



## WORKFORCE HOUSING

# Project Implementation Grant Guidelines

### 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 address 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
- 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 invested in engaging 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 have made more than \$1.5 million in workforce housing initiative grants.

Credit unions are uniquely positioned to think creatively and leverage resources to help address this critical issue. 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.

The GoWest Foundation serves 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 workforce housing grant opportunity is to increase

the affordability and access to workforce housing options in our region. Credit unions are already very engaged in the housing market, from providing charitable contributions to low-income housing efforts to homeownership education and traditional mortgages for market rate homes. GoWest encourages credit unions to provide financial services across the entire housing continuum but is currently focusing its funding efforts specifically on workforce housing.

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. Nationally, credit unions that are effectively implementing housing-based solutions are successful because of the partnerships they have developed to bolster resources, innovate existing practices, and mitigate risk.

As community-based, member-owned cooperatives, credit unions have close relationships with their membership base — relationships that alternative lenders often lack. Those connections to the community make the design and delivery of innovative housing solutions not just possible but a powerful opportunity to address the complex and evolving housing barriers faced by underserved and financially vulnerable populations.

### **Funding Availability**

The GoWest Foundation awards up to \$100,000 to fund project grants for individual credit unions and up to \$300,000 for grants supporting collaborative projects involving multiple credit unions. Credit unions are encouraged to apply for the reasonable funding necessary to complete the scope of work.

Grants are typically awarded directly to credit unions. The Foundation does not award pass-through funds for credit unions to make charitable donations to non-profit organizations. The GoWest Foundation encourages credit unions to leverage their expertise to lead or co-lead workforce housing initiatives, working in close collaboration with community-based partners.

We recommend credit unions find opportunities to utilize resources from additional funders or project partners for this project proposal, but it is not a requirement of submission. The Foundation is committed to supporting credit unions and will work to identify future funding opportunities, regardless of whether they receive GoWest Foundation grant awards.

### **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 for grant requests under \$50,000. Large 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**

If your credit union has already begun engaging in your community around workforce housing and has a product or solution it would like to implement, a project grant might be a good fit. The purpose of the project grant is to pilot or implement a product or program to reduce the barriers to workforce housing issues your community and members are experiencing. Each project plan should be comprehensive, well-reasoned, and designed to address the workforce housing challenges faced by your community. To the greatest extent possible, your project plan should be based on research and data.

The GoWest Foundation welcomes applications from all GoWest member credit unions. Credit union projects must focus on communities in Arizona, Colorado, Idaho, Oregon, Washington, and/or Wyoming. Credit unions are welcome to partner and combine their efforts to form a collective project; only one submission is needed if the partner credit unions are defined in the Partner Organizations section of the application. Collaborative projects will be prioritized for grant funding. Collaboration could be among credit unions or between credit unions and non-profit organizations, school districts, or municipalities, for example. Credit unions are unlikely to receive more than one project implementation grant within a 12-month period.

The Foundation upholds the credit union philosophy of People Helping People and believes this workforce housing grant is an opportunity to do just that. The GoWest Foundation is seeking project plans that are comprehensive, intuitive to community needs, and can be replicated or scaled. Your project plan should identify a product or program that is ready to be implemented and will be a long-term investment for your credit union. Funding for one-off or single year projects will not be considered.

Credit unions that were awarded Foundation planning grants are encouraged to apply for project grants but are not guaranteed project grant funding after completing their planning activities. If your credit union did not receive a planning grant, you are eligible and encouraged to apply for a project grant. The Foundation is committed to building relationships with GoWest credit unions and will work to help credit unions achieve their community impact goals.

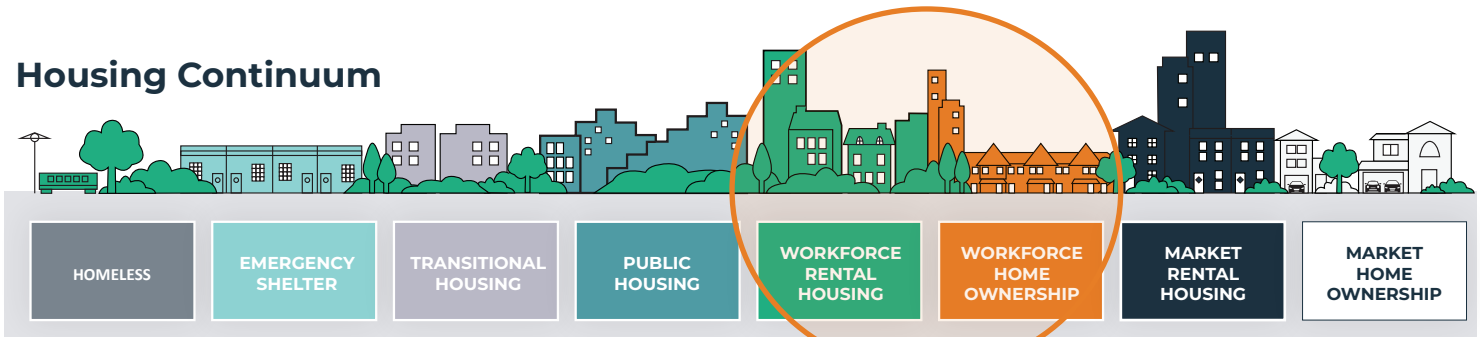
## Serving the Underserved

The GoWest Foundation is committed to promoting and supporting efforts that improve equitable access to financial services in underserved communities across our region. 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).

## Defining Affordable Workforce Housing

For the purposes of this grant opportunity, 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 (AMI). 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 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.

### Housing Continuum



Source: Canadian Housing and Mortgage Corporation

## Types of Eligible Workforce Housing Projects

The GoWest Foundation is committed to supporting affordable and innovative workforce housing solutions in communities across our region. Workforce housing is a complex issue, and no single solution will work for all communities. As such, the Foundation is interested in funding project grants that identify scalable or replicable solutions that are responsive to the needs of local communities. The project should focus the majority of its work on impacting workforce housing access or availability in the credit union's local and/or surrounding community. What works in rural communities might not be what works in urban areas, and what works in Arizona 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. Projects whose target populations lie outside of the 60 to 140% AMI will not be prioritized for funding.

### Awarded grants have included supporting the following projects:

- NuVista Federal Credit Union launched construction loans for Colorado nonprofit rural community land trusts to **finance permanently affordable workforce housing and develop a long-term leasehold mortgage product** for shared equity homebuyers.
- Tucson-based credit unions launched a 100% financed mortgage product, **Tucson Welcome Home**, expanding first-time homeownership opportunities in underserved communities.
- Mid Oregon Credit Union is launching a Workforce Housing Revolving Loan Fund to increase the supply of affordable, deed-restricted housing for middle-income families in Bend by providing low-interest financing to developers for land acquisition and pre-development activities.
- Consolidated Community Credit Union established **ITIN mortgages and ADU loans**.
- Central Willamette Credit Union created an innovative **80/20 mortgage and down payment assistance program**.
- Spokane credit unions collaborated on creation of **Washington's first land bank**.
- TAPCO Credit Union is partnering with Tacoma Public Schools and local housing and family service organizations to provide Housing Entry Loans that help unhoused working families with children overcome past eviction-related debt and secure stable housing.
- Six Washington credit unions and three Oregon credit unions launched low-rate security deposit loans for renters.
- Peninsula Credit Union and Sound Credit Union created a first-time home buyer grant program.
- Mid Oregon Credit Union fueled development for new workforce housing through interest rate subsidies.

### Examples that could be supported through grant awards:

- Financing Alternative Housing Types: Creating accessible financing for accessory dwelling units 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.

If you have an idea and are uncertain whether it qualifies for grant funding, please feel free to reach out to us at [foundation@gowest.org](mailto:foundation@gowest.org) for clarification on the eligibility of your project.

## Project Grant Expenses

The Foundation will fund project management expenses, marketing and community outreach support (no more than 10% of budget), loan loss reserves, interest subsidies, housing finance education, and other reasonable expenses necessary to implement or pilot an innovative product or program that directly addresses access to workforce housing.

## Reporting

Every credit union receiving a GoWest Foundation workforce housing project grant is responsible for reporting 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 project 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.

## 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 apply for a grant. 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).