



Affordable Housing: Building the Foundations for a Connected Community

Connected Communities Webinar Series
March 12, 2024



Welcome

- The Latest From Connected Communities
- New Resources from Connected Communities
 - Community Information Hub
 - Community Maps
 - Resource Database and Funding Opportunities Database
 - Community Housing Needs and Solutions Guide
- Affordable Housing Perspectives
 - Ali Mooney, Managing Consultant, Guidehouse
 - Erin Rose, VP of Social Equity, Three3
 - Clifton Harris, CEO, Urban League of Middle Tennessee
- Q&A Discussion

The Latest From Connected Communities

Connected Communities Initiative

Connected Communities are towns, main streets, neighborhoods and cities using tech- and data-related solutions to address community challenges while preparing for a modern energy system.

FOCUS AREAS		RESOURCES	
 <hr/> Broadband and Digital Literacy	 <hr/> Economic Empowerment	 <hr/> Off-the-Shelf Guides and Tools	 <hr/> Tailored Support and Success Coaching
 <hr/> Energy and Environmental Justice	 <hr/> Enhanced Community Resiliency	 <hr/> Pilot Project Funding	 <hr/> Network and Partnership Building



Upcoming Resiliency Webinar

Resiliency: Approaches, Technology and
Funding to Get Your Community Prepared

Tuesday, April 9, 1:00 – 2:00 pm ET



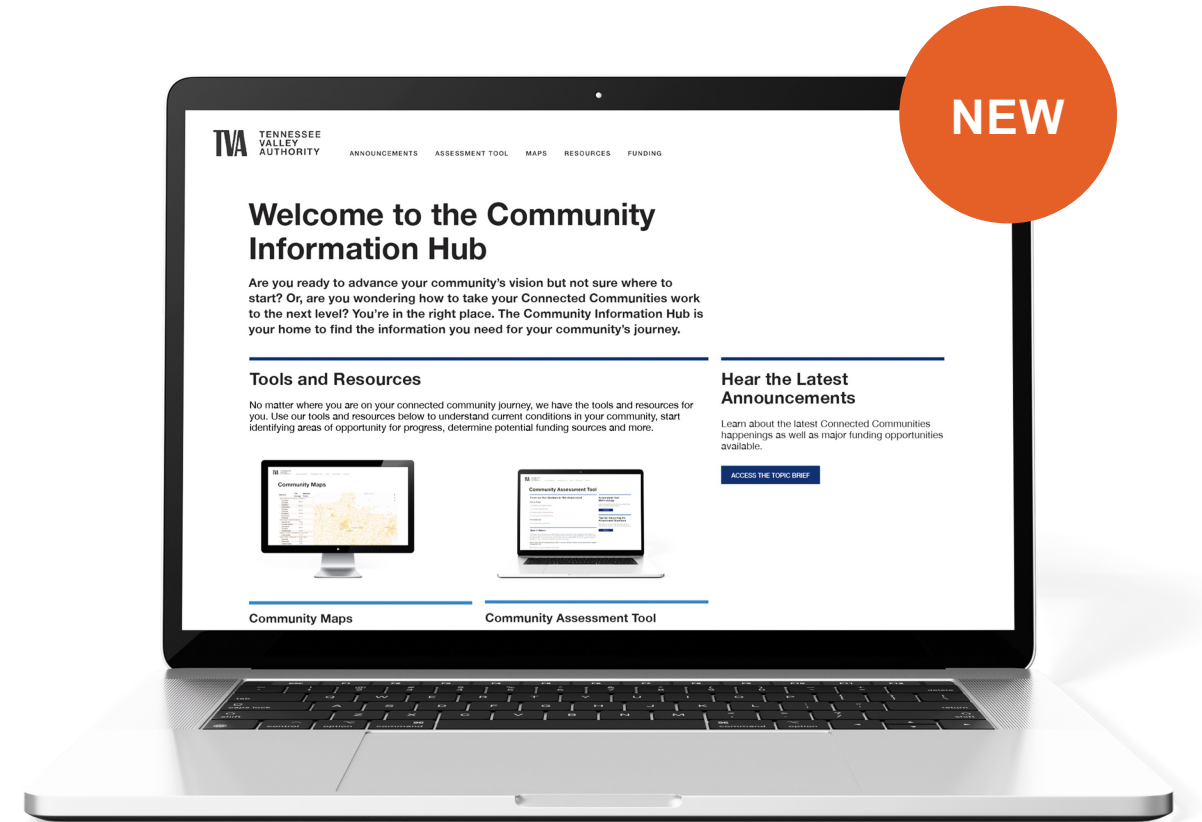
REGISTER NOW

New Resources from Connected Communities



Community Information Hub

A new, interactive tool is available to help **assess your community needs, prioritize solutions and identify funding opportunities.**





Community Maps

Use the CIH Community Maps to understand how to advance community progress.

Relevant Indicators:

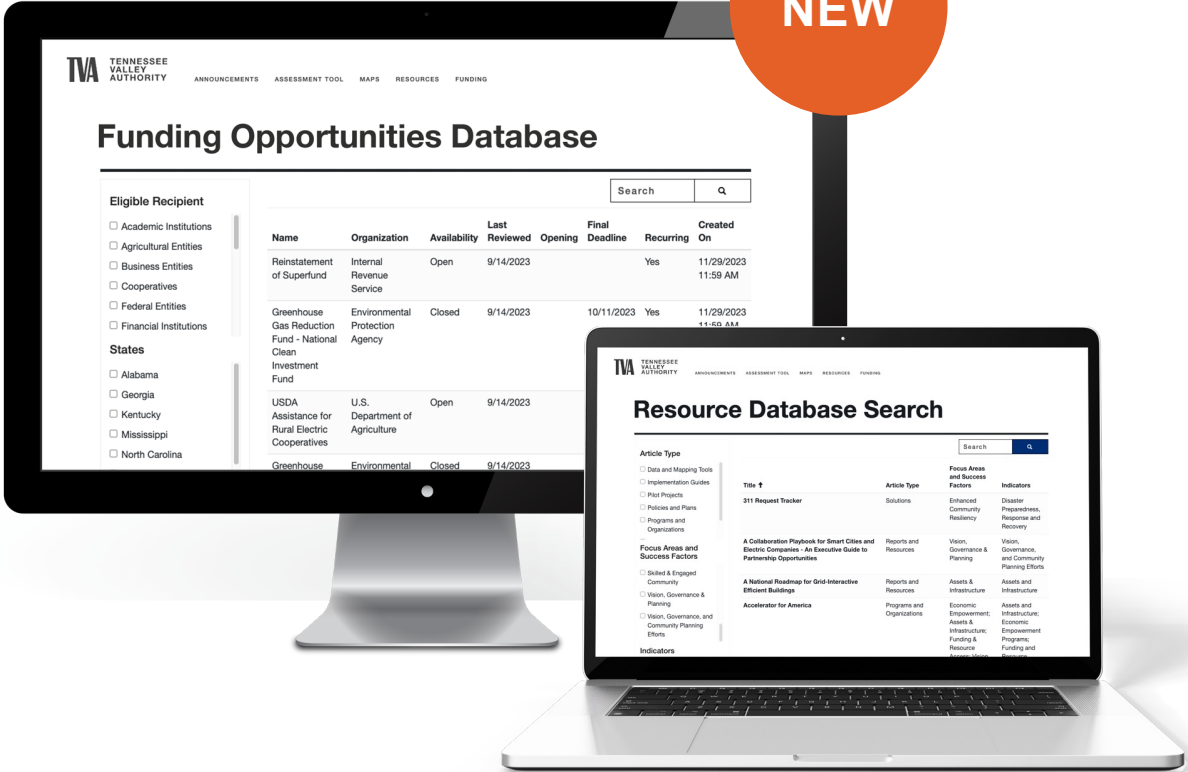
- 36.2% Low-Income Population
- 44.6% Pre-1980 Housing
- 3.7% Annual Average Energy Burden





Resource Database and Funding Opportunities Database

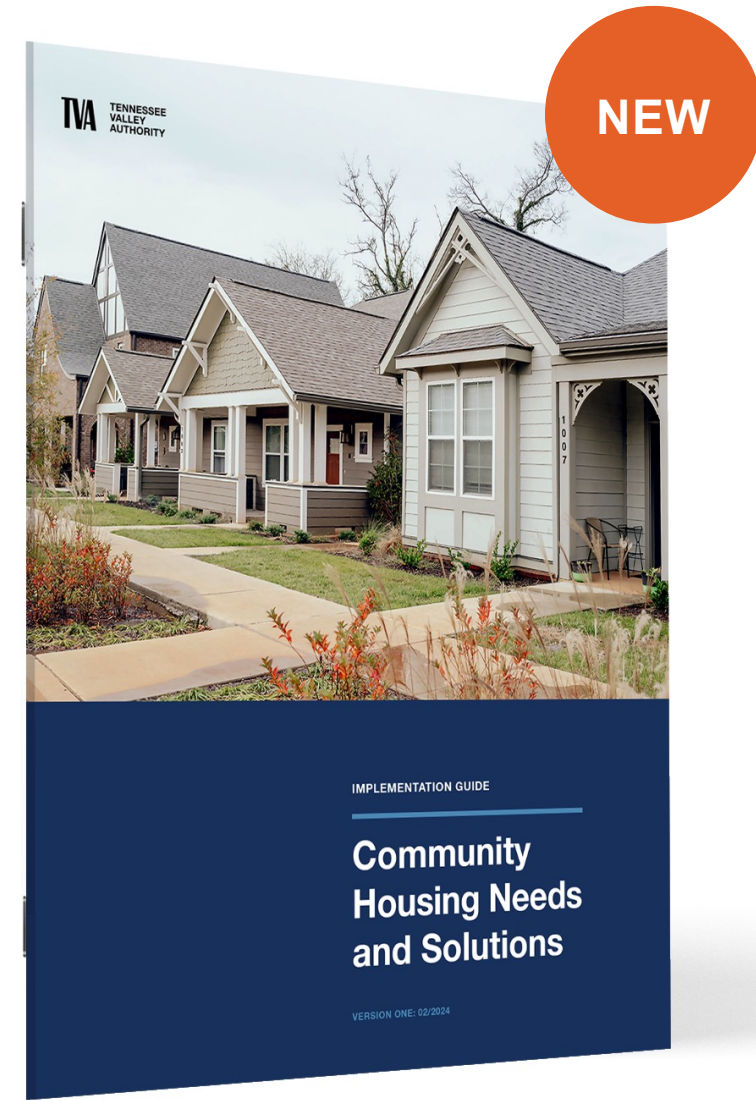
These features help identify potential actions and how to secure the necessary funding.





Community Housing Needs and Solutions Guide

Learn about the **affordable housing ecosystem**, explore **solutions** and understand **deployment strategies**.



Affordable Housing Perspectives

Meet today's speakers



Ali Mooney

Managing Consultant,
Guidehouse



Erin Rose

VP of Social Equity, Three3



Clifton Harris

CEO, Urban League of
Middle Tennessee

Ali Mooney

Importance of Affordable Housing

Addressing affordable housing needs is critical for a community seeking to become more “connected,” as the ability to afford safe and decent housing is essential for residents’ quality of life, health and economic well-being.

HOW DO WE DEFINE AFFORDABILITY?

Housing is considered affordable when a household can pay for its housing costs and **have money available for other necessities like food, transportation and health care.**

**Rent/
Mortgage** + **Housing
Taxes** + **Home
Utilities** ≤ **30%**
**of household
income**

Mechanisms to Support Housing Affordability

Deed Restrictions



- Help to safe-guard the long-term affordability of housing units
- May require owners, occupants or tenants to meet lower-income demands
- May include covenants, or written instructions, that often include regulations on the sale price of a home to keep it affordable and on the amount of rent that can be charged.

Operating Subsidies



- Cover a portion of the rent for low-income households, allowing them to pay below-market rent for housing that would otherwise be unaffordable.
- Publicly and privately owned housing can receive operating subsidies.
- This typically involves a public sector entity providing funds set-aside for operating costs, however, other funds such as philanthropic funds may also be used for this purpose.

Construction Subsidies



- Employed when additional funds are required to make the development of affordable housing financially viable.
- The Low-Income Housing Tax Credit (LIHTC) program is a construction subsidy to build or renovate affordable housing where investors, typically banks, receive tax credits in exchange for the investment.
- LIHTC is the largest producer of affordable housing in the U.S.

Naturally Occurring Affordable Housing (NOAH)



- NOAH units are existing properties that are affordable without public subsidy or income restrictions.
- NOAH makes up the largest supply of affordable housing units nationwide.
- Units are not well-defined or tracked.
- Typically older and not well-maintained which may lead to their loss overtime.

Roles of Various Stakeholders

Nonprofits

- Long history of sponsoring, developing and operating affordable housing
- Some Community Development groups focus on specific neighborhoods, other may serve specific vulnerable populations, such as the homeless or disabled

Landlords

- Most rental units are not large multi-family apartment buildings
- 70% of rental units nationally are owned by individual investors
- Individual investors are more likely to struggle to support maintenance



Public Sector

- Variety of Government and quasi-government at all levels
- Provide funding, programs, policies and regulatory requirements

Private Sector

- Developers are a key component to expanding overall supply of affordable housing
- Financial institutions help ensure long-term affordability through financial vehicles, mortgages and refinancing options

Residents

- Employees, business leaders, students and caretakers who are at the heart of a community's identity and character
- When planning for housing solutions, it is important to gather input from the residents

Identifying Housing Goals & Related Solutions

Advance Low-Income Home Ownership



- Create a first-time home buyer program or a program for low-income home ownership with local nonprofit / bank
- Establish community land trust
- Work with lenders to reposition distressed properties to first-time homebuyer assistance program

Expand Affordable Housing



- Institute pre-approved building plans
- Adopt tax abatements on new construction
- Explore potential for ADUs
- Collaborate with local CDFIs to identify mission-driven funding opportunities

Offer Housing Stability Services



- Create coordinate housing stability services system
- Implement eviction prevention program
- Offer pre- and post-buyer counseling
- Provide renter, landlord and homeowner education

Preserve Long-Term Affordability



- Adopt first right of refusal for building / home sales
- Develop anti-displacement strategy
- Implement home repair programs for owner- and renter-occupied units

Provide Rental Assistance

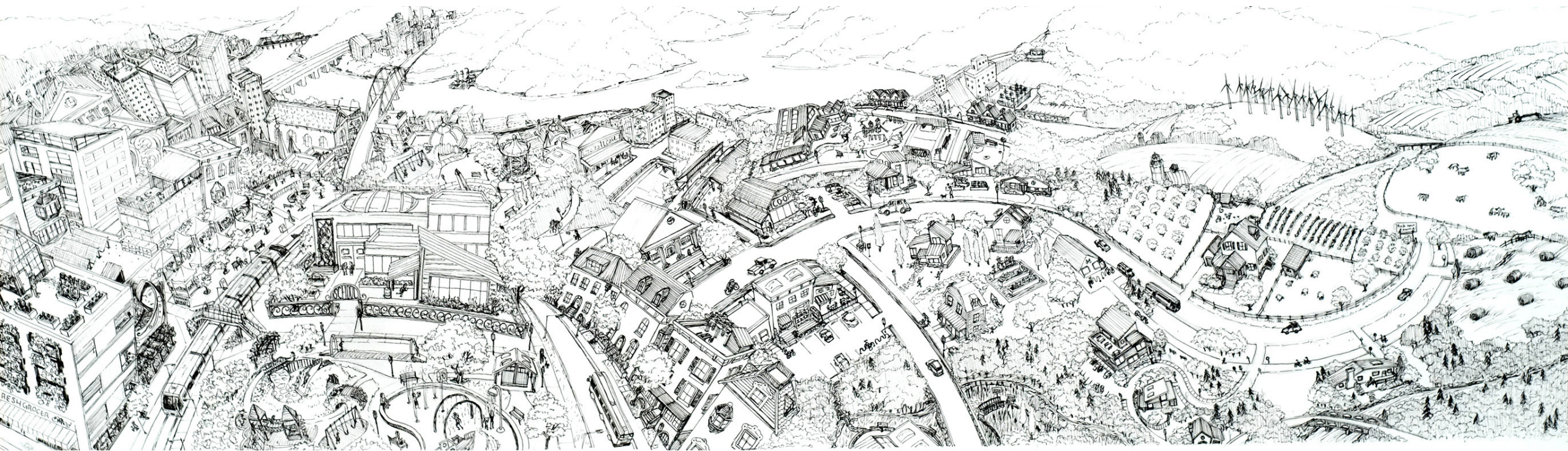


- Identify local programs that provide rental assistance
- Identify rental assistance contracts and voucher programs
- Use landlord incentives to increase number of landlords accepting housing vouchers

Rehabilitate / Renovate Existing Units



- Adopt tax abatements to reduce property tax payments on major renovations
- Amend building codes to include rehab-specific codes
- Collaborate with local healthcare organizations to address health-related repairs



Considering Energy Burden Within the Context of Affordable Housing

Erin Rose, MSSW, LLM

Co-found and VP of Social Equity

Three³

Three³

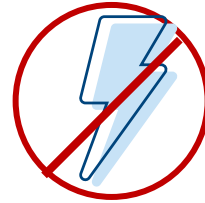
Fostering equitable, sustainable futures

Definitions



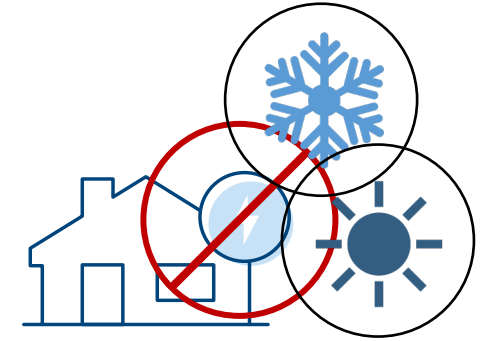
Energy Burden

A household is energy burdened if its costs for home energy are **greater than 6% of the household's annual income.**



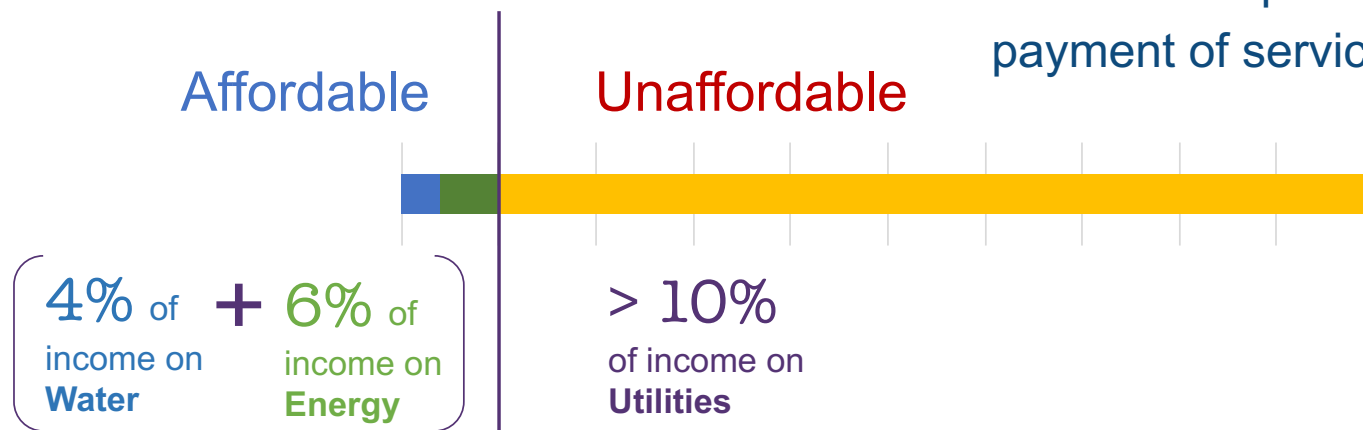
Energy Insecurity

Energy insecurity is often a result of unaffordable utilities due to high energy burden and can lead to disconnections or 'shut-offs' of power for non-payment of services.



Energy Poverty

Energy (or fuel) poverty considers multiple factors (including energy burden and insecurity) that contribute to a household having uninterrupted access to enough power and equipment to adequately meet their basic needs – from heating and cooling to lighting and cooking.



Energy Burden + Housing Burden

Households are considered **cost burdened** when they spend more than 30% of their **income** on rent, mortgage and other **housing** needs.

Highly
Cost-Burdened

Moderately
Cost-Burdened

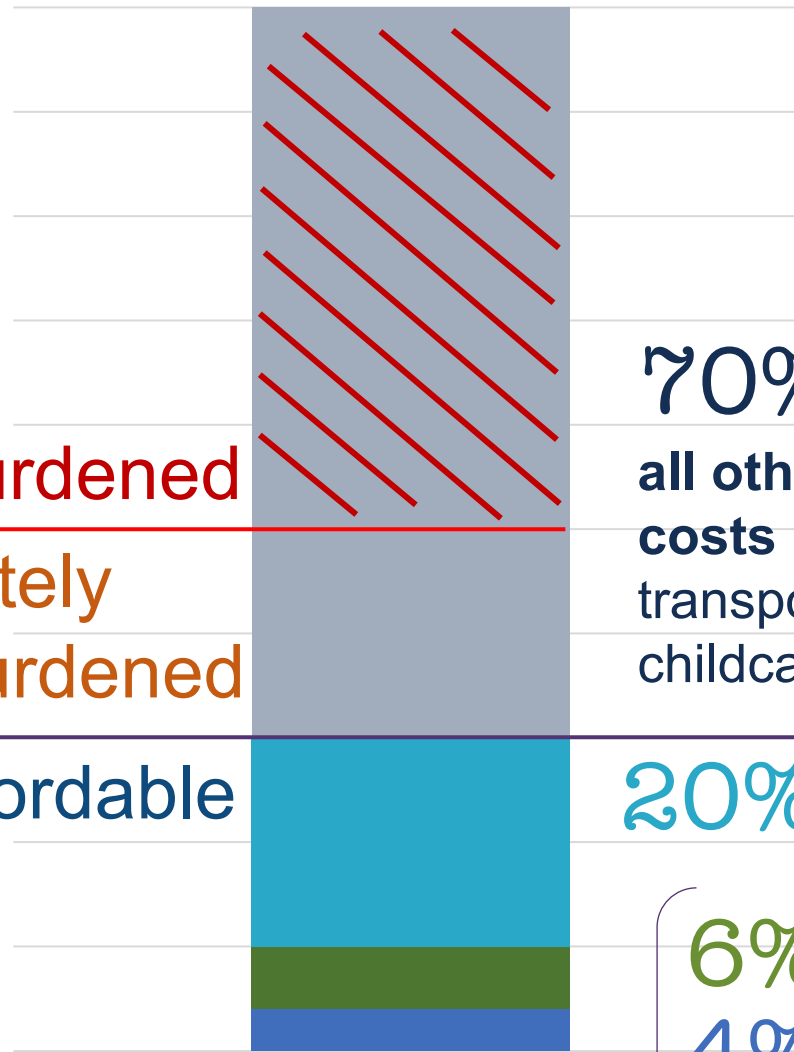
Affordable

70% of income on **all other household costs** including food, transportation and childcare

20% of income on **other housing costs**

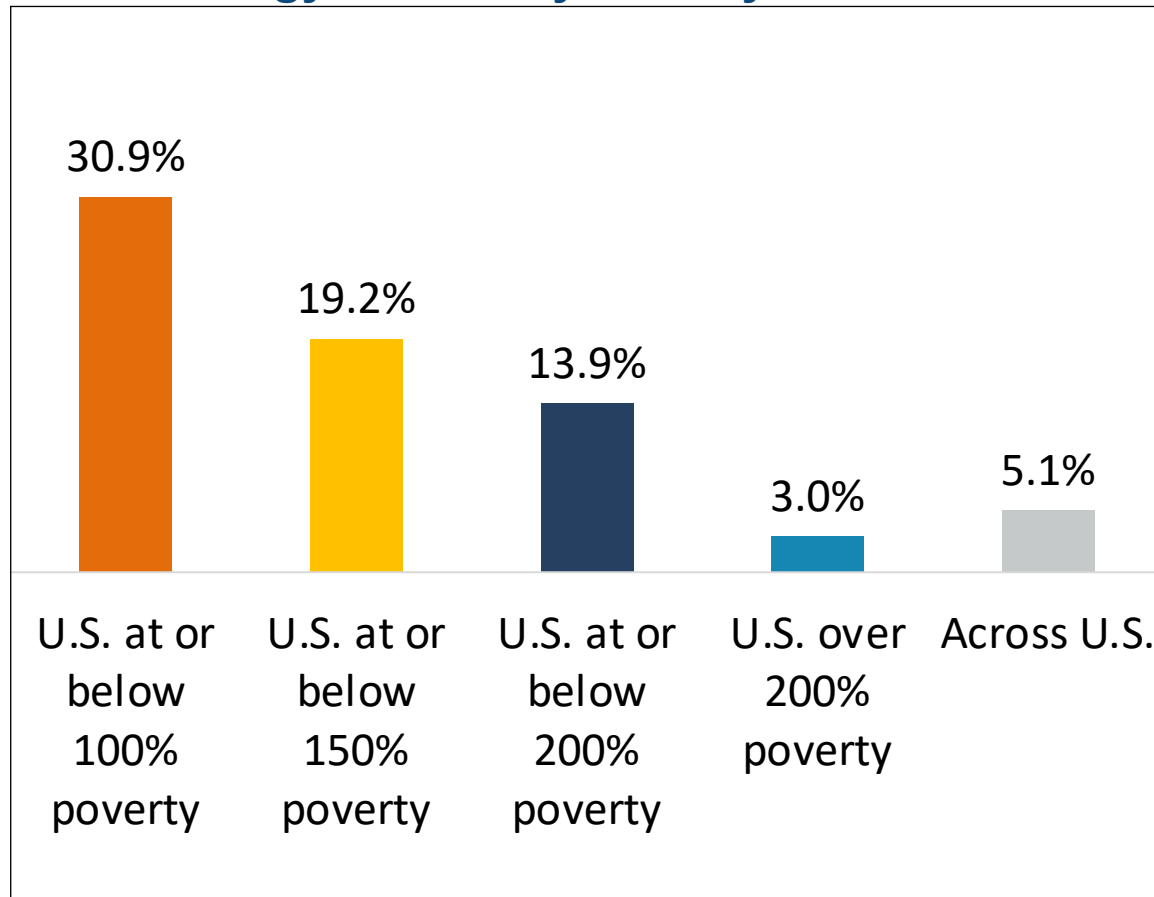
6% of income on **Energy**

4% of income on **Water** +

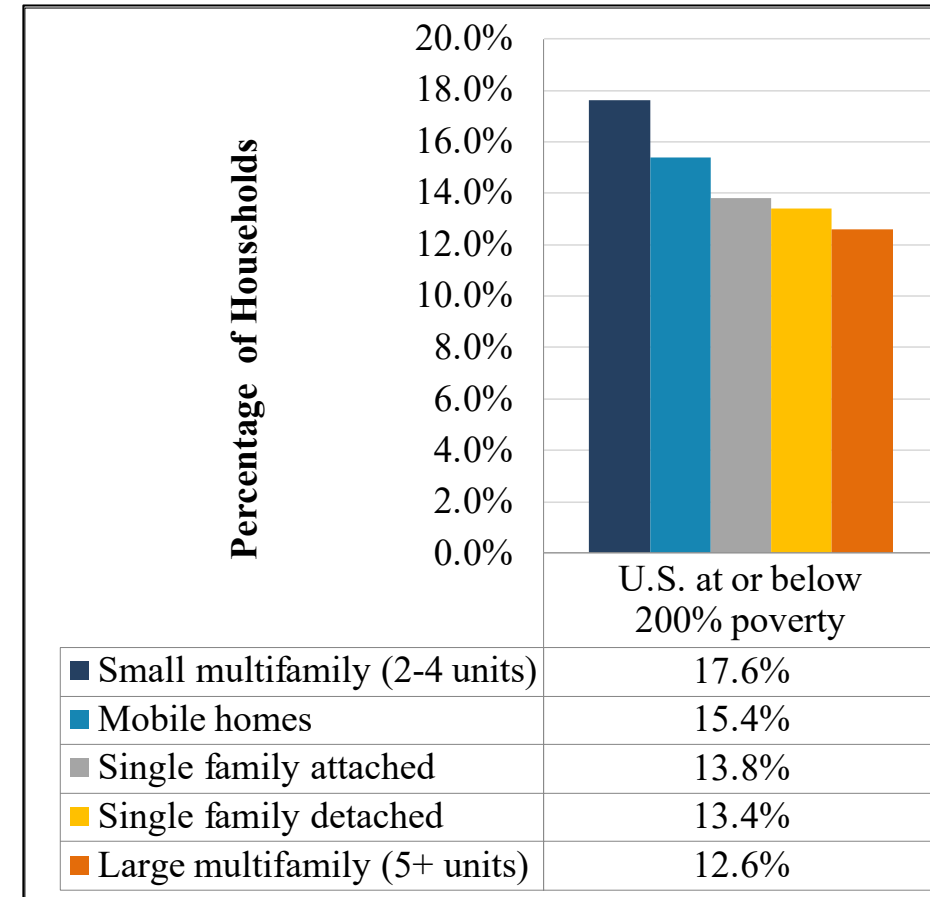


Energy Burden Findings for 2020*

Mean Energy Burden by Poverty Status



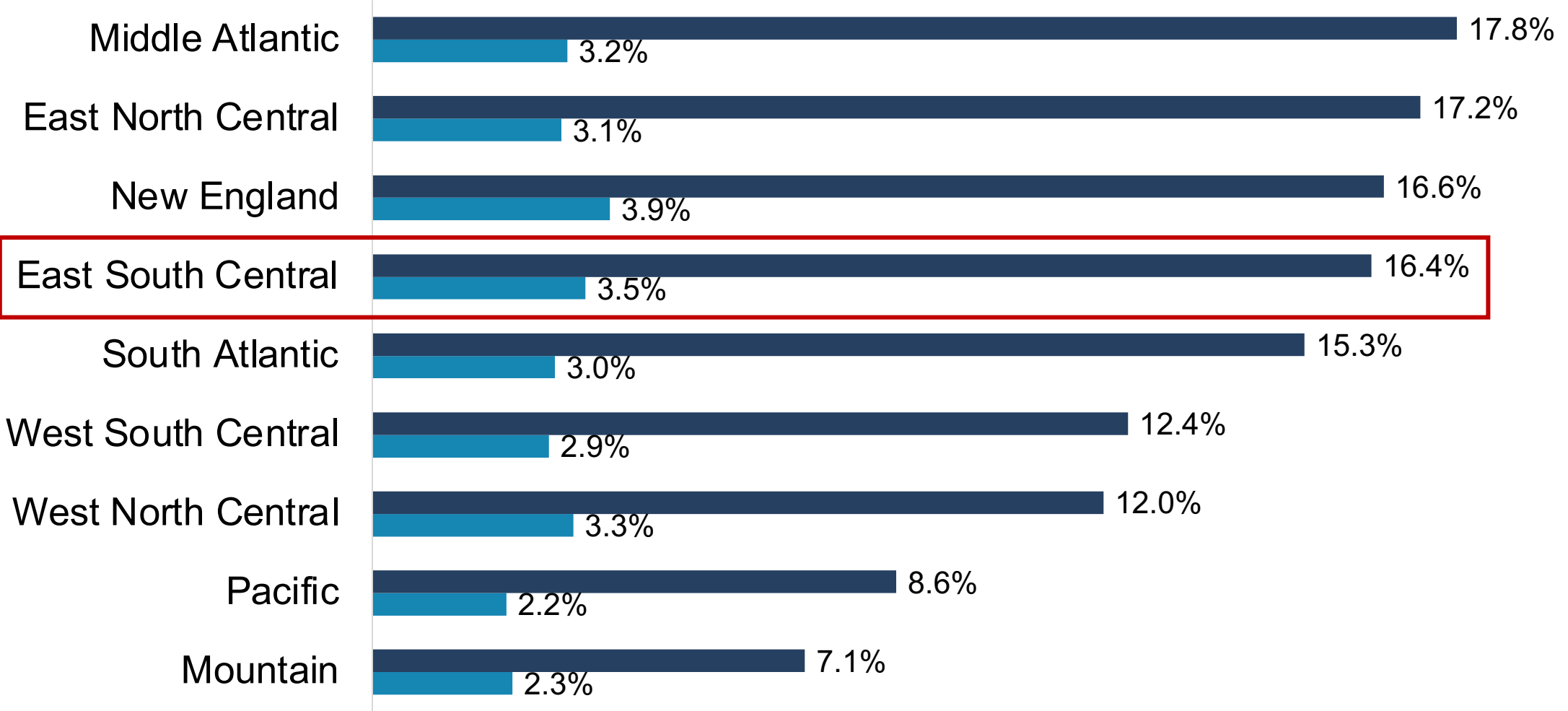
Mean Energy Burden by Housing Type



*Rose and Hawkins, "Background Data and Statistics on Low-Income Energy Use and Burden for the Weatherization Assistance Program: Update for Fiscal Year 2020," [ORNL/TM-2020/1566](https://www.ornl.gov/research-activities/energy-efficiency/energy-burden), Oak Ridge National Laboratory, Oak Ridge, Tennessee, June 2020.

Energy Burden by Census Division and Poverty Status

■ FY20 Energy burden at or below 200% poverty ■ FY20 Energy burden > 200% poverty





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Urban League of
Middle Tennessee

DEFEND DEMOCRACY
DEMAND DIVERSITY
DEFEAT POVERTY

Clifton Harris
President / CEO

REAL ESTATE DEVELOPMENT ACADEMY IMPACT REPORT 2022/2023



Urban League of
Middle Tennessee

*Empowering Communities.
Changing Lives.*

PURPOSE:

The R.E.D. Academy has become an emergent resource for addressing two critical issues in the real estate development space – (1) the affordable housing crisis, an ongoing concern Tennessee. The unprecedented growth throughout our counties has put a strain on the housing market, with demand outpacing the available supply; and

(2) The lack of diversity in the real estate development space. Statistics show that Real Estate Developers nationwide are predominantly white (99%), creating a lack of diversity in the development industry. R.E.D. Academy is changing that!



Impact Snapshot



12

Talented Developers of
Colors with experience
between 10-20 years

93%

Attendance Rate
to date

16

Pipeline Projects
include Joint Ventures
and Individual projects

113

Guest Speakers including NAACP
Image Award-winning Actor,
Dr. Malik Yoba (Yoba
Development)
and Multifamily Executive (MFE)
Hall of Famer,
Mr. Daryl Carter (Avanath)

PROJECT WINS

"One of my favorite moments teaching RED Academy fellows is seeing their eyes and minds open to the impact they can have on affordable housing and the possibilities they can create. After being able to share about Holladay Ventures developments, Shelby House, and Stone Bridge Lofts, I have seen fellows take immediate action on the knowledge they have gained and implement it successfully!"

Evan Holladay of Holladay Ventures, Instructor

"Networking is my superpower because I genuinely care about others' progress and developmental growth. A quote that I share frequently was shared by speaker, Jacky Akbari, simply put "It's not who you know, it's who knows you". This translates into life-changing scenarios when you are not in the brainstorming room. Do the decision-makers know your name and your abilities? How many opportunities are gained when someone in the room understands what you bring to the table? R.E.D. Academy has placed my name in the room and brought me to the table."

Youvonia Moore, R.E.D. Fellow

"This program is a Life Changing and Legacy Building opportunity that I am proud to be a part of. We are provided access to industry experts who invest a wealth of knowledge into us, which positions us to win. We are leveraging our current skillsets with expert knowledge to change the development landscape of our community."

Reggie Polk, R.E.D. Fellow

"Attending the real estate developer class has been an incredibly informative experience. I am learning a lot that is helping me navigate the complex process of real estate development."

Henry Miller, R.E.D. Fellow

"During my 4 classes, I enjoyed the many questions and discussions from the fellows about how to apply some of the lessons I was covering to their real-world projects and experiences. I appreciated their candor and trust in sharing information about their projects with the class so that we could all learn from each other. I have also truly enjoyed hearing from and connecting with several of the fellows outside of class, and I am encouraged that these are relationships we will continue to build over time. I appreciate the opportunity to meet this group and look forward to hearing about their successful projects."

Jody Moody of The Mathews Company, Instructor



R.E.D. Fellow, developer Dave Martin of Martin Development, has teamed up with a trio of nonprofit organizations to build a 150-unit single-family housing development on a 54-acre parcel of land in Antioch, Tennessee. The community, Barnes Ridge, will offer market-rate and attainably priced homes. We are proud of Dave's accomplishment.

Project Details

Joseph Avenue Joint Venture with Holladay Ventures, LLC	140 affordable units 100% affordable housing	Project Cost: \$50M
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Madison Station Joint Venture with LDG Company	240 affordable units 100% affordable housing	Project Cost: \$85M
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Pleasant Green MB Church	Four phase project Mixed use & mixed income housing	Project Cost: \$506K
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**Impending Pipeline Projects
Metropolitan Development and Housing Agency (MDHA)
Church Community Collective**



CONCLUSION

The Urban League of Middle Tennessee - Real Estate Developers (R.E.D.) Academy is privileged to be a distinguished trailblazer in addressing the critical problem of attainable housing in Nashville-Davidson County.

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Urban League of
Middle Tennessee



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*Empowering Communities.
Changing Lives.*

Q&A Discussion

TVA

**TENNESSEE
VALLEY
AUTHORITY**

Let's Stay Connected



Continue the Conversation

Contact Georgia Caruthers to learn more:

gmcaruthers@tva.gov



Join Our Connected Communities Network

Visit the Connected Communities website and sign up to be part of the Connected Communities Network:

tva.com/connectedcommunities



Access Our Resources

Access the Community Information Hub and the Community Housing Needs and Solutions guide:

- [Community Information Hub](#)
- [Community Housing Needs and Solutions Guide](#)