Local Presence, National Impact

For more than 22 years, the National Association of State and Local Equity Funds (NASLEF), has operated as a professional, nonprofit association formed to promote the efficient management of state and local equity funds. Throughout 41 states, NASLEF Active Members raise capital for affordable rental housing developments that qualify under the Low Income Housing Tax Credit (LIHTC) program. Collectively through 2016, member funds have raised over $13.8 billion in equity capital for rental housing developments throughout the country, creating or rehabilitating more than 173,488 units of affordable housing in 3,685 developments.

Our Mission

NASLEF’s mission is to promote a greater understanding of tax credit and other financing programs, to advocate for community development resources and to encourage the professional development of its member organizations all in support of the communities we serve. Our work is fueled by our members’ leadership in affordable housing advocacy, connection with community organizations, and knowledge of local markets. These organizational attributes enable NASLEF members to invest capital in strategic community endeavors, especially in underserved markets.

Our Impact

NASLEF Active Members are visible in the communities they serve by providing affordable housing opportunities, strengthening neighborhoods, and impacting the lives of residents. Many member funds have developed philanthropic affiliates and foundations that fund programs that assist residents socially, economically, and educationally. Member funds also provide value-added services to development partners in the areas of technical assistance, training, engaging in local and state housing policy groups, and providing lending opportunities as certified CDFI organizations.

NASLEF member funds will continue to lobby for the continuation of the most successful affordable housing program in the nation. Fund members will continue to raise capital to provide affordable housing options for families, seniors, individuals, and special needs populations. NASLEF will continue to be a local presence with national impact on affordable housing.
NASLEF STAFF & BOARD MEMBERS

NASLEF STAFF

Sabrina Moreno
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Oakland, California

Mary Kay Meagher
Deputy Executive Director
Columbus, Ohio

Bobby Rozen
Legislative Consultant
Independent Consultant
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Immediate Past President
Housing Vermont
Hal Keller  
NASLEF President

Despite the market disruption in late 2016, last year was a successful one for NASLEF members. NASLEF members raised over $1,180,900 to finance the development of 11,728 homes in communities all across America. The 12 NASLEF organizations are active in 41 states where our leadership in affordable housing advocacy, connection with community organizations, and knowledge of local markets creates high quality, strategic community investments, especially in underserved markets.

We had a wonderful conference last fall in Portland, Maine hosted by the Northern New England Housing Investment Fund and look forward to our 2017 conference in Indianapolis, Indiana hosted by Cinnaire.

Over the years NASLEF members have grown, diversified and found new ways to serve their development and investment partners, residents and communities. New Market Tax Credits, loan products, enhanced technical assistance and training and philanthropic grants are just some of the expanded services members offer. And each organization is actively engaged in state and local housing and community development initiatives.

Collectively NASLEF members represent about 10% of the national Housing Credit market, having raised and invested nearly $13.8 B in affordable housing and $2.25B in other community and economic developments. While much has been accomplished, significant challenges remain. We continue to lose affordable housing from our nation’s stock at a time when more than one in four renter households in the U.S. – roughly 11 million – spends more than half of their income on rent, leaving too little for other necessities like food, medical care, and transportation. The Housing Credit is the key federal resource to increase the supply of affordable housing and recapitalize existing affordable developments. Administered on the state level, this program has shown to be flexible and resilient with a long track record of success with few failures. State designed allocation plans work well with NASLEF members’ focus on local needs and relationships. NASLEF has and will continue to work with others to preserve and expand the housing credit during the debates on comprehensive tax reform. NASLEF will continue to be a local presence with national impact on affordable housing.

We look forward to working with our local and national partners in 2017!
2016 NASLEF DIRECTORS

Dana S. Boole
President and Chief
Executive Officer
CAHEC

Mark McDaniel
President & CEO
Cincinnaire

Stacy L. Sur
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Finance, LLC

Nancy Owens
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Northern New England
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Hal Keller
President
Ohio Capital Corporation
for Housing

John Kennedy
President & CEO
St. Louis/Kansas City
Equity Fund, Inc.

Robert Newman
President & CEO
Virginia Community
Development Corporation
**MEMBERSHIP OPPORTUNITIES**

There are two levels of membership in the NASLEF association: Active Member and Corporate Member. If you are interested in becoming an Active or Corporate Member, please review the eligibility information below to ensure your organization qualifies. Membership in NASLEF must be approved by the NASLEF Board of Directors. We thank you for your interest in NASLEF and encourage you to submit an application. If you have any questions, please contact Sabrina Moreno, NASLEF Executive Director, at smoreno@merrittcap.org. Apply online at [www.naslef.org/membership-application](http://www.naslef.org/membership-application).

### ACTIVE MEMBER

**$2,000 + FTE (Full-Time Employees)**

**An Active Member is defined as:**

Any organization whose principal employment is that of a regional, state or local equity fund not solely controlled by or managed by a national fund, consultant or third party. NASLEF Active Members pay a base fee of $2,000 yearly and an additional yearly amount based on the number of Full-time employees (FTE) within the organization.

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<th>FTE Range</th>
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<tr>
<td>1-10</td>
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<td>24+</td>
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**Active Member benefits include:**

- Association voting privileges.
- Listing of company information in NASLEF’s Membership Directory, website, and other NASLEF publications.
- Participation in networking opportunities, IRR-seminars, special asset management sessions, annual conference, and Executive Director’s meeting.
- Eligibility for service as a Director or Officer on the NASLEF Board.

### CORPORATE MEMBER

**$2,000**

**A Corporate Member is defined as:**

Any government agency, corporation, syndicator, professional association, broker, consultant, attorney, accountant, or other individual having a professional interest and involvement in the Low-Income Housing Tax Credit (LIHTC) program.

A national equity fund or consultant actively engaged in the management or co-management of a state or local equity fund.

Any investors in Active Member funds and state housing finance agencies.

**Corporate Member benefits include:**

- Advantageous networking/business opportunities via access to 12 Equity Fund Members in 39 states.
- Listing of company information in NASLEF’s Membership Directory and website.
- Networking/training opportunities in LIHTC at the NASLEF Annual Conference.
- Opportunities to promote your business to the industry.
- Contact with peers who network with specific state industries.

**APPLY ONLINE AT** [WWW.NASLEF.ORG/MEMBERSHIP-APPLICATION](http://WWW.NASLEF.ORG/MEMBERSHIP-APPLICATION).
PORTFOLIO OF HOMES BUILT

EQUITY RAISED

Total: $13.88 Billion in Equity

UNITS BUILT

Total: 173,488 Units
NASLEF MISSION: VALUE-ADDED TO PARTNERS

While raising capital to provide affordable housing opportunities is our core business, NASLEF member funds also actively provide value-added services to our partners in the industry. Many member funds serve vulnerable populations by investing resources into programs and activities that impact resident’s lives. Member funds have developed philanthropic affiliates and foundations that fund programs that assist residents socially, economically, and educationally.

Examples for 2016 from Member Funds include:

- The CAHEC/CAHEC Foundation: As an affiliate of CAHEC, the CAHEC Foundation offers wellness and education initiatives to residents living in areas that CAHEC serves. In addition to CAHEC’s current menu of Community Investments grants, the CAHEC Foundation creates opportunities that go beyond affordable housing to help residents receive the critical resources they need to succeed. In 2016, CAHEC granted $1,061,000 from the Foundation.
- Virginia Community Development Corporation (VCDC): In 2008, VCDC established the Vern Henley Special Initiatives Grant Program. This program affirms the belief that affordable housing should provide residents with quality shelter and access to services that foster their success. This holistic approach considers a range of factors that shape success — social, educational, physical, emotional, and economic. In 2016, VCDC awarded $167,240.
- Ohio Capital Corporation for Housing (OCCH’s) philanthropic affiliate, the Ohio Capital Impact Corporation, funds programs targeted to neighborhoods and residents where OCCH has investments in affordable housing. More than $14 million in grants to partners have been awarded in these areas: Resident Development Fund, Partners, Neighborhoods, and Community Properties Impact Fund. In 2016, 45 grants totaling $965,982 were awarded. (20 for summer camp and the remaining for Wellness, Youth Empowerment and Engagement, Advancement, Enriching the Lives of Seniors and Innovative Strategies), OCCH also awards scholarships to student residents through the Jerry Grier Scholarship program. In 2016, $133,060 was awarded to students.
- Massachusetts Housing Investment Corporation (MHIC): MHIC operates a Charitable Contribution budget that starts at $25,000. They also have a $50,000 Charles Dahm Tuition Scholarship Fund for [children of] tenants of their properties who can apply for college tuition. Applicants are funded for four years and the amount fluctuates annually.
- Housing Vermont: A few years ago, Housing Vermont created the Housing Vermont Scholarship. Residents of housing affiliated with Housing Vermont are eligible for a renewable annual scholarship of up to $2,500. Scholarships are available for both degree and non-degree programs as well as for those interested in taking classes that lead to certifications. Four scholarships are awarded annually.
- Merritt Community Capital Corporation: Merritt offers funding for educational advancement. In 2016, Francisco State University awarded $23,434 to 3 students and California State University East Bay awarded $9,215 to 1 student.

Other funding includes:

- Providing homeownership grants
- Funding community programs
- Funding food banks
- Providing scholarship opportunities to residents
- Funding neighborhood development
- Providing funds for tutoring, computer classes, and summer camp for residents’ children
Member funds engage development and management partners by providing opportunities for training and education on a regular basis. Examples include:

- Holding annual affordable housing conferences with industry speakers
- Providing property management training
- Providing individualized training to partners
- Developing training on energy, construction, and asset management
- Providing compliance training to property managers
- Offering a training academy to partners which provides property management and maintenance courses

Member funds recognize the importance of providing technical assistance to partners navigating HUD and Housing Finance Agencies programs. Assistance is given in:

- Understanding and usage of HOME funds
- HUD Section 8 regulations
- Development consulting
- Understanding RAD and mixed-finance funding
- Rural development assistance
- Housing agency programs and funding

Member funds are actively involved in state and federal housing policy issues, engaging lobbyists, and serving on:

- Local housing councils and agencies
- Boards and executive committees of housing trade associations
- Legislative Advocacy groups

Member funds focus on raising capital and providing equity for affordable housing development and preservation. Many funds also offer loan products or operate a Certified Development Financial Institutions Program that offers:

- Predevelopment and acquisitions lending products
- Bridge loan financing
- Gap financing
- Construction loan financing
- Permanent financing
For the past seven years, policy discussions around the Housing Credit have mostly revolved around the question of what tax reform would mean for the program since the bipartisan pursuit of lower tax rates for corporations was presumed to also require the elimination of most special deductions and tax credits. Yet, even as that debate persisted in Congress, conventional wisdom has been that tax reform would not be enacted as long as majorities in Congress were held by one party and the presidency by another.

That of course all changed with the election of Donald Trump in November at the same time Republicans held on to their majorities in Congress. As the Housing Credit community well knows, immediately after the election the conventional wisdom changed quite quickly to an assumption that tax reform would get done.

In 2016, before any of this was anticipated, the Housing Credit community decided to change its legislative orientation from one largely tailored on defending the program against possible elimination in tax reform, to a more aggressive posture of seeking a very much needed 50% increase in the allocation cap. This effort was undertaken at the same time that we sought numerous statutory changes in the program to both facilitate and simplify its use as the key means of developing new, and preserving existing, affordable housing. Two separate bills were introduced in the Senate in 2016, by Senator Maria Cantwell (D-WA) and Senator Orin Hatch (-R-UT), one bill was focused on the 50% increase in cap authority while the other bill included approximately twenty statutory changes to the Housing Credit, including creating a minimum 4% credit, permitting states to provide a 30% basis boost to bond projects, and a new 50% basis boost for units affordable to extremely low-income households.

Like all other tax bills, this legislation died with the end of the last Congress, but the effort has been renewed in 2017 with the introduction of one Senate bill, that includes both the 50% cap increase and the miscellaneous statutory changes. Already, as of the end of April the Cantwell-Hatch bill, S. 648, has garnered the cosponsorship of 17 Senators. Meanwhile, Congressman Pat Tiberi (R-OH) and Congressman Richie Neal (D-MA) have introduced almost identical legislation in the House, except without the 50% cap increase. That bill, H.R. 1661, as of the end of April has been cosponsored by 34 House members. The House and Senate bills carry the same title: The Affordable Housing Tax Credit Improvement Act of 2017.

These developments are quite positive and the industry should be encouraged by the number of cosponsors already on the two bills have as well as the key support from the Chairman of the Senate Finance Committee, Senator Hatch, the top Democrat on that committee, Senator Ron Wyden (D-OR), and the Senate Democratic Leader, Senator Chuck Schumer (D-NY). It is important for the entire affordable housing community to rally around this legislation and work hard to engage with their elected representatives in Congress to urge that they cosponsor the Senate and House bills.

Ultimately, the level of support built around this legislation will serve as a key line of defense for the Housing Credit program if and when Congress eventually passes tax reform legislation. The more members of Congress attach their names to these bills, the stronger our position will be if the future of the program is under threat.

Even with one party control of the Presidency, the House and the Senate, the likelihood, timing and content of tax reform is still very unclear. Nevertheless, since the potential impact on the Housing Credit is so great, the affordable housing community can leave nothing to chance. Based on our interaction with Congress so far, there is reason to be optimistic that the Housing Credit will survive intact if tax reform is enacted. But the basic program could be saved even as other tax code changes severely undermine its effectiveness. Ultimately, the display of support we show through the Affordable Housing Tax Credit Improvement Act will make it easier for us to preserve the effectiveness of the Housing Credit program no matter what happens with tax reform.

What this means of course is that everyone who works with the Housing Credit must continue to make a strong effort to ensure the effectiveness of the program and its support among elected officials.