FEDERAL RESERVE BANK of ATLANTA

Community Development

Partners
in community and economic development

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In This Issue

A Time of Transition
by Courtney Dufries

The truth is, Americans are very generous people. We contribute collectively billions of dollars to charities every year, and untold amounts to friends, families and acquaintances who have apparent needs. We provide food, clothing, shelter, and health care when needed, and we do so without much hesitation. We not only help our fellow Americans, but we send money and other assistance around the world. We truly are a kind, caring people. However, none of us, regardless of ideology or political affiliation, want to see our donations wasted or our generosity directed to individuals who lack the motivation to help themselves.

Recent changes in our federal laws and regulations are directed at reducing the number of persons receiving government assistance. While previous programs did provide food, shelter, and other necessities, the increase in the number of people requesting assistance in various government programs is of concern to everybody, and attempts are now underway to ensure that all recipients of federal assistance have legitimate short-term needs, and that our program policies encourage people to help themselves as much as possible.

Partners looks at two federal programs that are undergoing radical changes in their approach to serving the poor. The most controversial is the elimination of the old Aid to Families with Dependent Children program, or AFDC. Politicians of both parties declared that by substituting AFDC with a new program, known as Temporary Assistance to Needy Families (TANF), the number of people requiring long-term federal government assistance would decline radically. And they placed significant program restrictions to ensure that this would occur.

While the fairness of both AFDC and TANF will likely be debated by social workers, academicians, and politicians for many years, the fact remains that changes are occurring rapidly, and the number of AFDC cases has begun to decline significantly. This article is intended to provide an overview of these important changes.

Equally important are changes in public housing programs. Anybody who has traveled through some of our District's distressed public housing communities can attest to the need for significant changes in our approach to providing shelter. Current programs renew the focus on reducing the density of public housing by encouraging mixed-income communities that combine health care, child care, and educational programs as needed. We can think of no better example of this transformation than two of the country's first public housing communities, Techwood Homes and Clark/Howell Homes, that have now been replaced with a brand new development called Centennial Place.

Inside Partners is an article on this transformation that could serve as a model for many communities throughout the country. A separate article on HOPE VI presents information on an effective federal program established to finance the design, demolition, and construction of these new developments.

Nonprofit organizations are well positioned to help meet social service needs and support components of public housing programs, and must be aware of the significant changes caused by the shift from AFDC to the new TANF. Although established with the best of intentions, these programs may cause inadvertent hardships that must be quickly addressed. And recipients of federal assistance may need the social support provided by nonprofit organizations to ensure a successful transition to the workforce.

Financial institutions, like all businesses, also have a vested interest as we transition to new community development programs. Besides the obvious quality of life improvements that will likely become apparent if the changes are successful, business opportunities are available to encourage greater participation in these government-sponsored programs. It takes leadership and commitment, but the rewards are certainly available through tax credits, loans, and investments.

We hope you enjoy this newsletter, and look forward to keeping you abreast of the programs and opportunities to serve our low- and moderate-income communities and to finance our nation's small businesses.

A Closer Look At Mixed Income Housing

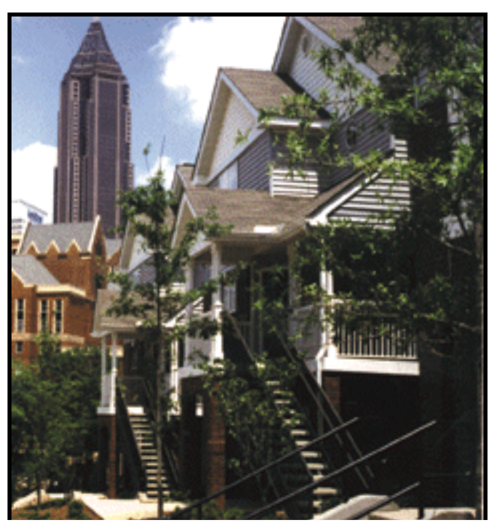
by Marie Easley

The view from Centennial Place is a breathtaking juxtaposition of rolling hills and skyscrapers. The first of five phases completed — and the second well underway — Centennial Place enjoys a dignified presence along Techwood Drive in Atlanta.

Centennial Place is a mixed-income apartment complex that replaces Techwood Homes, America's oldest public housing development. The new development is the only one of its kind in the country, according to the Property Manager, Ross Lloyd, with each complex combining a mix of public housing-eligible residents (40%), residents who would be eligible for low income housing tax credit subsidized housing (20%), and renters that pay market rates (40%).

The apartments, which are located adjacent to the campus of the Georgia Institute of Technology (Georgia Tech), feature 1 to 4-bedroom garden apartments and 2 to 4-bedroom townhouses. All units are equipped with new appliances, including a washer and dryer, track lighting, intrusion alarms and carpet. The complex has a pool, fitness center, and Tot Lot. It is located on two MARTA bus lines, and within five blocks of the North Avenue MARTA rapid rail station. Off-duty city police officers provide security for the complex from 8 p.m. until 6 a.m.

Beyond Housing



The complex has received a "Campus of Learners" designation. Apartments are wired for computer communications and residents have access to on-site job training and computer-based learning. A new math and science magnet elementary school will be constructed and will be linked on-line with Georgia Tech. Financing for the $9 million school will come from the Atlanta Public School System.

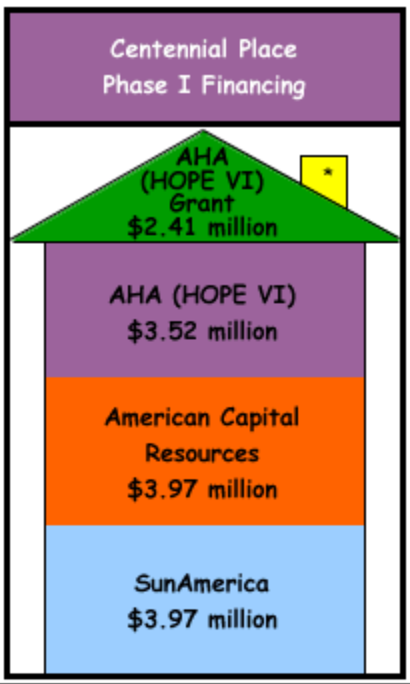
The existing library, built in 1909, will be restored and enhanced by an addition for a media center. A community center will be housed in another rehabilitated structure, circa 1941.

The Cupola Building, where President Roosevelt stood to dedicate Techwood Homes in 1936, will be converted to corporate suites. According to Egbert Perry, President of the Integral Group, the suites will be occupied as additional space by some of the development's corporate neighbors.

A New Approach

Two hundred twelve families that once occupied Techwood Homes have been given the choice of residing at Centennial Place, or using Section 8 vouchers to subsidize alternative housing in the private market. Potential Centennial Place residents are carefully screened and have to be either employed or in job training through AHA's Workforce Enterprise, or some other job training program. In addition, every six months, the complex management will train a resident in an area of his or her choice — leasing or property management, for example.

Market rents range from $679/mo. for a 1 bedroom, 1 bath garden style apartment, to $1,259/mo. for a 3 bedroom, 2.5 bath townhouse. For the same townhouse with a garage, the monthly rent is $1,359. Tenants with incomes less than 60 percent of the Atlanta MSA median income are eligible for below-market rate rents, subsidized by low income housing tax credits. A tenant's subsidy is strictly confidential, and market and subsidized units are rotated to make them indistinguishable, thereby removing the stigma of a subsidy. See the chart on page 5 for income-restricted requirements and comparison to market.



*Miscellaneous Revenues from Olympic Parking $159 thousand

Mixed Income Housing

Ideally, residents of mixed income housing can avail themselves of many advantages. Better schools, professional role models, lower crime, retail services, and more competitive pricing from area businesses are some of the goals. Ross Lloyd observes that, "Already, former Techwood Homes residents are taking pride in their surroundings, and getting involved in the neighborhood. Having a place they look forward to coming home to generates enthusiasm, as opposed to the reaction to dilapidated surroundings which encourages an attitude of 'Why should I care?' Now, they have the opportunity to talk to people who have experienced different lifestyles, and observe new approaches." Renee Glover, Executive Director of the Atlanta Housing Authority, goes on to say, "How you mold and shape a young person is all about the kind of environment you raise them in."

The idea is that the social and economic opportunities provided low-to-moderate income residents will ultimately lead to subsidized residents becoming market rate tenants, or homeowners. Recertification of subsidized benefits is undertaken annually, and once a resident who was initially eligible for income-restricted housing reaches 140% of the maximum allowable income, he or she must either move or pay market rate. Likewise, unemployment and violation of conduct codes will result in residents being evicted.

Management Structure

The project is a joint venture among the Atlanta Housing Authority, the Integral Group, and SunAmerica Insurance Company that Ms. Glover hopes will reduce the amount of taxpayer money used to fund public housing. Centennial Place was developed by the Integral Partnership of Atlanta, a joint venture between McCormack Baron and Associates, Inc. and the Integral Group, L.L.C. It is managed by The Village Management Company of Atlanta, a partnership between McCormack Baron Management Services, Inc. and Integral Management Services, Inc.

Financial Structure

The primary subsidy comes from HUD's $1.4 billion HOPE VI program, which grants up to $50 million to remake an entire development, including complementary services. AHA's share of the total development was financed by a $42.6 million grant from HUD. The cost of the entire project including non-residential structures and programs is projected to be approximately $110 million. Housing will absorb approximately $75 million of that total, to be completed in five phases. AHA has granted a 55-year ground lease on the land.

The first phase of the project consisted of 181 units, including 73 public housing residences, 36 units for low-income housing tenants, and 72 market rate apartments. Both public and private funding sources were combined to structure the deal.

American Capital Resources, a private investment company, supplied the first mortgage - insured by FHA - in the amount of $3,972,600.

AHA, using HOPE VI funds, financed a second mortgage in the amount of $3,520,000. AHA also used the HOPE VI funds to provide a grant of $2,409,300.

SunAmerica Insurance Company provided equity of $3,971,900 through the purchase of low income housing tax credits.

An additional $159,379 was garnered from revenues earned from parking during the Olympics, bringing the total financing of Phase I housing to $14,033,229. According to Carol Naughton of AHA, financing of the four other phases will be similarly structured.

Funding for exterior renovations of auxiliary buildings will be provided by a $3 million grant from the HUD HOPE VI program. A partnership between the Integral Group and AHA, using proceeds from the sale of historic tax credits, will finance the additional $3 million it will take to renovate the interior. Revenues from a coffee shop on the premises, along with the income stream from the corporate leases, are expected to repay the partnership and enable the enterprise to be self-sustaining.

A state-of-the-art YMCA, independently financed with $4 million in grants from private foundations, will be built on the land. In addition, retailers, including a national grocery store chain, and other service providers are expected to occupy two blocks along Techwood Drive at Alexander.

Will It Work?

The ultimate question will be whether the mixed income housing will hold the necessary appeal to fill all 900 new units. "You've got location, location, location here," says the Integral Group's Egbert L.J. Perry. Not only does the location offer panoramic skyline views, but the development's close proximity to such prominent corporations as Coca-Cola, NationsBank, Georgia Tech, and CNN is a compelling reason to live there. Perry says waiting lists already exist among the three groups of tenants who will share the Village.

A great many hopes are pinned to the success of Centennial Place and other mixed-income developments of its kind. No one expects an overnight cure, but with its diversity, prime location, educational facilities, transportation, and neighborhood support, Atlanta's Centennial Place shows a lot of promise.□

Centennial Place Phase I Rental Program*

Apartment Size (Market and subsidized apartments are identical)	Market Rate	LIHTC Subsidized Rent	Household Income	Minimum Income	Maximum Income (cannot exceed 60% of Atlanta MSA Median income)
1 Bedroom Garden Style	$679.00 $679.00	$468.00 $468.00	1 person 2 people	$18,720.00 $18,720.00	$22,320.00 $25,550.00
2BR/1BA Garden Style	$779.00 $779.00 $779.00	$557.00 $557.00 $557.00	2 people 3 people 4 people	$22,280.00 $22,280.00 $22,280.00	$25,550.00 $28,680.00 $31,860.00
2BR/1.5BA	$829.00 $829.00 $829.00	$605.00 $605.00 $605.00	3 people 4 people 5 people	$24,200.00 $24,200.00 $24,200.00	$25,550.00 $28,680.00 $31,860.00

3BR/2.5BA	$1,259.00 $1,259.00 $1,259.00 $1,259.00	$685.00 $685.00 $685.00 $685.00	3 people 4 people 5 people 6 people	$27,400.00 $27,400.00 $27,400.00 $27,400.00	$28,680.00 $31,860.00 $34,380.00 $36,690.00

*40% of rents are market rate.
20% of rents are below market due to a subsidy provided by Low Income Housing Tax Credits.
40% of rents are subsidized by AHA through a contractual agreement to pay the difference between rents collected and the cost of operating the unit. Section 8 vouchers are not used.

HOPE for Public Housing

by Hank Helton

Since 1937, the Federal government has invested an estimated $90 billion in the 13,741 public housing developments throughout the country. Suffice it to say, the results of this investment have been mixed. However in 1992, with the creation of HOPE VI, or the Urban Revitalization Demonstration Program, public housing authorities (PHAs) have the opportunity to revitalize public housing communities, build partnerships with other public and private sector entities, and blend public housing units into more diverse and mixed-income communities.

HOPE VI is a federal program administered through the Department of Housing and Urban Development (HUD) to revitalize severely distressed or obsolete public housing developments. This initiative provides local PHAs with the funds and flexibility to raze and rebuild public housing units and empower residents through education and skills training, job placement, and other supportive social services.

The fiscal year 1997 allocation for HOPE VI is $550 million and is divided into four main areas - $447.5 million for reconstruction grants; $30 million in demolition grants; $70 million in Section 8 voucher program assistance; and $2.5 million for technical assistance for PHAs in their redevelopment efforts. Demolition, a requirement under the previous HOPE VI funding cycles, is not mandatory to qualify for the 1997 program.

Between 1993 and 1996, HUD used HOPE VI to fund 118 grants totaling over $2 billion to 52 PHAs throughout the country. As of September 30, 1996, HOPE VI funds had been allocated for the demolition of 44,384 public housing units, of which, 6,384 have already been razed. Approximately 24,000 units are expected to be renovated or reconstructed with the funds that have been awarded.

Eligible Applicants and Activities

Any PHA that owns or operates public housing developments is eligible to apply for funding. Under the 1997 program, eligible PHAs may submit one or two applications, for up to $35 million in combined funding requests, a reduction from previous funding cycles that awarded PHAs up to $50 million. Indian Housing Authorities were not included as eligible entities under the 1997 Appropriations Act, and thus are not eligible to apply. In addition, PHAs that administer Section 8 programs, but do not own or operate public housing developments, are not eligible for funding. Although this year's program application deadline was July 18, a second round of HOPE VI funds will be released in 1997 that can be used for demolition.

HOPE VI grants can be used to fund on-site or off-site replacement housing; the rehabilitation of existing units; new construction, demolition and other physical improvements; planning and technical assistance; and supportive services for residents. A community service component for PHA residents, a requirement of pre-1995 grantees, is no longer required.

The 1997 HOPE VI application selection criteria were based on the urgency of need for revitalization; the project's ability to lessen the isolation of low-income residents; creation of self-sufficiency among public housing residents; accountable property management and internal controls procedures; the impact of the development on the surrounding neighborhood; promotion of fair housing opportunities; community input into the planning process; the PHA's capacity to undertake the project; the efficient use of federal funds; feasibility and sustainability; and the overall quality of the proposal.

For an application to be considered for funding, four specific and one general program threshold criteria must be met. The four specific criteria are obsolescence, need for funding, the lessening of concentration, and Fair Housing. The general criterion is that an applicant must "score" at least some points on the selection benchmarks and must receive at least 15 of 25 possible points on the feasibility and sustainability criteria. If an application fails to meet any of these criteria, it will not be considered for funding.

HUD has also increased the emphasis on program management and accountability by requiring that selected grantees assemble capable development teams and carry out the proposed revitalization in a timely manner. Grantees must begin physical revitalization of the development within 18 months of the date of execution of the grant agreement or funds may be reclaimed by HUD. In addition, the physical development activities must be completed within four years. A PHA considering applying for HOPE VI funds should consider whether it has the capacity to meet these requirements.

Approximately 3 million people live in public housing communities throughout the country. The HOPE VI program, in conjunction with other HUD initiatives, offers PHAs an opportunity to better serve this population by breaking the cycle of isolation and concentration sometimes associated with public housing communities and building partnerships that provide educational and job training opportunities for residents. In addition, instead of replacing the developments as they were, PHAs are rebuilding these communities into mixed-income neighborhoods that include public housing units. Traditional public housing developments are being replaced by new developments with townhomes, garden apartments, and neo-traditional designs that incorporate a sense of community with sidewalks, porches, green spaces, and other amenities.

For more information contact Mr. Milan Ozdinec, Director, Office of Urban Revitalization, US HUD, (202)401-8812.

Public Housing Authority HOPE VI Awards in the Sixth Federal Reserve District

PHA	Site	Amount	Date of Award	Type of Grant
Atlanta	Techwood/Clark Howell	$42.6 million	1993/1995	Implementation
Atlanta	Perry Homes	$400 thousand	1995	Planning
Atlanta	Perry Homes	$20 million	1996	Demolition and Revitalization
Atlanta	Carver Homes	$9.7 million	1996	Demolition Only
Jacksonville	Durkeeville	$400 thousand	1995	Planning
Jacksonville	Durkeeville	$21.5 million	1996	Demolition and Revitalization
Nashville	Vine Hill Homes	$400 thousand	1995	Planning
New Orleans	Desire	$44.3 million	1994	Implementation
New Orleans	Fischer Development	$400 thousand	1995	Planning
New Orleans	St. Thomas	$25 million	1996	Demolition and Revitalization

Ocala	Forest View/N.H. Jones	$1.6 million	1996	Demolition Only
Savannah	Marcus Stubbs Tower	$2.3 million	1996	Demolition Only
Tampa	Riverview Terrace	$873 thousand	1996	Demolition Only

FEDERAL RESERVE BANK of ATLANTA

Community Development

A New Era

by Keenan S. Conigland

Six decades of "welfare as we know it" ended when the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 was signed into law. Effective July 1, this ground breaking event replaced Aid to Families With Dependent Children (AFDC) with Temporary Assistance to Needy Families (TANF). As a result of this fundamental policy shift, approximately one million families throughout the Sixth District (Alabama, Florida, Georgia, Louisiana, Mississippi, and Tennessee) must transition from public assistance to the workplace—rather quickly.

According to the American Public Welfare Association (APWA), a Washington based public policy organization, the new federal law provides a total of $16.38 billion in the form of block grants for states in fiscal years 1997 to 2002. Cumulatively, federal expenditures for TANF block grants are projected to shrink by $55 billion over the same time period—a decline approaching 50 percent. Funding from Washington will be provided on "the basis of previous federal expenditures for AFDC benefits and administration, Emergency Assistance and the Jobs Opportunities and Basic Skills Training Program," notes APWA.

The chart below highlights some of the differences between the previous and newly established public assistance programs.

AFDC/TANF STATISTICS						
	Alabama	Florida	Georgia	Louisiana	Mississippi	Tennessee
Average AFDC Monthly Payment (U.S. Average: $376.47)	$152.20	$271.91	$252.11	$161.42	$119.97	$161.80
Average Number of years on AFDC (U.S.	2.7	2.1	2.7>	3.5	4.2	2.4

Average: 3)						
TANF Grant Size (97)	$93,215,207	$562,340,120	$330,741,739	$163,971,985	$86,767,578	$191,523,797
Lifetime Limit under TANF	60 months/ 24 consecutive month limit	48 months/ 24 consecutive month limit	48 months/ 24 consecutive month limit	60 months	60 months/ 24 consecutive month limit/td>	60 months/ 18 consecutive month limit
State Contact	Joel Sanders Department of Human Resources (334) 242-1773	Curtis Austin Senate Committee on Commerce and Economic Opportunities (850) 487-5815	Peter Lee Department of Human Resources (404) 656-4937	Judy Wright Department of Social Services (504) 342-6729	Larry Temple Department of Human Services (601) 359-4500	Glenda Shearon Cash Assistance and Food Stamps Policy (615) 313-5652

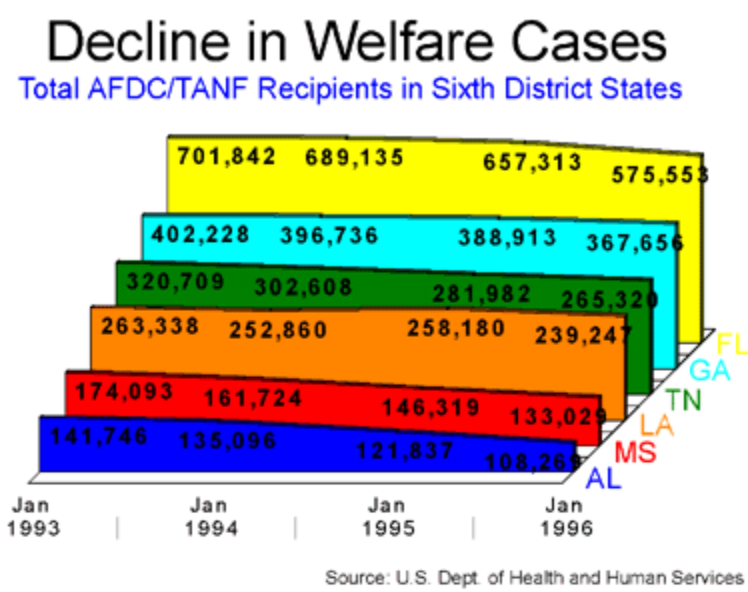
Sixth District states, due to the lower cost of living in the southeast, have consistently provided substantially lower monthly payments per case than the U.S. average according to figures released by the Administration for Children and Families under the U.S. Department of Health and Human Services.

Further, with the exceptions of Louisiana and Mississippi, public assistance recipients residing in the Sixth District tend to remain on AFDC for shorter time periods than the national average due to the large number of jobs generated by the southeastern economy which has lead the nation in economic growth for most of the 1990s.

Nationwide, AFDC/TANF family caseloads have decreased from 4,963,000 families in January 1993 to 4,628,000 in January 1997, a decline of 335,000 families. The forces behind the dramatic decline can be linked to the longest economic expansion in postwar history and the urgency with which the states, since the early 1990s, have fashioned welfare into a transition-to-work initiative. While the percentage of the U.S. population on public assistance in 1960 stood at 1.8 percent and grew to as much as 5.5 percent in 1993, the percentage is now down to 4.1 percent and is expected to decline further.

"It's simple: more jobs mean more people have more chances to work," offers Tom Cunningham, regional research officer, Federal Reserve Bank of Atlanta.

In an effort to decrease this percentage even more, U.S. businesses are being challenged to broaden the American mainstream by hiring welfare recipients. In response, a consortium of companies, led by United Airlines CEO, Gerald Greenwald, joined together to form the Welfare to Work Partnership. In addition to the private sector, the federal government has pledged to hire 10,000 welfare recipients by 2002.



Many Local Issues Remain

Collectively and individually, state TANF programs are "works in progress," patch quilts utilizing various approaches to realize the common objective of transitioning recipients to work as quickly as possible. Adults residing with families receiving benefits in the Sixth District must meet minimum work participation guidelines following two years of assistance. Families with able-bodied adults not meeting stated requirements must be engaged in an approved activity such as vocational training, community service, or secondary school attendance.

States throughout the District are pouring more money into child care, transportation, job training and recruitment. While this strategy is widely applauded, it has some shortcomings. "We're definitely headed in the right direction but there are going to be problems. Transportation networks don't really reach into the rural areas. This is a problem for rural residents because most of the new jobs are springing up in metropolitan areas," explains Larry Temple of the Mississippi Department of Human Resources.

Public assistance is not going away. Federal law allows states to exempt up to 20 percent of their caseloads from the five year limit. "It is quite possible that there are certain segments of the population that states will have to carry such as the {severely} mentally ill and female heads of households, some of whom often have difficulty securing employment," discloses John Sciamanna, APWA senior policy associate.

Single mothers and children are heavily represented on public assistance rolls because they are less likely to secure long-term employment; in most instances, children are too young to work; and women, even if employed at the minimum wage, often have difficulty earning enough money to support their families in the face of rising childcare and transportation costs.

The national and local implications of welfare reform have yet to be fully determined as the socioeconomic overhaul is still at an early stage. What is certain, however, is that history will inevitably scrutinize the merits of welfare reform based on whether it actually lifts millions of Americans into the economic mainstream—thus benefitting the entire nation.

OLD WELFARE SYSTEM

AFDC

The program entitled all needy families/individuals to federal and state assistance. In some cases, there were work requirements; however, there were no time limits on benefits. The program expense was a shared burden assumed by states and the federal governments. Federal regulations governed the fundamental tenets of the program.

Food Stamps

Entitlement for eligible persons with no time limit on benefits. No work requirements imposed for recipients. Legal immigrants meeting all other eligibility requirements may receive benefits. No age-based requirements specifically imposed for eligible adults. Military personnel distinctions not applicable under the former food stamp program.

NEW WELFARE SYSTEM

TANF

The program has a lifetime eligibility limit of five years. Assistance cannot be provided to families where an adult has received a total of 60 consecutive or non-consecutive months of TANF benefits.

States are allowed to exempt up to 20% of their TANF caseload from the lifetime limits for hardship reasons.

Funded through block grants to the states. Block grants total $16.4 billion annually for the country, with no funding for job training and job placement efforts.

Food Stamps

Entitlement for eligible persons. Total benefits are reduced by 3% for all recipients. Work requirements are imposed for childless adults. TANF families will remain eligible for Food Stamps even when their TANF benefits end.

Most legal immigrants, and those who arrived in the U.S. after 8-22-96, are not eligible for Food Stamps until they become citizens. Persons 18-50 years old without children at home who are able to work are entitled to food stamps for only 3 months during every 36-month period. The 3-month timetable starts the day official notice is received from the local or state department of social services.

	Military personnel or veterans who are honorably discharged (and their spouses or unmarried dependent children) are permanently exempt from the 3 month limitation.
Medicaid	**Medicaid**
Families who were eligible for AFDC were automatically eligible for SSI and state-administered medical programs.	States can opt to terminate benefits for adult TANF recipients who fail to meet their TANF work requirements. Children are excluded.
Supplemental Security Income (SSI)	**Supplemental Security Income (SSI)**
Children living in families eligible for AFDC were automatically qualified for Medicaid or state-administered medical programs. Immigrants otherwise eligible for SSI were ineligible based on immigrant status.	The children's SSI program will be cut by $8.2 billion. A narrowed definition of disabled for SSI eligibility will end eligibility or deny eligibility to 315,000 low-income children with disabilities. The Congressional Budget Office estimates that 15% of these children will also lose eligibility for Medicaid. Immigrants are ineligible until citizenship. States must terminate SSI and Food Stamps at first scheduled recertification dates, which are staggered over the next year.

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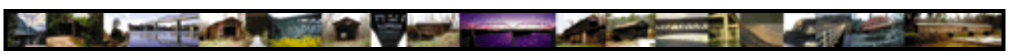

State Innovations

Alabama

Recognizing that training represents a huge portion of the welfare reform equation, Alabama state officials unveiled their Industrial Partnership Program, a statewide initiative that provides job training services at the employment site. "What we offer are classroom services germane to the job," asserts Joel Sanders, Director, Welfare Reform Division, Alabama Department of Human Resources. Not only does this program work towards proficiency in various employee functions, it also offers time management and basic education courses, the objective of which is to build confidence and self-esteem. This approach has generated favorable results in other areas as well, namely job retention. "While we have experienced some turnover, some employers credit this program for employee retention rates equal to the traditional workforce," submits Sanders.

- Teen parents must remain in school and live with a parent
- Recipients can keep the first three months of work salary if reported in a timely and accurate manner
- Medicaid benefits are available for 12 months after benefits terminate as a result of employment

Louisiana

In Louisiana, the Family Independence Temporary Assistance Program (FITAP) has the overall goal of decreasing long-term dependency on public assistance by promoting job preparation, employment, and the family structure.

When prospective recipients apply for public assistance, case workers assess their education and skills level and match them with potential employment opportunities. "Our caseworkers throughout Louisiana's nine regions maintain contact with the local community and, therefore, have a pretty good feel for employment opportunities," offers Sam Guillory, Assistant Director, Louisiana Family Independent Work Program. Once an individual becomes employed, he or she is no longer eligible to receive state supported day-care and transportation.

- Earnings of students ages 17 and under are excluded from consideration
- Voluntary resignation results in 1 to 2 month suspensions
- Homeless individuals no longer receive services automatically

Florida

Florida's program, introduced under the state's Work and Gain Economic Self-Sufficiency Act (WAGES) relies heavily on local industry to implement reform. "We feel that the direct, up-front participation of the corporate sector is vital to reform here in Florida," says Curtis Austin, Staff Director, Florida Commerce and Economic Opportunities Committee.

Under WAGES, Florida has established a series of one-stop employment and career centers as the primary entry points for public assistance recipients. "I'd have to say Florida is really ahead of the curve with their mixed services and employment approach," offers Sciamanna of APWA. WAGES also features a number of incentives for those successfully engaged in the program, including vocational and on-the-job training, subsidized child care, transportation allowances and more.

- Children of noncompliant parents may receive benefits through a third party payee
- Vocational training is provided through Enterprise Florida, Inc.
- Operates a new automated fraud detection and prevention program

Mississippi

=Mississippi was the first state in the nation to fully implement its TANF program, which offers recipients one of the most attractive incentives of its kind. "Any client getting a job within the first 30 days of enrollment gets to keep both their welfare and payroll checks for six months," says Larry Temple of the Mississippi Department of Human Services.

In an effort to address responsible behavior, the Governor recently endorsed a challenge to churches and synagogues to serve as social workers for the state's public assistance recipients. Dubbed the "Faith and Families Project," it strives to inspire permanent behavioral change by matching families (typically headed by a single female) with religious institutions. In this capacity, the religious community hopes to help able-bodied adults secure employment, learn budgeting, and obtain day-care assistance.

- Requires noncustodial parents to participate in JOBS to meet child support obligations
- Broadens eligibility for transitional child care and transitional medical assistance

Georgia

Under Georgia's subsidized employee program, participating companies pay employee trainees (former public assistance recipients) a salary and receive the employee's TANF check from the state for nine months to offset training and other costs associated with preparing the trainee to become a productive employee.

Another subsidized incentive offered by the state is the Work Opportunity Tax Credit Program. "This incentive allows employers to earn tax credits up to $2,100 for each worker hired within one of several targeted groups, such as food stamp recipients, felons, youths and veterans," says Peter Lee of the Georgia Department of Human Resources.

- Imposes a family cap and pregnant teen residency requirements
- Provides childcare assistance for participants in employment training, job search, and for the working poor.

Tennessee

Tennessee is one of several states that actively promotes "peer group" microlending in association with TANF, making funds available to "teams" of entrepreneurs, who in turn, make loans to group members. These loans generally range from $500 to $5,000. The state has also designed day care and transportation systems to facilitate the welfare-to-work process, according to Glenda Shearon, Director of Cash Activities and Food Stamps for Tennessee. Like others, Tennessee emphasizes work activity up-front and hopes that its Personal Development Responsibility Plan will go a long way towards realizing that goal. "Tennessee is using adult basic education and making sure we provide opportunities for good work activities. This is essential to the plan's success," said Ms. Shearon.

- Recipients must sign a plan which lays out employment goals
- No additional benefits for new children while on the program
- Enforced child support

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Community Development

CALENDAR

Information provided on upcoming events of other organizations should be viewed as strictly informational and not as an endorsement of their activities.

AUGUST

August 10-14 Seattle, Washington 1997 National Community Development Lending School Sponsor: University of Washington (415) 974-2978

August 13-15 Jefferson City, Missouri Linking Community Strengths Sponsor: Pathways from Poverty. Contact: Missouri Valley Human Resources CAA (816) 886-7476

SEPTEMBER

September 3-5 Kansas City, Missouri: Brownfields "97 Conference Sponsor: U.S. Environmental Protection Agency Contact: (888) 795-4684

September 4-5 Boston, Massachusetts: Marketing Needs Progress Achieving Goals: Affordable Housing and Community Development Lending. Sponsors: National Association of Affordable Housing Lenders. Contact: (202) 861-5770

September 11-12 Arlington, VA: Fair Lending Conference. Sponsor: Consumer Bankers Association. Contact: (703) 276-1750

September 20-24 Washington, DC: Neighborhood Reinvestment Training Institute. Sponsor: Neighborhood Reinvestment Corporation (202) 376-2400

September 21-24 Miami, FL: CUED Annual Conference. Sponsor: The National Council for Urban Economic Development. Contact: (202) 223-4735

September 25-26 Miami, FL Entrepreneurial Development. Sponsor: The National Council for Urban Economic Development. Contact: (202) 223-4735

OCTOBER

October 2-4 Memphis, TN: The National Congress for Community Economic Development Annual Conference. Sponsor: The National Congress for Community Economic Development. Contact: Claudette Small (800) 333-4460 ext. 5276

October 27 Baltimore, Maryland: Faces of a Community: Collaborative Approaches to Neighborhood Economic Revitalization Sheraton Inner Harbor Hotel Sponsor: Federal Reserve Bank of Richmond (804) 697-8457

OUR MASTHEAD

Our masthead painting is of the Big Red Oak Creek Bridge in Meriwether County, Georgia. In addition, we have featured covered bridges from the Sixth District in the headers on each page. Not only are the bridges a big part of our heritage, but we believe they are symbolic of the transitions spawned by welfare reform and changes in the emphasis in public housing. Like the time-honored bridges that reflect the labor of many, so these new programs will require courage and collaboration.

VICE PRESIDENT
Ron Zimmerman

EDITOR
Courtney Dufries

ASSOCIATE EDITOR
Marie Easley

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