



Tennessee Caucus Agenda
Thursday, Feb 16, 2023, 11 am - 2 pm ET
(10:00-3:00 Central)

Hosted by Clinch-Powell RC&D at:
1907 Brewing Company, 103 W Main St, Morristown, TN 37814

1) Welcome; Special Guest Introductions; Meeting Called to Order – Sherry Trent
Cynthia Peraza(Virtual), Bill Lord, Russell Catron - THDA; Don Harris (Virtual)- USDA RD; Lottie Ryans, First TN Dev. District

2) Membership Business – Sherry **30-40 minutes**
a. Approval of Previous Meeting Minutes and Action Items **pp. 3-9**
b. Caucus Discussion – Around the Horn – Share your best fundraising activity
c. Jim King

3) Partner Updates **30-45 minutes**
a. **THDA** (Cynthia Peraza, Russell Catron, Bill Lord)
* Rent Relief Program ERA2/ARPA/HOME ARPA/Homeowner Assistance Fund
* Community Programs: HOME, ESG, THTF, NHTF
* Counseling
* Systems – GMS delays/potential improvements after Bill Lord's review with Members (particularly use with HOME)
b. **USDA Updates** (Don Harris)
Update on De-centralized loan process ("Current" pay-stubs created issues with processing times; any improvements)
c. **FHLB Updates** – AHP Announcement in Nov.; Welcome HOME **pp. 10-11**
Congratulations to AHP Awardees: ASP, Loudon Co. HFH
d. **TN CED** – CDBG/interest in Recovery Housing

4) Strength in Numbers - Member Interest/Focus Updates **20 minutes**
a. Workforce Development
i. Lottie Ryans, First TN Development District
b. Broadband

Break for Lunch

5) Advocacy **pp. 12-16** **20-30 minutes**
a. State
i. State Advocacy Committee Activities – FSAG
ii. Legislative outreach – [TN List of Key Legislators](#)
iii. Further engagement
b. Federal Updates - Josh Stewart
i. Big Picture Policy Committee Work
ii. Federal Appropriations
iii. Spring Retreat Expectations

6) Caucus Discussion/Interests

30 minutes

Roll Back to Fundraising from earlier sharing – So many programs aren't working as well with the narrowing range of eligible applicants, what else do you want to try?

- Ideas for events – golf tournament; Black-tie; Christmas affair;
- Board of Directors input and participation
- Is this topic of interest for a separate meeting/webinar across the Membership?

7) Fahe Updates – Memo Attached **pp. 17-19**

30 minutes

- October Board Report: Board Members Jackie Mayo, Lindy Turner
 - Reporting – QE 9-30-22/12-31-23 status- Vonda
 - Training - Jackie – see dates below for NTI's
 - Business Continuity Plans Update – Diedre Kendall
 - Ballad Collaborative, Trauma Informed Care Training – Nicholas Bormes:
<https://www.eventbrite.com/e/trauma-and-resilience-basic-training-tickets-520028799137>
 - Spring Retreat – www.fahemembers.com/fahe-conferences
- 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
- Lending – Community Lending and JustChoice Lending **pp. 20-22**
- Partners for Rural Transformation - Jose Quinonez, Essence Smith

Upcoming Events

- **Feb. 28-Mar. 1 – TN Housing Conference – (Housing Day at the Hill 2 pm on the 1st)**
- **Wed. March 29 – 11am-12:30 pm ET – Fahe Advocacy Training #2:** How to Run an Effective Legislative Meeting (Virtual meeting info to come)
- **April 11 & 13 - Fahe Advocacy Training #3:** By Invitation – Practice Sessions for Hill Visits
- **April 25-26 (Tues/Wed) – HOLD for [Spring Retreat in DC!](#)**
- **May 1-5 – NeighborWorks America NTI – San Francisco**
- **June 7 (Wed) – TN Caucus Meeting – Location TBD**
- **Aug. 21-25 - NeighborWorks America NTI – Chicago**
- **September 19-21 (Tues-Thur)– HOLD for Fahe Annual Meeting in Charleston!**
- **Nov. 1 (Wed) – TN Caucus Meeting – Location TBD**

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

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

St., Knoxville, TN 37917

Attendees:

Name	Organization	Name	Organization
	ADFAC	Retha Patton	TN Comm.Asst.Corp -Virtual
	App HFH	Bobby Eason	Guest-Foothills CDC
Kristina Rowles	ASP	Stephen Sargent	Guest-USDA RD-Virtual
Rikki Eason	Blount Co. HFH	Shannon Roberson	Guest-USDA RD-Virtual
Sarah Halcott	Creative Compassion	Cynthia Peraza	Guest-THDA-Virtual
Victoria Ray	Crossville HA	Lindsay Hall	Guest-THDA-Virtual
Lindy Turner	Clinch-Powell	Eric Haralson	Guest-Triage Assoc.
Rebecca Dillow	Clinch-Powell	Ashton Whitney	Fahe-Virtual
Sabrina Seamon	Clinch-Powell	Diedre Kendall	Fahe AmeriCorps VISTA
Stace Karge	Clinch-Powell	Jackie Weiss	Fahe-Virtual
John Dillow	Eastern 8 CDC	Jim King	Fahe
Donna Lewis	Eastern 8 CDC	John Niederman	Fahe-Virtual
Sherry Trent	Eastern 8 CDC	Joshua Stewart	Fahe-Virtual
Chris Osborn	HomeSource east tn	Margaret Riden	Fahe
Jackie Mayo	HomeSource east tn	Nicholaus Bormes	Fahe AmeriCorps VISTA
Emily Chase	Kingsport Housing Redev. Auth.	Nicole Intagliata	Fahe
	Knoxville Leadership Fndtn	Ted Boyatt	Fahe
Chris Callahan	Loudon Co. HFH-Virtual	Vonda Poynter	Fahe
Mike Feely	Mountain T.O.P.-Virtual	Benjamin Trogon	PRT/Fahe-Virtual
Jim Ratliff	Oak Ridge HA	Emily Burleson	PRT/Fahe-Virtual
Maria Catron	Oak Ridge HA	Essence Smith	PRT/Fahe-Virtual
Shannon Delk	TN Community Asst. Corp	Jose Quinonez	PRT/Fahe-Virtual

12 of 15 Members present = 80% Attendance, those in red had no representative

Called to order at 11:04 am

1)Welcome; Special Guest Introductions; Meeting Called to Order – Sherry Trent

Cynthia Peraza, Lyndsay Hall - THDA; Shannon Roberson, Stephen Sargent - USDA RD;
Bobby Eason-Foothills CDC, Eric Haralson, Triage Associates

2)Membership Business – Sherry

- a. Approval of Previous Meeting Minutes and Action Items
 - i. Add John Dillow to attendees. Motion made by Maria to accept with correction, Rebecca seconded, minutes passed.
- b. Caucus Discussion – Around the Horn (*caucus updates*)
 - i. Annual Meeting download –
Stace: Last panel at annual meeting was amazing, the Meet the Moment panel.
Jim Ratliff: Busy, keep you hopping, but very good.
Sherry: Talking outside meeting too was great. Liked the name, used it for their own.
Bobby: noted the food was tremendous. Coming out to the sites for the Member for the tours – that was such an opportunity. Great to be able to have personal conversations. Structured time well, even free time, structured but relaxed enough that people can socialize.
- c. Moment with Jim
 - i. What we've been working towards, Dana Bezzara, Pres. of Heron Foundation, got a commitment that they will start making a regular grant, asked for a list of what foundations we want to be a part of that she can get us in front of. Rockefeller

Foundation, for instance, they want to be part of thinking about persistent poverty/Appalachia, differently. How do we think about region, poverty? What do you all need? Let's invite the HERON Foundation to be on our team, they made a 1.3 M grant at year end, they want to be at the table. Foundations don't see to know quite how this all works. Federal programs do the same thing, asking the wrong question. Justin Maxson, coming from Mary Reynolds Babcock and then USDA, good insights and an invitation to discuss to get us all at the same table, Jim – set the table, invite them to be on our time. USDA – Farah Ahmed - \$1.3M TA grant funds. They want to be at the table we are setting. How do you get stuff done. Well intentioned folks, wrong questions – at the federal level – it isn't simple, but USDA is very interested in getting to work with philanthropy – just don't have the freedom and space to do that. Internally, to TN, our proposal on ARPA is getting some good attention.

Jim: group effort – Members do excellent work every day – it is the authenticity of the work – we are set apart because we are tied to communities and we do real stuff for real people every day. You guys do that, JK carries the message – JK is hopeful about that.

Lindy: what is JK selling in the meeting? Fahe and the PRT – you could work with us and affect all of these places. Not asking for \$ for a think tank group; \$ to organizations to use in communities. Lindy: Ultimately are they looking at impact or the magic is in the deployment.

Jim: idea is foundations don't know how to use or leverage their money to get the better impact – (not as usual – we want these outcomes, can you do that?). Impact comes when we get more people in the room. That's what we'll be working on.

- d. Strategic Visioning/Fahe's 2023-2028 Strategic Plan – Workshop on Nov. 29 (see below in in Fahe Updates Memo & Upcoming Events)
 - i. Talked at meeting about Strategic Plan & Process – Sara B wants to pull everyone back together for another hour, get information, put it all together. Invitation forthcoming with materials to review.

3) Strength in Numbers - Member Interest/Focus Updates

- a. Workforce Development - Vonda
 - i. Working on Workforce, actually hiring someone who can push a little bit more, particularly in construction. Nicholas is working on business continuity, also did additional research about workforce boards, construction isn't high on the list but there are some opportunities. Justin Birch is having Workforce seminar at DC that is available virtually. Pushing to learn more and be more involved, hiring an Advancement Director to work on that soon.
- b. Broadband
 - i. USDA had reconnect program but it's not really built for us, had trouble figuring out how to even connect so going to keep researching. The last disaster with tornadoes and flooding in KY, there was a plan that allowed broadband in the new houses so hopefully that will become more common. \$30 for low-income people to get internet.
 - ii. Electric charging stations, something we never would have been able to do on their own.

4) Advocacy

- a. Federal – Josh Stewart
 - i. Good news – Fahe's income eligibility proposal, income eligibility limits being too low in a lot of communities, started three years ago. Traced the issue back to AMLs, put together legislative proposal which Congress has legislated on it the first time ever this summer, hope that the provision will become law this December. On the recorded report for HUD to state what enacting Fahe's proposal would do. First time Congress has ever acted on income eligibility issue, seeing progress in the Senate as

well. Stated to be passed in the middle of December. Will keep everyone updated. USDA seems to be on board but HUD remains slightly against.

- ii. Budget before January – the current thinking is that no matter which way the House & Senate go in the election, both sides have mentioned wanting a “Clean slate”, which means wrapping up appropriations beforehand, but could be a full year CR. Either way, will know before January.

Break for Lunch

b. State – Maggie Riden

i. State Advocacy Committee Activities – FSAG

Mayors/ Chamber letters, Board members that know elected officials – time to ask them to contact their folks again. Better our success rate – It is clearly worth the effort. We can deliver what we promise – this is a step – we do this collaboratively – we will continue to get a bigger piece of the pie. Focus on the join message – scale and diversity of experience. If you can share, Maria, that there are other legislators on board. Spoke with Bo Watson, a little pressure or affirmation.

Are there some weak links that we need to address? If you have another conversation with Bo Watson, that would be good. He is one (Finance Committee) and Hazelwood. Other big one is McNally (on the books for the 18th). and Tony Niknejad carries weight. Ralph Perry has been positive about this proposal – has identified that Fahe can move the money – more nimble. Long-lasting benefits for the communities we care about. Makes them look good in spending it.

Sherry – thought they had it covered, but there is more to be done.

TAHRA organizations 86 housing authorities – we did some good math earlier only those that do development, not Public Housing.

Public Notice on FSAG for next meeting – will let you know ASAP.

May need a Working committee to get it structured – fair/equitable across the state. Fahe will administer... structured with input from the group – it's a partnership... figure out how that might look. Jim asked if Jackie had any suggestions.

Jackie - Determine activities – gap finance for LIHTC; some SF; TAHRA – Knoxville just got a ton of money, should they be able to tap into more as they are receiving from the City/County. Common knowledge that the big 3 get tons of money – Knoxville, Nashville, Memphis – doing good work but they get so many resources. We represent folks that don't have access to those funds.

Lindy – it would be smart for folks to meet key needs that are not being met in other ways AND that sets us up for success with Phase 2. Also, for future funding.... And we spend by the deadline. Buying land, gap financing, new construction... maybe 5 different things instead of 20 different things.

Maggie to start with a working group – obligated by 2024; spent by 2026

5) Partner Updates

a. THDA -

Rent Relief Program ERA2/ARPA/HOME ARPA/Homeowner Assistance Fund– Lindsay Hall:

Lindsay, HAF status of funding and apps through 10-31: \$13M in payments have been funded; avg. assistance is \$14,000 relatively consistently. Addressed 1,137 clients, have pipeline of 836 submitted and active; 219 approved in closing; \$3.1M, conditionally approved – waiting on the CDF from servicer is \$5.6M; 3500 in registered status.

Continuing to train on the software – cumbersome to find what you are looking for – the partners can see the status of the homeowners application – it is available.

Sherry: \$120M remaining in HAF – was the deadline 9-26 initially? Lindsay noted with the election, political landscape – feeling Treasury may say they want unused funds back.

Ralph and Jeremy are watching the messages they are getting.

Jackie M: noted that with delays in payments getting made, clients are getting

foreclosure notices – reaching out to elected officials – Jeremy Heidt mentioned that it may be the national congressional level to put heat on the servicers – can call our US Senators/Reps – to push the servicers – hold off on foreclosures or get the CDFs out. One servicer – they had no legal department – they don't know the players in their own organizations.

Jackie thanked Lindsay for getting that to the servicers more quickly – 2 weeks improves movement – but if servicers are not moving CDFs, we have to go to the federal level – provide pressure (April, 2020- FHA servicers – had to create a new CDF, took months – but the local servicers were not at the table)

Lindsay noted bigger groups could recreate work, but others may not have participated... that is a struggle. USDA – which should be an easy partner – the state is asking for documentation that USDA can't provide – continuing to work on that – 20 borrowers waiting. Conversation should be had at the federal level.

Sabrina S: not only foreclosures – work out options not in their best interest. Wells Fargo service rep and the account representative – getting pushed into these things and scared into workouts – another servicer issue – those are consistent issues being seen. Added tabs to the software to make escalations – reach back to servicers... THDA funds – and get reimbursements – this was denied when requested. Do you have to have a CDF – or do you have an attorney that represents a servicer – why will they not take that in lieu of the CDF. Program set up to do the CDF or is that FHA? CDF created by Wells Fargo in HHF from 2008.

Vonda P: Could you contact state bankers associations; connect with them?

Lindsay: Recommend the Mortgage Bankers Association – have servicer relationship – any conversations with MBA would be good; put pressure there to move the CDFs.

Lindsay noted the HAF meeting is open to everyone using the HAF system and will be at 2pm CST exiting the meeting.

Community Programs: HOME, ESG, THTF, NHTF – Cynthia Peraza:

- Sept. the board approval a new HOME rental development program of \$6M. Specific for the creation of new smaller rental - \$300K to \$1.5M awards to cover increases of costs and development of new construction of 11 units or less; increased the cap to cover costs. CHDOs and NP housing developers and public housing authorities across the state are eligible to apply. The application window opens Jan. 9th; closes Feb. 24th; successful applicants notified by March 31. May '23 to April '25 for program implementation. Sherry asked about spend down requirements – Cynthia will share the links. Hurdle – running into some entitlements obligating the funds – trying to balance with funds available but THDA holding you accountable to using the funds in a timely manner.
- HOME CHDO HomeOwner development with \$3.2M available; \$250K to \$1M max. application – program is meant to help with construction of SF housing across the state. Open now, will close on Dec. 2nd; successful applicants announced in January, 2023.
- \$53M for HOME ARPA – Action Plan submitted to HUD Deploying those funds in 3 rounds. \$15M available to create rental development – (minimum of \$500K; max is \$2.5M) and focuses on affordable rental development for vulnerable populations: homeless, housing instability – documented for quantification. Rounds 2 and 3 will go to the board in Jan/Mar.'23 – non-congregate shelters and supportive services houses.

THDA modified scoring for groups outside the Big 3 will receive bonus points and if you have a supportive services plan or if you are in distressed county you will receive bonus points. Providing deeper access.

Lindy: only available for new construction? Acq/Rehab available in the new HOME rental?? NEED TO CHECK – guidelines noted substantial rehab/acquisition.

Cynthia noted that in relation to program funds, she is asking staff to reach out more frequently to grantees, more outreach and communication from THDA staff.

Lindsay: ESG - \$33M – one of 25 states that received add'l \$ ESG CARES act - \$577K and will deploy in a similar fashion.

ERA2 – serving 27K households - from 70 PHAs - \$36M dollars – conversations on wind-down.

Recertifications to see if folks qualify for ongoing assistance.

ERA1 – distributed ½ of the funds within the localities in the state; certain spend down requirements or they were going to have to give back to Treasury – closed 9-30-22.

Clarify amount of funds sent back to Treasury.

Moved to focus on ERA2 in April, 2022. Rutherford/Shelby Co. lots of requests – TN received additional tranches to provide – not enough to keep it going for another year. In the next few weeks communication on when they will determine to close the program.

Several Members noted they staffed up for July 1st; will Members' contracts be null and void?

Cynthia noted the amount funded with PHAs is smaller; counseling agencies – as partners – lots of frustration in getting the money to our clients. We will have to look internally on impact. Want to be transparent on the funds going fast. Other options for additional funds – time to expend. The demand is overwhelming.

As the state recipients, they have to take on the other ERA's production. Knoxville is requesting an extension, still have \$.

Per Cynthia, anyone who started an application are in the analysis for completion and not excluded. SOPs updated for landlord responses. A qualified/eligible tenant shouldn't be excluded based on the landlord's non-response. 100% of the 2nd tranche of money will it be spent on the ERA2.

Weatherization Program – State receiving a large amt; 10x regular amount. Consulting with other states and DOE. Spread it out across the state - \$66M – partnering with TVA and maybe a vendor to help weatherize MF units – developments of 5 units or larger – no requirements on previous THDA users. Are struggling with contractors – training to expand the pool of contractors across the state.

Cynthia will share the program descriptions and links with Jackie at Fahe and we will share info out.

Maria: When will AHTF come back?

Cynthia: Anticipate 2023 (had to pause as there was a lot going on). No AHTF for gap financing for older AHTF projects

Systems – GMS delays/improvements – Cynthia:

GMS works really well for some programs but more challenging with construction and grant administration programs. Are looking at other options, with the programs being federal, it is more difficult. Even if changing systems, still will use GMS.

Retha: Nonprofits are paying staff off of the project work; there are no other sources of income based on the production of our projects. Pre-GMS days – a nonprofit could get a house from initial conversation with a qualified candidate to closing within 6 months – now it is a minimum of 9 months and mostly more. Please understand the GMS system is heavy on the waiting time because each step is dependent on GMS approval to move forward.

Sherry: it cripples us in applying for other funds as we are not meeting spend-down requirements. Possible Members and THDA round table discussion – top ten wishes.

Lindy: GMS for multiple programs – works OK with some – it is HOME that is massively dysfunctional, it hinders meeting grant requirements. No staff response. It is not fair or right that users cannot get reimbursements or approvals, are prevented from meeting spend-down requirements as things are lost in neverland. It worked fine before GMS. Please consider taking HOME out of GMS. We need to pay our subcontractors, get people in homes. Homebuyers are suffering; the people that THDA is there to help are

the ones victimized because they are daring to ask for help as LMI people. Please consider not doing GMS. It's already difficult keeping subcontractors generally – but now they have to wait for months for their money. It's killing us.

If you have GMS issues, please reach out to Bill or Cynthia.

Lindy thanked Cynthia for listening and hearing our concerns - noted that this issue needed to be talked about and appreciated Cynthia being a sounding board.

b. USDA Updates - Shannon Roberson:

Thanked the packaging partners – 37% of the loans are coming through package partners. It enables USDA to assist more people in the rural areas!

Keep requirements in mind when submitting to USDA.

Sales contract – the mpd and tax receipts and property assessment

COE is issued for 38 years; if they qualify for 33,

New build homes – keep in mind the checklist is different

Opt-out counties – need building permit from the fire marshal

Interest rate – from 3.52% to 3.75%

Influx of applications – looking to get all those processed.

Stace: Difficult with rates going up and loans already in process – Also, some of the originators are contacting the borrowers directly instead of contacting the packager.

Stephen: noted that originators may not be used to working with packagers via the centralized system. He has meeting with originators tomorrow. Some in different parts of the state are not used to packagers.

Shannon noted that they are training new staff.

Stace, Question on the timing of documentation – package into Fahe - want that updated bank statement. 3550 – is this a disconnect? How can we best help USDA – consistent on the documents – “current” bank statement.

Packaged loans – it is not common – if something is missing, send it all at the same time. Shannon noted 3 closers, one in training, closing can take longer.

Lindy – appreciate partnership with RD. It would be helpful if there was a way that if someone is on vacation to make sure someone is watching your deals or let the packager know if they are going on vacation, especially when closing is close or imminent that can be unnerving.

c. FHLB Updates – Carol M. Peterson Housing Fund; AHP Announcement in Nov.

i. Should hear in a week or two. Do have disaster recovery.

d. TN CED – CDBG, Planning Dist. Activity/interest in Recovery Housing

i. No notes at this time.

6) Caucus Discussion/Interests - *Skipped – think about this for the next meeting!*

Fundraising: Ideas for events – golf tournament; Black-tie; Christmas affair; Board of Directors input and participation, Is this topic of interest for a separate meeting/webinar across the Membership?

7) Fahe Updates – Memo Attached

a. October Board Report: Board Members Jackie Mayo, Lindy Turner

Lindy: Strategic planning – some of the ways that Fahe would be best organized to take advantage of those goals and continue to provide services that Members need. The Finance cmte/audit process; good audit, we should be proud of the organization we are a part of. Fahe is in excellent shape. Well-positioned to take advantage of opportunities. Fabulous leadership at the highest level, new board chair is well placed.

b. Membership Updates – Running over on time – please check packet for updates

- Reporting – QE 6-30-22/9-30-22 status- Vonda
- Training - Jackie
- Annual Meeting

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

i. Paragraph in packet, will be implementing office hours a couple of hours a

week to be available for questions.

- d. Lending – Community Lending and JustChoice Lending
 - i. Money is available
- e. Virtual CFO Services (Rae Williams) – Updated FASB
 - i. Last page of packet is info from Rae plus her contact info.
- f. Partners for Rural Transformation - Jose Quinonez, Essence Smith
 - i. Got a grant from Google Fund, will receive .5M to do research on state of rural persistent poverty in America. Story map from last year, working on expanding it. Collecting stories, adding stories to issues about persistent poverty. Contact Essence Smith if you have any ideas. How cashback for a fee affects persistent poverty at stores like Dollar Tree and more. HERON foundation gave substantial grant to PRT to help PRT move forward to engage federal agencies with rural agenda. Contact info: essence@pfrt.org; jquinonez@fahe.org

Adjourned at 3:10 pm

Upcoming Events

- **Nov. 9-11 – ReFrame Conference**: MeadowView Conf. Center, Kingsport, TN There is a special offer for Fahe Members who register. Use promo code **Fahe** to save \$25. If you need a bigger scholarship to be able to participate, email becca@coalitionforhomerepair.org.
- **Tues. Nov. 29th 1:30-3:30 – Workshop**: Strategic Visioning for Fahe's 2024-2028 Strategic Plan
- **Dec. 7-9 – Rural LISC Annual Seminar - Rural Talks: Workforce + Small Business**
- **Feb. 28-Mar. 1 – TN Housing Conference – Registration OPEN as of Nov. 1!**
- **April 2023 – week of the 24th – HOLD for Spring Retreat!**
- **September 2023 – week of the 18th – HOLD for Fahe Annual Meeting in Charleston!**

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FAHE Caucus

FHLB CINCINNATI HCI PROGRAM UPDATE

Welcome Home Program

- The Welcome Home Program (WHP) has increased its grant amounts from \$5,000 (\$7,500 for veterans) to \$10,000 (\$15,000 for veterans) to fund down payment and closing costs for low- and moderate-income homebuyers.
- WHP will now also be available for reservation during 2 rounds during the 2023 year – February 6 and July 6, 2023.
- WHP funds will be available for reservation on a first-come, first-served basis beginning at 8:00 a.m. ET on the days listed above, and will remain available until all funds have been reserved.
- All program documents and webinars are available on our website

Carol M Peterson Housing Fund

- CMPHF provides grants up to \$7,500 per homeowner to fund accessibility and emergency repairs for low-income special needs and elderly homeowners.
- Program will open on June 1, 2023 at 10:00am ET with \$1.5 million in funds. Program is first come, first served and program typically closes a few hours after opening.
- All funding requests must be submitted by December 1, 2023.
- Funds are requested through the Member Portal with the following documents attached:
 - Post-rehabilitation Inspection Form
 - Deed for the subject property (FLHB retention is no longer required)
 - Sources and Uses Statement
 - Invoices and/or receipts for all materials

Affordable Housing Program

- The Affordable Housing Program 2023 round will open May 31 and close July 21.
- Notable changes for the AHP 2023 round:
 - Increased the maximum AHP subsidy per project that can be requested from \$400,000 to \$800,000
 - Increased the maximum AHP subsidy per Member from \$800,000 to \$4,000,000
 - Increased the maximum amount of subsidy per unit that a project may receive from \$50,000 to \$55,000 and the amount of subsidy per bed or owner-occupied rehab unit from \$15,000 to \$16,000
 - Project Sponsorship – Increased the minimum cash contribution necessary to receive two points for the Sponsor's payment of development costs from \$500 to \$2,000
 - Empowerment – Streamlined the requirements and activities required for points within this scoring category

- For funded projects, Periodic Project Reports went out on February 1 and were due back February 10. The process now is paperless and goes through the OASYS portal where the application was completed and submitted.

HCI RESOURCES

Information on all programs offered, as well as manuals, forms, and recorded webinars, can be found on the FHLB website at www.fhlbcin.com/housing-programs/.

Contact FHLB directly using one of the following:

- **Welcomehome@fhlbcin.com** for welcome home and Subsidy payoff questions
- **AHPApplication@fhlbcin.com** for application questions (the AHP online application also communicates from this address)
- **AHPDisbursement@fhlbcin.com** for disbursement questions
- **AHPmonitoring@fhlbcin.com** for compliance questions
- Contact Cassandra Larcarte at **larcartecl@fhlbcin.com**, or Connor Creaghead at **creagheadcb@fhlbcin.com** if an organization in which you are involved would like group training on any of the HCI programs.
- If celebrating a ribbon cutting, ground breaking, or other event involving FHLB Cincinnati funds from any HCI program, please contact us. We would love to participate virtually, and if possible, at in person events. Contact Brooke Smith at **SmithB@fhlbcin.com**, or HCI staff.



Fahe Caucus Advocacy Update

February 2023

Quick Asks:

1. We need the projects you're most proud of for our congressional district one pagers. Please send a paragraph and photo (if possible) to Andrew Bates; abates@fahe.org
2. We need to make sure we have your Spring Retreat Point Person and the congressional districts where you serve. Please pass these along to Jackie.
3. Do you have feedback about how Federal Recovery Funds flowed into your communities? What worked and didn't in rural areas? Treasury would love to know. Contact Maggie for more info. Mriden@fahe.org
4. Want to join a state advocacy coalition?
 - a. For WV and KY Contact: Andrew Bates, abates@fahe.org
 - b. For AL, TN and VA Contact: Maggie Riden, mriden@fahe.org

State Advocacy:

Tennessee (Partners: The Neighborworks Alliance of TN & TN Association of Housing Redevelopment Authorities - TAHRA)

SAVE THE DATE: 2023 Hill Day March 1, 1pm after THDA Conference

Standing Meeting Date: Rolling and As Needed

- Advocate for \$100 million in American Rescue Plan State Funding (ARPA) to support Fahe members in low/moderate income housing production statewide.

The Tennessee Caucus continues to make progress. We successfully presented our \$100 million in ARPA funding ask to the Governors team in early November. Jackie joined THDA Director Ralph Perry to present our proposal. While a decision was not made at that meeting (or a December meeting), our proposal was well received by the FSAG group. There were a handful of questions about how this proposal intersected with other funding streams and Fahe's history in the state and region. And at least one member of the FSAG group voiced his support for using ARPA funding for affordable housing. Although it was disappointing to not get a decision before the start of the new year, our ongoing outreach and the questions posed at the FSAG meeting helped Fahe staff and members better understand the amount of education that must be done with legislators on affordable housing needs; and generated some good insights into possible allies or avenues to move larger housing investment conversations forward. In addition, we submitted a second revised proposal in late January. We hope



to have more details to share about the reception of that proposal when we meet in person.

Kentucky (Partners: Urban League, Housing and Homelessness Coalition of KY) - AHEART Proposal:

Standing Meeting Date: 4th Wednesday of the month, 3pm EST

SAVE THE DATE: February 21st Hill Day with HHCK

- \$300 million spread over two years to establish and fund a Disaster Response Housing Trust Fund (home repair, new home build, capital repairs, tech assistance to include housing counseling)
- \$40 million one-time investment (ARPA or Budget Surplus) in the AHTF
- \$75 million (ARPA or Surplus) for vacant and abandoned property mitigation
- Increase the fees that fund the traditional AHTF from \$6-\$12

Our efforts in Kentucky continue to be largely defined by the July flash floods. During the second quarter, Advocacy team worked closely to support members of our KY Coalition in engaging in candidate/legislative outreach and media engagement. This work resulted in three very clear legislative champions (Smith, Adkins and Blanton. We also saw increased engagement from the Governor's Office, with a major project announcement in late December outlining his plan to invest in new community builds. Equally important, Fahe leadership remains a major source of insight and recommendations for the Governor; a strong indicator of the power we hold in local politics at this time. The second quarter also saw a flurry of media coverage on the limited action taken by KY leadership with regard to the Flooding. In the lead up to the Holidays, our issue received some useful media coverage, some of which mention our AHEART proposal, and we know of at least 3 -5 more pieces coming in January.

- [Herald-Leader Dec 30](#)
- [Public News Service Dec 30](#)
- [Courier Journal Dec 23](#)

West Virginia (Partners: The Hub and The WV Land Stewardship Corp/Vacant and Abandoned Properties Coalition)

Standing Meeting: 4th Tuesday of the Month, 3pm EST

- Tax Credit to support community development projects
- Dedicated funding for a Federal Fund Matching Pool
- Increased use of project-based vouchers
- Increased support for more robust financial literacy training for high school students

This second quarter brought some ups and downs for the WV coalition. We heard back in late November from a prominent education advocacy group in WV that our goal to increase the rigor of financial literacy at the state level was likely a non-starter (given

state politics and existing education priorities). Rather than spin our wheels with the state, we're working with a WV member to identify possible funding to support the pilot partnership she's developed with a handful of WV High Schools with the hope that this program can serve as a future proof of concept.

Our work on a state-based tax credit and dedicated funding match pool will begin in earnest with the start of this legislative session. We anticipate working closely with other state-based advocacy groups to identify possible allies to elevate these priorities. With regard to project-based vouchers; we're working to get a joint exploratory session between Fahe members and state Housing Authorities to explore opportunities to expand the use of project-based vouchers. Finally, SALS has elevated a major local challenge related to rental increases and the purchase of mobile home parks by for profit developers. Fahe Advocacy is doing some initial exploration into the scope of these issues in WV and the region more generally. While still in an early exploratory phase; the trends we're seeing in WV and other non-Appalachian communities- particularly with regard to the purchase of mobile home parks may have relevance to the region. More to come.

Virginia (Partners: VA Housing Alliance)

Standing Meeting Date: First Thursday of the Month, 11am EST

- Secure increased housing funding and a special carve out for SW VA.
- Work with Housing Agencies and the state to provide developers with the ability to transition tenant-based vouchers to project-based vouchers
- Eliminate the prohibition of using Homeless Assistance Grant Money to pay rent on units owned by the same agency. This could be specifically targeted to rural parts of VA.

Our VA Coalition continues to make progress- particularly in their work to elevate specific funding for SW VA. In late November the coalition contracted with VA Tech to complete a housing needs assessment specifically focused on SW VA. The information that this analysis provides will allow Fahe Advocacy team to draft a robust funding and policy proposal we will begin to circulate in Q3 and 4 of this year. Members continue to elevate the need to transition tenant-based vouchers to project based vouchers; and to address the prohibitions on Homeless Assistance Grant dollars as they meet with relevant agencies.

Alabama (Partners: AL Arise, Low Income Housing Coalition of Alabama)

Standing Meeting Date: Third Wednesday of the Month, 11am EST

- Dedicated, recurring \$20 million for their AHTF, and an additional \$20 million in one-time ARPA funding for their Trust Fund. To kick this off- we've commissioned an update to a 2014 housing study that looked at the economic benefits associated with a funded Trust Fund.
- State Low Income Tax Credit
- Increase in membership size

Alabama is our small but mighty caucus. In November of 2022, this coalition confirmed a contract with an AL based researcher to update a dated economic analysis that outlined the benefits to funding the states affordable housing trust fund. We are awaiting the final report now. As we wait, the coalition has done a deep dive on the original legislation to identify possible updates; is working to develop talking points that clarify how funding the Trust Fund is complimentary to a State Low Income Tax Credit (another advocacy priority that Fahe is supporting but not leading), and identifying possible champions for our ask within the Governor's office. The final report, and this work will inform the development and launch of a robust advocacy campaign for AHTF funding in advance of the 2023 legislative session.

Federal Advocacy:

Finally, we are continuing to make headway in our Federal Advocacy Work. As we have reported in the past, our strategic focus here has been the passage of a legislative fix to the rural income limit fairness proposal Fahe has created. We have seen some progress towards that end this quarter. Congress directed, through its year-end spending bills, that HUD report on the impacts of Fahe's proposal by the end of June 2023. This will be the first time HUD is put on record on the issue, and is the first time Congress has acted in any way on our income limit issue. While only a first step, it is an important one.

Elsewhere on the topic of our income limit work, we have been working to educate our congressional delegation, raise the issue with federal administrative leadership during coalition meetings (e.g. National Rural Housing Coalition meetings), and work to include the proposal in ongoing advocacy work with the Partners for Rural Transformation. We have also made it the center piece of a public comment to the Interagency Community Development Committee, an arm of the federal government which brings together administrative staff from different federal departments to discuss cross-governmental issues with community development funding.

Finally, on the topic of our income limits work, we are glad to announce that we are in the early stages of planning Fahe's first ever congressional briefing. Planned for early Spring, it will bring together Fahe Members, representatives from the PRT and the research community, to host an event in the Capitol building aimed at educating as wide a swath of congressional staff as possible. The planning for this is in the early stages, but we hope that this event will set the stage for the later Spring Retreat advocacy of our Members.

The other large-scale projects which the department has focused on have been appropriations work and the summer flooding in the Region. We have worked to keep the flooding foremost in the minds of our congressional representation, not only to increase spending on year-end appropriations for programs like CDBG:DR (\$3+ billion) but also to ease administrative burdens on programs to help in the short term (mainly USDA housing programs), and to speed the process of administering federal funding (less successfully).

Appropriations have played out as expected, with a full year funding bill passed at the end of the calendar year, avoiding a continuing resolution. Unfortunately, the final funding levels are not as robust as they were in some proposals throughout the year. Most programs were flat funded. Some exceptions to this are found in increases to USDA Rental programs, the CDFI Fund, and CDBG earmarks from Members of Congress. But by and large, core programs like HUD's HOME Investment Partnership Program and USDA's Section 504 Home Repair remain flat funded at their FY2022 levels.

Elsewhere, Fahe made public comments on the future of the Federal Home Loan Bank system, as well as the CDFI Certification Application this quarter. We also gathered Member input on the potential for network usage of the new funding made available in the Inflation Reduction Act, to being identifying and facilitating the delivery of these funds.

This is by no means an exhaustive list, but a set of highlights to date. With the end of the 2022 campaign cycle, we will be identifying future champions and opportunities to elevate the needs of the region given the division of party leadership in the House and Senate. Other priorities were also pursued this quarter and will continue to be pursued next quarter as well (e.g. creation of a Neighborhood Homes Investment Tax Credit), but no significant progress was made this quarter to report on.

On a personal note, your staff is very glad to report that Capitol Hill is slowly getting back to normal following the restrictions of the pandemic. It is now possible to take meetings with congressional offices in person, and coalitions and organizations are beginning to host events in the city again. We take this time to remind you that Fahe has an Advocacy staff member in the DC area, and he is looking forward to accompanying you or facilitating your visits, if you should want to include Fahe in your advocacy.

Big Picture Policy Committee:

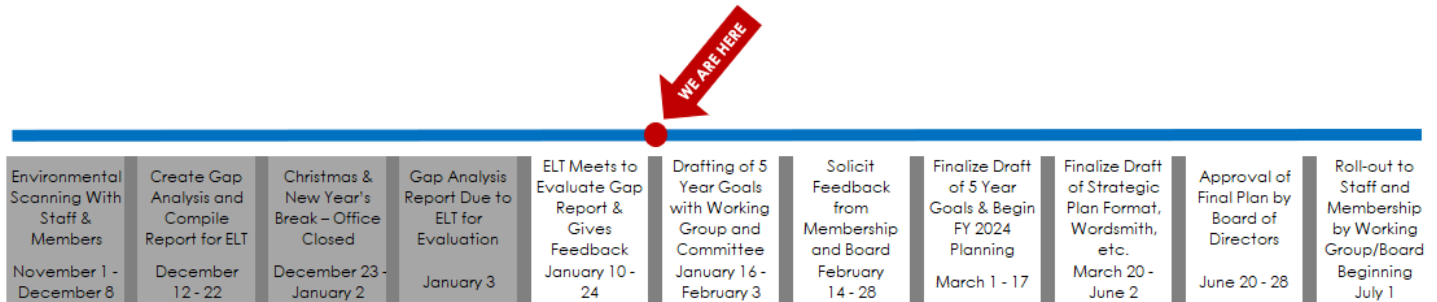
The BPPC committee continued to meet throughout this quarter. Although we had slightly reduced attendance due to some members having standing conflicts for the fall period- we were able to maintain quorum and produce some good work focused on strengthening Federal Disaster Recovery to maximize its utility in rural and hard to serve areas. The board will review and vote on this policy on during the February meeting.

Fahe UPDATES

USDA 502 Update from Jamie Puckett:

- The current rate as of 2/1/2023 has decreased to 4% from 4.25%.
- Phase 2 applications are to be submitted to Fahe if they are not already doing so if members are Qualified Employers/Certified Packagers with Fahe. Submit Phase 2 to Phase2@fahe.org
- Reminder to keep Fahe copied on all correspondence with RD. This ensures that all parties are kept apprised of the applications statuses throughout the Direct application process.
- Please remember that Fahe is here as a resource for your organization to utilize if you have questions, need guidance, technical support, advocacy, additional training or assistance with marketing.

Fahe Strategic Planning Timeline from Sara Ball:



Quarterly Reporting Information – Quarter Ending 12/31/22

Without NWOs			With NWOs		
Total Organizations	46		Total Organizations	54	
Turned in by 7/10	11	23.91%	Turned in by 7/10	19	35.19%
Turned in by 7/15	30	65.22%	Turned in by 7/15	38	70.37%
Turned in by 7/25	39	84.78%	Turned in by 7/25	47	87.04%
TN Organizations			TN Organizations		
Turned in by 7/10	3	23.08%	Turned in by 7/10	5	33.33%
Turned in by 7/15	8	61.54%	Turned in by 7/15	10	66.67%
Turned in by 7/25	11	84.62%	Turned in by 7/25	13	86.67%

Trauma Informed Care Information & Schedule from Nicholas Bormes

Good news! After coordinating with UWSWVA (United Way of Southwest Virginia), SAMSHA (Substance Abuse and Mental Health Services Administration), and Bristol's Promise, we've selected the following dates for standing trainings via Zoom for Fahe staff and member organizations:

Tuesday, February 21: 1p - 3p

Wednesday, March 8: 1p - 3p

Tuesday, March 21: 10a - 12p

Monday, April 3: 10a - 12p

Thursday, April 20: 1p - 3p

Monday, May 1: 1p - 3p

Thursday, May 25: 10a - 12p

Following, is a flyer for the upcoming training. All participants (individually) will need to follow the link within the flyer or directly visit the Eventbrite page [HERE](#). The e-ticket "purchase" will be on the right side and the price is free. Once you register, you will receive an email – click "view the event" in your email, where you will choose from the dates above to attend the training. This will also give you the option of saving the zoom appointment to your calendar. After that, you're all set!



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319 Oak St. | Berea, KY 40403
859.986.2321 | www.fahe.org

ONLINE TRAINING

Trauma & Resilience Basic Training

Learn how healthy brain development can be derailed by toxic stress and what you can do in your workplace and community to build resilience across the course of a lifetime.

MULTIPLE DATES AVAILABLE

FEBRUARY THROUGH MAY*

*Each training in this series is the same training. Additional types and depths of training are available upon request.

Register Here



United Way of
Southwest Virginia

JUSTCHOICE LENDING UPDATE from Janel Lawson:

Welcome Home Program – Opens February 6!

JustChoice Lending's partner Federal Home Loan Bank of Cincinnati just announced the opening date for the Welcome Home grant program. It will open February 6 and July 6th, 2023. Funds will be available for reservation on a first-come, first-served basis beginning at 8:00 a.m. ET.

The grant will be \$10,000 (\$15,000 for veterans) for household incomes that meet the limit. Don't miss out on an amazing opportunity for your clients to buy a house and have a \$10,000 down payment. Contact us today at lockdesk@fahe.org.

Learn more here: <https://www.fhlbcin.com/housing-programs/welcome-home-program/welcome-home-program-homebuyer-information/>
Income Limits- KY,TN,OH: <https://www.fhlbcin.com/media/3032/income-limits.pdf>
Income Limits outside of KY,TN, OH- <https://www.ncsha.org/housing-help/>

See following pages for program flyers!



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Welcome Home

BROUGHT TO YOU BY:

JustChoice Lending



JustChoice Lending and the Federal Home Loan Bank of Cincinnati have partnered to offer a \$10,000 or \$15,000 grant for down payment and closing cost assistance to qualified buyers.

- Product opening begins February 6 and July 6, 2023.
- Applicants must contribute no less than \$500 towards the closing, but up to \$300 of that may be a gift.
- \$15,000 grant available for honorably discharged veterans, active duty military, reservists, and surviving spouses of service personnel.
- Applicants need not be a 1st time homebuyer; 1st time buyers must complete a Homebuyers Education Course.
- 5-year deed restriction
- Allow 4–6 weeks for approval
- Subject to restrictions and funds availability

Household income must be under the county income limits to be eligible.

FOR MORE INFORMATION, CONTACT:

Jamey Jessee, Loan Officer NMLS# 2395952
(859) 756-6325 | jjessee@justchoicelending.com



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

NOW AVAILABLE!



JustChoice Lending

—A Division of Fahe

NMLS 52473



FAHE COMMUNITY LOAN PROGRAM

OFFER VALID NOW- MAY 1, 2023

- 20% 2nd Mortgage for Down Payment and/or Closing Costs
- Fixed 4.50% Interest Rate 2nd Mortgage*
- The term of the 2nd Mortgage will match the term of the 1st Mortgage
- \$500,000 Available (first come, first serve- must be under contract)
- Offer valid for Fahe Network Members and Third Party Originators only
- Borrower must purchase in a CDFI Target Market or be under 80% AMI
- Can be paired with any Secondary Market 1st Mortgage
- Homebuyer Education Required
- Loan must close on or before May 15, 2023

Ask Questions or Reserve Funds at:
lockdesk@fahe.org

CDFI Investment Area Lookup Tool: <https://cimsprodprep.cdfifund.gov/CIMS4/apps/pn-cdfi/index.aspx?center=98.212,38.724&level=4>

*All information contained herein is for informational purposes only. Rates, terms, programs and underwriting policies are 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. Additional conditions and limitations may apply. Secondary Market, purchase transactions only. USDA 502 Direct loans are not allowed. The funds cannot be used for the borrower's 3.5% required contribution for FHA loans. The Annual Percentage Rate (APR) for the second mortgage will not increase after consummation. Your interest rate of 4.50% listed for the second mortgage is for a secured home loan. The term (the amount of monthly payments due) of the second mortgage will match the term of the first mortgage.

Payment Example, assumes a 740 Credit Score. Purchase Price: \$200,000
Monthly principal and interest payments for the \$160,000 first mortgage loan at 7% interest rate (7.077% APR) with a term of 30 years would result in 360 monthly payments of \$1,064.48. Monthly principal and interest payments for the \$40,000 second mortgage loan at 4.50% interest rate (4.639% APR) with a term of 30 years would result in 360 monthly payments of \$202.67. Total monthly principal and interest payment for the first and second mortgage with a term of 30 years would result in 360 monthly payments of \$1,267.15. Taxes and insurance not included.

