



Thursday, May 20, 2010 at 10am CST
Mental Health Center of North Alabama
Membership Meeting Minutes

LIHCA Members Present: Mary Ellen Judah (Neighborhood Concepts, Inc.); Kitty Chance (Wet Stone LLC); Jody Gothard (Chilton-Shelby Mental Health Center); Sherry Webb (First Light); Scott Meade (Family Services Center of Huntsville); Patricia Todd (AIDS Alabama); Brooke Balch (Volunteers of America of North Alabama); Pat Mayfield (Mental Health Center of Madison County), Terry Mount, Development Services, Inc (Panelist)

LIHCA Board of Directors Members Present: Bill Tilly, Jennifer Clarke, Randy Russell, Greg Carlson, Ron Gilbert, Rusty Bennett

CSI Staff present: Ashley Kerr, Becky Blalock

Prospective Members Present: Gordon Rainer, Lynn Greer & Lisa Ceci (Greer, LLC – Panelists), Katha Gold, Rev. Ralph Garth

In Marcie Porter's absence, Rusty Bennett (CSI) chaired the meeting. After a welcome from Bill Giguere from the Foundation for Mental Health in North Central Alabama, Rusty called the meeting to order at 10:10 am. After allowing each person present to introduce themselves to the group, he asked everyone to review the minutes from the February 18, 2010 membership meeting, and asked if there were any comments or clarifications. There were none.

Motion to Approve the February 18, 2010 Membership Meeting Minutes.

1st: Randy Russell
2nd: Jennifer Clarke
Yes: All
No/Abstention: 0

After Rusty reviewed the agenda, Ashley Kerr (CSI) presented LIHCA's history as an organization as well as sharing accomplishments to date and future goals.

History:

- Organizational town hall meetings in 2006-2007
- Granted nonprofit status in 2009.

Accomplishments:

- Building a Solid Membership Base
 - Presented at Alabama House Task Force on Poverty
 - Town Hall Meetings in Selma, Mobile, Montgomery, Huntsville, Anniston, Dothan & Tuscaloosa
 - Presented at annual Habitat for Humanity conference
 - Conference to discuss formation of housing trust fund legislation
 - HB512 introduced 2/9/10
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Board of Directors' Retreat

Rusty then shared with the membership some of the work that was completed at the recent Board of Directors' Retreat. There are six broad goals that the Board of Directors has been focusing on since June of 2009:

1. Increase Board involvement, capacity, and statewide representation.
2. Develop and execute a strategic communications program to increase awareness to recruit, involve, and maintain LIHCA membership throughout the state.
3. Increase and diversify LIHCA's organizational funding.
4. Increase research on statewide housing issues to advance advocacy and education throughout the state.
5. Develop and implement a housing trust fund advocacy campaign throughout the state.
6. Increase awareness and knowledge of national/state housing issues and opportunities for members.

The Board reviewed these goals and agreed that these goals still accurately represent the work that LIHCA is engaged in. The Board committees will further review the tasks and objectives set forth for each goal, and will present recommendations for approval by the membership at the August meeting in Auburn.

Policy Committee Report

As chair of the policy committee, Rusty reported on the committee's activities.

HB512, which would have created the Alabama Affordable Housing Trust Fund, made it out of the House of Representatives unanimously (with one abstention), but did not make it out of the Government Affairs Committee of the Senate before the end of the legislative session. Rusty expressed appreciation to Representative Todd for all of her work on behalf of this legislation. Representative Todd was complimentary of LIHCA, AARP, Alabama Arise and Alabama Association of Habitat Affiliates' collaborative work to support this bill. (Alabama Arise, AARP, LIHCA and AAHA all supported HB512 as a policy priority during 2010.) She shared that every member of the House of Representatives was contacted at least once during the session regarding HB512. She also commended LIHCA for being the voice for low-income individuals and families, as this population is so often left out of mainstream conversations and decisions.

Rusty then reminded those present of the basics of a Housing Trust Fund (HTF):

- State designated funds for affordable housing. Alabama is one of only 6 states without any state funds set aside for affordable housing. In other states, the HTF is used to supplement federal dollars, making it easier to serve lower-income families who aren't served by federal programs because of income guidelines. In Alabama, only federal programs are available to fund affordable housing developments, which means that families and individuals with the very lowest income levels are unable to afford these units.
- The National Housing Trust Fund was passed by Congress, but the funds have not been allocated yet. HB512 would have created the mechanism for Alabama to receive the \$10 million it is expected to be appropriated once the funds are made available.

The National Low Income Housing Coalition released their *Out of Reach 2010* report in April. LIHCA co-presented this report in Alabama. Among other Alabama-specific housing data, the report revealed that there is a growing gap between income and affordability, especially among populations with limited or fixed incomes.

In the coming year, the policy committee is planning to develop and publish fact sheets regarding housing issues among very low-income populations (i.e., homeless, HIV/AIDS, mental illness). The committee will also start working on a statewide needs assessment of affordable housing needs among low-income families and individuals in Alabama. This fall, the committee will begin preparing a campaign for the 2011 legislative session to support the Housing Trust Fund.

Membership Committee Report

Becky Blalock (CSI) reported on the membership committee's activities for the year. Currently, LIHCA has 90 members (47 individuals, 36 organizations, and 3 government entities, 1 sponsor, 1 investor, and 2 corporate members.) The membership committee sent out a membership recruitment letter to 900 individuals and organizations in September 2009 and a fundraising letter to 200 corporations, banks, and other investors in December 2009. These efforts did not result in the huge influx of new members that was hoped for, but it did produce several new members and many renewals.

LIHCA will continue hosting membership meetings and town hall meetings throughout 2010, as it seems that this is a better way to recruit new members to LIHCA.

Future Dates & Locations:

August 19, 2010 – Auburn
Fall 2010 - Montgomery
November, 2010 – Mobile

LIHCA will start publishing a quarterly newsletter for its members. The membership committee will be reporting on recruitment activities and other education opportunities for LIHCA members.

Financial Report

Total Income		\$28,378.00
Rollover FY09		\$12,065.00
Dues FY10	\$220.00	\$6,304.00
Babcock Foundation*		\$10,000.00
Total Expense	\$2,189.01	\$12,837.69
Net	-\$1,969.61	\$8,699.30

*Babcock total award of \$20,000; second installment is expected in June 2010 .

LIHCA Treasurer Greg Carlson offered the financial report. LIHCA was recently awarded \$4,000 from the Daniel Foundation in Birmingham. The Fundraising Committee is researching other funding options, including Home Depot, Lowes, and local foundations in Alabama. Board members are to let Greg know if they know of other foundations to which LIHCA can apply.

There was no other old business.

There was no other new business.

Motion to adjourn the Membership Meeting.

1st: Ron Gilbert

2nd: Jennifer Clarke

Yes: All

No/Abstention: 0

**Education Component
Creating Strategic Partnerships with
For-profit Developers and Property Managers: A Panel Discussion**

Facilitator: Randy Russell

Panelists: Mary Ellen Judah; Executive Director, Neighborhood Concepts, Inc.
Terry Mount; Development Services Inc.
Lynn Greer & Lisa Ceci; Greer Management, LLC

Randy offered background information on the housing challenges faced by service providers in Alabama:

- Availability of affordable units especially in rural areas
 - NLIHC estimates that 44,000 low-income units are needed throughout Alabama.
 - Limited number of units for very low-income households, households living in rural areas, and special needs populations.
- Affordability of units at households earning at or below 50% Area Median Income (AMI)
- Accessibility of units in accessing housing resources and other services that support housing stability

To face these challenges, developers, service providers, and property managers can work together to increase the provision of housing for low-income households.

- Supportive Housing Models – Creating permanent housing options for vulnerable populations that offer flexible supportive services that support that enhance independence and stability.
- Collaboration – Create opportunities that build partnerships between providers, developers, and property managers that increase the availability of affordable housing to very low-income vulnerable populations.
- Capacity – Build the capacity of service providers, developers, and property managers to better understand the each other’s ‘language’ to address challenges faced by low-income households to access and maintain housing.

Randy then facilitated a discussion with the following questions:

1. What are the greatest challenges about developing housing for very-low income households in Alabama? Successes?
 - a. Discussion:
 - i. Lynn Greer from Greer, LLC, shared that his greatest challenge comes from the lack of vouchers available for low-income or special need clients. All housing developments have to generate a certain amount of income, and unless low-income residents can bring a voucher and/or some type of assistance/case management/care taker, it is difficult for them to remain stably housed.

- ii. Mr. Greer is planning to start working with nonprofit service providers in the coming year to establish relationships whereby it would be easier for nonprofits to house their clients and easier for Greer, LLC to maintain an adequate occupancy rate in their units.
 - iii. Randy asked Lynn, as a “benevolent property manager” (one who understands tenants’ needs and tries to accommodate different situations without immediately evicting a tenant), what kinds of things make a tenant ineligible from renting one of his units?
 - 1. Different funding sources have different criteria for eviction, but the largest challenge they have is tenants who are simply unable to pay rent. Greer developments can be flexible with issues that are found in credit history and criminal backgrounds. Sex offenders are never allowed in his properties.
2. What are the challenges (as property managers) that occur when renting to low-income individuals or families? What are the successes?
- a. Discussion:
 - i. A significant subsection of this population who are able to live independently still require some kind of case management or assistance to remain stably housed, and to function as good tenants.
 - ii. The ideal situation is a service provider who has housing vouchers (to cover rent) who can also provide supportive services to these clients.
 - b. Question - How should service providers initiate this relationship with property managers?
 - i. Nonprofits are able to apply from specific funding streams that for profit developers are unable to access. This relationship is beneficial to both parties, and nonprofits should invest the time in building these relationships with the property managers in their area. Each property manager is different, and ranks each tenant applicant differently. Property managers are often willing to work with service providers to get client housed, however, service providers need to learn how best to keep their clients housed. Property managers would rather have tenants that come with a case manager to help keep the tenant stable.
 - c. Question: For Lynn: as a benevolent property manager – what kinds of things make a tenant ineligible?
 - i. Inability to pay rent
 - ii. If property developer utilized tax credits, they have regulations regarding tenants:
 - 1. Credit checks and criminal backgrounds often raise flags, but can often be worked around. (Except sex offence.)
 - d. Question: If someone has rental assistance or an idea for an *811* project, would they do the development? Yes.
 - e. Question: What are property managers looking for in nonprofits before developing a partnership?
 - i. Established track record, proven to provide stable services.
 - ii. Unique program special to clients.
 - iii. Recognition that a mission to serve clients has to also make good business sense.

It was discussed that service providers need a way to access the vacancies that exist in their communities. The idea of an online portal or forum could be established to allow property managers to list vacancies in real time, saving service providers the burden of calling to inquire about vacancies. This could be funded by housing trust fund dollars, if it is ever funded.

- f. Question: What would make a partnership not work?
 - i. Nonprofits can get too wrapped up in mission and are too lenient with tenants who are unable to stay compliant with paying rent and following program guidelines.

Advice for working with AHFA

- AHFA starts drafting their plan in November. If LIHCA wants to influence the process, the conversation needs to start now between LIHCA, its members, and AHFA staff. AHFA will only change the upcoming plan if there is a huge outcry in regard to the current plan. It is very unlikely that AHFA will decouple HOME and tax credit – their system of doing things works for them. Unless LIHCA (or other parties) can show them a new way of doing things, they won't consider a new plan.