



State and Local IDA Funding

January 18, 2012

Kim Pate: Hello everyone, and welcome to the webinar State and Local IDA Funding. This webinar is the second in a new series of “Tools for Success” webinars designed for Assets for Independence grantees. My name is Kim Pate, your Moderator, and I’d like to welcome you to our conversation today.

Before we start today’s presentation, I’d like to begin with a few housekeeping items. If you’re having trouble dialing in you can listen through your computer using speakers or connecting a headset to your computer.

If you’re having trouble connecting to the visual portion of the webinar, send us an e-mail and we’ll send you the Power Point file as an attachment so that you can follow along. The e-mail address you can use is livemeeting@cfed.org.

Today’s webinar is being recorded. You will receive a follow up email in the next few days with details on how to access the recording. The webinar will last for an hour and we have a lot to cover so just follow along. If you are having any technical problems, again, please e-mail livemeeting@cfed.org.

We have a number of participants registered today, so your phone lines have been muted to ensure sound quality.

We encourage you to send questions at any time during this presentation by using the Questions box in your GoToWebinar Control Panel. We will try to answer as many of your questions as we can during the presentation. We may not be able to get to all of them but we’ll try.

Some of you may not be AFI grantees yet. That’s ok; we encourage AFI-interested organization to participate in these webinars. I want to cover a little information about the AFI program. The Assets for Independence (AFI) Program, which is administered through the Office of Community Services (OCS) at the U.S. Department of Health and Human Services, provides federal funding to community-based nonprofits and government agencies for Individual Development Accounts (IDAs). We realize that some of you on this call may not be AFI grantees, so we want to be sure to provide you with information about the program.

To learn more about it, including how to apply for it, visit www.idaresources.org. There is an upcoming Orientation Session offered through the AFI program. It’s called AFI Questions and Answers: A Conference Call for Prospective Grantees. It’s Thursday, January 19, 2:00 – 3:30 p.m. EST and you can register at www.idaresources.org.

We have a number of guest speakers today. Our first is Ethan Geiling who is our Policy and Research Associate at CFED in Washington, DC. CFED is a national nonprofit dedicated to expanding economic opportunity for low-income families and communities.

Our next presenter, Emily Hurst is Director of Development of Interfaith Housing Services in Hutchinson, KS. Interfaith Housing Services is a faith-based organization not affiliated with any religion that develops, promotes, and implements programs which assist persons of low to moderate incomes to meet their housing needs.

We then have Steve Fireman, President/General Counsel of Economic and Community Development Institute (ECDI) in Columbus, OH. The Economic and Community Development Institute is a non-profit economic development organization that invests in people to create measurable and enduring social and economic change.

We also have Amy Szabo, a Development Consultant also from ECDI. Steve and Amy will be presenting together.

I'm Kim Pate, your moderator on behalf of the AFI Resource Center. I'm also Vice President for External Relations and director of the Assets Learning Conference at CFED. The AFI Resource Center provides training and technical assistance to AFI grantees, their project partners, and other organizations that are providing asset building services across the nation.

In this webinar you will learn about state and local funding sources that can be used as non-federal match funds for AFI, you will gain strategies and ideas for accessing state and local funding for your IDA programs and you will hear from other AFI grantees who have been extremely successful in securing state and local funding to support their programs.

Before we dive into the presentation I wanted to give us a little bit of a sense of why is it important for us to focus on state and local IDA funding. First, federal AFI grants require a 1:1 non-federal match and these match funds must be used for the same purposes as the federal funds. At least 85% of these funds can be used to match IDA participants' savings. And up to 15% of these funds can be used for project operations:

- 2% for data collection;
- 5.5% for financial education; and
- 7.5% for other operational expenses

And then a commitment of non-federal funds must be included in the AFI grant application.

Raising these non-federal funds is often a challenge for AFI applicants and grantees – especially in the current fiscal climate. Non-federal match can come from any non-federal source. It can be very complex. These can include private sources, such as foundations, corporations, or individual donors, and also public-sector sources – including state, county, or city governments. In fact, public-sector funding for IDA programs can be one of the most important – and largest – sources of non-federal match. That's why we're focusing on state and local funding sources during today's webinar – because they represent an important fundraising opportunity for your IDA programs.

And now I will turn it over to Ethan Geiling from CFED to present on State IDA dedicated funds and features of strong state IDA programs.

Ethan Geiling: Thanks Kim. I'm Ethan Geiling, the policy and research associate here at CFED. The information I'm talking about comes from the Assets and Opportunity Scorecard, which is a

research tool that looks at how well residents are faring in the 50 states and DC and what states can do to help families build and protect assets.

So one of the programs we look at for the Scorecard is a state support for IDA programs. As you may know a number of states provide state funding for IDAs. This funding is usually administered and managed by an agency steward (for example, the department of human services in a state often administers the funding). Nonprofits and other organizations can apply for this state funding and then use this funding for their IDA programs and to match their AFI funding.

Through the Scorecard, CFED monitors the strength of these state IDA programs – how much funding they provide, how well-designed they are, and how much support they provide to IDA programs on the ground.

Specifically, the Scorecard looks at four criteria which are up here on the slide. The first; is there sufficient state funding for IDAs? The second is the strength of the agency steward that administers and manages the program. And, specifically, the agency should provide training and TA to IDA programs on the ground; it should gather feedback for improvement; and more than 85% of state funds that are available for IDAs should be used. The third criterion is that 15% of state funding can be used for program administrative and operating costs. And finally we look at whether funding is stable and consistent over time.

This map shows the strength of state IDA programs in 2011. As you can see, some states – like Oregon, Indiana and Vermont – have strong and well-managed programs. Other states provide funding for IDAs, but there is still room to improve the program. If the state is shaded in dark gray, it means there was no state funding in fiscal year 2011.

I'm going to take a minute to talk about state IDA funding over time. Forty two states have enacted or created state IDA programs at one point in time, although a lot are not currently active.

In fiscal year 2011, there were 18 states with state funding for IDAs which you can see in green on the slide.

Unfortunately, we've gotten word that a couple states have already cut funding for Fiscal Year 2012. Minnesota lost \$246,000 in funding it had available. In Louisiana, the state's supplemental TANF grant was cut, which meant the state can no longer afford to provide funding for the IDA program, which was one of the strongest programs in the country.

Unfortunately, states have been slashing funding for IDAs for a few years now. As you can see in the graph, total state IDA funding has slowly decreased over the past few years. This is why it's important to educate decision makers about the impact IDA programs have on families. Emily will talk about this more later.

If you want more information about state IDA programs, the Assets and Opportunity Scorecard has a number of resources for you. Take a look at our Scorecard Resource Guide on IDA programs, which shows which states have strong IDA programs, provides a couple case studies of states with strong programs and how they got those programs, and has a wealth of additional information.

Also, take a look at our Scorecard State Profiles, which provide a huge amount of data on how residents are faring in each state. These profiles are often helpful when educating decision makers about the need for an IDA program.

Kim Pate: Thank you so much Ethan. I'd like to turn it over to Emily Hurst to talk about how they educated thought leaders and decision-makers in Kansas, and how that was helpful to protect their tax credit IDA program funding when it was at risk a few years ago. Go ahead Emily.

Emily Hurst: Thank you. Unfortunately, in 2010, we received, on very short notice, word that our tax credits were set to be repealed. This was frantic for us, we found out days before this was to be heard in the House. We mailed information regarding the recent success of the local IDA program to members of the taxation committee who were going to review the bill recommending the repeal of the IDA tax credit. We were very mindful that as a nonprofit, we could not lobby in any way, but we knew we must at least educate the committee members on the progress of our program. We found out that the whole reason the bill was set to be repealed was that they thought no one was using the program. They didn't think we were using the tax credits or that we had the program going on. So I spent time to make sure members of the committee were personally educated on what the program was, how it worked, and what we were doing with it before the hearing since none of them were familiar with what the program was.

We provided testimony at the hearing. Our President, IDA program Director, an IDA client, and I were prepared and presented testimony at this hearing. We were able to stop it from being repealed. They were excited to find out what the program was and the fact that we were using it.

We learned a very important lesson from this experience. We felt like we had failed. None of our state representatives on that committee had any idea what we were doing with IDAs, what IDAs were or why that state was spending money on them. We failed at educating them, keeping them informed of how the program was making an impact in our state and how we were using the state's funds. We had an AFI grant at the time and we were leveraging federal funds with state dollars and making an impact but we never shared the information with the people who were funding it.

Above all else if you take anything from what I have to tell you today it is spend the time and money to educate your local officials. Nonprofits cannot lobby and do not need to. However, nonprofits do need to make sure they are sharing their clients' stories, how they are using government funding, and how their programs are working. Educating state legislatures, your department heads in Commerce, Revenue, City and County Officials, commissioners, council members. Share information about statistics you have, how many assets are purchased, how many clients complete financial education, how many are now off other social services. Also very important, share stories, preferably stories with pictures about what your clients really do. I work with Development but this is important to officials as well. Make it real and personal, make it in plain easy to understand English and stay away from lingo, they have enough lingo in their lives. They need to recognize the name IDA program but they don't need a whole lot of technical terms. If you can show your outcomes, you should have program outcomes anyway that show you are setting goals and reaching them and how that affects the community that you're serving.

I share this information with all of our public officials at a minimum of once a quarter. I send a postcard or an e-mail with a client's story or with where we were at reaching our goals.

In 2011, we were able to recognize that our 50% state tax credits were not as effective because of other state tax credits in Kansas so we spoke with a local senator and our Department of Commerce about the need for a higher percentage of tax credits. Our Department of Commerce manages the IDA program so we expressed the need for a 75% tax credit and explained the benefits like our federal match availability and the economic impacts of the IDA program.

Our local senator decided this was an important need and brought up a bill amendment for the percentage change. By this time we had learned our lesson and educated our state representative on our clients. Therefore, we prepared a packet of detailed information of why increasing the percentage was important for Kansas so our legislators had all the facts to make an educated vote.

We also asked for a letter of support from all of our local legislators supporting the legislation change to share with the rest of the senate and house. It was successful, 3 months later the bill was passed. We now have 75% state tax credits.

Kim Pate: Thank you Emily. You've raised a number of good points that I want to highlight here. The key to *all* fundraising, whether from foundations, individuals, corporations, or public agencies, is relationships. Most successes in fundraising are the result of your deep groundwork, your previous research, communication with the prospective source, and creating a mutual understanding of shared goals and the capacity to achieve them. I'm really impressed at the way that you did that.

Emily Hurst: Thank you, I really appreciate that. You hit the nail on the head; that's exactly what it takes.

Kim Pate: So what are these common public funding sources? Even in the case of competitive funding, such as Assets for Independence, you are more likely to be successful if you have studied the funding environment, the relevant rules, the activities, the challenges, the learnings of previous award recipients can be a helpful first place to start, and that shows up in the funding announcement. Without intensive research, it is hard to make a convincing case to a potential funder. We will talk about a number of different potential sources of funding that may not exist in all of your communities and it may be that we are just giving you a taste of what is out there and that you'll need to do a more digging on your own, but this should get the conversation started.

While financial partners, foundations, businesses, local governments, some Federal agencies, and United Way organizations have been generous over the years, the growing opportunities for asset-building approaches to poverty and the increase in the number and scope of Individual Development Account initiatives also mean that competition for funding is increasing. AFI Projects will need to become ever more creative in seeking the nonfederal contributions and additional operating funds.

Let's take a look at some of the most common funding sources of IDA programs:
Local jurisdiction discretionary funds

- Cities, states, and counties often use general funds to support AFI Projects. The amounts and the procedures for accessing such funds will vary by area. Offices to contact may go under names such as economic development, community development, community affairs, small business development, economic or urban revitalization, for example. Familiarity with your jurisdiction's local long-term plans for economic and housing development will help you identify likely agencies to contact. Such plans are available from mayors' offices, local Chambers of Commerce, state agencies, and Federal field offices for public assistance, housing, or small business.
- Community Development Block Grant (CDBG)
This is one "Federal" fund that explicitly may be used as nonfederal cash match for an AFI Project. Individual jurisdictions, however, support a wide range of activities through CDBG, so AFI Projects do compete for these monies. In addition, the AFI Project or the jurisdiction may need to have enough cash on hand to compensate for the time limitations on disbursement of CDBG funds.
For example, within 30 days of closing on a home purchase may be too short of a time frame to draw down those funds and you may need a reserve to disburse later.
- Local departments of labor
Offer career and vocational training, business development assistance and other supportive services for AFI participants. And they may also connect you with vocational rehabilitation that may have funds for asset building for people with disabilities. There is a wide range of local funds and much to learn. It's an exciting opportunity to learn the sources of funds.

A few specific state discretionary sources that you may wish to contact include the following:

- Housing finance agencies and housing trust funds may support homeownership initiatives, particularly in rural areas, with match or operating funds.
- State departments of labor or workforce development also have an interest in small business development and in postsecondary education and training which is connected to IDAs, which support both. In New Mexico, for example, the state-supported IDA initiative is housed with the workforce system.
- State TANF agencies in some cases have funds that may support AFI Projects, but use caution as there are many different funding streams administered by state TANF (Temporary Assistance for Needy Families) agencies. Some of these may count as nonfederal, and therefore could provide the required contribution but most are Federal and may not be used this way. You have to understand how that money is treated. There's a lot of guidance from HHS' website. Even Federal funds managed by your state TANF agency, however, may be used for supplemental support for services to TANF-eligible individuals. There are some special rules for people who are eligible for TANF. Further, many states have used their TANF funds to support IDA programs unrelated to AFI. That TANF system has provided some good support over the years but again, it's tricky.

A couple more at the state level:

- State departments of economic development, which are interested in small business development but also in asset-building in general. A few states have given responsibility for statewide IDA initiatives to the economic development division.

- State dedicated funds for education may be available in some states from the Department of Education to match IDAs for education and training. They can be a very flexible use of the funds.

A few more common public funding sources:

Tribal Governments

- There are a number of Tribal entities that have income generated from their own economic activities and trust funds. These resources may be applied as nonfederal match funds.

Federal Home Loan Banks

- Federal Home Loan Banks, organized into 12 regional banks, support IDAs through an IDA program and at least five regions provide matching funds to existing IDA projects, including AFI. Despite the name, these are nonfederal funds. Member banks in each region may request up to \$50,000 to match other IDA funds. Getting FHLB money into a Project Reserve Account, however, is technically a difficult process, and none of these funds may be used for operations, only for home purchase. So this is for the IDA program that's focused on home ownership and has a time horizon that allows it to invest in the process.

In addition to information about the sources of funding for IDA, the AFI resource Center has numerous other resources. Just visit the AFI Resource Center website: www.idaresources.org.

There you will have access to information about:

- Building Your Fundraising Strategy
- Cultivating Funders
- Tips for Energizing Board Members
- Specific Suggestions for Leveraging Federal AFI Grants to Support IDA Projects
- General Suggestions, Tools & Resources
- Other Fundraising Tools & Resources

There is a tremendous amount of information.

And now I will turn it over to Amy Szabo and Steve Fireman to talk about how they built on their successes in raising funds from City, County and State sources.

Steve Fireman: Thank you. ECDI has been in existence since 2004 and the foundation of our success in fundraising and asset building is clearly derived from our success at raising local IDA funds. Currently, 80% of our revenue is for micro lending but we still maintain an active IDA program. To understand where we came from I'll give you a little history on ECDI. In 2004 we emerged out of another organization called Jewish Family Services in Columbus OH. I was on the board of Jewish Family Services where I met our soon to be CEO of ECDI, Ina Kenny, who had founded an asset building division within Jewish Family Services. Her vision came from personal experience, her life experience. She was a Russian immigrant. Her and her family left the Soviet Union in 1972 and came to the U.S. an asset-less family. They came here with very little notice. The experience her father had in trying to support his family was the impetus many years later for her developing this asset building program at Jewish Family Services. Her father had many different jobs that he was not successful at due to a lack of education. She remembered that when she started at Jewish Family Services she wanted to give back and she developed some training programs for entrepreneurs and those programs were very successful. At the time there were still waves of Russian, Somali and Ethiopian immigrants coming to the U.S. But the training wasn't enough and Ina realized you train people to be entrepreneurs, you can help them with

business plans, job skills but it's all not as effective if there is not a funding source. So she decided to look for funding to support her training. Amy, would you like to talk about this?

Amy Szabo: So ECDI's IDA program started out with a grant from the Office of Refugee Resettlement. I think the story we have to tell is the story of building on our successes. She started with a small grant from the Office of Refugee Resettlement specifically for IDAs and from that point we were able to talk about the successes of that program and build relationships with the County, specifically Franklin County Office of Jobs and Family Services, and they saw the value in an IDA program so they decided to fund a microenterprise-specific IDA program and have Jewish Family Services administer it. At that time we were working primarily with the programmatic people in the economic development department and that's where we started building the relationships with state and local funders. We realized pretty quickly that they have a lot of discretion in how to spend their funding. So we didn't necessarily start with the commissioner or the legislators but the people on the ground and when you can talk to them about the impact your program makes and are able to say "hey, we can also leverage federal dollars with this if you can commit some money for this as well". We found that very successful. We started with county funding, then city funding through CDBG, some state of Ohio dollars for a state wide IDA program and some housing trust fund dollars. I don't know if you mentioned housing trust fund as a possible source of AFI match funds, Kim, but we received funds from there. We've just continued to tell our story and successes and that made other funders interested in what we were doing.

Steve Fireman: I feel like we can give advice because the IDA program was a model for our microenterprise program which is a story of successful fundraising. We have 230 different loan funds and it was all based on the model we learned from our IDA program. Sometimes people ask me what I do, everything I do is about building relationships with potential funders at the city, county and state level. Some of our very same decision makers or funders that helped us with our first IDA program became our funders or recommended us to their counterparts within the city, county and state for our lending funds as well. The lesson is you never can be afraid to knock on every door. When it doesn't open you knock again, you call again. When you truly know you have something of value to add and you know you can get the outcomes which will make the funder look good, then there's nothing to be embarrassed about because you know what value these programs add to the community and the economic development of the community. We are persistent, sometimes to the point of being overly persistent, but it has served us well. We've developed long lasting relationships and sometimes you have to start over because you are educating elected officials as well as appointed agency people and what we've learned over time is that after we were very successful with the program level people, they introduced us to their bosses and they in turn introduced us to their bosses and we ended up working with a lot of director level people, some of them made it through administration changes, some of them did not, but you can't be afraid no matter who is in control. Once you have a proven track record and you have created microenterprises, done a lot of down payment assistance, a lot of PSE (post-secondary education grants), once you do that all you're doing is making them look good so they come to you.

Amy: one last thing I wanted to talk about, in 2009/2010 we had state funded IDAs for four years in a row and then at the bottom of the recession a lot of agencies we were working with ended up refocusing their priorities on critical services, so a lot of IDA funding was cut but we were still able to build on our success from state and local funds. Today we still have a vibrant IDA

program. We took those partnerships with local and state funds and transferred them to private funders. We currently have two AFI grants with local match to go along with those. So it's a story of building.

Steve: Although we are lending and training centric, we have a very active IDA program which feeds our lending program. It's important as a CDFI that we serve those markets. Another thing I want to say for those of you who don't have an IDA program; the priorities of different administrations change but this is the best time to get involved in this field. What could be more important than helping people become sustainable and creating jobs? We are the most popular people in the state and are getting recruited to do what we do all over Ohio. We are proud of that because we formed relationships with funders so now is the best time, from our point of view to get involved in this kind of asset building and economic development.

Kim: Thanks Amy and Steve. I'm glad you circled back to the earlier point about relationships. I love the story about how you were tenacious enough, that over time you built a track record of credibility and were able to tell your story of success but you also managed to navigate the jurisdictional rank and file so that you were talking to lot of different layers of agencies and that's really important for continuity and ensuring that when people leave there are still sources you can go to. So I'm going to turn it over to Emily Hurst from Interfaith Housing Services to talk about how they've raised funds from city and county funds.

Emily Hurst: Along with our success with state legislation and state funding, we needed more money because the Department of Commerce, which administers our IDA program, wanted this to be a state wide program. We have been solicited by communities all across the state to offer IDA programs because we currently only offer them in 3 counties. We are now up to 8 and we'll be up to 26 this year. So we contacted different local government entities in the communities we were trying to establish IDA programs. So when we would go to that community we would contact the Economic Development Directors, Chamber Presidents, County, and City Commissioners. Again, when dealing with any government officer, when marketing your program as an economic development tool as opposed to a "social Service" you get more attention and respect. There is a plethora of social programs out there but the IDA program really is an economic development tool. And the more you focus on the fact that you are bringing in matched dollars for asset purchases the more people focus and get excited about your programs.

I discussed bringing matching federal funds into their communities, shared the economic benefits of IDAs, the reduced blight and generational poverty, and educated them similarly to our legislators, except I provided full presentations and requested a lot of personal meetings with economic development actors. We got a lot of positive response. Some but not all supported us, budget priorities and economic difficulties were the only adversary we seemed to face. Almost all the communities we talked to were excited about what this could do. They had a lot of questions but they thought this would be great for economic development in their communities but some communities simply didn't have the funding or resources.

Again, I can't say it enough but whether it's a legislator or city official, it's sometime easy to be intimidated because they are an official but they are all JUST PEOPLE. People with families, people with houses, people just like you. The more you get to know them as a person instead of an official and the more they get to know you and your organization, the more willing they will be to seek to understand your program and to understand how this could benefit your community.

Sometimes when things are done impersonally, like a letter, then officials tend to shy away from that but if you get to know them as people and they see your organization for what you are they will be more willing to listen to what you have to say.

Kim: That's great, I love that you reiterated the point about how less hands off and more personal information can really build these relationships. I am going to now spend some time on questions for the guest speakers and I encourage you on the phone to send them in. I will start with one for Emily. **What is an IDA tax credit and how does it work? I didn't address this in my presentation, could you address this Emily?**

Emily: An IDA tax credit can only be used in states that have income tax so if your state has income state and individuals and business pay these taxes annually. With these tax credits, say an individual makes a donation to your organization for a thousand dollars. If you have tax credits and if they were 50 % tax credits then when your donor makes 1000 dollar donation then the state gives them 50% of their donation back. 500 dollars when they file their Kansas income tax. If you have tax credits then the state will give them 50% of their donation back. So it's a really strong incentive for people to donate to your program. We used to only have 50 % tax credit, but in our state, we have some tax credits that are 70-75% so ours wasn't as competitive so we asked to increase that to 75% and the state has now allocated \$500,000 in state tax credits. So they are saying we'll spend 500,000 on your IDA program if people donate to you. So they'll take that money and give it back to the tax payer for donating. I encourage getting a higher percentage state tax credit. When we got the 75 tax credit we were sold out completely and we had people calling us for more tax credits that we didn't have. But that provides a little over 650,000 to us because we have the donor contribution with the state tax credit.

Kim: That's great and I think there's more info on idaresources.org. I have a question for Amy and Steve. **Does your organization have full time staff for developing your IDA program and do you have any suggestions for how to be successful with limited staff time and resources?**

Steve: Not always, currently we do and we split the job up. Ina and I and Amy have always been the front line and we all have other jobs in the organization. The answer is yes, Amy can you give advice for how to do it with limited resources. I have some hunches; time management, using the time you have to build the relationships. It's like any kind of sales relationship. It truly is. It could be going to lunch with people, could be going out after work and again it is absolutely knocking on the doors. Whatever time you have, use it wisely. Figure out the right door to knock on and go straight to it.

Amy: It's evaluating opportunities on the front end. Ina, our CEO, is really an "ideas" person and she uses me to, let's say, she might have 10 ideas of potential funding sources and I look at those and do as much research at the front end and minimize the amount of time and pursue the ones that are a good fit for the IDA program.

Steve: One other thing as far as being not afraid to call people. Call Ina Kenny, call us, call peer organizations we are thrilled to help you out and convey knowledge we have. People have helped us and are glad to give back.

Kim: Thank you. I have a question here and I'll take it. **Is there any research that shows the impact of IDAs? Anything that might help us educate state and local agencies about why they should fund an IDA program?**

This is a great question. There is quite a bit of research on IDAs; the first large scale test of IDAs was a demonstration project called the American Dream Demonstration which proved that low income people can and do save when provided with the right incentives. There have been a number of studies conducted since then, so for example a 2010 CFED report with the Urban Institute found IDA homebuyers were 2 to 3 times less likely to lose their homes to foreclosure compared with other low income home buyers in the same communities in the same time period. There have also been studies showing IDA participation is associated with increased employment and better budgeting and financial planning. This is all information that can be invaluable when talking about the impact of IDAs. One thing we always hear practitioners ask for is a cost benefit or return on investment analysis on IDAs. If the state invests X dollars in IDAs, for example, they will get Y return on this investment. Some organizations have tried to create these but it's hard to do. There's a lot of research moving ahead in the asset building field and there will be a call for research papers at the 2012 Assets Learning Conference that we will issue that will invite asset building researchers.

Here's another question that's open to all the speakers: **When talking to decision makers about an IDA program, should you make the case differently in a conservative or Republican state vs. a more liberal state and if so how?**

Steve: It's a bipartisan issue 100%. Both sides of the aisle love IDAs, they love economic development. We have found that we have open ears on both sides of the aisle almost 100% of the time. It just becomes a matter of educating those folks who have the most power and are in control of the gavel at the time. So that's my answer.

Kim: That's our answer at the federal level as well. We noted, at CFED, a heavy bipartisan appeal. Really this is about how you build stronger communities which is of interest to both sides of the aisle.

Emily: I would add to it. I have tailored my message slightly differently whether it's more conservative or more liberal people I'm speaking with, because sometimes there are things they seem to be more interested in on one side than the other. One thing I noticed, they really latch on to is if you really talk about that asset building piece of it and how you're transitioning these low income families from living paycheck to paycheck to having financial security. We have been trying to record the reduced expense on government assistance from IDA participant graduates. Showing that IDA gets people off government services seems to be a real high point with all government officials.

Kim: Thanks to all of you. I have a question here that I'm not sure if any of us can answer. But it's a good question. **Can anyone provide information on how active IDA programs can layer with federal home loan bank programs? For example, the Wish Program for first time home buyers, have any of you, specifically those working with housing trust funds, come across this?**

Emily: We do layer home loan bank funds with our IDA program. Basically we applied for a federal home loan bank so that we can use the federal home loan funds for our home purchases, just to add additional resources to our first time homebuyers. In our program we'll give a first time homebuyer up to \$5,600 dollars so we use the federal home loan bank funds as part of that and then use AFI and some of our state tax credits.

Kim: Emily, have you noticed the issue that it takes a long time to process it?

Emily: I'll let Lorna explain it better.

Lorna: We do layer FHLB funds for first time home buyers with our IDA funds. It is not used as match. We have our tax credit funding and AFI funds that provide the match. In addition to the \$6,500 we provide to IDA clients we also have \$3,000 available that can be used giving them a total of \$9,500 plus their own savings. The problem is it is difficult. FHLB require a very low interest rate for the clients to qualify for it and many of our clients just don't qualify for those low interest rates so it's difficult, but we are working with them to get those little kinks worked out.

Kim: Thank you Lorna, my guest-guest speaker. Thank you for jumping in. That is all we are going to be able to do today. I wanted to direct everyone's attention to our contact information and to heartedly thank our presenters for taking the time to prepare and present today on this important topic. I'd like to do a couple more things, a few closing housekeeping pieces.

One is to let everyone know that we have another webinar coming up called Tools for Success: Red Light, Green Light: Determining IDA eligibility and Telling Your Story, the Power of Effective Messaging. These are part of the series Tools for Success coming up soon, registration details to follow.

And then I'd like to take a minute to ask you all to please participate in an evaluation that we have. It will only take a few seconds and it will help us assess the quality of this webinar.

Here's the question you will see on the screen:

Please rate this webinar's overall quality in terms of its helpfulness and relevance to your work.

Answer Key:

Very high

High

Moderate

Low

Very low

Alright, thanks so much everybody. Have a great rest of the day. And thanks again to our presenters. Bye bye.