

2022 Rural Housing Outreach

REGULATORY ACTIVITY:

B. Housing for high-needs rural populations (12 C.F.R. § 1282.35 (c) (2)).

OBJECTIVE:

1. Support technical assistance programs that enhance the development capacity of organizations serving high-needs rural populations.

INFEASIBILITY:

Please check here if the Enterprise is submitting an infeasibility request for the objective.

SUMMARY OF RESULTS:

Objective’s components detailed in the Plan	Corresponding actions taken	Explanation of any deviations from the Plan (if applicable)
<input checked="" type="checkbox"/> Partner with non-profit organizations to deliver TA to 20 organizations working to develop or preserve housing for agricultural workers or Native American communities through RD 514/516 funding, HUD funding allocated for tribal housing, LIHTC, or state and local funding. The majority of the organizations served under this objective will be those who serve agricultural workers. Between 5 -- 7 Native American housing projects will also be selected for intensive technical assistance throughout the year. Both of these populations are extremely underserved, and we have determined that it is important to continue providing technical assistance to both populations during this duty to serve cycle. TA provided by non-profit partners will result in	Through partnerships with technical assistance providers expert in high-needs rural populations, Fannie Mae enabled intensive training to 22 Native American or farmworker housing organizations and preliminary training to three more, exceeding the target in the DTS Plan.	N/A
<input checked="" type="checkbox"/> Participating organizations will receive between 80 and 100 hours of individualized technical assistance	On average, the 22 recipients of intensive technical assistance received over 80 hours of support.	N/A
<input checked="" type="checkbox"/> Completion of at least 10 applications for debt, equity, or state/local assistance	As a result of the TA, recipients submitted 11 applications for funding in 2022, surpassing the target in the Plan.	N/A



<input checked="" type="checkbox"/> At least three projects securing funding in 2022	As a result of the TA, recipient applications resulted in six projects receiving funding or commitments for funding in 2022, doubling the target in the Plan.	N/A
<input checked="" type="checkbox"/> A new tribal real estate development enterprise will secure financing to launch operations	1822 Land and Development, an arm of Oneida ESC LLC (an Oneida Tribe-owned business) worked with Fannie Mae’s partner organization to apply for and receive funding for two separate tax credit projects in two distinct markets. The project in Oneida will be 1822 Land and Development’s first LIHTC project.	N/A
<input checked="" type="checkbox"/> At least five educational sessions about the 514/516 program availability and how to ensure stable projects	Through partnerships with technical assistance providers expert in high-needs rural populations, Fannie Mae enabled five training sessions and one bus tour to showcase farm labor housing opportunities to potential market participants.	N/A

SELF-ASSESSMENT RATING OF PROGRESS:

- Target met
- Target exceeded
- Target partially completed
- No milestones achieved

IMPACT:

- 50 – Very Large Impact
- 40
- 30 – Meaningful Impact
- 20
- 10 – Minimal Impact
- 0 – No Impact



IMPACT EXPLANATION:

1. How and to what extent were actions under this objective impactful in addressing underserved market needs, or in laying the foundation for future impact in addressing underserved market needs?

Fannie Mae's 2022 technical assistance for multifamily farmworker housing and Native American housing efforts supported an incremental \$56.6 million in funding secured for six projects that include 243 units of housing. To produce this outcome, we supported intensive technical assistance (TA) to 15 farmworker housing projects and 7 Native American housing projects, which in turn yielded five and six applications, respectively, for funding in each market.

Our partners provided high-quality support for these housing markets outside of formal one-on-one TA.

For example, our partner in the farmworker housing market:

- Conducted five virtual training sessions on pursuing funding from USDA.
- Organized a bus tour of the San Luis Valley in Colorado to showcase farm labor housing to community members, mayors, and nonprofit leadership.

Our partner in the Native American housing market:

- Promoted the previously developed Native Housing Developer Guide through a variety of tribal convenings to encourage the pursuit of multifamily housing and spread awareness of TA.
- Provided training on the same Developer Guide to over 100 participants in three separate sessions.
- Supported 1822 Land and Development, an arm of Oneida ESC LLC (an Oneida Tribe-owned business), to apply for and receive funding for two separate tax credit projects in two separate states. These projects distinguished 1822 as the first Native-owned LIHTC developer to work on projects that are both on and off reservations.

2. What did the Enterprise learn from its work about the nature of underserved market needs and how to address them?

The needs for farmworker housing TA vary by organization. An organization's level of experience and sophistication drives different levels of support and frequency of meetings. In particular, those less experienced with farmworker housing projects respond best to a combination of group workshops and one-on-one support, while more experienced organizations tend to seek help on completing the application process properly. Farmworker housing TA recipients consistently expressed a need for assistance in managing elements of the USDA application process. For example, they noted that USDA environmental reviews have been cumbersome, and it appeared that recipients would receive inconsistent answers when they would ask USDA questions. They noted that it would be very helpful if USDA would host roundtable discussions specific to the section 514/516 program. Additionally, they expressed interest in USDA sharing data on areas with housing shortages where projects are struggling, and where new agricultural activities are occurring, so that they can better target their efforts.

For Native American TA, we learned that organizations varied widely in their response to TA frequency, where sometimes only periodic check-ins were necessary. At other times weekly, if not daily, involvement made sense. Nuanced differences stemmed from the involvement of other development partners, other potential funding providers, or tribal leaders. Above all, the most effective or efficient approach has been to meet tribe members where they are, wherever that may be. The timing and intensity of the TA may correlate with the sophistication of the tribal partner. Those who are new to development benefitted from earlier engagements months ahead of any due dates to line up their required documents, while more sophisticated tribes required deeply knowledgeable TA engagements with team members who could navigate complex processes. For those with less experience, we found that ensuring they are paired with the right consultants and partners early in the development process is key to project success, and the resulting housing units are what the tribe desires. We learned that many tribes are skilled at developing housing with HUD funding or Native American Housing Assistance and Self Determination Act (NAHASDA) dollars but are inexperienced in accessing state funding like Home Key in California or LIHTC in Michigan, Wisconsin, or Alaska, which they find can be particularly challenging. Technical assistance, or coupling with a development consultant, represents a meaningful chance to bring in more resources. For larger deals at mature stages of the



development process, gap financing consistently arose, whether through lower-than-anticipated pricing of LIHTC tax credit equity or from rising construction and labor costs. For more nascent organizations, challenges were identified related to tribal staff capacity. In addition, they cited a lack of understanding on the part of non-native partners, such as knowledge of development on trust land. Often, state agencies responsible for distributing state and national resources have project and funding criteria that are barriers to securing resources for construction on trust land or by tribes, which are sovereign nations. Differences in land use, approval bodies, infrastructure, and government authority can cause problems meeting requirements for public funding resources.

3. Optional: If applicable, why was the Enterprise unable to achieve the Plan target?

Not Applicable