

Rural Voices

THE MAGAZINE OF THE HOUSING ASSISTANCE COUNCIL

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A photograph of a man wearing a cowboy hat and a dark shirt, holding a baby in his arms. The man is looking down at the baby with a gentle expression. The baby is wearing a light-colored outfit. In the background, there are several white farmhouses with dark roofs, set against a clear sky. The entire image is tinted with a blue color.

**Farmworker Housing:
Turning Challenges into Successes**

Dear Friends,

Farm labor is integral to the agricultural industry in the United States. But farmworkers' hard work is rewarded by low wages, so farmworkers are one of the poorest groups of people in the country. Their low incomes translate into an inability to attain decent, safe, and affordable housing. Farmworkers must cope with the entire spectrum of housing problems: costs that do not fit their incomes, substandard quality, and, for migrant workers, a need for short-term rentals in places where they work only temporarily.

Local organizations around the country strive to help farmworkers and their families meet their housing needs. In this issue of *Rural Voices*, several of these practitioners share their experiences. The magazine begins with an overview describing the farmworker population, their housing needs, and some relevant federal housing programs. Then writers from the upper Midwest, California, Florida, New York, Texas, and Washington share their knowledge about the provision of farmworker housing. Each organization has encountered serious challenges in this effort and has faced these challenges with strength and determination. The authors describe the strategies that have turned challenges into successes.

The Housing Assistance Council has contributed to some farmworker housing successes through more than 30 years of involvement in the struggle. HAC will continue its efforts to help organizations like those featured in this magazine as they continue to improve living conditions for farmworkers and their families.

Sincerely,



Arturo Lopez, Chair



David Lollis, President



Moises Loza, Executive Director



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Cover photo courtesy of Peoples' Self-Help Housing Corporation.

HAC Facts

NOTES ABOUT SOME OF THE RECENT ACTIVITIES, LOANS, AND PUBLICATIONS OF THE HOUSING ASSISTANCE COUNCIL

"Fairness for Farmworkers" Campaign Supports 2.5 Million Farmworkers in the U.S.

The National Farmworker Alliance, of which the Housing Assistance Council is a contributing member, launched the "Fairness for Farmworkers" campaign in June. The goal is to increase congressional and public support for the 2.5 million farmworkers who help maintain the American agricultural economy. The Alliance's most immediate goal is the passage of the bi-partisan AgJobs Immigration bill and increased funding for education, health, housing, labor law enforcement, and employment services programs. If enacted, the AgJobs bill would create a program enabling some undocumented farmworkers to obtain temporary immigration status by proving their work experience in the U.S., and then earn permanent resident status by continuing to work in U.S. agriculture for three to six years. HAC contributed to the formulation of the campaign's agenda by providing housing expertise. Other participating organizations include LULAC, MAFO, National Council of La Raza, and United Farm Workers of America-AFL/CIO.

HAC Helps Focus Washington, D.C.'s Attention on Mississippi Delta Issues

More than 100 community leaders from the eight-state Mississippi Delta region brought recommendations to Washington, D.C. in May to emphasize the region's need for comprehensive community development, including jobs, educational reform, and affordable housing. Co-sponsored by the Housing Assistance Council and the Mississippi Delta Grassroots Caucus, the meeting highlighted the continuing problems in the Delta, as well as solutions that have worked in various communities.

Caucus members urged Congress to support and fund the congressionally created Delta Regional Authority in order to address the region's health care, education, economic, and housing needs. Members also engaged in a lively dialogue with USDA staff. HAC board member Peggy R. Wright, director of the Delta Studies Center at Arkansas State University, urged those attending to pay particular attention to programs that support new homebuyers. "Homeownership

is a proven way out of poverty," commented Wright, "and efforts must be made to close the homeownership gap that exists between Delta residents, particularly African Americans, and the rest of the nation." For a profile of Ms. Wright and her work, see page 25.

HAC Executive Director Honored

A standing ovation went up as Moises Loza, Executive Director of the Housing Assistance Council, was presented with the 23rd Annual Housing Leadership Award from the National Low Income Housing Coalition. Sheila Crowley, President of NLIHC, saluted Moises by saying, "Moises inspires advocates across the country with hope and real-life examples of how we can end the nation's affordable housing crisis. We are deeply grateful for his leadership in NLIHC and in the low-income housing movement." Also on hand to thank him for his exemplary leadership were Gordon Cavanaugh, founding Executive Director of HAC, Jim Upchurch, President of Interfaith Housing Alliance, Inc., and Joe Belden, Deputy Director of HAC.

Moises has been the Executive Director of HAC since 1989. In addition, he chairs the National Hispanic Housing Council and the Rural Development Leadership Network. Moises also serves as a board member for the National Community Reinvestment Coalition, the National Housing Conference, the National Rural Housing Coalition, and the Low Income Investment Fund. He was a founding member of the National Low Income Housing Coalition in 1978 and has served on its Board ever since.



Photo courtesy of National Low Income Housing Coalition by Matt Achhammer.

Moises Loza was honored with the 2005 Housing Leadership Award from the National Low Income Housing Coalition for his years of dedication to providing housing for the poorest of the poor in rural areas. NLIHC's President, Sheila Crowley, presented the award and expressed gratitude for Loza's inspiring leadership.

FARM LABOR HOUSING: AN OVERVIEW

By David A. Strauss

Housing for farmworkers is a serious and sometimes desperate matter. . . . These farmworker characteristics present unique and significant challenges to the nonprofit and governmental agencies seeking to meet the housing needs of low-income agricultural laborers.

The farm labor sector is perhaps the lowest paid part of this nation's workforce. The National Farmworker Alliance estimates that 2.5 million people earn wages in the fields, farms, and orchards of America and more than 4.5 million family members rely on preparing and harvesting crops for their livelihoods. The most recent National Agricultural Workers Survey (NAWS), conducted by the United States Department of Labor, shows that the average annual income of crop workers was under \$12,499 in 2002. Even in places where the hourly wage is reasonable, the sporadic, seasonal nature of farm work means there is often a feast and famine cycle, occasionally with good earnings at the peak of harvest followed by lengthy periods of unemployment.

If the average income is under \$12,500 then many farmworkers earn considerably less, sometimes as little as \$3,000 per year, making the goal of safe and affordable housing elusive for the overwhelming majority of farmworkers. Absent special help, they are simply at the mercy of the ever-increasing costs of the private housing market. This translates into inadequate housing or, in extreme cases, no housing at all. It is unusual, but not rare, for migrant workers to live outside or in their cars or vans during harvest times to avoid



Children of a farmworker family living outdoors in Washington state.

spending most of their hard-earned wages on temporary housing.

Farmworker Characteristics

About 42 percent of farmworkers are migrant workers. That is, they travel more than 75 miles to follow the crops. California, Texas, and Florida are usually considered the "home bases" for U.S.-based migrant farmworkers. Those states, along with Washington, are considered the largest farmworker

states. Workers average about 34 weeks of farm labor each year. Migrant workers may reside in a state only long enough to complete a harvest of a particular crop or set of crops.

Many farmworkers travel from other countries, either under a special visa program known as H-2A or without documentation. The 2002 NAWS report found that 53 percent of agricultural workers are undocumented. NAWS results show that 75 percent of farmworkers were born in Mexico. About 83 percent of all agricultural workers are Hispanic, and Spanish is the native language of 81 percent. Forty-four percent reported that they speak no English. The average age of farm laborers is 33. According to the NAWS and to data from the National Farmworker Jobs Program, the federal job training program for farmworkers, the average farmworker has a seventh grade education.

Housing for farmworkers is a serious and sometimes desperate matter. According to the NAWs survey, 58 percent live in housing they rent outside the farm. Twenty-one percent live in housing supplied by their employer (“free” to 17 percent). Only 19 percent live in housing owned by themselves or a family member. Two percent live free of charge with family or friends.

These farmworker characteristics present unique and significant challenges to the nonprofit and governmental agencies seeking to meet the housing needs of low-income agricultural laborers. Their low incomes make them poor candidates for homeownership. Lack of education makes them nervous about engaging the complicated and paper-driven world of home loans. Migrancy presents an even more daunting problem for those whose mission involves creating safe and affordable housing for farmworkers.

Fortunately, special help is available in the form of small, targeted federal housing programs. Farm labor housing loans and grants are authorized in Sections 514 and 516 of the Housing Act of 1949. There is also an earmarked fund for farm labor housing in the annual appropriation for the National Farmworker Jobs Program authorized by Section 167 of the Workforce Investment Act of 1998.

Farm Labor Programs

Farm labor housing is part of the array of services for farmworkers that arose from the publicity about farmworker conditions generated by the 1960 *Harvest of Shame* television film and the union organizing activities headed by Cesar Chavez and Dolores Huerta in the 1960s and early 1970s. Most farmworker services began in President Lyndon Johnson’s Office of Economic Opportunity. As the OEO was disbanded under President Richard Nixon, services were distributed to various federal agencies. For example, in 1973 job training for migrant and seasonal farmworkers became a program of the Department of Labor. It has remained a national program in DOL since then, although there have been major overhauls of the nation’s federal job training effort during that time. The current program is the National Farmworker Jobs Program, or NFJP, mentioned above.

The Section 514 and 516 housing programs stayed in the Department of Agriculture. From 1964, when they began producing units, through 2004, these programs have financed nearly 35,000 homes for farmworkers and rehabilitated thousands more, according to data compiled by the Housing

Assistance Council. USDA continues to be the major source of loan and grant funds to build the housing so desperately needed by farm laborers throughout the country.

In FY 2004 USDA’s Section 514 program received \$43 million and in 2005 the appropriation slipped to \$42 million. For 2006, the President’s budget requests level funding, or \$42 million. For Section 516, the figures are \$18.7 million for 2004, \$16 million for 2005, and for 2006 a proposed amount of \$14 million. While the downward trend is not huge, this is nonetheless a disturbing set of reductions at a time when housing costs are rising at enormous rates, even in rural areas once considered immune from real estate inflation.

The Role of the DOL Funds

The farm labor housing funds in the Department of Labor increased considerably in 2001 and 2002, up from a \$3 million earmark to about \$4.6 million during that time. Today, they are somewhat stable, although subject to the same percentage decline as the job training account in which they are located. The NFJP, a target for elimination by the Bush Administration since the 2003 budget process, has gone from nearly \$81 million in 2002 to \$76.7 million in 2005. This is a result of across the board cuts made by the congressional leadership during the final phase of appropriations action each fiscal year.

Why is the DOL appropriation for farm labor housing – a relatively small sum in Washington, D.C. – so important to the housing assistance community? Because it is one of the few sources of funding that enables nonprofits to hire and support staff who actually create the financing packages that build and/or renovate the housing that farmworkers need so badly. Section 514/516 funds do not support these development costs.

Developing housing for low-income farmworkers takes enormous staff commitment. Community needs assessments must be done, surveys conducted, land purchased or donated, zoning regulations met, gap funding secured, and on and on. In addition, the federal housing programs are competitive, and the more sources of funding for a proposed project, the better its competitive edge. Moreover, the costs of a project often escalate during the sometimes incredibly long period from conception until the project is occupied. It is not unusual for a project to take five years. That means there has to be continuity by the project manager to assure that the project moves along, and a staff ready and able to secure

additional funds when costs exceed original projections. The farm labor fund in the DOL/NFJP appropriation provides the critical staffing piece of the farmworker housing puzzle.

Although the fund is relatively small, it also works to assist farmworkers with emergency housing needs. While most of it is, by law, spent on development of permanent housing, 30 percent can be used to meet the needs of migrant workers stranded between jobs or by the disappearance of a job that they were certain was available, or in trouble due to weather conditions. The funds are used for direct services, such as housing vouchers for one or more nights, part or all of a first month's rent, or a motel stay. They can be used to help support a complex known as a "rest center," a place where migrants on the road can stay for one night or more on their way to or from an agricultural job. This part of the appropriation is also used to support staff who assist migrant workers in assessing and meeting their emergency housing needs.

In addition to all the hard services of rental housing development and emergency and temporary housing services, the farmworker housing agencies provide important "soft" services as well. All program providers conduct housing counseling for those interested in owning a home, courses for renters who may not be aware of their rights and responsibilities as tenants, and financial management classes. These events must be designed around the difficult work schedules of laborers who often work from dawn to dusk during peak harvest seasons.

Programs such as Rural Opportunities, Inc.; Telamon Corp.; Motivation, Education and Training, Inc.; UMOS; La Cooperativa Campesina de California; Florida Nonprofit Housing; and PPEP of

Arizona operate consortia that reach farmworkers in nearly every state in the country with these services. They have to be ready to help those with widely varying needs: migrant workers stranded without shelter, families who have settled in their communities and want to experience a long-term lease in a decent apartment, and those who feel ready to enter the new world of homeownership, sometimes via self-help housing programs. These last are programs that provide the funds for the materials, land, and mortgage

loan but require much of the actual building to be done by the prospective owner and his/her family and friends. While a small percentage of the whole, this not only reduces the farmworker's costs but has the added advantage of being a kind of on-the-job training program in homebuilding for the workers who take advantage of this plan.

How was the Gutierrez family able to buy a home? PPEP staff provided education and training for a group of families, including this one, on financial literacy, establishing a family budget, repairing and maintaining their credit, learning how the home buying process works, understanding home maintenance needs, and training in construction while they built their own homes. Some of the children of these farmworkers participated in building the home and went on to become construction supervisors training other farmworker families to build their homes through the self-help program. Some of the children have graduated from college and moved away. Some have secured well paying jobs in the community where they live. The farmworker families have paid their taxes and their mortgages, built nest eggs for retirement and a means to pay for their children's college education, all while working hard preparing and harvesting the crops. Funding from the

How the Programs Help Families

Putting a face on farm labor housing often helps convey its impact. The real value of developing housing for farmworkers isn't the money leveraged, the deals made, the unit cost savings, etc. It is the effect on the lives of the farmworkers and their families, people who have struggled mightily at work most people would never attempt, let alone perform on a daily basis. Most low-wage workers can only dream about owning their own home or renting a decent apartment where their children can grow and thrive. On occasion, those dreams become reality.

The Gutierrez family of six supported themselves with seasonal farmwork. They lived in the San Luis Valley of Arizona for many years struggling to afford housing for their large family, with few affordable options available except substandard housing that was costly to heat and small for the family. They entered the self-help homeownership program (operated by PPEP, an Arizona nonprofit that does farmworker job training, housing, micro-enterprise loans, and other services) and with their own hands built their home. Homeownership has given the family a stable base, without having to worry about whether the landlord will make the needed repairs, raise rent, or sell the property. Their seasonal farmworker income, combined with the flexibility of a low-interest USDA mortgage, provided a house payment that was affordable, despite the fluctuations of their seasonal income.



Photo courtesy of Rural Opportunities, Inc.

A farmworker family in Pennsylvania lives in housing provided under the farm labor housing program.

DOL program makes it possible for the nonprofit farmworker housing organizations to provide these services.

Data and Needs

Official national data on the number of people affected by the DOL farm labor housing funds is not available. However, unofficial figures from the grantees of these funds indicate that from July 1, 2003 through June 30, 2004 about 6,700 emergency and temporary services were provided. Another 2,258 counseling and referral services were delivered. It is not known how many families received housing through the funds allocated for permanent housing that year.

Farmworker housing needs are great: the totals of the USDA and DOL housing programs could not begin to meet the permanent and emergency shelter needs of the hundreds of thousands of migrant workers or the more numerous seasonal workers. Separate from the low funding problems are the policy and political issues created by having the housing loan funds in the Department of Agriculture, but the development and administrative funds in the Department of Labor – an agency that sees its mission purely focused on job training and placement.

An Unfortunate Turn of Events

In 2003 the clash between the farm labor housing program and the mission of DOL reached epic proportions. DOL tried to change the direction of the housing funds it administered. In April 2003 the Department published a Solicitation for Grant Applications that, for the first time, required that all funds awarded for farm labor housing be spent on emergency and/or temporary housing. No funds were to be used for developing

permanent housing. Previously, there was no restriction on the type of housing that could be established through the DOL funds. The attempted change was a result of DOL leadership's belief that in many of the housing grantees' programs the needs of migrant workers were going unmet. This belief, combined with the Department's discomfort with having its funds used to leverage USDA and private investment dollars, resulted in the sharp change required by the solicitation for applications.

The reaction of the farm labor housing community was swift and effective. Their supporters in Congress demanded that DOL withdraw the housing section of the solicitation. Further, Congress required that the Department restrict the use of any future funds to 30 percent for emergency and temporary housing, while 70 percent would be allocated for developing permanent housing. All this caused an eight-month delay in granting funds to the nonprofit organizations that administer farm labor housing. An unfortunate and unintended outcome of this struggle was that many farmworkers were unable to obtain services during that time. It also jeopardized projects that were in various stages of development. Finally, some staff in the housing network were laid off due to the lack of funding. One positive outcome was that DOL added discretionary funds to its 2003 housing grants to assure that the temporary and emergency housing needs of NFJP-eligible farmworkers could be met, as well as providing for the continuation of permanent housing development.


As of this writing, the Department is still developing performance measures for farm labor housing grantees. DOL is following the congressional mandates; the Solicitation for Grant Applications issued in April 2005 by DOL seemed to cause much less anguish among the housing community than did the 2003 offering. All parties expected that there would be no unusual delays or interruptions in service as the competitive grant process moved to completion.

The Future of Farm Labor Housing

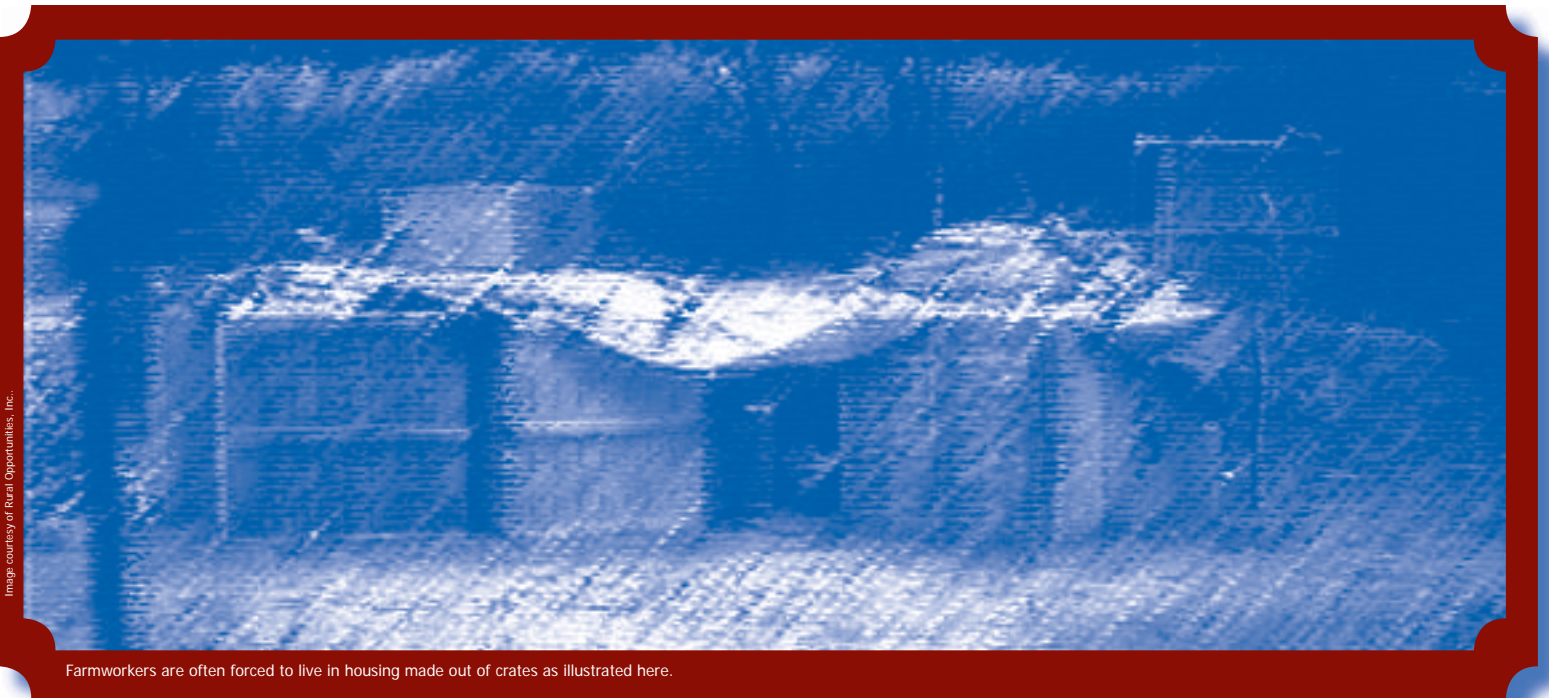
Looking ahead, it appears that the farmworker job training and farm labor housing communities will need to work more closely as federal funds become ever more scarce. Many farm labor housing organizations also receive NFJP training grants. The instructions from Congress on the division of housing funds are requiring a much closer relationship among job training and housing staff within the same agencies. And there is evidence that nonprofits that only operate farm labor housing will be forming collaborations with the job-training specialists in their

areas. Synergies resulting from such collaborations will be critical to improving the lives of migrant and seasonal farmworkers.

It is likely that the current Administration will persist in its attempts to diminish or eliminate its longtime commitment to farmworkers' employment and housing needs. It will take the unified efforts of all the job training and housing professionals who serve migrant and seasonal farmworkers to protect and expand federally funded housing programs. It is important that

the people whose labor puts food on America's tables continue to have the opportunity for a better life for themselves and their families. Housing is one of the key pathways to their share of the American Dream. 

David A. Strauss is Executive Director of the Association of Farmworker Opportunity Programs. Assistance in preparing this article was provided by Jeanne Shan, John Wiltse, Dennis Harris, Robert Forster, and Marco Lizarraga.



FARMWORKER HOUSING SUMMIT INSPIRES COLLABORATION

By Kathy Tyler

In the face of challenges, the Summit's most powerful outcome was the synergy created by bringing key stakeholders together.

Eighty people converged in Austin for the first Texas Farmworker Housing Summit in November 2004. They represented a broad cross section of perspectives including farmworkers, service organizations, housing providers, state and federal agencies, lawyers, architects, and advocacy groups. Organized by Motivation Education & Training, Inc. (MET), the summit was co-sponsored by the Housing Assistance Council and Texas Low Income Housing and Information Service. After reviewing the status of Texas's housing for farmworkers, participants saw with dismal clarity that improvements must be made and vowed to work together for changes.

Housing difficulties for farmworkers start with untenable agricultural labor practices and wages. Clients of MET (which provides employment, training, and housing services for farmworkers) have an average annual income of only \$7,723, just 20 percent of the state's median income and about half the poverty level. Without better wages, farmworkers lack sufficient funds to secure decent rental or ownership homes. Instead they live in crowded and substandard housing or pay a third to half or more of their earnings for housing costs.

Affording one house is difficult enough, but migrants must also find temporary housing when they travel, following seasonal agricultural work. With a ready supply of laborers and with changing agricultural trends, most growers no longer operate housing on their farms and do not regard worker housing as their responsibility.

As farmworker Mercedes Tafoya put it: "It is very difficult for my family to find housing when we go from our home in South Texas to the Panhandle to work. There are not many houses for rent for what we can afford to pay. And six-month to one-year leases, at a minimum, are required. Deposits for rent and utilities are too expensive." The family's options are to sleep in their car or to stay in a substandard rental house.

In the face of such challenges, the summit's most powerful outcome was the synergy created by bringing key stakeholders together. Collaborations formed during the two-day event. Ongoing work was assigned to confront issues around migrant housing and to tackle some of the issues identified around USDA-financed farm labor housing. Also, the state housing agency committed to a demonstration program for farmworkers. A grower from the Panhandle teamed with an architect and a nonprofit housing provider in an attempt to improve the farm's labor housing and join a cotton gin co-op to build new migrant housing.



Photo courtesy of MET.

Participants listen intently to a presentation at the Texas Farmworker Housing Summit.

Addressing Issues in USDA-Financed Farm Labor Housing

The Summit seriously addressed problems that have long appeared intractable in Texas facilities financed by USDA's Section 514/516 Farm Labor Housing loan and grant program. It will take renewed energy from state and national USDA officials, as well as advocates and providers, to preserve the state's 21 farm labor housing projects consisting of 1,547 units. Meaningful oversight, adequate operating funds, and aggressive proposals for new facilities will be required.

The first problem is that Texas does not have its fair share of Section 514/516 resources. It has the second largest farmworker population in the nation, but only one-tenth of the program units. If all of Texas's farmworkers were housed in the current Section 514/516 units, there would be 233 persons per unit.

Second, Texas is losing ground in keeping what it has; preservation is a huge issue. For example, 90 new units are coming on line, but 125 units are slated for demolition. Over the past decade, 235 new units were added, while 115 were removed from service. That's a net gain of only 85 units in a decade. Rehabilitation needs loom and we're stuck with poor designs. The majority of units were built more than 20 years ago with designs that were at the time considered appropriate for farm labor – small rooms, concrete floors, cinder block exteriors in long rows of one or two stories.

Third, Section 514/516 units have not been uniformly managed. Some managers are inadequately trained and lack skills with farmworker populations. Farmworkers recall managers who carried pistols, prison-like fences with barbed wire pointing inward, and managers who were outright mean to the people they were supposed to serve. Nonprofit housing providers with capacity to build and manage units for farmworkers have been hard to identify.

Fourth, operating funds are insufficient to set aside enough in replacement reserves to sustain units into the future. In the past this practice led to deterioration, yet it continues. Too often rental income is insufficient to cover operating and management costs, but at the same time rent is too expensive for farmworkers when USDA Rental Assistance is not available (30 percent of Texas's Section 514/516 units do not have RA). Therefore farmworkers choose neighboring substandard housing. Vacancies make it even more difficult for such a project to cover costs, so maintenance is deferred and more units are vacated and eventually uninhabitable. Soon the entire project is difficult to preserve.



In February 2005, farmworker housing providers toured this soon-to-be demolished farmworker housing facility. It was built 35 years ago by Proyecto Azteca using USDA financing.

Photo courtesy of MET.

Fifth, few existing Section 514/516 housing facilities were designed to serve migrants, though many do. Few are closed during the off-season; all have year-round expense obligations and high vacancies in the off-season. None are eligible for migrant operating subsidies, which are provided only to units that are not made available year-round.

Finally, USDA officials are reluctant to put resources into labor housing because of uncertain agricultural trends. Changing markets complicate decisions about where to best place resources. Vacancies due to uninhabitable conditions make units appear unneeded and prevent approval of new facilities.

The summit encouraged honest exchanges around these issues. "How could USDA allow properties under the program to deteriorate into such disrepair?" asked John Henneberger from the Texas LIHIS. Respondents from both state and national USDA offices acknowledged the challenges. They pointed to some facilities with exemplary designs and operations, noted that rehabilitation funds are committed to correct the worst deficiencies, and gave a sense that mistakes of the past will not be repeated.

New Initiatives

With few sources of flexible funds, the Texas Department of Housing and Community Affairs, the state housing agency, has found it difficult to provide assistance to farmworkers. TDHCA representatives left the summit with a clearer understanding and new ideas. The deputy director has asked her staff to develop

guidelines for a farmworker housing demonstration program. In a recent letter to MET, the executive director noted her interest in developing innovative housing options for migrants.

One grower attended the Summit looking for answers. He wants to demolish and replace the old dilapidated homes his father-in-law bought and moved to their farm in the 1970s to house workers who come in the spring or summer and stay through the fall to work in their vegetable fields. He admits the older units are in bad shape and wishes they did not have to be used one more season, but they'll be occupied this summer.

He recently spent \$750,000 to demolish 12 units and has seven new units under construction, part of a plan to eventually replace all the dilapidated units with newer facilities. Another seven were built two years ago. Sadly, it is hard to recognize these as new units. The long rows of cinder block buildings may give shelter against the elements, but the units are unattractive, uninviting, hard to make cozy, and, as a result, not especially well cared for by some residents.

An architect at the Summit is helping the grower come up with ideas to improve the farm's labor housing at minimal additional cost. The same grower has also introduced a nonprofit housing provider, whom he met at the Summit, to a cotton gin co-op and is brokering a partnership to build new migrant housing.

Homeownership in the Homebase

The proliferation of self-built homes in the colonias along the U.S.-Mexico border gives testimony to farmworkers' drive to own a home. Even with that strong desire for homeownership, however, "bad credit and lack of sufficient earnings are hurdles for them becoming homebuyers," according to Beatriz Farias, Housing Services Coordinator at one of MET's Rio Grande Valley offices. For many the only way to own a home is to live in substandard conditions, take on subprime and even predatory loan terms, buy land from unscrupulous developers through onerous contract of sale terms, or live in colonias, which often lack basic amenities such as water, waste water systems, or streets.

The summit highlighted best practices, such as the self-help program operated by Proyecto Azteca through which groups of colonias residents help build their own modest, affordable homes. "Proyecto Azteca's basic philosophy of self help is rooted in the teachings of Cesar Chavez that people working together can help themselves," said Margarita Price.

The organization's model is based on "how the people developed innovative solutions to their problems."

Texas farmworkers need a united voice to advocate for better housing. The Summit was a good first step. We hope it will be an annual event that tracks progress, keeps future failures at bay, and brings best practices and creative solutions to reality in Texas. 🌱

Kathy Tyler is the Housing Services Director at Motivation Education & Training, Inc. in Austin, Texas. MET's web site is www.metinc.org.



What a difference! This farmworker family lived in a make-shift house (above). Now, after working with Proyecto Azteca, they are comfortably living in a new self-help home (bottom).

Photos courtesy of MET.

FROM SERVICES TO HOUSING: MEETING THE NEEDS OF MIDWEST FARMWORKERS

By Robert Forster

UMOS's experience with both migrants and other seasonal workers has been extensive and longstanding and we have completed countless successful projects, under several disciplines in order to assure that all needs are met.

This year, United Migrant Opportunity Services, Inc. celebrates its 40th anniversary of service to migrant and other seasonal farmworkers in the state of Wisconsin. It has been a long and eventful journey since UMOs was founded in 1965 by an inter-denominational church group to focus on the needs of the 15,000 migrant workers who came to Wisconsin each summer. These needs have driven UMOs's mission from the very beginning. From the earliest days, UMOs focused on emergency housing and child care issues, but soon broadened its view to employment and training and supportive services for migrants.

For many years, UMOs's approach to making housing available to farmworkers was very basic -- to provide housing referrals and vouchers for emergency lodging for migrants and to provide relocation assistance for farmworkers who wished to remain in Wisconsin to live and work. However, this approach

was both short-term and limited in its impact. Migrants were still faced with many of the typical problems of limited housing availability and high housing costs. A long-term strategy was needed to address the root cause of the housing problem.

Initial Effort

In 1991, UMOs began its first brick-and-mortar effort to meet the long-term housing needs of the migrant population by leasing an abandoned 16-unit migrant housing facility near Berlin, Wisc. The facility, located in the central part of the state, was still structurally sound, but needed some refurbishment. UMOs was able to lease it with the option to purchase through the use of HUD Emergency Shelter Grant funding and other UMOs supportive services dollars. Thus, the UMOs Aurora Center Emergency Housing facility came into being.

During its first three years of operation, it was operated exclusively as an emergency shelter, providing up to 14 days of free lodging for homeless migrants. This resulted in a full house for the first couple of months each season, but occupancy would dwindle to almost nothing by the end of August. At the same time, migrants were still struggling to find seasonal housing in central Wisconsin, and were still paying rents well above market rate for substandard housing.

In 1994, through USDA's 514/516 Farm Labor Housing program, UMOs purchased the Aurora Center, including the 15-acre parcel of



Photo courtesy of UMOs.



Photo courtesy of UMOs.

UMOS rehabilitated the Aurora Center, pictured above, which includes day care and a Head Start program for migrant children.

land upon which it was located, and built 16 new units and a community building. The resulting relationship with USDA Rural Development produced a fundamental change in the operation of the facility, converting it from what had been exclusively an emergency housing facility to a seasonal rental facility, housing rent-paying migrants on a seasonal basis. This extended the seasonal occupancy of the Aurora Center through the early part of November.

Rents were kept affordable through the use of USDA's Rental Assistance program. UMOs was able to retain the emergency housing function, particularly in the early season, by utilizing other supportive services funds to subsidize the rents for periods of up to 14 days. For the first time, UMOs was able to impact the rural housing market in central Wisconsin by adding additional high-quality units available to migrants.

Since then, UMOs has acquired another seasonal housing facility with eight large family units in Montello, Wisc. and a 12-unit year-round facility in Beaver Dam, Wisc., and is in the planning stages of building or acquiring two more facilities in Wisconsin. In addition, in 2003, a 20-unit facility was opened in Claremont, in south central Minnesota.

Currently, UMOs manages its own facilities, and its management style reflects the organizational commitment to farmworkers. On-site services are offered in the same manner in which UMOs provides its other services to farmworkers, including employment and training services. Since UMOs is the Migrant Day Care and Head Start provider for the state of Wisconsin, both the Aurora and Montello centers have on-site child development facilities, and there is a child development facility nearby in Beaver Dam. The Aurora Center also has an on-site distance learning lab.

Migrant Housing Consortium

In 1998, UMOs founded the Mid-America Migrant Housing Consortium with funding from the Department of Labor Work Investment Act housing program. The consortium includes eight states and five subcontracting partners in those states. Its purpose is to promote solutions to housing problems for migrant and seasonal farmworkers in the Midwest by utilizing a number of approaches, including housing development, supportive services, and advocacy. The multi-faceted approach is driven by the needs that exist in each area.

In 2000, UMOs began providing technical assistance in 15 central states of the country under the USDA Rural Housing Service's 514/516 Farm Labor Housing technical assistance program. This program provides technical assistance to eligible sponsors seeking loans and grants to develop off-farm housing for farm laborers under USDA's 514/516 program. Along with the Department of Labor program, this program permits UMOs to provide assistance to local nonprofits and other eligible entities that want to impact the farm labor housing problems in their areas. UMOs can provide technical assistance from the initial pre-application stage, through the grant/loan packaging, construction management, initial rent-up, and rental management stages.

Challenges

There are a number of challenges associated with any attempts to impact housing for migrant and other seasonal farmworkers in the Midwest. Many of these same issues are present when trying to provide services to farmworkers under other programs. One of the primary problems UMOs faces, especially in areas outside of Wisconsin, is the capacity of partner organizations to participate in the DOL housing consortium or the USDA farm labor housing technical assistance project. There are a number of organizations that have the desire to impact housing in their states, but don't have the technical or financial resources to make a significant impact on the housing options in their states. Capacity building is one strategy that can be used, but it is often a long road that is hard to plan, given today's climate. Using strategies that fit the organization's mission and capacity is another approach, but it is often somewhat limited in effect.

Dispersion of the farmworker population is a real challenge. It is hard to focus on farmworker needs regarding housing when the population is so spread out. Changing need is also a challenge, particularly when trying to build brick-and-mortar

solutions.


One must especially be sure that the need for such assets will continue well into the future in order to make them worthwhile.

Seasonality must also be considered when implementing brick-and-mortar solutions to housing needs. It has been UMOs's experience that seasonal projects have the greatest impact on the housing needs of migrant farmworkers, since these programs can be focused upon the migrant housing need almost exclusively because they don't house year-round residents. The economic challenges of operating such projects are often overwhelming, however. Due to the very short northern growing season in Wisconsin, UMOs has found it necessary to subsidize some of its projects since they receive rental income over only half the year to cover the full year's costs. Seasonal projects can require a huge financial commitment from their owners.

Documented status of the workers is also a challenge. Currently, undocumented immigrant workers are accepted as necessary, but we have seen in the past that the climate can change. It is difficult to plan to house such workers for the long term.

Conclusion

The UMOs experience in housing, though relatively short, has been gratifying. UMOs is not a traditional housing development organization, and hasn't reached the degree of sophistication achieved by some of the other more established developers. But the UMOs approach is different from that of many of these groups. Our roots were developed in an environment of services to farmworkers, and our entry into housing resulted from the desire to impact the needs of farmworkers. There have been both successes and challenges, and there remains much work to be done. UMOs would like to develop a broad approach to the housing needs faced by farmworkers that covers the full spectrum of need — from emergency housing to participation in the American dream of homeownership. We don't want to end our efforts with only "Band-Aid" approaches.

We're not yet where we want to be, but we've made lots of progress. UMOs's experience with both migrants and other seasonal farmworkers has been extensive and longstanding, and we have completed countless successful projects, under several disciplines in order to assure that all needs are met. One of those disciplines, housing development, has had a lasting impact on the well-being of farmworkers in the state of Wisconsin. This is the type of impact we would like to bring to other states as well. 

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SUCCESSFUL FARMWORKER HOUSING GOES BEYOND ROOFS AND WALLS

By Mark Wilson

Farm labor households in California's Santa Maria Valley, as elsewhere, face many obstacles in their struggle to secure decent places to call home. Not only must they negotiate their way through many barriers in order to find employment, they also face one of the most expensive housing markets in the country while working in its lowest paying and least stable industry.

Affordable housing for farmworker households is perhaps the ultimate Rubik's Cube of development: the number of variables that must be assessed and manipulated in order to achieve success is surpassed only by the number of twists and turns experienced along the way. A successful project – measured by lasting public benefit, financial viability, and community acceptance – can be achieved through integrating solutions to local political neglect, complex development issues, and the sensitive social needs of the population.

Peoples' Self-Help Housing Corporation is a 35-year-old nonprofit developer on California's Central Coast. Through the U.S. Department of Agriculture's Section 523 technical assistance program PSHHC has assisted over 1,000 households, the majority of them farmworkers, to build their own homes. In addition, PSHHC has built and now owns and manages over 1,200 rental units. More than 200 of these rental units were designed to serve farm labor households exclusively. PSHHC's success has come through the integration of four key elements: political will, multi-layered financing, social service integration, and quality property management.

Challenges in Santa Maria Valley

Farm labor households in California's Santa Maria Valley, as elsewhere, face many obstacles in their struggle to secure decent affordable places to call home. Not only must they negotiate their way through many barriers in order to find employment, they also face one of the most expensive housing markets in

the country while working in its lowest paying and least stable industry. Two familiar chasms result: a housing affordability gap that leaves many households over-paying for substandard and overcrowded housing, and a lack of income to acquire basic services such as health care and education.

An escalating real estate market like that in coastal California also presents difficult challenges for nonprofit developers. Decent building sites close to services are scarce, very expensive, and face long approval processes. Local permit and impact fees average \$20,000 per housing unit, adding to ever-increasing construction costs. Nonprofit developers must also be willing to meet local design standards, including, for example, such costly amenities as tile roofs. The NIMBY factor is, of course, ever-present and becomes even more entrenched as housing prices increase. Finally, nonprofits must somehow secure the financing to ensure quality projects that are affordable to very low-income families in an environment of federal, state, and local budget cuts.

Collaboration Strategies

In the early 1990s, as the agricultural industry expanded and more labor intensive crops like strawberries were planted, the need for agricultural workers escalated. In the Santa Maria Valley this resulted in increased racial tension. At one point the City of Santa Maria's mayor stated, "We have a Mexican problem."

No farmworker housing had ever been built in the community, but PSHHC persevered and the first farmworker development, Los Adobes de Maria's 65 units, was completed in 1996. When the city decided to compete in the national All American City competition in 1998, Los Adobes de Maria was showcased as a model for how cities can address and overcome difficult issues. PSHHC board and staff participated in the competition. Three years later, the second phase of Los Adobes de Maria was approved with very little opposition or controversy and with the financial backing of the city. This turnaround in attitudes resulted from PSHHC's years of behind-the-scenes education and collaboration building in the community.

PSHHC worked with agricultural and business leaders to help them understand that affordable housing is critical in securing a stable work force. PSHHC's board and staff, along with sympathetic local leaders, politicians, and farm labor advocates, worked to raise the awareness level gradually regarding the true nature and repercussions of the housing crisis and to help define what options were available to alleviate it. Numerous tours of existing PSHHC developments in neighboring communities dispelled previously held notions about the characteristics of affordable housing.

When the voices of traditional housing and social service advocates are joined by business and civic leaders in calling for a solution to the housing crisis, politicians feel emboldened to make courageous decisions and are more likely to stand up to NIMBY-type opposition. Localities are also much more likely to offer financial support in the way of local funds or fee waivers. These collaborations may also lead to new land and development opportunities.

Financing Strategies

Once a potential farmworker housing development has gained local approval, developers must find a way to bridge the gap between the high price tag of development and the rents that farm labor households can afford to pay. In PSHHC's service area, it can easily cost over \$200,000 per rental unit to develop farmworker housing. Annual incomes for most farmworker households in the area, where farming is active for nearly ten months of the year, average \$15,000 to \$20,000, or less than 40 percent of the area median income. A truly affordable rent for these households is therefore around \$350 to \$450 per month. For owners these rent levels leave very little available after operating costs to support conventional debt.



A resident and his granddaughter at PSHHC's Los Adobes de Maria II development.

The vast majority of the \$200,000 per unit price tag must therefore be paid with "soft" financing sources, grants, or equity.

Historically, USDA's Section 514/516 Farm Labor Housing program has financed the majority of farmworker housing projects nationwide. The program is ideal in many ways, often providing 90 percent or more of total development costs via a combination of low-interest loans and grant funds. Perhaps its greatest benefit is the ongoing project-based Section 521 Rental Assistance offered, allowing rents to adjust as low as necessary. Unfortunately, financing levels for this program have been reduced and are far below demand levels. PSHHC's first farmworker housing project, Los Adobes de Maria, completed in 1996, was financed with \$6,000,000 in 514/516 funds and \$600,000 from state and local grants. All the units have USDA Rental Assistance.

In an effort to stretch its limited funds, USDA has encouraged developers to utilize the 514 program (without 516 grant funds) in tandem with Low Income Housing Tax Credits. This typically requires nonprofit developers to layer in additional sources of grant or deferred payment financing. Phase II of PSHHC's Los Adobes de Maria farmworker project, completed in 2003, was financed utilizing \$2.5 million in USDA 514 funding, \$3.2 million in state and local grants from four different sources, and \$4.4 million in tax credit equity.

An additional financing strategy PSHHC has employed is to integrate housing units restricted to farm labor households within its other large-family rental developments. This strategy allows developers to utilize smaller amounts of farmworker specific financing (USDA or other) and leverage for traditional financing sources and tax credits. PSHHC has two such devel-

opments (one under construction). Both utilized equity from tax credits combined with up to seven additional loan and grant sources, and little or no USDA funds. The end result is a kind of “mixed demographic” project that often more closely resembles the make-up of the community. One additional benefit to this mixed format is that it allows farm labor households the ability to change to non-farm employment without jeopardizing their housing.


Service Provision

Several years ago PSHHC’s board foresaw the need to include on-site enrichment and support services in all rental developments. This need can be greatest at farmworker housing developments, where language, cultural, and legal barriers can prevent families from acquiring the basic services many of us take for granted. Each PSHHC farmworker housing development includes space for on-site day care as well as ample community space including health screening rooms and computer rooms, all constructed within the project budget.

Day care service is provided free of charge to residents by existing providers, typically through Head Start or a similar program. Health and dental providers are brought on site regularly, since most farm labor households are chronically underserved in this area. Educational programs for children in grades K-12 are also provided on site. PSHHC has been able to fundraise and hire credentialed teachers to operate these programs and to serve as a bridge between school and home. Many other services are provided on site, generally by existing local service providers, including adult education, job and career counseling, English-as-a-second language, financial literacy, immigration counseling, and parenting skills.

Access is also given to PSHHC’s sweat equity homeownership program, with the goal of “graduating” residents into homeownership through participation in the program. PSHHC’s Health and Community Services division provides additional counseling services as well as coordinating the on-site services. Through this holistic approach, PSHHC hopes to not only stabilize and improve the housing situation of farm labor households, but also provide a framework for improving their future.

Finally, quality property management is critical not only for maintaining a positive image of affordable housing in the community, but also for ensuring the long-term financial and physical viability of the project. The management of affordable housing, with its special regulatory and reporting requirements, is much more intensive than traditional property management. The additional layers of service coordination and counseling only add to this complexity. For these reasons, PSHHC manages its own rental portfolio through a nonprofit affiliate formed in 1995. There are simply too many moving parts and too much at stake to not be intimately involved with the management side.

PSHHC’s experience in the Santa Maria Valley and elsewhere demonstrates that a comprehensive, multi-pronged approach is required to solve the puzzle of developing and operating housing for farmworkers. The job does not stop once the hammers are put away. 

Mark Wilson is Senior Project Manager at Peoples’ Self-Help Housing Corporation in San Luis Obispo, Calif. Information about the organization is available at www.pshhc.org.



Photo courtesy of Peoples’ Self-Help Housing Corporation.

Children and parents participating in the on-site educational programs offered at PSHHC’s Los Adobes de Maria II development.

RURAL NEIGHBORHOODS LEARNS WAYS TO HOUSE UNACCOMPANIED WORKERS

By Steven Kirk

Unaccompanied workers are usually faced with the “last-least” shelter in a rural community: isolated units or ones far below building code requirements that are the “least” desirable housing in a local community and the “last” to be rented.

The lowest paid, hardest working migrant workers in the nation often have no choice but to live in shoddy, temporary housing for which they pay a hefty part of their weekly earnings. In certain regions these workers are rarely families, but increasingly single men, unaccompanied by a spouse or children. Young or old, undocumented or legal residents, these individuals are the backbone of local harvests, often arriving just before peak season and staying for a few short weeks or up to several months. Unaccompanied workers are usually faced with the “last-least” shelter in a rural community: isolated units or ones far below building code requirements that are the “least” desirable housing in a local community and the “last” to be rented.

Notorious for their crime and squalid conditions, temporary labor camps – be they nondescript, box-like concrete block barracks, all too airy wood shacks, or aging mobile homes – are the historic prototype housing for crews of workers. Ownership varies from grower-controlled on-farm housing, to older leased motels on pre-interstate highways, to crew-leader-owned trailer parks or scattered detached homes.

Rules and regulations governing space requirements, fixtures and furnishings, cooking facilities, and sanitation range from tight controls to lax enforcement, from inspections by federal Occupational Safety and Health Administration officials to reviews by state and local health department staff.

In September 1992, Hurricane Andrew struck Homestead, Fla., the rural, agricultural edge of Miami, and host to fields of tropical fruit, tomatoes, squash, and beans as well as a thriving horticultural sector. In the aftermath of this emergency, Rural Neighborhoods (formerly Everglades Community Association) was pressed into service to meet at least part of the housing needs of our more than 10,000 local unaccompanied workers, challenging the way in which we had operated for more than ten years. Our belief had been simple – housing for families and single workers could not be mixed. There would be too many complaints from irate mothers upset over the romantic overtures made to their daughters by young, single workers and too much uncontrolled drinking. However, we took up the challenge, and time and experience proved our original misgivings wrong.

Past Success

Established to house agricultural employees made homeless as a result of Hurricane Andrew, Andrew Center was home to 500 families and 256 unaccompanied workers. Management of this 532-unit mobile home community served as our initial exposure – frankly, a not-so-small first experience. This complex housed eight workers to each four-bedroom mobile home, individual workers paid \$25 a week per bed, and furnishings and utilities were included. Over the ensuing decade, these mobile homes were replaced with permanent single detached homes, duplex apartments,

and townhouses using USDA Section 514/516 Farm Labor Housing funds for families.

Challenges and Strategies

The Not In My Back Yard – NIMBY – syndrome, a nasty phenomenon facing traditional affordable housing, grows to epic proportions in siting housing for unaccompanied workers. As a result, for far too many people, unaccompanied is the equivalent of being homeless. Our NIMBY battles are waged with the usual tactics, but we do add certain site and design considerations to our efforts.

First, Rural Neighborhoods selects and pays for multi-family zoning, if available. In nearly all instances, our site plans co-locate traditional family apartments and unaccompanied housing on the same parcel. Not only do we find the uses compatible, but our choice to include “singles” in our neighborhood undercuts the imagined horrors alleged by our opponents. Finally, our project designs include interior courtyards as critical elements. These green spaces, benches, and covered space provide unaccompanied tenants with outdoor green space that is also controlled. Unlike the image of a transient shelter with scores of men milling about the entrance, our designs provide lighted, attractive common space that is outdoors for our tenants but interior to our facility.

The choice of barracks, dormitory, or apartment style is contingent on length of stay, individual or congregate food service, living/sleeping arrangements, bathroom utilization, and furnishings. Modified apartment style is our preferred choice. It guards against functional obsolescence, converts easily to elderly or family use, and better satisfies lender concerns. In fact, the modifications to traditional apartments are few: larger bedrooms and living areas, enclosed showers separate from toilets and sinks, and prefabricated beds, tables, and storage units to meet the furnishing needs of migrant workers.

Financing considerations remain a strong barrier to increased replication of Rural Neighborhood’s model. Limitations abound: uncertain immigration status in some markets precludes broader use of certain federal financing (Section 514/516 in particular, because tenants must be citizens or legally admitted for permanent, not temporary, residence); the use of mobile homes or manufactured housing may restrict federal or state sources or trigger imposition of foundation or tie-down requirements that reduce the cost

effectiveness of these alternatives; fixtures and furnishings are sometimes not eligible expenses for funding sources such as the Federal Home Loan Bank Affordable Housing Program.

Loan and grant sources remain, however. Rural Neighborhoods has successfully used HUD’s Rural Housing and Economic Development program as a source of grant funds as well as HOME and the Community Development Block Grant monies administered at the local level. The Federal Home Loan Bank of Atlanta has provided equity through the Affordable Housing Program to two unaccompanied housing projects and generously considered beds as units in their cost per unit analysis. In Florida, Governor Jeb Bush has retargeted Florida Housing Finance Corporation resources to place greater emphasis on farmworker housing – and housing for unaccompanied workers is a significant result of targeting special needs.

Lessons Learned

The lessons learned have been simple:

- Unaccompanied workers were as likely to be as ‘good’ tenants as families. Our single workers were typically young, new immigrants, but typically these young men spent most hours Monday through Saturday in the fields, spent their off hours at the basketball court, and collapsed into bed much earlier than expected. Social problems were few and, frankly, far less than those of the teenage children of our families.
- Single, migrant workers were less transient than expected. The south Florida season is best described as a lengthy Halloween to Easter stay. Unaccompanied workers who were provided safe, decent, and affordable lodging stayed in the area. Except for the initial weeks of a season and the departure of those not finding field work, occupancy levels remained high until the end of season exodus. Indeed, one in five of our workers (especially those in horticulture) elected to stay year-round and provide a critical economic boost to our operating pro forma.
- Traditional full-service ‘apartments’ emerged as the preferred housing product. Barracks-style housing with shared baths and congregate feeding makes little sense in rural settings where stays exceed six months. Growers, too, have abandoned such prototypes throughout Florida, prefer-


ring to provide workers with kitchens and baths rather than stand-alone sleeping quarters. Traditional apartments are simpler to finance and more easily adapted to other tenants 10 or 20 years in the future.

- Project economics are viable and rents are perceived as fair. Well, the economics are at least as viable as those for affordable housing as a whole. Some deep subsidy or equity is a much needed ingredient. Today, our rent per bed ranges from \$30 to \$40 per week, including utilities. Tenants put up a \$100 deposit, agree to a two-week minimum stay and, thereafter, receive pro rata refunds for any mid-week move out. Monthly income for a three-bedroom apartment is \$1,040 (three bedrooms x two people x \$40 x 4.33 weeks). Reduced by 65 percent annual occupancy, the income from an apartment equates to \$675 per month. Debt and utilities are the make or break elements.

New Developments

Today, Rural Neighborhoods is constructing two state of the art communities serving unaccompanied workers. Manatee Village consists of a 128-bed structure comprised of “super

sized” two-bedroom, two and one-half bath units at a total development cost of \$1,980,000. Total space is estimated at 27,500 square feet, including leasing office, meeting rooms, and laundry facilities. Land and infrastructure costs were shared as the 20-acre campus also includes 62 duplex and townhouse family apartments. The built-out community will include an additional 30 affordable housing units for families.

Our newest project, Casa Cesar Chavez, a 144-bed structure, utilizes a different configuration. Its \$2.3 million innovative design employs four seven-unit townhouses consisting of two- and four-bedroom units facing one another to form an enclosed courtyard. Casa Cesar Chavez is one more unique undertaking and is part of Everglades Village, our \$45 million, 120-acre campus housing 2,250 residents together with three child care centers, a health clinic, neighborhood retail, and ten acres of sports fields. In the end, housing for this hard-to-serve group is an integral ingredient that our model rural village cannot be without. 

Steven Kirk is the Executive Director of Rural Neighborhoods (formerly Everglades Community Association) in Homestead, Fla.

CHANGING PARTNERS: SHIFTING PARADIGMS IN HOUSING

By Kim Herman

Providing decent, affordable housing is absolutely essential to [Washington's] agricultural economy and our state's future.

In 1999 a significant paradigm shift took place regarding farmworker housing in Washington state. Thanks to a commitment of money from the state's Housing Trust Fund, priority for farmworker housing in the allocation of Low Income Housing Tax Credits, and newly formed partnerships between advocates and growers, the supply of both permanent and seasonal farmworker housing is increasing daily in the state.

Prior to 1979, only sporadic efforts to address farmworker housing needs were made in Washington through federal Office of Economic Opportunity and Department of Labor migrant programs, with limited success. Most of these efforts were spurred by the destruction of thousands of units of seasonal farmworker housing caused by the stringent enforcement of health codes in the 1960s. It wasn't until the creation of the Office of Rural and Farmworker Housing in 1979, with a DOL migrant housing grant, that sustained efforts to create affordable agricultural housing came to Washington state.

Between 1979 and 1999, ORFH produced a steady stream of small permanent farmworker housing projects in agricultural communities. These projects, and a strong educational effort with legislators, lenders, and other housing advocates, kept farmworker housing on the list of serious housing problems. In 1999, however, a combination of circumstances caused a paradigm shift in our approach to farmworker housing.

In 1998 State Senator Margarita Prentice introduced a bill to allow single wall construction and wooden floored tents with adequate sanitary and kitchen facilities to be used on farms



Photo courtesy of WSHFC Archives 2000.

Rent-a-Tents on a farm near Wenatchee, Wash. have increased the supply of housing for farmworkers.

during harvest seasons. When the bill passed the legislature, it was vetoed by then Governor Gary Locke at the request of farmworker advocates, despite strong grower support. In 1999, the governor made farmworker housing a state priority and requested \$40 million over a ten-year period through the state's Housing Trust Fund to address the problem. He also negotiated a milestone agreement between advocates (who had opposed use of lower quality tents for longer time periods), growers, and the state Health Department to allow tents meeting federal Occupational Safety and Health Administration standards to be used for up to six weeks during critical harvest seasons.

Temporary Housing

Using state Housing Trust Fund monies and a small grant from the U.S. Department of Housing and Urban Development, the state Department of Community Trade and Economic Development created three new programs: the Infrastructure

Loan program, the Rent-a-Tent program, and the Pangborn Cherry Harvest Camp in Wenatchee, which housed 250 migrant farmworkers in OSHA standard tents for six weeks. These programs were accompanied by increased technical assistance, a One-Stop Service Center for easier permitting of seasonal camps, and increased Emergency Housing Voucher Assistance.

In the Infrastructure Loan Program, CTED provided loans to growers for the development of tent pads, electrical, water and sewer connections, and other infrastructure in support of on-farm housing for migrant and seasonal farmworkers. In cooperation with the One-Stop Service Center, the program distributed over \$2 million to support the preservation or creation of 2,662 seasonal on-farm beds and leveraged \$5.5 million in private investments. Funds for the initial program were exhausted in 2004 but the legislature appropriated \$2 million to restart the program in 2005.

The Rent-a-Tent Program was created in 2000 to increase the availability of on-farm housing during the cherry harvest season. Under the program, growers lease OSHA approved tents outfitted with cots, storage lockers, electricity, and refrigerators and rent beds to their workers. Each grower must also provide a kitchen, bathrooms, showers, and other facilities meeting state standards along with the tents. The tents are provided by the Washington Growers League under contract with CTED. The league delivers and erects the tents and equipment when needed and then moves them to other farms as the harvest progresses. In 2004, the program rented 134 tents to 12 growers, providing 804 on-farm seasonal beds.

The Emergency Housing Voucher Assistance Program was initiated with the state Health Department to provide emergency housing vouchers to migrant workers who are displaced for health and safety reasons and who don't have sufficient income to pay for housing. Vouchers are used for up to ten days of emergency shelter at licensed migrant camps, community-based shelters, or motels. To date, 3,059 bed-nights of emergency shelter have been provided through the use of these vouchers.


The Seasonal Tent Camp Program, which began at Pangborn Airfield in Wenatchee, has been expanded to include a seasonal camp at Monitor Park, which operates from June through November, and includes 25 bunkhouse trailers and 30 cherry harvest tents, providing 380 beds during cherry harvest and 200 beds for the remainder of the season. Another camp, the East Oroville Harvest Park, was established in 2001 and has 90 seasonal beds in bunkhouse-style accommodations near the

Canadian border. It is also open from June through November. The Pangborn Cherry Harvest Camp in Wenatchee is being expanded this year to accommodate 350 migrant workers in OSHA tents.

Permanent Housing

In 1999, the State Housing Finance Commission gave priority to farmworker housing projects under the Low Income Housing Tax Credit program. This directed additional resources to the development of migrant and seasonal farmworker housing. Together with trust fund monies, these resources helped spur the creation of two new nonprofit organizations, the Diocese of Yakima Housing Services, which develops farmworker housing throughout the state, and the Washington State Farm Worker Housing Trust, a nonprofit organization made up of growers, advocates, and lenders for the purpose of bringing additional private sector, foundation, and public funds to the farmworker housing effort.

Between ORFH, the Diocese of Yakima Housing Services, and projects being developed by local public housing authorities in rural areas, the Housing Trust Fund has invested more than \$26 million in the development of permanent housing for agricultural workers that remain in the state year-round. Coupled with initial allocations of Low Income Housing Tax Credits worth more than \$10 million, these developers have created more than 1,015 units of housing since 1999. When added to previous production, the total number of permanent units will soon surpass 2,000 homes statewide.

While Washington is now a national leader in efforts to improve farmworker housing, we still need approximately 38,000 more permanent and seasonal housing units to meet our annual demand. We are optimistic that the hard work and commitment of hundreds of individuals over the last 25 years and the growing recognition of the legislature, the governor's office, and the agricultural community will increase our success. We all know that providing decent, affordable housing is absolutely essential to our agricultural economy and our state's future. 

Kim Herman is Executive Director of the Washington State Housing Finance Commission. For more details about farmworker housing accomplishments in the state, see Farmworker Housing in Washington State: Safe, Decent and Affordable (March 2005), available from Janet Abbott at janeta@cted.wa.gov. For interviews about farmworker housing development, see the WSHFC Executive Director's Newsletter for June 2005 at <http://www.wshfc.org/Newsletter/index.htm>.

JONATHAN COURT: A PORTRAIT OF PATIENCE AND PERSEVERANCE

By Lee Beaulac

As with any attempt to develop a farm labor project, the developer needs to fortify itself with patience and have access to affordably priced capital that will be needed to control land and undertake the myriad of pre-development activities that are required to bring a project . . . to a successful completion.

Rural Opportunities, Inc. is a private, nonprofit regional development and service corporation based in Rochester, N.Y. ROI develops housing and community facilities and offers small business financing and farmworker services in New York, Pennsylvania, Ohio, Indiana, New Jersey, and Puerto Rico.

Accomplishments

ROI has pioneered the use of USDA Rural Development financing for farm labor housing on numerous occasions. In 1990, ROI helped the Farmworker Community Development Corporation in Vineland, N.J. to develop East Almond Estates, the first nonprofit-owned farmworker housing complex in that state. In 1993, ROI built a similar complex, Harvest Court Apartments, in Williamson, N.Y. Similarly, in 1995, ROI helped Development Alliance, Inc. develop Orchard Grove in Alliance, Ohio, the first nonprofit-owned labor housing complex in that state, also using RD's Section 514/516 program. Recently ROI's affiliate, Farmworker Housing Corporation of Puerto Rico,

received a commitment from RD to build the first Section 514/516-financed complex on the island of Puerto Rico. Two years ago, ROI staff helped Gutwein Farms establish Gollier City Farmworker Housing in Francesville, the first federally assisted farmworker housing in Indiana.

Jonathan Court

According to Pennsylvania's Labor and Industry Department, there are approximately 2,200 farmworkers in Adams County. Of these, approximately 1,800 are migrant workers. Up to nine out of every ten migrant workers in Adams County travel alone. Ninety percent of the area's farmworkers are minorities and 85 percent cannot speak English. Over three-fourths of all farmworkers who work in Adams County are from Florida and nearly 100 percent of the farmworkers have incomes under 50 percent of the area median income.

Apples and peaches are the most prominent crops in Adams County, both in total production and in terms of bushels harvested by manual labor. According to the 1997 Census of Agriculture, Adams County has the top producing apple and peach crops in the state at 350.9 million pounds.

Jonathan Court, now being built to house some of Adams County's migrant workers, will accommodate up to 52 individuals in 13 separate dwelling units. Jonathan Court Apartments represents the first nonprofit-owned residential facility for migrant farmworkers developed with resources from USDA's Rural Development to be built in the state of Pennsylvania. The sponsor, Farmworker Housing Corporation of Pennsylvania, is an affiliate of ROI.

This story begins in the early 1990s, when Rural Development, then known as the Farmers Home Administration, contracted with ROI to provide training and technical assistance to locally based nonprofit organizations that would agree to develop and own farm labor housing complexes financed through FmHA/RD. ROI had been providing services to farmworkers in Adams County for many years and was well aware of the critical shortage of safe and affordable housing for farmworkers, especially for those who travel each harvest season into Adams County to find work. ROI looked around for an interested and eligible organization to take on the task of providing this necessary housing.

A local church-based organization, Fruitbelt Ministries, Inc., was identified as a potential owner. Fruitbelt Ministries did not have any experience in the development or provision of housing, however. After several meetings with their volunteer board of directors, FMI decided that, with the help of ROI's training and technical assistance, it could rise to the occasion and agreed to become the applicant to Rural Development for funding.

At the same time, ROI staff and the FMI board identified a parcel of land in the rural Village of Aspers, 12 miles north of historic Gettysburg. This 5.9 acre parcel was ideally situated in the heart of the county's agricultural community, near important social services (including ROI's Migrant Head Start and Employment and Training facility), had direct access to water and sewer, and boasted a bus stop just across the street. Very importantly, the site was not then, nor had it been for many years, used as farmland, a shrinking commodity in that part of the state. Pressure from residential developers, while not yet reaching Aspers, was beginning to be felt nearby and land values were clearly on the rise. After a search for an alternate site failed, the decision was made to purchase the land. The owner would not consider a purchase option for the site, so FMI obtained a loan from the Housing Assistance Council for \$136,380 to purchase the property. FMI did not have any significant assets, however, so ROI agreed to guarantee repayment of the loan.

Challenges

Almost immediately after the purchase of the site, ROI learned that this rural community had limited capacity for handling sewage from new residential development, particularly from multifamily projects, and that the future project would be charged a monthly fee to reserve capacity. From the beginning, then, before financing had been secured from RD, the project was already accumulating interest charges on the HAC loan and paying monthly sewage

age capacity reservation fees to the Possum Valley Sewage Authority.

Unfortunately, soon after submission of the application to RD, FMI began to lose interest in the project. It soon became evident that the project and the obligation for the HAC loan had become ROI's problem. However, the application had been submitted and work proceeded.

In time, ROI experienced staff turnover and a new developer stepped into the project. Quickly trying to orient himself, the new staff person ran into challenges with project design and costs. Changes in design criteria and requirements suggested by RD required several design changes before RD would approve the application.

Of course, each time the architect redesigned some aspect of the project, additional architectural fees were incurred. By this time, ROI had substituted its affiliate, Farmworker Housing Corporation of Pennsylvania, since FMI had all but dissolved.



A farmworker in upstate New York engages in the daily routine of picking fruit.

Photo courtesy of Rural Opportunities, Inc.

The local approval process presented challenges as well. As is typical of smaller rural communities, the process took a very long time. Planning boards in rural areas are often made up of volunteers who are exceptionally busy doing other jobs and Aspers is no exception.

In addition, instructions and requirements were often not adequately conveyed to the developer. ROI ran into two examples of this problem in Aspers. First, at the meeting of the planning board at which ROI expected the final site plan approval, the planning board chairman asked the ROI developer for the report from the Conservation Commission, a reviewing entity that no one had mentioned prior to this meeting. Several months passed as the commission reviewed FHCPA's plans for the project. On another occasion, FHCPA lost several months when the civil engineer had to complete a Planning Module, a document that must precede any request for hooking up the project to municipal water or sewage services. Again, each time the project architect made any substantial change, the plans had to go back to the planning board for its approval.

RD obligated funding in February 2003. Not long after that, ROI realized that it was not going to be able to build the project with the amount of funding RD had obligated. In addition, interest on the HAC loan combined with the fees paid to Possum Valley Sewage Authority amounted to more than \$118,500 and had continued to drive up the cost of the project.


Strategies

ROI launched an effort, led by yet another new developer, to identify additional sources of capital. As an affiliate of NeighborWorks® America (formerly the Neighborhood Reinvestment Corporation), ROI was able to secure \$70,000 from NWA for the project. In addition, the Pennsylvania Housing Finance Agency provided a grant of \$229,500 from its Special Initiatives Program.

Finally, ROI secured an Affordable Housing Program grant from the Federal Home Loan Bank of Pittsburgh through member Waypoint Bank (now operating as Sovereign Bank). This commitment from the FHLB of Pittsburgh marked the third attempt at securing funds from the Federal Home Loan Bank System.

Lessons Learned

It's been ten years since the first efforts to develop Jonathan Court. Now that groundbreaking has taken place, ROI can look back and appreciate what different steps it might have taken. First, one should not try to make an organization like Fruitbelt Ministries into something that it is not or cannot be. Fortunately, ROI was able to substitute its own affiliate for FMI and proceed with the project.

Secondly, one should be very careful before purchasing a site for a project for which financing has not been secured or approvals given. Finally, as with any attempt to develop a farm labor project, the developer needs to fortify itself with patience and have access to affordably priced capital that will be needed to control land and to undertake the myriad of pre-development activities that are required to bring a project like Jonathan Court to a successful completion. 

Lee Beaulac is the Senior Vice President of Housing and Economic Development at Rural Opportunities, Inc. in Rochester, N.Y. ROI's web site is www.ruralinc.org.



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RURAL VOICES

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The Housing Assistance Council (HAC) is a national nonprofit corporation founded in 1971 and dedicated to increasing the availability of decent housing for low-income people in rural areas. HAC strives to accomplish its goals through providing loans, technical assistance, training, research and information to local producers of affordable rural housing. HAC maintains a revolving fund providing vital loans at below-market interest rates to rural housing developers. Developers can use these funds for site acquisition, development, rehabilitation or new construction of rural, low- and very low-income housing. HAC has a highly qualified staff of housing specialists who provide valuable technical assistance and training, and research and information associates who provide program and policy analysis and evaluation plus research and information services to public, non-profit, and private organizations. HAC is an equal opportunity lender.

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Each issue of *Rural Voices* profiles members of the Housing Assistance Council's board of directors. A diverse and skilled group of people, HAC's board members provide invaluable guidance to the organization. We would like our readers to know them better.



PEGGY R. WRIGHT

People are always telling Peggy R. Wright “thank you.” As a HAC board member, a self-help housing manager, and an educator, Wright has helped countless low-income families get into decent housing and

improve their lives.

In 1991, shortly before stepping away from the productive self-help housing program she was running in rural Arkansas at the time, she joined the HAC board of directors. Since then, she has consistently served as an ambassador of the board of directors to the Mississippi Delta. She is particularly excited about the HAC Rural Housing and Economic Development Gateway training she helped put together in Forrest City, Ark. in July 2005. It brought information and resources to a group of rural people traditionally isolated from such assistance. In addition, she is leading HAC's involvement in the Delta Caucus. That effort is helping make homeownership a reality for low-income people in isolated rural communities experiencing severe poverty. The Delta Caucus recently drew national media attention at a Washington, D.C. summit when political representatives showed up in large numbers and pledged support to the Caucus.

Wright's many years of commitment to the community were recently rewarded by seeing the first child she housed through her self-help housing program receive a Master's degree from Arkansas State University, where Wright teaches in the Delta Studies Center. The woman was four years old at the time her mother finished building their self-help house. The success of that woman exemplifies Wright's mission. Through Wright's work, she strives “to leave a legacy of having made a difference in very real ways that can be seen and understood by all.”



RICHARD TUCKER

“The Housing Assistance Council board of directors' commitment to providing housing for the poorest of the poor in rural areas, as well as the dedication of the staff, has made the organization what it is today

and what it will be for years to come,” says Richard Tucker. He has exemplified that commitment since joining the Board of Directors in 1981, and in all his professional endeavors.

Tucker has been associated with the housing community development and consumer programs of the Federal Home Loan Bank System since 1978. From October 1989 until his retirement in June 1999 Tucker served in various positions at the Federal Housing Finance Board. From 1997 to his retirement Tucker served as Deputy Director in the Program Assistance Division of the Office of Policy, Research and Analysis.

Among his numerous accomplishments, Tucker played a vital role in the development of the Federal Home Loan Bank System's Community Investment Fund, which made over \$8 billion in subsidized and low-cost community development and affordable housing loans from 1978 to 1989. In addition, he was responsible for providing assistance to and establishing the network of Community Investment Officers at the 12 District Banks. Under Tucker's direction the Office of Community Investment was also responsible for the FHLB Board's Community Reinvestment Act activities, the collection of Home Mortgage Disclosure Act data, and processing of consumer complaints against thrift institutions.

Tucker previously served as Deputy Director of the Housing Assistance Council. He holds a B.S. degree in Business Administration from LaSalle College in Philadelphia.



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