



Keystones of Change: Resources and Policies

OMHSAS
Road to Recovery
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Investing in Change

- Good news: Opportunities Exist
- Three approaches to making these opportunities work for you:
 1. Begin to make housing “investments” using CHIPPS, base and Reinvestment funds regardless of the amount of funding you have available at any point in time.
 2. Begin making small changes in practice expectations to “secure” those investments and help them grow
 3. Make new “community” partners to help you “invest’ wisely

Resources For Change

Using Reinvestment Funds

- What is the advantage to using Reinvestment funds?? Using Reinvestment helps you leverage new resources/ new partnerships
- Key policy issues:
 - Appendix N
 - establishing priorities, stakeholder involvement, sustainability, fair housing, creating choice, matching approaches with priority populations
- Key performance issues:
 - Picking Partners for Production
 - Return on Investment
 - County mgmt., SPE for housing programs

Resources For Change

Using CHIPPs Funds

- Same Advantages, Policy and Performance Issues as Reinvestment
- Differences:
 - More narrowly defined target populations
 - Timing is generally a critical factor

Resources For Change

- Using Tax Credits and other State and Federal Fund Sources (PennHomes, CDBG, HOME, Act 137, etc.)
 - Reinvestment and CHIPPS are funds you bring to the table, Tax Credits, other fund sources are brought to the table by Investors/Developers but also by local County officials trying to make a difference in their community
 - Investors and Developers may be for profit or not for profit entities---either way they are looking to fill gaps and make deals
 - There are rules that guide how these investments can be made but there are also strategies that make some Counties and Investors/developers more successful than others

Resources For Change

- Regardless of Fund Source-Strategy-Rules you and/or your partners will need access to subsidies
- You can help create subsidies or exchange capital for subsidies
- What do you need to know about these fund sources: how to assure length of commitment, how to protect your interests, assure you are SPE for dedicated units, Fair Housing requirements, did you get a fair deal given your market and other factors

Investment Quiz

1. Only Counties with significant Reinvestment funds can leverage housing funds: T/F

2. In this year's LIHTC applications what was the total amount 4 County MH/MR Programs committed to private and for profit developers to get 51 rental units in 5 separate projects of housing that will only require residents to pay 30% of their income for rent:
 - a. \$1,500,000
 - b. \$2,500,000
 - c. \$1,270,000
 - d. \$3,000,000

Investment Quiz

3. What was the lowest amount a County put into a LIHTC application and what are they getting in return?
 - a. \$ 55,000 for 2 units for 15 years
 - b. \$150,000 for 3 units for 15 years
 - c. \$ 45,000 for 3 units for 30 years
 - d. \$ 75,000 for 5 units for 30 years

4. Name five different fund sources used to finance these projects: