

# Workforce Housing – Request for Project Planning Proposals

## Why Workforce Housing?

As housing costs continue to rise, credit unions throughout the region are working with local businesses and community partners to design innovative solutions to this challenge. We support credit unions and their partners who are committed to alleviating the housing burdens facing their community's workforce. We do this in a number of ways, including:

- Supporting credit unions with project development
- Providing project implementation funds
- Fostering community collaboration
- Leveraging credit union partnerships
- Identifying resources
- Promoting targeted approaches to housing solutions

## Background

Powered by a network of credit unions, the GoWest Foundation cultivates and delivers resources that strengthen the financial lives of people throughout our region. In cooperation with the GoWest Credit Union Association, we help 300 credit unions across Arizona, Colorado, Idaho, Oregon, Washington, and Wyoming achieve positive impact in their communities.

The GoWest Foundation has become increasingly engaged in catalyzing our credit union network around the issue of affordable housing. Policy makers and credit union leaders consistently urged the Foundation to use our resources and network to develop a significant affordable housing initiative. In 2018, we convened our first-ever Affordable Housing Summit, where credit union leaders came together to address this specific issue. We identified workforce housing as an area of considerable opportunity, given credit unions' existing infrastructure and capabilities as community-based financial institutions. Since 2018, we've made nearly \$1 million in workforce housing initiative grants.

Credit unions are uniquely positioned to think creatively and leverage resources to help address workforce housing. Whether it's single-family homes in rural regions, or large apartment buildings in cities, one thing remains abundantly clear: credit unions in our region want to step up and achieve measurable, positive impact for our members and our community in the space of affordable housing.

Your GoWest Foundation will serve as a hub for incubating innovative solutions that have the potential to be scaled or replicated to improve housing affordability across our region. We invite all GoWest member credit unions interested in applying for financial support to address workforce housing in their communities to submit a grant application.

## Overview

The long-term goal of the GoWest Foundation's housing initiative is to increase availability and access to affordable workforce housing in our region. The proposed outcomes of the planning grant should be well-reasoned, broadly accepted, and designed to address the unique challenges faced by the credit union's own communities as they work to address affordable workforce housing. To the greatest extent possible, the plan should be based on solid evidence that the identified approach is likely to succeed.

The GoWest Foundation wants to help break down the barriers that prevent credit unions from engaging more fully with addressing affordable housing in their own communities. As member-driven financial cooperatives, credit unions must make business decisions that are good for their members. GoWest encourages credit unions to provide financial services across the entire housing continuum but is currently focusing its funding efforts specifically on workforce housing. Credit unions implementing

impactful affordable housing programs across North America are successful because of the partnerships they have developed to build up resources, innovate existing practices, and mitigate risk.

Workforce housing is not specific to an employer and is sometimes referred to as middle income or missing middle housing. Workforce housing building types can include single family homes as well as duplexes, fourplexes, cottage courts, and courtyard buildings. As community-based member-owned cooperatives, credit unions have close relationships with their membership base that big banks, traditional mortgage brokers, and the alternative lending market simply don't have. Those connections to the community make the design and delivery of innovative housing solutions not just possible, but an incredible opportunity to be nimble in addressing the array of barriers faced by underserved populations.

## Funding Availability

The GoWest Foundation awards applicant credit unions up to \$20,000 to fund workforce housing planning grant projects. Credit unions are encouraged to apply for the reasonable funding necessary to complete the scope of work detailed in your application.

## Funding Period

Workforce housing planning projects should be no longer than 20 weeks in duration. Credit unions who receive planning grant funds will be encouraged to submit an implementation grant application upon completing the project's planning phase.

## Award Timeline

The GoWest Foundation accepts grant applications throughout the year; there is no application deadline. Applications will be reviewed, and grants will be awarded, on a rolling basis. Applicants are typically notified of a decision within 30 days of receiving a submission. Large implementation grant project requests (\$50,000 or above) will be reviewed by the GoWest Foundation Board of Directors and a decision may exceed 30 days.

## Eligibility Requirements

The GoWest Foundation welcomes applications from all GoWest member credit unions. Credit union planning projects must focus on communities in Arizona, Colorado, Idaho, Oregon, Washington, and/or Wyoming. The Foundation funds grants to credit unions or collaborations of credit union partners interested in exploring viable products and solutions to expand access to workforce housing in the communities they serve. Credit unions are highly unlikely to be awarded more than one project planning grant per 12-month period.

## Serving the Underserved

The GoWest Foundation is committed to promoting and supporting efforts that address inequities that exist in communities across our region. To create relevant and accessible products and services for your membership, the GoWest Foundation encourages including a diverse group of stakeholders in your planning and design process. These varied perspectives will support your credit union's understanding of the needs and challenges facing underserved populations so that you may create relevant and timely solutions to the historical, cultural, and institutional barriers impacting their access to financial services. Through our workforce housing grantmaking, the Foundation will prioritize funding for credit unions or credit union partnerships that focus on serving the underserved in their grant proposal. For more information, please contact us at [foundation@gowest.org](mailto:foundation@gowest.org).

## Types of Eligible Workforce Housing Projects

The GoWest Foundation is committed to supporting innovative affordable workforce housing solutions in communities across our region. Affordable housing is a complex issue, and no single solution will work for all communities. As such, the Foundation is interested in funding planning grants that identify innovative scalable or replicable solutions that are responsive to the needs of local communities. What

works in rural communities might not be what works in urban areas, and what works in Idaho might not work in Colorado, etc. Some credit unions may choose to identify ways they can positively impact the rental market, while others will choose to focus on how they can impact homeownership. With this funding opportunity, the sky is the limit.

*Examples:*

- Financing Alternative Housing Types: Creating accessible financing for accessory dwelling units (ADUs) such as backyard cottages, detached garage apartments, mother-in-law suites, tiny homes, and prefabricated homes in communities that do not have restrictive ordinances for alternative housing options.
- Financing Local Landlord 1-4 Projects: Providing conventional financing options for individuals or small businesses looking to construct duplexes, triplexes, or quadplexes instead of commercial lending to developers.
- Rural Rehabilitation: Financing or Loan Fund: Creating a loan fund or financing to rehabilitate or renovate older housing units.
- Rental Security Deposit Loans: Providing low-interest loans over the course of a rental lease to decrease barriers of access to an inflated housing market with steep security deposit fees.
- ITIN and Non-Conforming Loans: Funding loans to serve members who may not have the traditional documentation needed to obtain mortgage loans.
- First-Time Home Buyer and Down Payment Alternative Loans: Creating specialized mortgages that reduce or eliminate conventional down payment requirements.

*Awarded grants have included supporting the following initiatives:*

- [Canopy CU researched Cooperative Housing to make homeownership more accessible and achievable for renters](#)
- Central Willamette CU conducted a demographic study of counties they serve to help inform the creation of [new homeownership products](#)
- Peninsula CU convened a summit to address the housing crisis in their community and developed a white paper as a blueprint for stakeholder collaborative action based on research and local insights from the summit
- Consolidated Community CU researched residential infill lending

## Defining Affordable Workforce Housing

For the purposes of this grant, the GoWest Foundation defines affordable workforce housing as housing that is affordable to workers and close to their jobs; and that is affordable to households earning 60% to 140% of the area median income. Affordable workforce housing can include homeownership as well as rental housing and should ensure housing costs are no more than 30% of income. Workforce housing is often thought of as housing for teachers, police officers, firefighters, etc., but also includes housing for young professionals, workers in the construction trades, retail salespeople, office workers, service workers, and others. On the housing continuum, workforce housing is adjacent to market rate rental housing and market rate homeownership.



Source: Canadian Housing and Mortgage Corporation

## Planning Grant Expenses

Planning grants provide a unique funding opportunity for researching and developing a project that will be implemented after completion of the grant period. Through this grant opportunity, the GoWest Foundation will fund feasibility studies, financial analysis and modeling, policy research and development, project management expenses (staff time), and any other reasonable expenses necessary to fully develop an affordable workforce housing project implementation plan.

## Reporting

Every credit union receiving a GoWest Foundation workforce housing planning grant from has a responsibility to report on the use of grant funds. Upon being awarded, the Foundation and the recipient credit union will develop agreed-upon project deliverables, including the development of an implementation project plan.

## Engaging with GoWest Foundation and Other Grantees

Every credit union receiving a planning grant will be expected to participate in regular check-in meetings with the GoWest Foundation program staff. Occasionally, it may be beneficial for all grantees to discuss best practices, barriers, and progress toward project deliverables. For this purpose, the Foundation will coordinate in-person, video, and/or phone meetings and grantees will be strongly encouraged to participate. The GoWest Foundation recognizes that the 20-week planning project grant period is short and will work to provide technical assistance and additional resources that enable credit unions to complete projects efficiently and effectively.

## Submission Guidelines

To access the grant application form, visit [gowestfoundation.org/grants](http://gowestfoundation.org/grants). All fields must be completed before the form can be submitted. After submitting a grant application, the GoWest Foundation may follow up with questions or request additional information during the decision-making process.

We strongly encourage applicants to draft and save responses in a Word document then paste those responses into the application form. A grant application template is available for your convenience [here](#). Please note that applicants cannot save and return to the online application form. Once an application is submitted, it cannot be edited.

## Questions

The Foundation is committed to ensuring that every interested GoWest member credit union has the support they need to join us in addressing affordable workforce housing. If you have questions or are interested in learning more about a grant opportunity, please reach out to us at [foundation@gowest.org](mailto:foundation@gowest.org).