



Thursday, February 19, 2009 at 10:30 am CST
Membership Meeting Minutes

Jim Fenstermaker, Chair

LIHCA members present: Fred South (Housing First); Beth Marra (Family Promise); Deidra Lemons (AARP); Mary Jane Oakley (Legal Services Alabama and SEACH); Jerome Hughes (Tuskegee University, Cooperative Extension Office); Sharon Tolbert (City of Auburn); Sandra Nickel (Alabama Realtors Association); Dawn Mitchell (Pathways); Henry Stough (Coalition for the Homeless); Lillian Zaworski (Alabama Coalition Against Domestic Violence); Caty Wyly (Central Alabama Fair Housing Center); Sally Herring (United Cerebral Palsy of Greater Birmingham); Cindy Bisbee (National Alliance on Mental Illness and Department of Mental Health); LaShonda Hayes (Western Alabama Aids Outreach).

Guests: Barbara Wallace and Cathy James from Alabama Housing Finance Authority

Board Members: Jennifer Clarke, Greg Carlson, Bill Tilly, Ron Gilbert, Acquanetta Knight, Jim Fenstermaker

CSI Staff: Ashley Kerr, Becky Blalock

Jim called the meeting to order at 10:45 by introducing himself & allowing all present to introduce themselves. The agenda was approved as is. Members were given the opportunity to review the minutes from the last membership meeting.

Non-profit filing status

Ashley reported that the paperwork is complete and waiting on the signatures of the Executive Committee of LIHCA. Once those signatures are complete, the paperwork will be sent to the IRS. Ashley clarified that LIHCA is an incorporated non-profit in the state of Alabama, but we are filing for 501c3 status with the IRS. The timeline is unknown – it usually takes 3-4 months, but it could be quicker if our state Representatives/Senators push to get it through quicker. Board members have agreed to contact our congressmen.

Membership and Education Report

Jim Fenstermaker reported that the 501c3 status is crucial to growing LIHCA's membership. Most organizations are reluctant to join (and foundations are hesitant to approve grant requests) without that status. The committee plans to focus on government and nonprofit organizations as members. Individuals can join for \$20 and low-income constituents can join for \$1. If any members have ideas about how to increase LIHCA's membership, they are free to contact Jim.

Jim reminded everyone that the real focus and goal of LIHCA is to ensure affordable housing for those who need it most – those with special needs and those individuals living below 30% of Area Median Income (AMI).

Jim shared with the membership the board's discussion around increased regional participation. There is much desire to increase representation from all corners of the state, but the board recognizes that it is difficult for folks to travel great distances to attend meetings. There is a thought that moving to regional meetings/representatives may allow for greater participation. If folks are interested in being part of the regional leadership team, they should see Jim.

A question was asked concerning the benefit of the housing trust fund for developers/realtors. LIHCA hopes that there will be funds available through the housing trust fund for small scale developments for small towns. Realtors and developers include low-income citizens among their clients, moving these individuals towards homeownership, and if they partner with a nonprofit organization, they can access some of the funds available through the Housing Trust Fund.

Bill Tilly offered to arrange for the Federal Home Loan Bank from Atlanta to do a presentation on their Affordable Housing Programs. There is a meeting already planned at the Jefferson County Community Economic Office on Tuesday the 24th. Ashley Kerr (CSI) will send out information to the LIHCA membership after this meeting.

It is important for LIHCA to know the players on the state level so we can continue to offer educational components to our members and raise the awareness of what programs exist to assist low-income residents in Alabama.

Policy Report

Jennifer Clarke (YWCA) reported for the Policy committee. She reminded everyone that LIHCA was one of the first advocates for the creation of a housing trust fund in Alabama. Representative Patricia Todd (District 54 – Birmingham) helped create the Alabama House Task Force on Poverty and invited LIHCA to become involved. The conversation included housing issues and moved to create a separate statewide task force to develop legislation for the Housing Trust Fund.

The Interim Housing Trust Fund Task Force came up with following recommendations for the housing trust fund to be put into the legislation:

Administration: The trust fund will be overseen by AHFA but will have its own advisory committee. There is a 10% cap on administrative fees.

Program: 100% of funds will go to low-income individuals (those living at or below 60% of the Area Median Income [AMI]) through both homeownership and rental programs – to produce and rehabilitate units. The housing trust fund is not to be used to subsidize rent or mortgages. The explicit goal is to increase the number of affordable housing units in Alabama. There will be a specific amount of money set aside for folks at or below 30% of AMI. No more than 20% will be used for supportive housing. If certain individuals had supportive housing, they could be independent, instead of staying in a shelter or transitional housing.

Revenue: \$.05 per \$1000 on mortgage closing.

There is talk of creating additional legislation that will allow cities or counties to develop their own trust fund. There are a variety of models among the 43 states that have a housing trust fund – not all of them are statewide – some are local.

The bill is currently at the Legislative Research Service. Representatives Patricia Todd and Laura Hall are the co-sponsors. It will be introduced to the legislature on March 3rd. It will be given a number that day and will be available online. There will be a press conference that day, and it will be important for any and all LIHCA supporters to be there.

A member asked if the Alabama Realtors Association is on board with the Housing Trust Fund. Jennifer responded that they were on the task force, but silent for most of the conversations. A representative at the last meeting said that they know the trust fund makes sense, but that they probably won't support it. LIHCA hopes that they will not "kill" the bill despite their unhappiness with it.

A member asked what the projected revenue would be. Assuming the projected revenue for FY 08-09 is correct, if the tax rate were to be increased to include \$.05 per thousand* recorded dedicated to a housing trust fund, the revenue would be \$23.67 million. The task force reviewed tax rate increases of both \$.03 per thousand* recorded and \$.075 per thousand* recorded. The task force chose to pursue the \$.05 per thousand* increase.

*Minutes need to reflect that the tax rate is actually \$.05 per hundred dollars recorded.

There is a need to measure the housing needs of low-income citizens across the state. The data that exists is outdated and scattered.

It is cost saving in the long run to provide supportive housing vs. shelter services. It appears that there are less homeless persons in our state, but the reality is that people aren't moving out of the shelters because there is nowhere to go. One member from Mobile pointed out that, based on their most recent Point in Time count, there has been a 50% increase in homelessness in Mobile.

A member raised the question as to how vocation and employment factor into the homeless problem. Agencies/organizations should connect with junior colleges to increase work force development training opportunities – get them good jobs – possibly construction education, etc., to build affordable housing. This simply reinforces the need to have housing a part of the solution. Coalitions must be formed to get projects done.

The U.S. Government is still the largest player in affordable housing –the state of Alabama relies very heavily on federal funding. LIHCA is trying to get state and local municipalities to own the issue in their communities.



A member raised the question about what individuals can do to support this bill. At the press conference on March 3rd, a representative from LIHCA will speak and members should be present to show their support. Members are encouraged to write their local papers as well as local legislators about this bill. Personal stories have the most impact in letters.

Other Business - Emergency Shelter Grant Conversation

Ashley Kerr (CSI) shared with the group that there is a lot of money coming from the federal government to address the homeless population, specifically through Emergency Shelter Grants. At this point, Alabama Department of Economic and Community Affairs (ADECA) is not providing any Technical Assistance (TA) to utilize these funds. LIHCA has been asked to coordinate a letter writing campaign to encourage ADECA to provide this TA. Beth Marra from Family Promise in Birmingham agreed to help draft a letter for the letter-writing campaign.

As for the Neighborhood Stabilization Program, initial funds from the Housing Act of 2008 were made available through a formula allocation to ADECA. ADECA's plan must allocate all funds to the 7 priority communities; this eliminates the vast majority of rural areas in the state. It appears that the new stream of funds from the current stimulus package will be distributed to the states through national competitive grants.

At 11:30 am, Jim moved to the educational component of the meeting & introduced Barbara Wallace and Cathy James from AHFA.



Secretary