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On behalf of Florida Home Partnership (FHP), I wish to thank you for accepting this testimony in support of Rural Housing Funding for Fiscal Year 2016. FHP is a non-profit Community Housing Development Organization (CHDO) with a mission to provide low- and moderate-income families with affordable, quality-built, energy-efficient homes in communities that offer long-term value and comfort. I am urging the Appropriations Subcommittee to fund the following USDA Rural Housing Programs at: (1) \$900 million for Section 502 Direct Homeownership Loans; (2) \$30 million for Section 523 Self-Help Housing Program; and (3) \$4 million for the Rural Community Development Initiative.

Section 502 Direct Loans and Section 523 Mutual Self-Help Housing

The Section 502 Loans provide affordable mortgage opportunities for low-income rural Americans, while the Section 523 funds allow Self-Help Housing grantees across Rural America to provide technical assistance to Rural Americans engaged in building their own homes through USDA's Mutual Self Help Housing Program.

FHP administers the USDA Mutual Self-Help Housing Program in the rural areas of Hillsborough and Pasco Counties in Florida. The impact of this service asserts a positive result in four areas: (1) Affordable, quality housing for low- to moderate-income families; (2) Green Built and Energy Star-certified homes conserve precious resources; (3) Safe and affordable housing instills higher goals for the future of youth and teens; and (4) the Mutual Self-help Program sustains and stimulates the local economic environment.

With the support of the USDA Mutual Self-Help Program, FHP guides groups of six to ten, low- to moderate-income families to work together to help build each other's homes. In the past 17 years, over 650 homes and 6 communities have been built. Leveraging dollars from the USDA Mutual Self-help Program, the State of Florida's Home Ownership Pool, and down payment assistance through Hillsborough and Pasco Counties, federal funds enable FHP to efficiently operate a very complex, yet effective program. FHP has successfully administered over \$75,000,000 dollars to implement this USDA affordable housing program.

Participating families share the common goal of homeownership and commit themselves to share in the work that will make that goal a reality. When all homes in the construction "Group" are completed, all homeowners are authorized to move into their new homes on the same day, creating an instant community. Families and individuals contribute a minimum of 600 hours of "sweat equity" in the construction of their new homes in exchange for their down payment. Hard work is the key, along with a willingness to work cooperatively with other participants. No construction experience is necessary! Participants perform a variety of unskilled and semi-skilled tasks from digging the foundation, to carpentry, painting, electrical and plumbing activities through construction clean-up and landscaping—along with everything in between. Our knowledgeable family construction coordinators (who themselves have gone through the program) guide participants through the construction process, all the while teaching the participants many new skill sets. Friends, family, church members, and others help these families accomplish the labor requirements. Therefore, it becomes a community endeavor to complete all the homes in a group.

Each Self Help Home is currently being built as a GREEN Certified home, and is constructed to Exceed Energy Star Standards. To date, FHP has constructed over 250 GREEN and Energy Star Certified homes. These homes conserve energy resources for our country, and just as importantly, conserve the precious financial resources of the low-income rural clients we serve. Many of the Self

Help Housing organizations across America build their homes to these same Green and Energy Conserving Standards.

FHP provides services before, during, and after to assure the success of the families. Services provided “during” the application process include homeownership education, improving credit, and understanding the responsibilities of homeownership. Once the home is built, homeowners are also educated and encouraged to become active with their homeowners association to assure their community remains a quality and safe neighborhood. FHP periodically hosts Parliamentary Procedure Training classes for interested homeowners and to train new and seasoned HOA board members.

While FHP provides safe housing and encourages community involvement, the groundwork is being laid to support a positive outlook for youth and teens in the community. The youth of our communities have witnessed the hard work of their parents leading to the accomplishment of the American Dream, homeownership. We have had multiple experiences where children growing up in our decent affordable Self-Help Housing communities, have gone on to build Self-Help Homes of their own. These children have learned that hard work and perseverance do pay off.

The USDA Mutual Self-help Program has also had a positive impact on the local economy. In addition to a staff of seventeen employees, in which 50% are Self Help Homeowners, FHP has been able to regularly subcontract with small family-owned, mid-size and chain store businesses. A great portion of the \$75,000,000 has been circulated to these various businesses since our inception in 1993. Consequently, as a primary client for many businesses, including Home Depot, in the Ruskin, Florida area, FHP has contributed to supporting jobs throughout its rural service area. The value of the Mutual Self-help Program has inherent benefits that provide answers to other social problems in our society by meeting the needs of affordable, quality and energy-efficient housing that provides safe environments for our rural families. Accordingly, the program also prepares the

children of these homeowners with the tools to change their collective destinies; all while creating and maintaining meaningful jobs for rural Americans.