/2 of them will be ready to move, which increases home sales by expanding into previously untapped markets. This means more demand for Realtor services, and knock-on demand for new construction (home builder services).

⁵ [Journal of Urban Economics](#)

⁶ [Housing Trust Fund Project](#)

⁷ [Stacker: "States with the hottest real estate markets over the last 10 years"](#)

Definitely in Consideration



Not a good fit for Membership

Fahe Updates!

QUARTERLY REPORTING – 12/31/2020

AL	Hale Empowerment & Revitalization Organization (HERO)	
	Neighborhood Concepts, Inc. (NCI)	Sent addtl production info - 1/14 - Shawnette M
NWOs	Comm. Action Partnership of North AL (CAPNA)	
	Neighborhood Hsng. Srv.-Birmingham (NHSB)	

All Members:

Without NWOs			With NWOs		
Total Organizations	43		Total Organizations	51	
Turned in by 7/10	8	18.60%	Turned in by 7/10	16	31.37%
Turned in by 7/15	20	46.51%	Turned in by 7/15	28	54.90%
Turned in by 7/25	32	74.42%	Turned in by 7/25	40	78.43%

AL & TN Members:

TN Organizations (Includes AL)	15		TN Organizations (Includes AL)	19	
Turned in by 7/10	3	20.00%	Turned in by 7/10	7	36.84%
Turned in by 7/15	6	40.00%	Turned in by 7/15	10	52.63%
Turned in by 7/25	11	73.33%	Turned in by 7/25	15	78.95%

Totals reported to NWA – (without production from Members that are NWOs.)
 This includes a new section of Emergency services that we are filling out for NWA:

Projects: 271

People Served: 1618

Investment: \$13,339,570.30

Passed along by Brittney Murphy, Fahe CFO: Here is a good resource for learning about the **Employee Retention Credit** and a spreadsheet to see if you qualify. It was provided by RSM, out of Cincinnati.

Are you taking advantage of the Employee Retention Credit of up to \$19K per employee? You may have initially thought you were ineligible, but there are benefits that are not widely known.

The Consolidated Appropriations Act (CAA) (the additional COVID-19 stimulus package passed by Congress at the end of 2020) has a provision that may benefit you. Prior to the CAA, if you received a Paycheck Protection Program (PPP) loan, you were not eligible for the Employee Retention Credit (ERC). The CAA retroactively allows an employer with a PPP loan to apply for the ERC if the company's facts support use of the credit. The ERC is generally provided as a payroll tax refund from the IRS.

You cannot double-dip, that is, use the same wages for both the PPP and the ERC. However, you may have additional wages that may qualify for a credit for 2020 if the wages you paid to employees in 2020 exceed your PPP forgiveness amount.

You may also qualify for the ERC through June 30, 2021. There were some favorable changes which can be found on this video: [Game-changing updates to the Employee Retention Tax Credit](#). You should look at the potential 2020 credit first because that information should already be available.

IF:

- 1) You were fully or partially affected by a government shutdown order, or
- 2) Your gross receipts for quarters two, three or four of calendar 2020 were 50% or less than your gross receipts in the corresponding quarter of calendar 2019 you should take a look.

You can use [this worksheet](#) to see if your organization would qualify.