

2024-2028 STRATEGIC PLAN

In Pursuit of Thriving Appalachian Communities

Fahe

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OUR MISSION

Fahe brings people, organizations, and resources together to build homes, communities, and a thriving Appalachia through expanding economic opportunity and security for all. As leaders we speak with a unified voice to influence policy, philanthropy, and systems change.

OUR VISION

We envision Appalachia as a place proud of sustaining its culture and environment, where growth, opportunity, and hope are balanced so that all people fulfill their potential with regard to housing, employment, educational opportunity and quality of life.

OUR VALUES

Fahe values a culture of power in service where everyone contributes with integrity and respect to developing equity in economic opportunity, mobility, and security, providing dignity for all families. In doing so, we are committed to value, excel, and fulfill the special obligation of collaborating to build Thriving Appalachian Communities.

Executive Summary

Fahe is a purpose-oriented Network comprised of 50+ community-based nonprofits working to build Thriving Appalachian Communities. Appalachia, a region with a rich history and culture, has long faced the extraction of natural resources and intentional disinvestment, resulting in persistent poverty. Fahe will use this Strategic Plan to guide our work in creating a virtuous cycle of investment, capacity, collaboration, and influence that provides lasting opportunity and results in positive change for Appalachia.

Fahe envisions a future where Appalachia becomes a stable and prosperous region, with inclusive local economies, improved living conditions, and a strong sense of community. To achieve this, visionary leadership, diverse perspectives, strong messaging, and resource mobilization are key. Fahe's 2024-2028 strategic plan outlines four corners that guide our approach: increasing investment (money), expanding capacity, building a new narrative, and growing strength in numbers (people).

Corner #1 (money) focuses on engaging philanthropic, public, and private funders to bring increased investment to the region, while advocating for policy reforms that support Appalachia. Corner #2 (capacity) emphasizes increasing local and regional systems-level capacity to ensure wealth of all types-intellectual, social, individual, natural, built, political, and financial-can grow and stay in Appalachia. Corner #3 (narrative) aims to shape a new narrative about Appalachia, told internally and externally, that positively highlights our culture, strengths, and the expertise of our region's leaders. Corner #4 (people) underscores the importance of collaborating across Appalachia to create stability to resources and opportunity. By building trusting relationships and dispelling the scarcity mindset which forces competition amongst potential allies, we can achieve thriving, prosperous, and equitable communities across Appalachia.

In the next five years, Fahe envisions Appalachia becoming a stable place of opportunity for all, where poverty has plateaued, and the region is growing with regards to financial and human capital, and local economies are flourishing and inclusive.

By leveraging resources, building capacity, shaping a new narrative, and fostering wider collaboration, Fahe will contribute to a future where Thriving Appalachian Communities provide opportunities for all to realize their potential with regard to housing, employment, educational opportunity, and quality of life.



"The most critical success metric for any collaboration is this: is it stronger, and does it accomplish more, than would the sum of its parts individually? Fahe is a model of collaboration that works. Fahe engenders cooperation, seeks out mutually beneficial opportunities, and supports its Network through successes and setbacks, because Fahe and our Members know that our communities will progress most quickly when all of Appalachia moves forward. Dr. King spoke about injustice anywhere being a threat to justice everywhere. I think that one of the Fahe's core beliefs is an economic corollary to that: poverty, despair, and inadequate housing anywhere in Appalachia are a threat to communities throughout Appalachia and beyond."

TOM MANNING-BEAVIN

CEO

Frontier Housing
Fahe Member

Letter from the CEO

On behalf of Fahe, which includes Members, Staff, and Board, I am happy to present the 2024-2028 Fahe Strategic Plan. This Strategic Plan represents the thoughtful planning of hundreds of practitioners who live and work in Appalachia. The experience and deep understanding of community needs from these organizations have created this Strategic Plan which will guide us through the next five years as we work to build Thriving Appalachian Communities.

We start this plan from a place of momentum and success. Over the past five years Fahe had a financial impact of \$1.5 billion, and we reached over 400,000 people in the same span. We elevated our work at the community level as Members expanded their leadership with solutions amidst the pandemic and related economic chaos, natural disasters, and a housing shortage. At the regional level, we have continued our work to address systems-level issues, expanding access to credit, confronting substance use disorder, solving for workforce capacity, and improving the housing supply chain. We emerged nationally as a voice for the Appalachian region, and a champion for regions of persistent poverty in our country. As a result, before us are opportunities that we would not have dreamed possible five years ago.

I'm inspired with the progress we are making in Appalachia towards overcoming longstanding disinvestment. Our success serves as source of hope for me during a time when our country is struggling with a growing divide of wealth and quality of life. If we can do it here that makes me believe we can do it everywhere.

We undertake these endeavors with the knowledge that it's our Strength in Numbers that gives us the power to leverage real and lasting change. I hope that you will be inspired by our 2024-2028 Strategic Plan and I welcome you to join us.

Jim King CEO, Fahe

Market Need

Problem to be Solved – Chronic, Intentional Disinvestment in Appalachia

Appalachia is a region with a rich history and culture, a deep sense of community, and both natural and human resources that have powered our country for over a century. Yet, for decades this 13-state region with more than 25 million residents has been plagued by long-term persistent poverty, caused by exclusionary, extractive, and exploitative economic and policy choices.

Fahe serves 232 counties in Appalachia, with 86 of those counties designated as Persistent Poverty Counties (PPC). Over 800,000 children call these PPCs home. Over the next 40 years, Fahe will accelerate the reduction of persistent poverty counties through our work so that this generation's children are able to stay in their hometowns if they choose without their children continuing to live in Persistent Poverty.

These areas too are negotiating complex challenges—developing resilient communities in a time of intensifying weather events; creating holistic solutions to interlocking challenges of substance

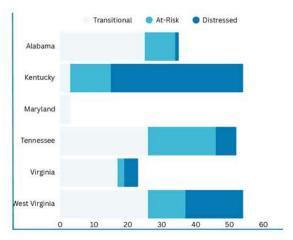
Source: Internal Fahe Member Information
Appalachian Regional Commission Boundaries
2008 & Economically Distressed Counties (ARC)

Persistent Poverty County (not all outside ARC are shown)

Pahe Member HQ Location
(approx.)

ARC Distressed County

use disorder; poverty; and too much focus on deficits and too little focus on the natural wealth in the form of local leaders and innovative approaches that will scale with the right investments and committed partners.



Fahe serves 232 Appalachian Counties including 86 Persistent Poverty Counties



"The value I see from Fahe Membership is having connection with other practitioners in the field. We learn from and strengthen each other so that our work continues to be as efficient and impactful as possible in the communities we serve. Together, we are able to connect to a variety of resources to which we may not otherwise have access. This includes training, grant dollars, financial products, information about the Federal climate, and how to prepare for the future. Being part of Fahe ensures that HomeSource east tennessee and our fellow Fahe Members comprise a strong collective voice in advocacy, allowing us to be heard on the State and Federal levels. Fahe helps us achieve a Strength in Numbers that influences lasting change in our local and regional communities."

JACKIE MAYO

President and CEO HomeSource east tennessee Fahe Member



Who We Are

Fahe is building hope, building relationships, strengthening communities, and nurturing families through housing and support systems. By building on trusted relationships in Appalachia, we make more happen together. We work together and openly share brand, influence, and successful strategies. We speak with a strong voice and create dynamic impact, gathering expertise from each other.

Fahe is a purpose-oriented Network of diverse community-based nonprofits, who build communities that people want to live in. Working together, we act as an accelerator of positive change in Appalachia. Strength in Numbers is a way of expressing the power of coming together across business models, organizational structure, and geography to share best practices, create opportunities to leverage expertise, and build shared infrastructure that strengthens the four corners of our foundation.

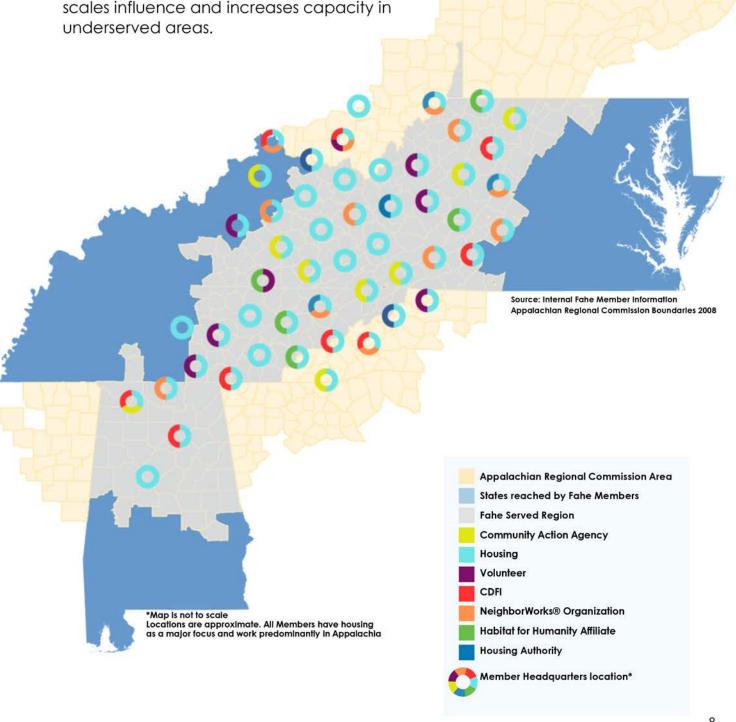
By actively engaging as state caucuses, working groups, and a Network, we foster trust among Members and minimize risks associated with partnerships. Because of this investment in our relationships, transparency is a shared value. We stay true to our purpose because Fahe is the Members—we were formed and are governed by a Member-majority Board of Directors. When Fahe goes to advocate, we go together with confidence in a shared vision for a thriving Appalachia that encompasses the rich complexities of our communities.

The shared purpose that drives the Network helps us develop tactics for deploying capital, and for replicating or building the best models for serving people. Fahe's interventions include housing of course, but also advance food security, substance use disorder recovery, disaster response, job training, and workforce development, and partnering with other regional and national leaders.

Where We Work Regionally

Since establishing our Network in 1980, Fahe has grown to include 50+ Members serving central Appalachia and Appalachian Alabama.

Members lead collaboratively and are bringing solutions to their communities by leveraging a variety of organizational forms, national connections, and their own place-based expertise. As a purpose-oriented Network Fahe scales influence and increases capacity in



5 Year Vision

We envision Appalachia becoming a stable and welcoming place of opportunity for all of the region's residents—those who have been here for generations as well as incoming neighbors and allies.

Poverty has plateaued, and the region is growing with regards to financial and human capital. Local economies are flourishing and inclusive, capable of uplifting, and sustaining entrepreneurs. Community-directed growth is providing not only jobs but also career pathways that enable working age families to remain and benefit from precious social connectivity within their communities of choice.

Appalachia's natural ecosystems and environment are cherished natural assets that support tourism and sustainable economic growth. The infrastructure and built capital of the region are well constructed, modern, and better able to weather or recover quickly from natural disasters and other disruptions. Local municipalities and regional government are acting in concert with the nonprofit sector to create service ecosystems that contribute to the stability and resiliency of all Appalachian families.

The conditions needed to create **Thriving Appalachian Communities** have been established, and residents are beginning to benefit from and contribute to movement towards greater prosperity.

To make this vision a reality, Fahe must expand and grow our future-focused leadership, diverse perspectives across staff and community partnerships, strong messaging, scalable business models, and robust governmental, philanthropic, and private partnerships that bring not only more investment, but place-sensitive investment capable of creating sustainable solutions and lasting wealth of all kinds—financial, social, natural, built, intellectual, and individual.

Fahe's 2024-2028 Strategic Plan

Destination for Fahe's Strategic Plan:

Thriving Appalachian Communities where people want to live.

Vision of Success

Appalachia is a place where empowered residents have access to the resources needed to build resilient communities that provide opportunity for all to realize their potential. We recognize that the injustices of persistent poverty are reflected not just in Appalachia, but in other places and people's experience, and that working together we can achieve true economic justice in our country. We are prepared to bring our expertise and experience in collaboration with others working to eliminate persistent poverty.

How to Achieve Success

As a purpose-oriented Network, Fahe will identify and pursue people and place-sensitive capital to create a virtuous cycle of investment, capacity, collaboration, and influence that provides lasting opportunity and results in positive change for Appalachia.

Scaled Outcomes

Through our strategic collaborations we can correct decades of disinvestment (by housing, businesses, infrastructure investment), end the brain drain (by childcare, education, workforce, health and wellness investment), and see evidence that our voices matter (by lifting rural voices at the local, state, regional, and national level).







Fahe's 2024-2028 Strategy to Build Thriving Appalachian Communities is grounded by Four Corners



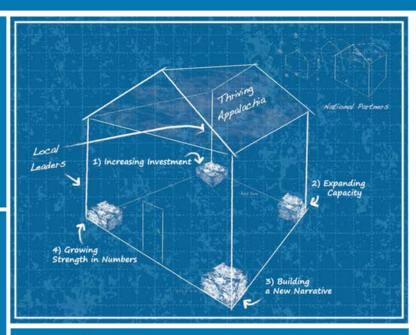
Money

Fahe raises capital and improves delivery platforms that increase investment to our region, so we have the resources to respond to relevant needs and rectify historic disinvestment in Appalachia.



Capacity

Fahe takes a future and community-focused view of capacity. We expand capacity by coupling targeted investment with development services, coaching, shared risk, leadership training, performance challenges, and other collaborative opportunities. We believe bringing lasting change and impact to people and communities is best done by adaptive leaders on the ground, whose perspectives as local practitioners and regional stakeholders make them the best architects for systems change. We engage Appalachia's place-based leaders in designing a path towards a brighter future and scaling solutions to achieve greater impact that benefits all Appalachian people and places.





Fahe works to increase visibility and elevate the voices of rural people and Appalachian communities, so that the dominant narrative about the region is crafted by those who live and work here, and contributes to a growing understanding that practitioners and local leaders have the expertise and vision needed to move Appalachia towards prosperity—we simply need more place-sensitive resources, programs, and polices to support that trajectory.



Fahe shares knowledge, offers encouragement, and works collaboratively to combat the scarcity mindset and get more work done, so that we are sought out to participate in the creation of solutions for all of our region's people and communities, and influence this work in other rural and impoverished places in our country.

Corner # 1-Money

Fahe will:



Engage funders to bring significant new and increased investments to the region while also analyzing and advocating for policy reform to support the flow of more, place-sensitive resources to benefit Appalachia.

Building on trust that can only be earned by working closely together with transparency over time, one of Fahe's most effective tactics is to aggregate need across the region to build solutions at scale. Fahe's aim to build Thriving Appalachian Communities requires federal agencies and programs, investors (philanthropic and private), and place-based community development experts—Fahe Members—to work collaboratively to increase the flow of opportunity and resources into Appalachia.

OUTCOME: Increased and Place-sensitive Investment in Appalachia

By increasing and changing the nature of philanthropic, private, and federal investment in Appalachia's community infrastructure in the region, Fahe will help establish and grow a cooperative ecosystem of commercial, non-profit, and public-sector stakeholders united by their shared commitment to prosperity for all. This will catalyze a positive shift in public policy, improve the design of established programs, and increase capital flows into Appalachia, resulting in more functional and affluent markets.

Corner # 2-Expanding Capacity



Fahe will:

Expand capacity to meet the growing needs in our communities.

We believe that bringing lasting change and impact to people and communities is best done by leaders on the ground. Together, Fahe invests time, talent, and resources to build long-lasting capacity at the local and regional levels.

The issues we are facing in Appalachia have arisen over a very long time. Success requires us to have a long-term vision to tackle these issues, and that necessitates serious attention to capacity. While increased capital does drive expanded capacity, we consider and strategically communicate our understanding of capacity to also include systems-level capacity—not just money moving into the region but, more importantly, ensuring that money flows to organizations and communities in a predictable and consistent way. Organizations must receive assistance to take advantage of these systems so they can build sustainable business models. By following these steps, we will influence capital to create wealth that sticks, contributes to breaking the cycle of generational poverty, and influences the systems change needed to contribute to a more functional regional economy in the future.

Our experience and performance demonstrate that when a network of local experts with experience—like Fahe—is involved, capacity grows, and the effectiveness of such investments is greatly increased. With increased capital and capacity, we are confident that Fahe will be leading actors in alleviating the burden that decades of disinvestment have placed on the residents of Appalachia.

Outcome: Thriving Appalachian Communities

Fahe is building Thriving Appalachian Communities. However, achieving this on a large scale is not possible if places are intentionally excluded from delivery of transformative resources, or if the design and function of those resources are not informed by residents and practitioners who are the experts in that place. Thriving communities experience not only a plateau of long-standing poverty that has held them back but also actual growth with regards to various kinds of wealth, including but not limited to, intellectual, social, individual, natural, built, political, or financial. This is necessary to not only give working families the ability to contribute to and benefit from living in Thriving Appalachian Communities, but also to grow the strength and resiliency of Appalachia by attracting new residents from outside of the region.

Corner # 3-Building a New Narrative



Fahe will:

Work to achieve a collective brand and voice capable of building a new narrative that uplifts the culture, worth, and importance of Appalachia to the country's overall success.

Narratives shape what we believe and the way that we behave. The stories we are told by others influence our dreams, actions, and the plans that we lay for our future, and our children's futures. These narratives directly influence how others perceive us, even if never experienced firsthand. This is true for all places and cultures, but especially so for a region whose residents are belittled both by and for the poverty that was imposed upon it. We believe that the narratives about Appalachian communities and people, our needs, and our strengths, should be shaped by the lived experience of family, neighbors, and fellow Appalachians. Fahe will work to create new narratives that uplift the region's culture, strengths, and heritage. We will elevate powerful narratives that highlight the strengths of Appalachia's residents, and the diversity amongst our neighbors and the places we call home.

OUTCOME: A Positive Change in the Narrative

By changing the narrative, we help to reshape how Appalachians see themselves and rekindle belief that their efforts have meaning. We will help to change the perception of Appalachia among the rest of the country to attract new audiences and allies, achieve greater strength in numbers, and create a model of engagement that helps other misunderstood marginalized people and places reclaim their power and agency. The promise of the American Dream may be broken for many people, but we can lead the charge to repair it and help those who have been left behind reclaim a destiny that rewards hard work and planning for a better future.

Corner # 4-Growing Strength in Numbers/People

Fahe will:

Invest time and energy in trusted relationships across the region, growing our Strength in Numbers to create transformational impact that builds Thriving Appalachian Communities.

For over four decades, Fahe has invested time and energy in trusted relationships within and beyond the region. These relationships (Fahe's Strength in Numbers) are at the heart of our ability to create transformative impact necessary to build Thriving Appalachian Communities.

The belief that we are strong together is the foundation of Fahe's collaborative model and our historical impact. Fahe's leaders have embraced the saying "If you want to go fast, you go alone, if you want to go far, you go together" because it is a regular reminder of how we work, and why we work this way.

OUTCOME: Thriving, Prosperous, and Equitable Communities

Strong ties to the natural environment, musical, and artistic traditions alongside deep community bonds, fundamental beliefs, and the ability to achieve great results with limited resources have forged Appalachia's local leaders. These traits empower them to form innovative solutions to our region's problems in collaboration with their peers and communities.

Fahe will address the chronic disinvestment and resulting poverty that too often forces these same underserved people and places to compete for small pools of funding. We will connect and unite the regional community development ecosystems so people are able to collaborate and overcome a scarcity mindset that sets up a zero-sum game amongst peers who would otherwise be allies. Fahe's collaborative model—our Strength in Numbers—provides a path for working together to create this unity and get more done. Resources harnessed by any individual Member are a win for our Network; and communities that are uplifted through collaboration make a stronger region. We know without a doubt that all communities must have opportunities to thrive before our region can truly bloom. We believe collaboration built on trust is the foundation needed to achieve impactful and enduring systems change.

To create a united region with a shared vision for prosperity that leaves no one behind, we must build on these strengths and assets. Fahe's hard-won Strength in Numbers will be harnessed to create more stability with regards to resources

and opportunity, build new or improve existing infrastructure so that it is solid and designed to work for all Appalachian people and places, take greater strides toward the protection of the environment, and improve our resiliency so that we are prepared for future disasters, both natural and manmade. Taking care of people's basic needs, creating conditions that allow them to move from surviving to thriving, and encouraging them to embrace and respect each other's cultural differences might just create greater compassion and cultural humanity across the nation.

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"Just look at our balance sheet and look at the number of homes we are able to improve or build with support from Fahe's construction financing. We use Fahe money to buy land and build subdivisions. We use the USDA 502 Packaging Network built by Fahe to get families into permanent mortgages. But as great as it is to access these resources, we derive as much value through the intangibles of being part of Fahe. Those are the shared Network, shared values, shared geography and sense of place, and shared cultural history. Being part of Fahe and collaborating with other organizations across Appalachia with shared experiences allows my organization, and other organizations across the region, to grow, gain confidence to engage policy makers and funders, and create real systems change in an area that has experienced long-term disinvestment. And that's huge."



ANDY KEGLEY

Executive Director
Open Door Community
Fahe Member