

Serving America's Rural Housing & Community Development Needs



National Rural Housing Coalition Members in Action

A Report by the

NATIONAL RURAL HOUSING COALITION

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This report was prepared by the National Rural Housing Coalition (NRHC), a national membership organization. NRHC is the principal advocate for federal policies and programs aimed at promoting better housing and community facilities in rural America. Since 1969, NRHC has defended the principle that rural people have the right, regardless of income, to a decent and affordable place to live, clean drinking water, and basic community services. NRHC sponsors regular conferences at which specific policies and legislative proposals are developed. Over the years, NRHC has worked to: design new programs and improve existing programs to improve services to the rural poor; ensure adequate funding levels for rural housing programs; promote a non-profit delivery system for rural housing and community development programs.

“Serving America’s Rural Housing & Community Development Needs: National Rural Housing Coalition Members in Action” contains a collection of project descriptions and success stories submitted by ___ NRHC member organizations in ___ states. Each page offers a glimpse into the work being performed by an organization dedicated to addressing the housing and community development needs of low income rural communities and households across America. This report should be taken as a cross-section of the wide ranging initiatives currently being undertaken by NRHC member organizations in all 50 states, Puerto Rico, and the U.S. Virgin Islands.

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CASA of Oregon

Hacienda West Apartments

Hermiston, Oregon

The City of Hermiston (population 14,891) is located in northern Umatilla County, Oregon just south of the Columbia River. Agriculture is the primary industry in Umatilla County, with an estimated \$358,428,000 million in gross farm sales. Umatilla County is at the center of agricultural activity, with approximately 389,251 acres with active crop production



According to the State Employment Department the demand for farmworkers in Umatilla County results in an average of 1,925 year-round migrant workers and 4,004 seasonal workers. Many farmworkers reside in Umatilla County with their families year-round and must make ends meet on very low incomes. As a result of the low wages, they have difficulty securing decent, safe and affordable housing and often reside in overcrowded and unsafe conditions. Without a supply of safe, decent affordable housing in proximity of employment, schools and services, farmworkers are left with few options.

In response to this need, in 2003 CASA developed “Hacienda West Apartments”, 32 units for farmworkers and their families in Hermiston. Hacienda West Apartments consists of 16 two-bedroom, 11 three-bedroom and 5 for-bedroom units, with rents of \$382 for a two-bedroom, \$443 for a three-bedroom, and \$493 for a four-bedroom. With the aid of Rental Assistance, tenants pay no more than 30 percent of their income toward rent.

The development also offers a community room with meeting space, laundry facilities, and the managers’ office centrally located on the property. There are two play areas, including a tot lot with age appropriate apparatus and a large play area with a permanent soccer net and basketball court.

Hacienda West Apartments is owned by the Hacienda West Apartments Limited Partnership and managed by the Umatilla County Housing Authority, which received a variety of funding for this project. The primary sources were \$475,000 in grant funds from the HOME program; \$2,463,754 in equity from Federal Low Income Housing Tax Credits; \$405,000 loan from USDA Rural Development section 514; \$531,183 in equity from the State Farmworker Tax Credits; \$100,000 grant from State Housing Trust Funds; \$100,000 1 percent loan from Oregon Rural Rehabilitation program (ORR); and a \$216,969 grant from Federal Home Loan Bank Affordable Housing Program.

CASA of Oregon is a private non-profit developer dedicated to improving the quality of life of farmworkers and their families in Oregon. CASA works primarily with local housing providers to develop housing and resources. The organization’s mission is to develop housing, programs, and facilities that improve the quality of life and self-sufficiency of farmworkers and other low-income populations. Over the past 20 years, CASA of Oregon has completed over 1,000 units throughout the State of Oregon.

For more information on CASA of Oregon, please visit www.casaoforegon.org.

City of Casa Grande ***Self-Help Housing*** ***Casa Grande, Arizona***



The City of Casa Grande began its neighborhood revitalization efforts in 1974, starting out with a single purpose: to rehabilitate owner occupied homes. It was not long, however, before the City realized that poor housing conditions was only one of the factors contributing to the accelerated deterioration of its older neighborhoods. A lack of proper sewers, streets, parks and other infrastructure, in addition to environmental hazards such as junk cars and trash, was also contributing to the decay. The City faced a multi-faceted problem and needed more than a single-faced response.

So the City of Casa Grande developed and implemented a comprehensive approach that included improvement of the physical, social, and economic health of the area through public and private investment. Emphasis was placed on the preservation of existing housing stock and new affordable homeownership opportunities.

The pictures showcase an example of the transformation taking hold in many of the City's older neighborhoods. The resident family applied for Housing Rehabilitation assistance for its dilapidated home, but the unit was deemed beyond repair: the structure was unsound and failed health and safety tests. The family was referred to the City's Mutual Self-Help Housing Program for replacement housing. Casa Grande's Public Works crew demolished the old unit at no cost, and the family was able to build a new home on their old lot through Self-Help.

Such projects are made possible by housing program partnerships between the City and entities like Central Arizona College, USDA, and HUD. Resources are used to rehabilitate owner occupied units to meet all local codes, including general property improvements for "curb appeal". They are also used to demolish decrepit structures, creating redevelopment and homeownership opportunities through Mutual Self-Help housing.

Due to a lack of non-profits and other affordable housing providers in the area, the City has assumed responsibility for providing housing assistance in the form of direct loans, deferred loans, and grants. Funding has come from a variety of sources, including USDA RD Self-Help technical assistance grants, State of Arizona HOME & Housing trust funds, State of Arizona CDBG funds, USDA RD Housing Preservation grants, and HUD RHED grants.

Partnerships among funding sources, housing and social service providers, business and educational communities, and the residents themselves have helped the city create a plan, or "blueprint," to follow for the planning of service delivery. Today, every component of the revitalization effort – including housing, infrastructure, demolition, redevelopment, and educational code enforcement – is in concert with the objectives outlined and adopted in the plan. This results in a pride of ownership not just for the homeowner, but for the city as a whole.

The City of Casa Grande, Arizona is a rural community of approx. 45,000 located between Phoenix and Tucson. The City's rapid growth inflated the housing market and eliminated all entry-level housing products for buyers at or below 80 percent of the median income, which affects over half the City's population. As in other areas of the Nation, Casa Grande is dealing with the aftermath of the creative and predatory lending practices that have led to a very high delinquency and foreclosure rate; therefore, looking forward to being able to implement the proposed "acquisition/rehab/resale" program proposed by Congress to prevent neighborhood decay and continue the provision of homeownership opportunities. To date, Casa Grande has rehabilitated more than 530 units, replaced 75, and built more than 400 units through the Mutual Self-Help Housing program. All participants receive budget and homeowner responsibility counseling as well as referral services when needed. For more information on the City of Casa Grande, please visit www.ci.casa-grande.az.us.

Coachella Valley Housing Coalition

Desert Garden Apartments

Coachella Valley, California

Located in Indio, California about one hundred miles east of Los Angeles, the Coachella Valley Housing Coalition (CVHC) is an award-winning non-profit housing development corporation dedicated to helping low and very-low income families improve their living conditions through advocacy, research, construction, and operation of housing and community development projects.



In the Coachella Valley, agriculture and farm labor fuel the local economy and incomes are low: in 2000, the cities of Coachella and Mecca in the eastern Valley had a median family income of just \$27,000. After farm labor, most of the remaining residents are minimum wage employees in service industries such as landscape and tourism. In 1992, the Coachella Valley Housing Coalition broke ground on the Desert Garden Apartment complex, which was ready for occupancy in 1998.

Desert Garden Apartments consists of 88 units of affordable multi-family housing – one, two, three and four bedrooms apartments – on 8.8 acres of land. Thirty-six units of the project serve retired farmworkers and 52 units are designated for farmworker families who work in the rural areas of Coachella, Mecca and Thermal.

On-site amenities include a community building; a courtyard with a covered patio; community gardens where tenants can grow their own vegetables, fruit and flowers; recreation areas for basketball and soccer; a separate childcare center; an after-school kids club; a computer training lab; and courses in English as a Second Language.

The complex, while for both families and retired farmworkers, had the older generation in mind when it created a landscaped hill that actually forms two complexes within one development wherein seniors have some separation from larger families. There are also classes just for seniors such as art lessons, cake decorating and candle making.

Financing was obtained for Desert Gardens Apartments from various federal, state and local sources. USDA's Rural Development 514 and 516, the State of California Family Housing Demonstration program, and the Riverside County Economic Development Agency were all utilized to make Desert Gardens a reality.

To date, CVHC, in Riverside and Imperial Counties in Southern California, has built 23 multi-family developments (totaling 1,513 units), including two migrant farmworker facilities and two special-needs complexes. Eight apartment complexes provide family housing for farmworkers, funded by the USDA Farmers Home Administration. CVHC has completed 13 tax credit financed rental complexes (755 units). CVHC has also built over 1,000 single-family homes for low and very low income families through its mutual Self-Help program.

For more information about Coachella Valley Housing Coalition, please call (760) 347-3157 or visit www.cvhc.org.

Florida Non-Profit Housing, Inc.

Fellsmere County Enrichment Program

Wauchula, Florida

Fellsmere Community Enrichment Program (FCEP) is the owner of Whispering Pines Apartments, a farm worker rental development in Fellsmere, Indian River County, Florida - home of world famous Indian River Citrus. In addition to 70 rental units, there is a resident manager's apartment, maintenance room, laundry room, spacious childcare center and a community room. A variety of services are available to tenants by local partners that include:



- Redland Christian Migrant Association (RCMA) manages the day care center.
- Fellsmere Medical Center provides health services.
- Harbor Federal Savings Bank offers Money Management Training.
- Indian River Community College holds ESL classes.

Whispering Pines was completed in 2005 with a total development cost of \$8,500,000. FCEP received \$6 million in HUD HOME funds through the Florida Housing Finance Corporation and \$2.5 million in USDA Rural Development 514/516 funds. These loan and grant applications were prepared with assistance from Florida Non-Profit Housing (FNPH), located in Sebring, Florida. FNPH is funded by the U.S. Department of Labor to provide technical assistance to organizations wishing to develop housing for farm workers. Florida Non-Profit Housing, Inc. provides technical assistance and training for the Section 523 Mutual Self-Help Housing Program and in the development of rental housing for farmworkers. The organization assists housing providers who serve low and very low income rural residents in the following service areas: Alabama, Delaware, Florida, Georgia, Maryland, Mississippi, North Carolina, South Carolina, Tennessee, Virginia, Puerto Rico and the Virgin Islands.

For more information on Florida Non-Profit Housing, Inc., please visit www.fnph.org.

Frontier Housing ***Morehead, Kentucky***

The story of Frontier Housing began in 1974, when a few committed volunteers supported by area churches got together to try to provide solutions for the tremendous numbers of families who were living in unsafe, overcrowded, and unaffordable conditions. With very few funds, but lots of hard work, determination, and a vision, they began doing repair work for homeowners in and around Rowan County, KY. There was success in their vision. Great success. This success grew their original idea from a small group of volunteers to a thriving organization of highly motivated individuals. From those humble beginnings, Frontier has grown to become the largest provider of affordable homeownership opportunities in northeastern KY and one of the largest home builders in our area. In total, we have assisted over 1000 families, and now serve about 250 families each year with homebuyer education. In addition to homebuyer education, we offer affordable home mortgage loans, subdivision development and a range of new home choices including, site-built, modular, and quality manufactured homes. Our promise is a quality home and a fair loan.

A recent success story is that of the Rowe family. The Rowe's were living in a single-wide, rundown trailer with no running water and their only source of electricity was through an extension cord. Imagine wanting so much to provide for your child only to be blocked by circumstances. Their daughter, Leann, would soon be three years old. The couple felt compelled to seek help when they thought of how life could be different for their daughter.

The Rowe's had been denied time after time for a loan to purchase a new home. But the Rowe's were determined not to accept their current situation as their future and that of their daughter. They continued searching until someone finally referred them to the USDA Rural Development office in West Liberty. It was through this organization that the Rowe's discovered Frontier Housing.

Both organizations immediately recognized that the Rowe's needed a better place to live and they needed it now. So USDA and Frontier combined their resources and created a loan that would provide what the Rowe's needed, while not sending them into a debt they could not afford. With everything in place, construction began.



Meanwhile, the Rowe's were still in need of a water source. They could access city water if they ran a pipe about a half mile through several of their neighbors' fields. Frontier avoided a potentially bad situation by digging a well on the Rowe's land.

Just four months later the Rowe's moved into their new home. They had only hoped for a newer trailer. Instead, they now had a house to call their own. One of John's relatives was so impressed with their new house that she went to Frontier and was also approved for a new home. The Rowe's advice to anyone who is thinking about pursuing "a nice home with a low, affordable loan" through Frontier Housing is to "go for it."

What impressed the Rowe's the most about Frontier Housing was that "they really consider what you want." The couple chose the style of their house and the colors to go with it. When asked what she liked most about the house, Jennifer smiled shyly and said, "I love the entrance to the kitchen." In John's own words: "It's exactly the way I wanted it. [Frontier] took care of everything."

The stage is now set for a new generation to carry on that vision of so long ago. Entering our 35th year, the ideas and changes we are implementing represent an exciting new phase in our organization's activities, as well as a renewed focus on our long-standing goal of helping families become homeowners. In the days and years ahead, Frontier will continue to create opportunities for residents of eastern Kentucky to imagine and achieve the American dream.

For more information about Frontier Housing, please visit www.frontierhousing.org.

The Federation of Appalachian Housing Enterprises, Inc. (FAHE)

***Single Family Housing
Berea, Kentucky***

The Federation of Appalachian Housing Enterprises, Inc. (FAHE), a regional non-profit based in Berea, Kentucky, was one of the first CDFI's certified by the US Treasury Department. FAHE's mission is to lead its network of Appalachian organizations to sustainable growth and measurable impact through collective voice and access to capital that creates housing and promotes community development. As a financial intermediary, FAHE brings together community-based nonprofits and regional partnerships to connect resources with communities in Kentucky, Tennessee, Virginia and West Virginia. Our ultimate goal is to reduce systemic poverty by improving housing conditions of low-income people living in Central Appalachia and bolstering the region's economic potency.



As a membership-based organization, FAHE is committed to facilitating partnerships among organizations, corporations and individuals. Because each Member has strengths that make them outstanding organizations, FAHE and its Members commit themselves to building on individual strengths to accomplish more together, share core competencies, and develop models that can be replicated. FAHE Members' intimate knowledge of the local housing needs means projects are developed to meet specific demand and occupied quickly. Our Members participate in a full spectrum of affordable housing activities, from building homeless shelters to developing rental housing, to counseling families.

In Central Appalachia, there is a wealth of social service providers supporting special populations; clients with special needs, the elderly, chronically homeless and people living in economically distressed areas of Appalachia. Unfortunately, these providers, and their clients, typically cannot benefit from housing programs. The lack of local property development and management capacity in rural communities creates an obstacle to using traditional housing programs, as does the program complexity. Because FAHE's Members offer such varied and extensive services, social service providers that do not typically engage in housing activities are able to better serve their clients by partnering with FAHE.

For example, FAHE financed the Red Bud Housing Project through one of its equity fund using Low-Income Housing Tax Credits. Red Bud was developed by Kentucky River Community Care (KRCC), which provides client-centered care for special need clients including those who are severely mentally ill, battling substance abuse, mentally retarded, or are victims of domestic violence. Many of KRCC's clients lacked access to decent, safe, and affordable housing. Case managers spent valuable time assisting clients in maintaining their living arrangements or finding affordable living options. The transient nature of their home life negatively impacted their clients' ability to succeed in treatment. By working with FAHE, KRCC has access to FAHE Members' expertise to manage the property and affordable financing. FAHE works to reach the hardest to serve families where they need it most. The families benefiting from these efforts are living in rural Appalachia, where the annual area median income is only \$15,800, meaning a family earning as little as \$13,000 still may not qualify for rental assistance.

In less than two years FAHE has brought over \$17 million to the region, leveraging an additional \$4 million, to develop 132 units in communities that would not otherwise have been reached. While these accomplishments are impressive, forging new partnerships is more valuable; these outcomes strike the balance of financing, innovative and partnership that defines FAHE.

For more information on FAHE, Inc., please visit www.fahе.org

Interfaith Housing Alliance

Freestate Subdivision

Taneytown, Maryland

After the mayor of Taneytown, Maryland, population 5,479, visited a community of homes built by the residents in a nearby county with help from Interfaith Housing Alliance, he pledged to help Interfaith Housing do the same in his small town. Seven years and three subdivisions later, a huge block party is planned to celebrate 106 new affordable homes.



The three subdivisions are a fraction of the thirty nine affordable housing developments built with help from Interfaith Housing in the mostly rural western part of Maryland. As Interfaith Housing nears a milestone of 1000 units, the organization remains focused on its primary mission of strengthening families and communities. Many of the Taneytown self-help builders benefited from the recent increase in housing values. For many, this first time wealth acquisition brings economic stability and a means of sending children to college.

Contributions from local banks, state grants and HUD SHOP funds made the development of the three Taneytown subdivisions possible. USDA provided technical assistance grants and Section 502 loans with interest rates as low as 1 percent. In addition, soft second mortgages were obtained from the FHLB system to fill funding gaps along the way. As the gap between slow growing incomes and fast growing housing costs is exacerbated, more sources of funding are needed.

The “sweat equity” program demands months of hard physical work, but Interfaith Housing knows that people of all backgrounds are willing to help themselves. Successful builders include persons with handicaps, the elderly and, groups made up of female heads of household, as is pictured above.

Eligible participants learn about the financial responsibility of homeownership and contribute up to 30 hours per week in their sweat equity to build or rehabilitate their home. Self-help participants build in groups with each family working on all the homes in their group until they all are finished.

Interfaith Housing recognizes that when families own their own homes, they connect better with their communities. With the recent housing boom homeownership rates are at an all-time high, but the prosperity isn’t reaching everyone. Without a hand up, it is nearly impossible for many working families to achieve the American dream. Interfaith Housing helps low and moderate income families become homeowners using strategies appropriate to each community.

For More information about Interfaith Housing, please visit www.interfaithhousing.org.

Kentucky Mountain Housing Development Corp., Inc.

***Affordable Single Family Housing
Southeastern Kentucky***



Kentucky Mountain Housing Development Corporation, Inc. (KMHDC) is a faith-based, non-profit housing and community development organization whose mission is to provide low income families with quality, safe, and affordable housing. KMHDC was incorporated in 1973 through a cooperation of churches and community-based organizations to provide housing opportunities for low-income, Appalachian families. KMHDC builds new homes, repairs substandard homes, rents affordable apartments, and originates and services low-interest home loans. KMHDC has developed four subdivisions, built five apartments and built or repaired over 1,000 homes for needy families in southeastern Kentucky.

Our service area includes the Appalachian counties of Clay, Jackson, Owsley, Leslie, and Bell. These five counties are primarily rural and have populations ranging from 29,544 (Bell County) to only 4,690 (Owsley County). With an average per capita income of only \$15,955 and approximately 30 percent of the population living in poverty, each of these counties are distressed and in need of affordable housing solutions.

One of Kentucky Mountain Housing's responses to the housing crisis was to develop its own HOME Loan Fund, through which KMHDC offers clients low-interest loans. The interest rate is based on family income and is not subject to market fluctuations like loans from traditional lenders. KMHDC clients typically pay between only 1 and 3 percent interest.

For more information about KMHDC you may contact Executive Director, Donna Harris, at (606) 598-5128 or via email at dharriskmhdc@alltel.net.

Kitsap County
Consolidated Housing Authority
Family Self Sufficiency /Housing Counseling Program
Kitsap County, Washington

Donna, a single mom, dreamed of having a safe place for her kids to play, even a backyard with a garden. But she was bankrupt, over \$15,000 in debt, had no credit, and lived in a subsidized apartment. But five years later she has repaired her credit, is working toward her teaching degree, and just bought a new home.



Donna's success is thanks in part to a partnership between Kitsap County Consolidated Housing Authority (KCCHA, the Authority) and USDA-Rural Development. In 2001, Donna entered KCCHA's Family Self Sufficiency Program (FSS), which helped her develop a personal five year plan. Following this plan with support from KCCHA, Donna worked her way through a progression of courses that taught her money management and job skills, and then found a family wage job, repaired her credit, became financially independent, and started a savings account.

Nevertheless, despite having taken so many life-changing steps, Donna still did not earn enough to qualify for a conventional home loan. So KCCHA HUD certified Housing Counselor Marvelle Lahmeyer referred Donna to USDA-Rural Development Manager Patrice Varela-Daylo in Port Angeles who helped her get a 1.5 percent interest 38-year loan through the Section 502 program.

KCCHA's Family Self-Sufficiency Program was created under the Home Ownership and Opportunity for People Everywhere (HOPE) enacted in 1990. Since 1992, FSS families work in partnership with KCCHA to set goals and obtain the skills they need to achieve financial independence. The use of housing as a stabilizing force permits families to invest their energy in other efforts including employment, education, and job training that are necessary for self-sufficiency. The key to success of the program has been the flexibility, compassion, and the one-on-one support from the housing authority's staff.

Kitsap County Consolidated Housing Authority was created in 1982 and became the first joint city-county housing authority in the state. The Authority's area of operation includes all of Kitsap County as well as the cities of Bainbridge Island, Port Orchard, and Poulsbo. Its mission is to build strong communities by creating housing and economic opportunities that promote self-sustaining families.

The Authority's activities primarily involve administration of various federal housing programs, low-rent Public Housing and the Section 8 Housing Assistance Payments Program. The Authority also administers a federally funded Self Help Housing Program of the Rural Housing and Community Development Services (RHCDs), and operates several programs designed to expand affordable housing opportunities. General funding for KCCHA services come from a number of sources including, but not limited to, bond issues and bank loans (27 percent), rents and tenant charges (18 percent), property sales proceeds (17 percent), USDA-RD loans (10 percent), and HUD Housing Assistance Programs (7 percent).

For more information on opportunities or programs at KCCHA, please visit www.kccha.org.

Mercy Housing
Sierra Vista Subdivision
Linda, California

In the unincorporated community of Linda, Yuba County, Mercy Housing is developing the Sierra Vista subdivision to assist low and very low income homebuilders attain their dream of homeownership. The Sierra Vista subdivision will consist of 102 lots and land upon which a neighborhood park is planned. House design choices include three, four and five-bedroom homes ranging in size from 1,100 to 1,400 square feet, and each floor plan offers three different elevations, making for a visually diverse neighborhood.



Yuba County has one of the lowest median incomes in the state of California (\$44,800). Half of the families assisted in the Sierra Vista mutual self-help subdivision will have incomes of less than 80 percent area median income (\$39,300), while the other half will have incomes less than 50 percent AMI (\$24,550). Self-Help program participants in Yuba County come from a variety of backgrounds: farm laborers, teachers, grocery store clerks and Yuba County employees. Yet they share a determination to work hard alongside other families in the building of their new homes and community.

In partnership with USDA, Mercy Housing secures building sites, assists eligible families with mortgage origination, and guides groups of 8-12 families in the creation of neighborhoods like Sierra Vista that are strong and healthy. With housing costs approaching \$200,000, Mercy Housing has accessed a variety of financing in order to achieve affordability. Partners include USDA-RD (Sections 502 and 523), Community Development Block Grant, HOME Program, SHOP, AHP, and local and state funded programs. Mercy Housing also works with its Catholic Strategic Healthcare Partners and other private donors to facilitate the development of its housing.

Mercy Housing is a faith-based, national not-for-profit organization, sponsored by communities of Catholic Sisters, dedicated to creating and strengthening healthy communities. Since 1981, Mercy Housing has developed nearly 17,000 units of housing that serve over 50,000 people on any given day. Mercy Housing operates in 41 states and Washington, DC and has an additional 4,500 units in development. The organization's mission is to create stable, vibrant and healthy communities by developing, financing and operating affordable, program-enriched housing for families, seniors and people with special needs.

A variety of programs are sponsored by Mercy Housing to address the needs of rural residents, and its rural properties portfolio consists of over 120 family and senior rental properties and homeownership developments. Over 5,000 homes (3,367 homeownership, 1,349 rental family units and 481 rental senior units), or nearly one-third of Mercy Housing's portfolio, have been developed in rural communities, including communities in California and Idaho. And annually, Mercy Housing assists 70-90 families to attain homeownership through its sweat equity program in rural communities.

Mercy Housing also assists rural communities to develop or expand community facilities. Successes include water and wastewater systems, youth facilities, non-profit office space, childcare centers and domestic violence centers. Additionally, Mercy Housing designs and implements programs offering housing rehabilitation and first-time homebuyer services that benefit low income households.

Finally, rental properties developed by Mercy Housing provide on-site resident service programs that enrich lives and position residents to break out of poverty. Program activities include financial literacy, homeownership classes, Head Start and preschool programs, after-school programs for students, civic engagement, social activities and computer classes.

For more information on Mercy Housing, please visit www.mercyhousing.org.

Motivation Education & Training, Inc.

Amistad Farm Labor Housing Hereford, Texas

When Motivation Education & Training, Inc.(MET) began working to bring farmworker housing to Hereford almost 20 years ago, Hispanics had recently become the majority population in the West Texas agricultural town of 15,000 people (and 300,000 cows). Yet city leaders did not recognize Hispanic leadership and no person of color had ever been elected to public office.



In 1986, MET helped the Amistad Housing Development Corporation organize and apply for funding to build the 30 unit “Amistad” Farm Labor Housing development in Hereford. Initially, neighbors voraciously opposed its development fearing new residents would bring noise, crime, and unwelcome activity to the area.

Today, neighbors enjoy their proximity to the “best looking housing” in town, which brought hard-working neighborly families to the community. 20 units supplement the original 30. Amistad’s property manager is a recognized community leader and serves on the city council, one of several Hispanics now in public office. City leaders and USDA tout the facility for its design and operations. Farmworker residents enjoy safe, comfortable homes with low rents that allow them to maximize their modest earnings and raise their children in a secure environment.

Including the original 30 units in Hereford, MET has assisted in the construction of 130 farm labor housing units in Eagle Pass, Texas and Independence, Louisiana. In Texas and Louisiana MET has rehabilitated and/or weatherized 2,800 units owned by very low income farmworker families living in substandard homes. The organization has helped more than 15,000 farmworkers with lodging, emergency shelter, homeownership counseling, and development services. Since 1999, similar crisis intervention and services to prevent homelessness have also been offered to rural Minnesotans. And since 1969 MET has helped house 1,000 farmworkers through a program that combines housing with family relocation, training and job placement services in East Texas.

97 percent of the farmworkers enrolled with MET in Texas are Hispanic, while in Louisiana 94 percent are African American. Most of the households face extreme poverty: MET’s Texas clients have an average annual income of \$7,710; in Louisiana incomes average only \$4,809 – well below the poverty level. Moreover, most participants have not graduated from high school or received a GED, and many have difficulties with English. A recent survey of MET’s participants in the Rio Grande Valley found 30 percent of farmworkers who rent or have no home found a lack of housing to be a barrier to employment.

MET has leveraged \$11.7 million from cooperating partners for its housing activities. Primary funding has come from sources including USDA-Rural Development (Housing Preservation Grants and Sections 504, 502, 306, and 514/516), DOL Employment and Training National Farmworker Housing Program, HHS Office of Community Services grants and Community Services Block Grant weatherization funds, HUD Emergency Shelter Grant program, Rio Grande Valley’s Empowerment Zone Corporation, and Minnesota’s Rural Housing Assistance and Stability Program.

Motivation Education & Training, Inc. provides employment, training, and housing services to migrant and seasonal farmworkers in Texas, Louisiana, Minnesota, and North Dakota. Since its inception in 1967, MET has strived to improve the economic earnings and self-sufficiency of the nation’s farmworker population.

For more information on MET and its programs, please visit www.metinc.org.

NCALL Research, Inc.

The Rural Delaware Homeownership Initiative Dover, Delaware

USDA Rural Development's Section 502 homeownership loan program provides attractive mortgages to residents of rural America. The terms, rates, and servicing all are designed to better serve rural and remote areas that do not have access to sufficient credit from conventional sources. Despite the program's potential, NCALL Research, Inc. recognized back in 1985 that very few Delawareans were aware of the program and even fewer felt empowered to go through the intensive application process alone. NCALL envisioned that it could help Delawareans gain access to Section 502 if it could Rural Housing Counselors to assist families through the application process, and so began the Rural Delaware Homeownership Initiative.



The initiative was targeted to central and southern Delaware. Typical of rural areas, the counties had high incidences of substandard housing and poverty. The two primary counties of intervention, rural Kent and Sussex Counties, had income levels 30 percent lower than urban New Castle County. In general, NCALL graduates have very low incomes – less than 50 percent of the countywide median income. Many are the heads of single parent households and have incomes averaging only about \$20,000.

The Rural Housing Counselors helped to get the word out about Section 502 and began providing counseling, training, and packaging services. The education and support provided by NCALL has paid off: in past years, despite the acute need for affordable housing in rural Delaware, some of the USDA funds allocated to the state went unused; today Delaware's Section 502 allocation is used in its entirety.

The Presbyterian Speer Trust funded NCALL for three years as a test case for whether NCALL had a proper bearing on the problem and solution. Ultimately, the experiment proved NCALL's projections correct, and the organization witnessed closing after closing for families on new homes. The Delaware State Housing Authority then stepped in and agreed to fund half the Rural Delaware Homeownership Initiative's annual budget from housing trust fund appropriations. Other funding comes primarily from annual bank contributions and supplemental fundraising.

The Rural Delaware Homeownership Initiative is still helping families become homeowners in 2005 and closes over thirty Section 502 loans each year. The Initiative leverages about \$4 million in federal assistance each year and serves people with the lowest incomes of virtually any federal or private mortgage program. Since 1985, NCALL has closed over 650 Section 502 homeownership loans and has leveraged more than \$40 million in attractive Rural Development mortgages to Delaware. Many of the homes purchased in Delaware under NCALL's direction have been new construction, adding to the affordable housing stock. A recent University of Delaware study shows an economic impact rate for affordable housing of \$7 to \$1, meaning NCALL's impact in rural Delaware can be measured at \$280 million. Moreover, since 1989, NCALL has managed a large scale statewide housing counseling program.

NCALL provides a combination of development technical assistance (TA) to nonprofit organizations and direct services to lower income households. TA services have resulted in development of more than 40 multi-family housing complexes. Section 502 packaging and conventional homeownership counseling have resulted in more than 5,000 closings leveraging half a billion dollars in attractive mortgages.

For more information on NCALL Research, please visit www.ncall.org.

Northwestern Housing Enterprises, Inc.

Historic Elk Park School Elk Park, North Carolina



Elk Park, North Carolina is a small town (population 480) in rural Avery County (population 16,000). It is situated in the Blue Ridge District of the Appalachian Mountains in the northwestern corner of the state. Because of the regional loss of manufacturing jobs in furniture and textiles, both employment opportunities and the number of persons per household have been on the decline for the past twenty years.

Fully 25 percent of the renter households in the area have annual incomes below \$10,000. The shortage of affordable housing for seniors and for persons with disabilities has been exacerbated by a recent surge in tourism and in construction of luxury homes for immigrating retirees. One older building site, however, held promise as an adaptive reuse candidate for affordable purposes.

The existing Elk Park School was constructed by the Works Progress Administration between 1935 and 1938 and served as an elementary school for its Appalachian community for over 60 years. The historic stone-faced school building lies on a 5-acre, multi-level site with magnificent views of the surrounding mountains.

Northwestern Housing Enterprises, Inc. (NHE) performed an historic rehabilitation on the old school and built a new structure to the rear of it, providing 40 units of affordable housing for low-income elderly and disabled residents. There are 3 two-bedroom and 37 one-bedroom units, 10 of which are fully accessible for mobility-impaired residents. The development was placed in service in April of 2004.

The original historic school building now contains 16 residential units, along with a manager's office, social services office, laundry room, library and television room. The existing gymnasium, stage and adjacent baseball field have been refurbished and made available for public use, providing much needed community facilities for the Elk Park residents.

The new three-story building is comprised of 24 units, an elevator, and two laundry rooms. Additional on-site amenities include community gardens, landscaped conversation areas in two courtyards, a gazebo and a walking trail.

The \$4.7 million cost of the rehabilitation and new construction has been financed by the syndication of Low Income Housing Tax Credits and Historic Tax Credits, along with below-market rate loans from the Federal Home Loan Bank of Atlanta and the North Carolina Housing Finance Agency. Affordability for tenants is assured through Project-Based Section 8 Vouchers provided through NHE's affiliate, the Northwestern Regional Housing Authority (NRHA), which also contracts for property management of the apartments. The Historic Elk Park School development received Awards of Merit from the Historic Preservation Foundation of North Carolina and from the National Association of Housing and Redevelopment Officials for excellence in adaptive reuse.

NHE is affiliated in purpose with the public non-profit NRHA and shares its mission to provide housing and economic opportunity free from discrimination for those less fortunate in our mountain communities. Working together with NRHA and with government agencies, private investors and local commercial lenders, NHE has produced more than thirty million dollars worth of new housing opportunity in its ten year history, all of the highest quality and affordable to very low and extremely low income households.

For more information on NHE contact E. G. "Ned" Fowler, Vice President, at (828)264-6683.

Office of Rural and Farmworker Housing *Washington*

The Office of Rural and Farmworker Housing (ORFH) is a private, statewide nonprofit corporation that develops housing for farmworkers and other rural, low-income residents of Washington State. ORFH offers all the necessary services to obtain capital financing and assure the quality of both housing construction and management. ORFH has developed over 1,100 housing units in 23 communities throughout Washington State. These units serve 6,000 farm workers, their dependents, and other rural residents who are working for low wages. Two communities that have recently seen an investment in affordable farmworker housing are Toppenish with a population of 8,946 and East Wenatchee with a population of 5,813. Labor-intensive agriculture is the mainstay of both local economies.

Gonzaga Townhomes - Toppenish, WA

The Gonzaga Townhomes development was built in 2007 on 3 acres and serves year-round and migrant farmworkers in addition to farmworkers who qualify as homeless. Gonzaga Townhomes consists of six buildings with 25 units plus one manager's unit and a community room. It includes two- to four-bedroom units in order to serve the community's need to house year-round farmworkers with larger families. The site is within walking distance of a new elementary school, churches, and commercial services such as a local market, restaurants, and banks located in historic downtown Toppenish.



Gonzaga Townhomes was developed by the ORFH in partnership with the owner/operator, Genesis Housing Services, an affiliate of Catholic Charities Housing Services (CCHS) of Yakima. CCHS has been actively serving the affordable housing needs of the Yakima Valley since 1999. Gonzaga Townhomes financing includes: over \$2.6 million from USDA-Rural Development (USDA RD) Section 514 loan and 516 grant; over \$777,000 from the Washington State Housing Trust Fund; \$200,000 in CDBG funds through the City of Toppenish; and \$181,870 from the Federal Home Loan Bank of Seattle.

Vista del Rio - East Wenatchee, WA

The Vista del Rio development consists of 24 one and two bedroom units (128 beds) for migrant farmworkers and their families and will help to meet the agricultural community's critical need for seasonal farmworker housing. Vista del Rio is the first development in the area which will implement an innovative new model within the USDA Section 521 Program using Rental Assistance as Operating Assistance. Construction began in 2006, however, was temporarily halted due to "NIMBY" opposition by a neighborhood group. In February 2008 a judge found in favor of the local sponsor, allowing the development to proceed. Construction is now again underway and is anticipated to be completed by Spring 2009.



Vista del Rio is being developed by ORFH in partnership with the owner/operator, Housing Authority of Chelan County and the City of Wenatchee (CCWHA). CCWHA has been actively serving the affordable housing needs of the Chelan County for more than 20 years. Vista del Rio's financing includes: approximately \$3 million in USDA-RD Section 514 loan and 516 grant; \$1.4 million from the Washington State Housing Trust Fund; \$10,000 through Douglas County 2060 funds; and, over \$222,000 from the Washington Community Reinvestment Association. Funders have continued to support this project in spite of significant delays.

For more information on the Office of Rural and Farmworker Housing, visit www.orfh.org.

Peoples' Self-Help Housing Corporation

River View Master Planned Neighborhood Guadalupe, California



River View is new a master planned neighborhood in the City of Guadalupe, a small, impoverished farm-worker town on California's Central Coast. Guadalupe has a population of less than 5,000 – most of them employed in the agricultural sector – and has long struggled to provide safe, affordable housing and basic services to its predominantly lower income population.

Peoples' Self-Help Housing Corporation (PSHHC), a non-profit housing and community development organization, is the sponsor and developer of River View, which has been lauded for its comprehensive planning, innovative financing, range of housing types offered, and neighborhood amenities and services.

The River View development was completed in early 2005, built on a 25 acre piece of land purchased by PSHHC from the City Redevelopment Agency. It includes a new 15 acre city park, a 10,000 square foot Community Center that offers health, education and recreation programs, 50 single family homes for first time homebuyers participating in Peoples' Self-Help mutual self-help housing program, and 80 town homes for families needing decent, affordable rental housing. As a result of River View, new water and sewer systems, public utilities and paved streets also came to Guadalupe.

For the 130 families residing in the new Guadalupe development, River View represents the first time they do not have to share overcrowded, unsanitary, and/or unreasonably high-priced shelter. For the 50 first-time homebuyers, Peoples' Self-Help's owner-builder program provided the opportunity to build assets through home ownership. It also developed their construction and home maintenance skills, built self-esteem, and instilled pride of ownership. The 80 families residing in the rental town homes are able to create a savings program as a result of new affordable rents and participate in on-site programs. Perhaps most importantly, all 130 River View families now feel a sense of safety and community.

River View's Community Center offers a broad range of services coordinated by PSHHC. These include primary healthcare services and health education at the Health Clinic incorporated within the Center. After-school programming is offered for children grades K-12th using credentialed teachers through PSHHC's Education Enhancement Program. Adult education classes in homeownership training, financial literacy, English as a Second Language (ESL), and the nationally recognized "Mommy (Daddy) and Me" Program are also conducted at the Center. River View amenities include a commercial kitchen in the Community Center, several outdoor play grounds, laundry facilities, bike paths and built-in outdoor group barbeque facilities.

PSHHC successfully leveraged \$26 million in new investment into the City of Guadalupe. River View financing was provided by a wide range of sources including HUD RHED program; State Department of Housing and Community Development HOME program; USDA Technical Assistance Grant program and Section 502 loans; Rural Community Assistance Corp Agriculture Health and Housing program; California Community Reinvestment Corp; Alliant Capital; HAC – SHOP Program; State of California Joe Serna Jr. Farmworker Grant program; Wells Fargo Bank; and Federal Home Loan Bank of San Francisco.

Peoples' Self-Help Housing Corporation (PSHHC) is a national award-winning non-profit organization celebrating 35 years of experience in creating affordable housing for cities, counties and community groups in California's Central Coast region. PSHHC works in over 25 communities throughout the 200 mile tri-county area of San Luis Obispo, Santa Barbara and Ventura.

The mission of Peoples' Self-Help Housing is to provide affordable housing and programs leading to self-sufficiency for low-income families, seniors and other special needs groups on California's Central Coast.

For additional information on Peoples' Self-Help Housing Corporation, please visit www.pshhc.org.

RCAP Solutions

Herminie, Pennsylvania featured in National PBS Documentary



Grace "Boots" Sabljak, a resident of Herminie, Pa., describes the problems that arise in a town without sewage treatment.

How would you like to live in a community where all of the raw sewage is sent directly out through a series of pipes into the local creek, or down into old coal mining shafts? Where children are being exposed on a daily basis to a serious disease hazard? Where communities downstream use the polluted supply for their drinking water? That is the current situation in Herminie, Pennsylvania. But through the efforts of RCAP Solutions, \$18 million in government financing from USDA and PENNVEST (the Pennsylvania state revolving loan fund) will soon result in a new collection system and treatment plant to end the problem forever, both in Herminie and an adjacent community, Rillton.

Herminie is located in Sewickley Township, about 20 miles from Pittsburgh. The sewage disposal problems in the Township were well known to local and state officials, and planning for centralized wastewater treatment and collection facilities began a number of years ago. The first meeting with USDA occurred in 1994, and a funding application was filed in 1998. The project (similar to many in rural communities) took many twists and turns over the next seven years, with a number of false starts. At one point, a large, \$28-million project was proposed, serving multiple areas of the Township. However, funding limitations made a project of this size unrealistic. Ultimately, an \$18-million application for the final project was submitted to USDA. As a result of the high project cost, USDA and PENNVEST agreed to work on a co-funding effort, with PENNVEST funding the construction costs in Rillton.

However, by 2005, the project was still languishing. Under the USDA project selection criteria system, maximum points are awarded to projects serving less than 1000 persons. Since the project in Herminie and Rillton will serve over 3000 persons, it received the minimum number of points, and was ranked far enough behind other projects that it appeared it would be years before funding was available.

The USDA scoring system allows for points to be awarded at the discretion of the State Director. Early in 2005, RCAP Solutions was contacted by USDA and asked to provide an independent, third-party evaluation of the situation. The RCAP Solutions District Director conducted a site visit in February, and correspondence was then forwarded to USDA stating the following: "The situation in Herminie is, quite literally, nauseating. It appears the most, if not all, of the homes discharge wastewater into storm sewers or through direct straight pipes to Little Sewickley Creek. Many of the homes at one end of town discharge through a communal pipe into a sewage "swamp." I have never seen anything like this before while working in Pennsylvania...the situation, in my opinion, constitutes an immediate and serious health and environmental hazard. I offer my strongest recommendation that the project in the area receive any discretionary points that could increase the ranking for USDA funding."

The recommendation provided by RCAP Solutions provided the basis for an award of the maximum discretionary points, and the project moved to first on the USDA funding list. A final loan and grant package was developed, with a check presentation ceremony being held in January 2006. An article in the Pittsburgh Tribune-Review stated "Federal officials said that funding and construction of this project will eliminate the 'largest remaining discharge of untreated sewage in southwestern Pennsylvania'."

RCAP Solutions was approached by Penn State University Public Broadcasting in 2007 to ask for help on its 90-minute national documentary about drinking water and wastewater infrastructure in the United States. The documentary, *Liquid Assets*, will be released to Public Broadcasting stations across the country on October 1, 2008. Herminie will be featured as the sole example of a small community. The remainder of the documentary will focus on large cities such as Atlanta, Los Angeles, and New York City.

What has happened in Herminie highlights the critical nature of the assistance provided by the environmental program at RCAP Solutions. Solving this problem will not only protect public health and the environment, but will provide a basis for economic growth and community development. *Liquid Assets* contains a powerful message about the deteriorating status of our drinking water and wastewater infrastructure, and the billions of dollars needed to fix it. We are pleased to have been able to help get the message out across the country.

For more information on RCAP Solutions, visit <http://www.rhircap.org/>

Rural Community Assistance Partnership
Mechanicsburg-Buffalo Water Commission
Mechanicsburg and Buffalo, Illinois



Mechanicsburg and Buffalo are located east of Springfield, the Illinois state capitol. The Mechanicsburg-Buffalo Water Commission was formed in 1961 to enable the communities and outlying areas to construct a water distribution system to serve 402 households. In 1998, the Commission was cited by Illinois EPA and placed on its “Critical Watch List” for having inadequate source capacity to meet the needs of its customers, as well as violation of rules concerning well proximity – the existing wells were located too close to each other. In addition, the water treatment plant is nearing its capacity and must be upgraded.

A three-phase project was developed to correct the violations. Phase one, which was completed in 2007, included test drilling and well placement and design. Phase two includes making improvements to the water treatment plant and expanding its capacity. Phase three will involve the construction of a new 200,000 gallon water storage tank.

The Commission’s engineer contacted Illinois RCAP in November 2006, for assistance in locating funding for phase two design work. The Commission plans to fund the project through USDA Rural Development and, in order to secure funds, several planning tasks must be completed. RCAP worked to provide the best funding alternatives available. With a median household income of \$28,182, it was important that funding be optimized for the entire project, from planning through construction.

One potential funding source was RCAP’s national revolving loan fund. The fund was established for precisely this type of activity – enabling small communities to finance up-front costs in order to access long-term construction funds. The Commission decided to apply to the fund, RCAP assisted in completing the loan application paperwork, and a \$100,000 loan was received, which enabled the Commission to contract with its engineering firm for the design of the proposed improvements.

Illinois RCAP then assisted the Commission with mapping the service area and conducting income surveys, which determined that the project was eligible to receive CDBG funds through the Illinois Department of Commerce. (The surveys revealed the area to be 63% low and moderate income.) RCAP also aided in the preparation of the CDBG funding application. A combination of CDBG and USDA funding will help maintain affordable rates for the Commission’s customers.

For more than 35 years, the RCAP network has been a leader in rural community development. RCAP is a national service delivery network comprised of six regional partners with a national office located in Washington, D.C. Every year, nearly 200 RCAP specialists provide technical assistance, training, and financial resources to more than 2,000 small rural communities throughout the U.S. and its territories.

The RCAP national office engages in applied research, policy development, public education, and advocacy on rural issues, particularly with respect to community infrastructure. In addition, the national office supports the network by obtaining funding, sharing knowledge and best practices, partnering with similar organizations, and promoting dialogue on the changes needed in rural communities to enable them to protect public health and the environment, and create wealth.

For more information on the RCAP network, please visit www.rcap.org.

Rural Opportunities, Inc.

Section 8 Family Self-Sufficiency Program

Batavia, New York

Terri Sliker, a single mother of twin 15-year old girls, is one of hundreds of new homeowners that have benefited from the partnership between Rural Development and Rural Opportunities, Inc. (ROI), a regional rural development and services organization based in upstate New York.



Homeless, Terri first came to ROI seeking housing assistance for herself and her two young daughters. ROI placed her in its Section 8 Family Self-Sufficiency Program (FS-S) where she received a Section 8 rental assistance voucher. The voucher qualified her family to live in a rental complex that ROI had developed in Batavia, New York. She studied and trained as a phlebotomist at Genesee Community College and began working at the local hospital.

Four years after enrolling in the FS-S Program, Terri signed up for ROI's First Time Homebuyer program. She attended mandatory pre-purchase counseling courses covering readiness to buy, credit and budgeting, house shopping, processing and underwriting, and closing. Terri also enrolled in ROI's First Home Club, a Federal Home Loan Bank of New York program that matched Terri's savings 3 to 1.

A year later, after having saved enough money for her down payment and closing costs, Terri purchased a \$60,000 three-bedroom, one-bath colonial home financed through the Rural Home Loan Partnership Program (RHLP). The RHLP is a collaborative effort between Rural Development, private financial institutions, private non-profit organizations, and several national partners including Rural LISC, the Federal Home Loan Bank System and the Federal Housing Finance Board. The RHLP entices private financial institutions to participate in lending to low income families by dividing up the loan costs between Rural Development and commercial banks, placing greater than 50 percent of the costs with Rural Development. Terri used a loan from Rural Development's Section 502 program at 1 percent and a second loan from the Bank of Castille, a local community bank, at 6 percent.

Terri would tell you she would not be a homeowner today were it not for the RHLP and Rural Opportunities, Inc.'s First Time Homebuyer program. With determination, guidance from ROI staff and the Rural Home Loan Partnership, Terri Sliker used the Section 8 Program to go from homelessness to homeownership in five years. Today, Terri and her daughters are doing well in their new home and secure in the knowledge that ROI's post-purchase counseling and the staff of both Rural Development and the Bank of Castille are there for her if her family should ever need them.

Begun in 1969, Rural Opportunities, Inc. (ROI) provides services to farmworkers, low income families and economically depressed communities throughout New York, Vermont, New Jersey, Pennsylvania, Ohio, Indiana, Virginia and Puerto Rico. A chartered member of the NeighborWorks® Network, ROI successfully operates a wide array of programs funded by federal, state, local, faith-based and private sources.

ROI is governed by a 28-member Board of Directors comprised of representatives from Program Area Advisory Committees, Migrant Head Start Advisory Councils, Affiliate and Subsidiary Corporations and Collaborative Organizations. Farmworkers and other program participants retain majority control of the Board of Directors as required by the ROI Corporate By-Laws.

For more information on Rural Opportunities, Inc., contact Lee Beulac, Senior VP for Community and Economic Development, at (585) 340-3366 or visit ROI's website at www.ruralinc.org.

Self-Help Enterprises

Self Help Housing

San Joaquin Valley, California

The first organization of its kind in the nation, Self-Help Enterprises (SHE) pioneered the concept of mutual self-help housing construction in the United States. Working in partnership with USDA Rural Development, SHE's mutual self-help program has been an effective avenue

to homeownership for thousands of families across the San Joaquin Valley. The primary emphasis of SHE has continuously been the creation of new and sustainable housing and homeownership opportunities. With skilled onsite supervision of SHE construction staff, families participate directly in the construction of their own homes

Since its founding in 1965, SHE has completed construction of over 5,600 new single-family homes, all built under the mutual self-help method of construction, with homeowners providing over 70 percent of the construction labor. SHE locates and/or develops the lots, assists families in obtaining affordable financing, and provides technical resources and construction supervision during construction of these new homes. Joined together in groups of 8 to 12 families, participants contribute 40 hours of time and labor each week during the 10-11 month construction. By pooling their labor to build each others' homes, these homebuilders build neighborhoods and communities. The cost savings from their labor – or “sweat equity” – provides the down payment on each home.



The participation of SHE in the process is from start to finish. In predevelopment, staff works to market the program, provide homeownership training, develop building groups into effective teams, and assist eligible families in the submission of loan applications. Most often, mortgage loans are secured from the USDA Rural Development Section 502 Direct Loan program. Combining participant labor with an affordable, responsible mortgage is a proven path to sustainable homeownership. Families who participate in the mutual self-help program are responsible borrowers with very low delinquency rates.

In striking contrast to the current mortgage crisis, The SHE/USDA mutual self-help approach takes the responsible, long-term view of homeownership — ignoring the boom and bust cycles, the fads and the quick fixes, focusing instead on providing affordable and sustainable housing opportunities for dedicated and hardworking low-income families.

Solid loans combined with extensive education and support may not be the fastest route to homeownership, but it has proven to be a sustainable one. The mutual self-help housing method, through programs such as USDA Rural Development, continues to provide successful, long-term solutions for low-income homeownership.

For more information about Self Help Enterprises, please visit <http://www.selfhelpenterprises.org>

Self-Help Housing Corporation of Hawaii

Puhi Self-Help Project

Puhi, Kauai, Hawaii



With the highest housing prices in the country, the Self-Help Housing Corporation of Hawaii has been successful in assisting 544 lower income families on Oahu, Kauai, Maui, and Molokai to build their own houses through the team self-help housing method.

Even in a poor economy the median sales price for a single family house in Hawaii is over \$600,000. The Self-Help Housing Corporation of Hawaii has successfully demonstrated the self-help housing method to be a viable alternative for building affordable, quality homes for lower income families, single parents, native Hawaiians, and others shut out of the conventional market.

On the island of Kauai SHHCH built a 41 lot subdivision in Puhi, a bedroom community outside the capital of Lihue. With SHOP funds and RHLF assistance from the Housing Assistance Council, CDBG/HOME assistance from the County of Kauai, and loans from the Rural Community Assistance Corporation, SHHCH built a 41 lot subdivision as a 201H subdivision attaining waivers on planning and zoning requirements. After providing financial counseling to more than 500 applicants, SHHCH selected three teams of self-help families. Families are building 9 different models of one and two story, three and four bedroom homes. Utilizing the “sweat equity” as the down payment, the house and lots appraise at \$470,000 while loans are \$226,000 fee simple.

With RD 502 loans as the permanent financing SHHCH is able to qualify 40% of the participants with incomes below 50% of the area median income. Under the RD 502 loans the families will pay mortgage payments with interest subsidies based on their incomes.

SHHCH has completed more than 100 homes on the island of Kauai. In addition to the Puhi Project SHHCH has a 14 lot subdivision in Hana, Maui under development, and a 9 acre subdivision of 77 lots in Mai’ili, Oahu in engineering. In addition to self-help housing, SHHCH has completed 11 contractor built houses, and trains Youth Build participants in various new construction and rehab projects.

For more information contact Claudia Shay, Executive Director, at (808)842-7111 or self@aloha.net.

South County Housing

Gilroy, California

South County Housing (SCH) is a nonprofit community development corporation operating in the California counties of Santa Clara, Santa Cruz, Monterey and San Benito. Its service area is a mix of urban, suburban and rural communities. A diverse Board and staff carry out its Mission to promote viable neighborhoods that enhance healthy, sustainable communities by collaboratively providing affordable housing and promoting neighborhood services. Since 1979, SCH has built 1360 apartments for families, seniors, farm workers, teachers and disabled people and 1300 single family homes, child care centers, and parks.



Major programs are Affordable Housing Development, Property Management, and Neighborhood Services. South County Housing's model of combining mixed income housing with on-site services responds at every level to the needs of each community. SCH developments include recreational amenities, childcare facilities and community buildings with computer labs.

Working with strong partners, South County Housing provides tools and training for people to create long-term success in their own neighborhoods through services such as Financial Fitness, Individual Development Accounts, Self-Help or Sweat Equity downpayments, Post-Occupancy workshops, After School Programs for youth to improve school achievement and social skills, Leadership Training and support for Neighborhood Associations and Senior Programs.

For more information on South County please call (408) 842-9181 or visit www.scounty.org.

Southeastern Wisconsin Housing Corp.
of Racine County
Self-Help Housing
Racine County, Wisconsin



Located in southeastern Wisconsin, Racine County contains a varied landscape of both urban and rural communities. Its population of over 190,000 resides in an expanse of land bordered by Lake Michigan to the East and drained by the Fox and Root Rivers to the West.

Southeastern Wisconsin Housing Corporation (SEWHC) of Racine County is currently managing a self-help project with a group of three single-female head of households in the village of Clinton, Wisconsin. Living in the rural community of Clinton, these women all hold down full-time jobs while at the same time as working to build their own homes. They have a strong desire to provide a home for their children and value being able to do it themselves.

One of the women in the group is a third generation self-help builder. In March of 1978, Norbert and Susan Elsworth built their home through SEWHC's self-help program. Their daughter Jill and her husband built in July of 1985. And twenty-seven years later, the granddaughter of Norbert and Susan, Angela Meyer, has built her home by the same means.

Financing for this and other related projects comes from USDA Rural Development's Section 523 Self-Help Housing Program, mortgage loans, funds from Federal Home Loan Bank's Affordable Housing Program, and the State of Wisconsin's HCRI and HOME Homebuyer Programs. SEWHC itself is funded solely through Section 523.

SEWHC of Racine County and its sister corporations have utilized many Section 523 Self-Help grants over the past 35 years, producing over 1200 single-family homes for low and very low income families in Southeastern Wisconsin. The number of minority households assisted continues to rise and is presently about 73 percent of the families served. In addition, approximately 23 percent of the families that build through the self-help program are single heads of household.

Southeastern Wisconsin Housing Corporation was established in 1970 to address the lack of adequate housing for many rural households in Racine County. A separate non-profit housing corporation named Southeastern Wisconsin Housing Corp. of Racine County was incorporated in 1975 and began to develop and produce affordable housing in these target areas. In 1991, the Board of Directors decided to combine all self-help housing efforts under SEWHC of Racine County to cover three of Wisconsin's southeastern counties.

The original corporation continues to operate and focus its programs on Rural Development Section 515 for elderly residents in Darien, Wisconsin. Another non-profit housing corporation, Southeastern Wisconsin Housing Programs was incorporated in 1990 and acts as the holding company for the Self-Help Program, in addition to purchasing and developing land.

The longevity of the program staff continues to benefit the program: among the Executive and his staff of four, SEWHC personnel have a combined 97 years of housing experience. This experience allows SEWHC to expertly address complicated issues facing the target population and facilely network with local agencies and organizations.

For more information about Southeastern Wisconsin Housing Corporation, contact Arturo Gonzales at 262-763-7851.

Tierra Del Sol

Desert Sun Apartments

Deming, New Mexico

The City of Deming, New Mexico is the Luna County seat along the United States and Mexico Border. While the border county is designated by USDA as a Rural Enterprise Zone due to its distressed socio-economic population, it is a dynamic rural agricultural region that attracts a vast population of farmworkers. As in most rural communities, the local rental market in Deming does not adequately serve the very low income population, where a farmworker family of four earns wages of just \$7,500 annually.



The Desert Sun Apartments were built in 2001 and expanded in 2005 by Tierra del Sol (TDS) to provide assisted rental housing to migrant and year-round farmworkers and their families. The property is occupied by 96 families and their over 200 children who find stability in the affordable apartments while they work to establish themselves financially. The hope for most is to eventually achieve home ownership through TDS's self-help housing program.

The Desert Sun Apartments are a garden-style site design with 96 rental units of two, three, and four bedrooms, 1-3/4 bathrooms apartments. The development also offers residents two activity rooms, laundry and an office for the site manager and social services. This design uniquely serves the needs of both the seasonal-occupancy and year-round farmworker households. The site is accessible to schools, a health center, ball parks, a fire station, the Department of Labor and retail services. The flexible financing structure of Desert Sun Apartments offers affordable rents to farmworkers earning income at or below 50 per cent of the area median income.

Tierra del Sol Housing Corporation developed the Desert Sun Apartments in partnership with the nonprofit owner/operator Housing & Economic Rural Opportunity, Inc. (HERO, Inc.). Both organizations have worked closely with USDA Rural Housing Services for 32 years to actively serve the affordable housing needs of New Mexico and West Texas. Resident success is enhanced through supportive social services, which include home buyer education, credit counseling services, the Deming Public Schools Migrant/Seasonal Farm Worker Program, youth employment training, the State Department of Social Services, the State Department of Labor Migrant/Seasonal Farm Worker Advocate program, the local health center and hospital services and others. The property management company has bilingual staff to provide information and translation to monolingual households.

The development was financed through \$8 million from private and public loans and grants, and private investors purchasing tax credits, including: \$5,000,000 from USDA-RD Section 514 loan; \$240,840 HUD HOME loan via New Mexico Mortgage Finance Authority; \$2,782,382 from equity provided by private investors purchasing Low Income Housing Tax Credits; and USDA Section 521 Rental Assistance.

Tierra del Sol is a private, statewide nonprofit corporation that has produced 5,000 units of affordable housing and whose work supports multifamily rentals, home ownership, home rehabilitation, neighborhood revitalization, and related community infrastructure development. For 32 years, Tierra del Sol has been the leader in New Mexico in developing housing for farmworkers and other low income rural residents. It provides direct development services to local nonprofit corporations, housing authorities, growers, municipalities and others interested in developing farmworker housing. Tierra del Sol leverages flexible capital financing and assures the quality of both housing construction and management.

For more information on Tierra del Sol, please visit www.tierradelsolhousing.org.

WNC & Associates, Inc.

Mac Arthur Apartments Los Banos, California

The City of Los Banos, population 32,380, is located in Merced County approximately one hundred miles east of San Jose, California. In recent years Los Banos has experienced a transition to higher priced housing development, reflecting its position as a “bedroom community” for Silicon Valley commuters.



Mac Arthur Apartments was developed in 1974 on 3.6 acres and is designed to provide housing to elderly people 62 years or older. It consists of 14 buildings with a total of 50 units of one or two bedrooms. The property is situated in a beautifully landscaped setting and has a large community room, a gazebo and community gardens available for use by tenants. The site is within walking distance of community centers, churches, emergency services and commercial services such as supermarkets, restaurants and banks. WNC Management, Inc., the managing agent, has also advocated for and obtained a city sponsored bus stop located at the entrance to the property.

Mac Arthur Apartments was developed by a limited partnership that includes WNC & Associates, Inc. and operates pursuant to Section 515 of the National Housing Act. WNC believes that the quality of life of residents is enhanced through supportive services and therefore sponsors or facilitates a range of services, including a daily free lunch program, senior aerobics exercises, dial-a-ride, bingo and weekly free bread distribution.

As in many rural communities, the local rental market does not serve the elderly low income population well. It is difficult in Los Banos to find rents that are affordable to very low income earners in general. The Mac Arthur Apartments financing structure, however, allows the owner to rent to households whose annual income is at or below 50 percent of area median income – \$19,650 or less for a two person household in Merced County. Tenants pay just 30 percent of their annual adjusted income for rent.

Mac Arthur Apartments was financed through loans provided by the USDA Rural Development, the payments for which are reduced by a monthly Rural Development interest subsidy. There is also a Housing Assistance Payment contract provided by the Department of Housing and Urban Development, which allows for further subsidy of each unit.

WNC & Associates Inc. is the fourth largest privately held owner of affordable housing in the United States and has over thirty-one years of experience in the field. WNC provides investment opportunities, develops and operates properties. WNC is engaged in these activities so that people can have safe, clean and affordable places to live and work.

For more information on WNC & Associates, please visit www.wncinc.com.

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