

WNCSource CEO Report for Policy Council

January 12, 2023

The Good News from the Consolidated Appropriations Act , 2023

On Thursday, December 29, 2022 President Biden signed the 2023 budget that had been passed by congress the week before. There is a lot of good news for WNCSource programs in the bill:

- \$596 million for a 5.4% cost-of-living adjustment for all Head Start and EHS staff
- \$262 million in program improvement funds for Head Start grant recipients
- \$2.3 Billion (9.5%) additional for Housing Choice Voucher rent payments
- \$367 Million (15.2%) additional for Housing Choice Voucher administration
- \$16 million (14.7%) additional for the HUD Family Self-Sufficiency program

These additional funds will help WNCSource to achieve many important goals between now and July 1, 2024:

- Recruit and retain qualified staff
- Increase rent payments to improve our lease up success rate
- Increase the number of Head Start and Early Head Start families served
- Successfully graduate more people through our Family Self-Sufficiency program

WNCSource is an active member of the National Head Start Association (NHSA) and the National Association of Housing and Redevelopment Officials (NAHRO). These organizations advocate for WNCSource and other organizations around the country that provide early childhood education and affordable housing. These advocacy efforts pay off in the long run with much needed resources from the federal government.

There will be decisions on how to use these additional resources in the months ahead. The WNCSource Board of Directors and subcommittees will need to assist us in setting priorities. The budget increases are a good way to start off a new year.

English Hills Transition and WNCSource Ownership

In 2006 English Hills Apartments were completed by WNCSource, Mosaic and tax credit partners in Brevard. On January 1, 2022 the tax credit advantages for investors ended. WNCSource has been discussing with Mosaic, an affordable housing development nonprofit in Charlotte, the future of English Hills for the last two years. There have been leadership changes

at both Mosaic and WNCSource in the last year. We are now in a place where all parties are in agreement on a few important points:

- WNCSource as the local partner should own the property
- Mosaic should receive some compensation for leaving the partnership
- WNCSource will keep English Hills affordable for renters on low-incomes
- WNCSource will work with funders to sustain and improve the property

To do this, the WNCSource Board of Directors needs to give staff the authority to move forward with negotiations. I believe that assuming ownership of English Hills helps WNCSource accomplish an important goal in providing affordable and safe housing. English Hills will also be an asset for the agency, and keep us up to date in housing development. With this outline in place the WNCSource Housing subcommittee, Finance subcommittee and staff can move forward. The WNCSource Board of Directors will make the final decisions on compensation to Mosaic and ownership of the property.