



# Coalition News

VOLUME 1, ISSUE 11

COALITION NEWS

## WHAT'S IN STORE

Next Coalition Meeting

December 2, 2009

THDA

404 James Robertson Pkwy, 12th Floor Conference Room

Legislative Committee 9:30-11:00

Coalition Meeting 11:00-1:00

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## A Strong Partnership Can Be A Beautiful Thing

Blount County Tennessee, (est. pop. 125,000 residents and immediately south of Knoxville) hosts two organizations dedicated to affordable housing: Blount County Habitat for Humanity (BCHfH) and Foothills Community Development Corp. (FCDC). Both agencies have the same mission - to provide safe, decent and affordable housing for deserving low and very low-income families in Blount County TN. One might think that would lead to direct competition. But because they serve slightly different populations and because they operate differently, they have found they can work as close partners so that more families are provided the opportunity for homeownership. Recently, the two organizations co-presented the success of this partnership at the Habitat for Humanity of Tennessee's annual conference in Murfreesboro. Their presentation focused on the overwhelming benefits to their collaboration providing examples of how the partnership ensures efficient delivery of the best product for the greatest number of qualified families.

BCHfH and FCDC are located in the same building and as a result have found it efficient to share some support staff, office equipment, telephones and internet (FCDC is technically a tenant of BCHfH). They have implemented a streamlined outreach and application process that guides the applying families to the best program for their circumstances. This synergistic approach to providing af-



fordable housing has resulted in the development of a shared subdivision, numerous property reallocations and trades, grant sharing, combined marketing efforts and a tremendous increase in housing production and families placed in homeownership. In 2004 BCHfH was the only affordable homeownership organization in Blount County and they averaged 6 new homes per year. Aware that they were unable to serve clients with slightly higher incomes or those who, due to time and other constraints, could not buy into Habitat for Humanity's requirement for 500 hours of sweat equity, BCHfH actually created FCDC and helped them with their first home in 2005. Since then both have increased their capacity such that , BCHfH and FCDC together will place 27 families in newly constructed, affordable single family homes in

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## How Bad Is It?

It is important to understand the magnitude of the current housing downturn and the effect it will have on affordable housing. We will end 2009 with about a half million housing starts, the lowest number since 1945. Even during the depths of the early 1980s recession when mortgage rates topped 16 percent, we were building one million units a year - about double today's production rate. And yet household creation continues to grow by the millions.

Fewer homes will drive

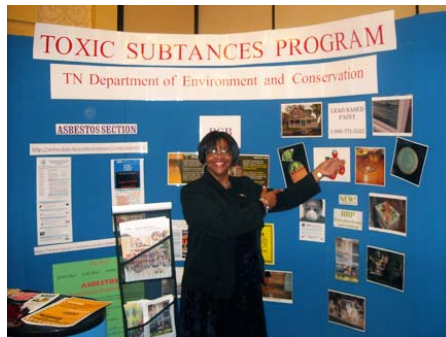
the price of all housing upwards and affordable housing advocates and agencies will find themselves with fewer options and a growing need. Middle Tennessee has a comparatively stable market with only moderate housing price decline. Still, production here has dropped around 50% echoing the national housing starts decline.

The housing affordability rate of growth compared to the growth of wages identified by THDA research depicts the ongoing problem in our state. To few

in Tennessee can afford quality housing as wages stagnate and housing prices climb. The dramatic decrease in production that we are experiencing will certainly see that gap widen. The HBAMT continues to petition Congress to extend the home buyer tax credit and address our credit crunch and appraisal issues. Affirmative action for housing legislation will spur housing production back to the levels America needs and provide the jobs needed to fuel a lasting recovery.

## Governor's Housing Summit 2009

Thank you to everyone who made the 2009 Governor's Housing Summit a success! For a list of 2009 Summit attendees please contact Sharon Chatman at 615-815-2184.

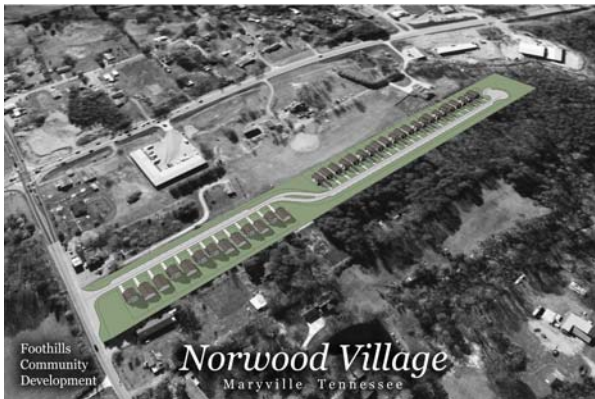


## Events of Interest

- **USGBC Affordable Housing Summit (November 10 & 11)** at the Shearson Phoenix Downtown Hotel. The USGBC Affordable Housing Summit is a pre-conference event organized annually in conjunction with the Greenbuild International Conference and Expo. The event includes a full day of panel discussions with national experts on green affordable housing, focusing on the rehabilitation of existing homes and transit oriented development. This year's program includes speakers from Global Green, Nixon Peabody, Enterprise Community Partners, and the Stardust Center for Affordable Housing and the Family.
- **TAAH 4th Annual Housing Conference** at Embassy Suites **November 17-19th**. For more information and registration form go to [www.taah.org](http://www.taah.org).
- **Governor's Housing Summit 2010 (October 19 & 20)** at the Marriott Nashville Airport Hotel, 600 Marriott Drive, Nashville, TN 37214. Please be thinking of the best person to speak to represent your area of expertise. Also, be on the lookout in your community for Sponsors and exhibitors. Send your input to Patricia M. Smith at (615) 815-2185 or psmith@thda.org.

## A Strong Partnership Can Be A Beautiful Thing

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CY 2009.

The most tangible result of the cooperative effort is Norwood Village, a recently developed 35 lot subdivision just outside of the city but on city sewer and water. A mixed-income subdivision, ownership of the 6,000 square foot lots is divided approximately equally between BCHfH and FCDC. Lot assignments are alternated to assure mixing of house styles and prices. BCHfH is building its typical 1,100 sq ft house and FCDC a slightly larger 1,300 sq ft, 2-story house with single car garage. To date, BCHfH has begun 5 houses and FCDC 8, all of which are pre-sold.

A strong partnership can be a wonderful thing.

## U.S. Bank Finances Affordable Green Housing

U.S. Bank Community Lending Division provided a construction loan, with permanent financing, for the development of an 89-unit multifamily affordable housing development in East Nashville, just across the Cumberland River from the Downtown Central Business District. East River Apartments is the first LEED-certified Low Income Housing Tax Credit project in Nashville. The complex replaces the blighted Silverdene Apartments at Ramsey and North Eighth Streets, and will provide rental housing for individuals and families with incomes at or below 60% of the Area Median Income.

The apartment complex offers spacious two-bedroom and three-bedroom units, with cooking islands, stainless steel kitchen appliances, and ample closet space. Developers plan to work with community organizations to offer after-school programs, including tutoring, child care, recreational activities and access to fitness facilities and business centers. East River Apartments was featured during the Governor's Housing Summit, as part of the Optional Bus Tour of Nashville Area Housing Developments.

# National Alliance of Community Economic Development Associations

## Funding Opportunities supplement to NACEDA's Policy—Updated November 2, 2009

The **Wal-Mart Foundation** is awarding grants of \$250,000 or more to nonprofits for local and regional initiatives across the country. The Foundation has four main focus areas: education, workforce development and economic opportunity, environmental sustainability and health and wellness. Applications are accepted on a rolling basis.

[\(More information\)](#)

The **Assisted Housing Stability and Energy and Green Retrofit** grants program through HUD's Office of Affordable Housing Preservation provides funding for affordable housing owners to maintain, preserve and retrofit properties to ensure energy efficiency and safety. Funding Opportunity number HUD-RA-01.

[\(More information\)](#)

The **Healthy Homes Demonstration Program (HUD)** offers funding to cooperative projects for the demonstration and evaluation of cost-effective measures to prevent and correct residential safety, particularly in low-income households. Applications due Nov. 24. Funding Opportunity number FR-5300-N-17. More information at:

[www.grants.gov](http://www.grants.gov)

The **Community Food Projects Competitive Grants Program**, through the USDA, offers grants to improve the self-reliance of communities by meeting the food needs of low-income populations and expanding local food and nutrition programs. This grant program also extends to improvements in food production and distribution infrastructure and long-term planning. Funding opportunity number USDA-CSREES-CFP-002544. Applications due Nov. 19.

[\(More information\)](#)

The **PMI Foundation** fosters projects for sustainable homeownership and affordable housing, as well as those that improve quality of life in these underserved neighborhoods. The foundation makes grants to nonprofits to further these goals. Applicants are requested to submit a short summary of their grant request as well as other documentation. For guidelines and further information, visit:

[www.pmifoundation.org](http://www.pmifoundation.org)

**ACCION USA** is a microfinance organization that provides small business loans and financing to small business owners and entrepreneurs who do not qualify for loans from traditional lending institutions. These affordable loans help borrowers build credit and start or grow a small business. Find more information at:

[www.accionusa.org](http://www.accionusa.org)