



Housing Assistance Council **Annual Report 2009**

Building Rural Communities

Promoting Local Solutions





HOUSING ASSISTANCE COUNCIL

The Housing Assistance Council (HAC) is a national nonprofit corporation established in 1971 to increase the availability of decent and affordable housing for rural, low-income people.

HAC provides below-market financing, technical assistance, training, research, and information services to the nonprofit, public, and for-profit sectors.

HAC is governed by a 25-member board of directors. Board members include representatives from private industry, government, and public and nonprofit housing agencies at the national, state, and local levels.

HAC is an equal opportunity lender.

MISSION

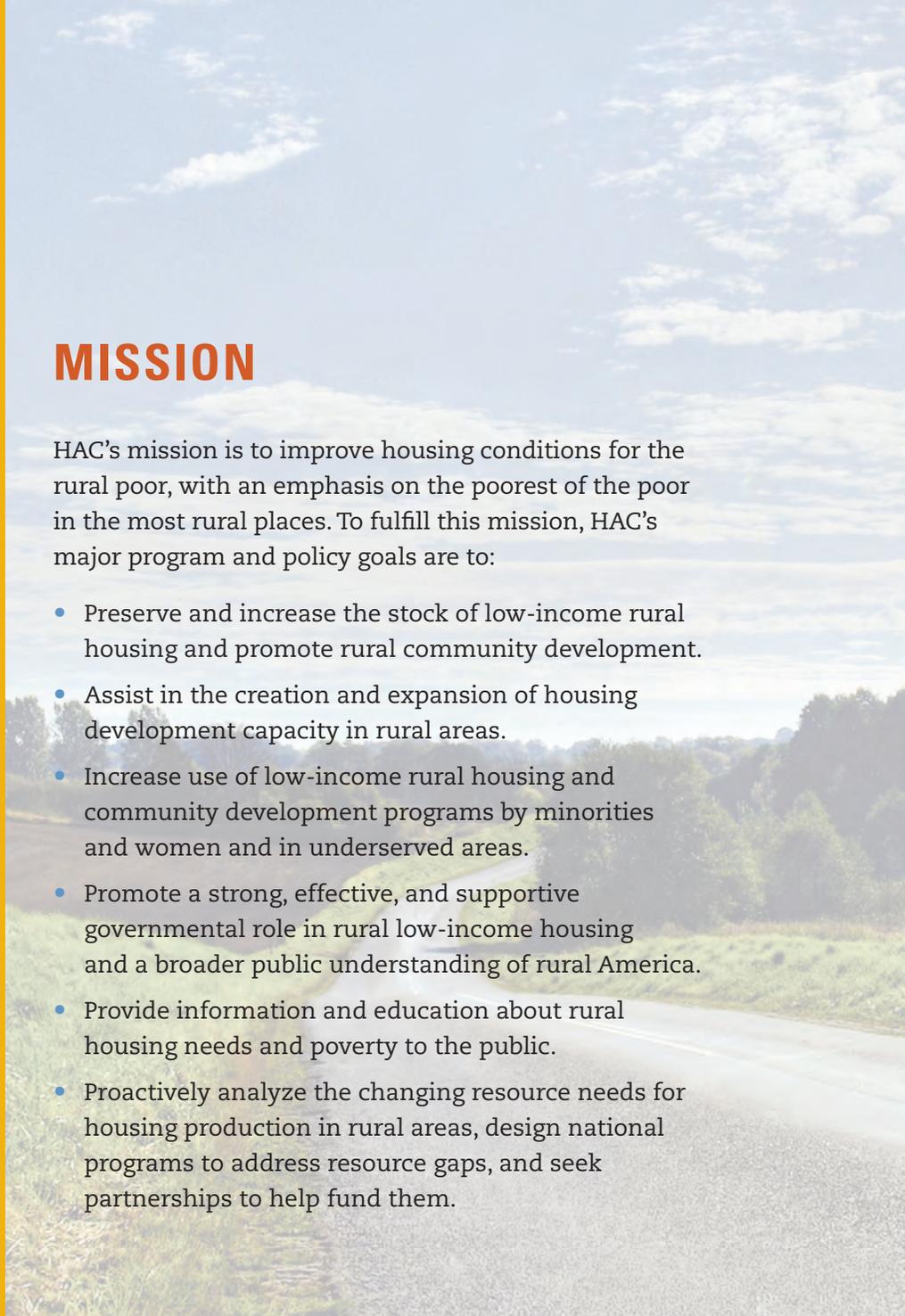
HAC's mission is to improve housing conditions for the rural poor, with an emphasis on the poorest of the poor in the most rural places. To fulfill this mission, HAC's major program and policy goals are to:

- Preserve and increase the stock of low-income rural housing and promote rural community development.
- Assist in the creation and expansion of housing development capacity in rural areas.
- Increase use of low-income rural housing and community development programs by minorities and women and in underserved areas.
- Promote a strong, effective, and supportive governmental role in rural low-income housing and a broader public understanding of rural America.
- Provide information and education about rural housing needs and poverty to the public.
- Proactively analyze the changing resource needs for housing production in rural areas, design national programs to address resource gaps, and seek partnerships to help fund them.

COVER PHOTOS ARE COURTESY OF

(top left) Interfaith Housing Services; (top right) Delta Area Economic Opportunity Corporation; (second row) Neighborhood Nonprofit Housing Corporation; and (third row) Randolph County Housing Authority.

This report was designed by Denise Arnot and printed by Doyle Printing. Photographs were taken by HAC staff unless otherwise noted.



DEAR FRIENDS

The Housing Assistance Council completed another successful year in 2009. Amidst continued economic pressures, HAC has worked to assist the organizations whose constituencies are feeling these financial hardships most acutely. Housing markets across the country are still grappling with high foreclosure rates and many communities are also experiencing double-digit unemployment. In this economic environment, HAC's role is especially vital.

As an intermediary organization, HAC understands that our strong local partnerships are the foundation of our success. Through these connections, HAC assists local organizations in crafting tailored solutions that meet the needs of their constituencies. By having ongoing dialogue with local communities, expressing and advancing rural interests, and helping to create policy and programmatic responses, HAC has been able to institutionalize needed change. When rural stakeholders require guidance or resources to create affordable housing solutions, HAC engages in a way that respects local processes, needs, and context.

HAC realizes that it is ultimately the community itself that is the best assessor of its needs, and we strive to provide the necessary tools that can bring local endeavors to fruition. This year's annual report, *Promoting Local Solutions*, underscores this guiding belief and highlights HAC's various roles from a local

perspective. Some of HAC's accomplishments over the year include:

- Committing more than \$15 million in loans and grants to build nonprofit capacity and support the development of 1,310 units of affordable housing.
- Providing information and resources to more than 9,000 individuals and organizations across the U.S. More than 100 partner organizations received intensive one-on-one technical assistance, and more than 500 individuals participated in training workshops.
- Sharing research and information through the HAC website, www.ruralhome.org, which received more than 12 million web visits over the year.

In this annual report, we highlight examples of how local organizations have used HAC's resources to create affordable housing opportunities and bring about change in rural communities.

We look back on 2009 with pride, as HAC and our partners have been able to make visible strides in rural areas across the nation. HAC remains committed to strengthening rural communities and ensuring that our local partners thrive. Mindful of the work yet to be completed, we head into 2010 with optimism and determination.

In community,



Lauriette W. West-Hoff

Lauriette West-Hoff
Chair



Twila Martin-Kekahbah

Twila Martin-Kekahbah
President



Moises Loza

Moises Loza
Executive Director



TRAINING & TECHNICAL ASSISTANCE

In 2009, HAC's team of housing specialists provided technical assistance to community-based organizations across the nation. Technical assistance outreach included educating local organizations about green building techniques, use of the USDA Section 502 Program, building local organizational capacity through board and staff development, and working on pre-development activities.

HAC also sponsored regional training sessions. These sessions are geared toward both beginners and experienced practitioners, and focus on housing development and financing, as well as building healthy local organizations.

LAYING THE FOUNDATION

HAC's Training and Technical Assistance Division develops customized programs that respond to the unique issues faced by local rural organizations. To create a responsive program, HAC cultivates synergistic relationships with service providers in local communities. HAC provides assistance to build local capacity and the groups provide HAC with the information and evaluations needed to create better programs. This capacity building approach lays a strong foundation for local housing providers to improve rural communities.

HAC receives an average of 400 requests for assistance and information each month from nonprofit developers, housing professionals, and government agencies. Some responses are provided during the initial contact, while many require additional research and follow-up. With expertise in housing development, revenue creation, and organizational management strategies, HAC's staff uses a range of techniques to identify issues, deliver solutions, and monitor progress.

In addition to one-on-one technical assistance, HAC also sponsors comprehensive training workshops in different parts of the country. HAC has been able to help organizations develop the capacity needed to implement local solutions by organizing peer learning sessions. This forum allows high-capacity organizations to share knowledge and skills with other nonprofits in a real-world setting. A recent peer training in Colorado illustrates the impact of the technique.

HAC AT WORK: LEARNING FROM EACH OTHER EASTERN EIGHT CDC, JOHNSON CITY, TENNESSEE

In April 2009, Housing Resources of Western Colorado hosted a peer learning session that was facilitated by HAC. Four other nonprofit organizations, Colorado Housing, Inc., Eastern Eight CDC, the Community Council of Southwest Texas, and Tierra Del Sol were invited to Grand Junction, Colorado to discuss topics such as homebuyer qualification, the roles of development team members, entitlements, contracting, and sources of interim financing. The groups also visited two of Housing Resources' development sites.



Eastern Eight CDC, an organization that was new to HAC's peer training process, identified several positive impacts from its participation in the event.

Five years ago, when Retha Patton became Executive Director of Eastern Eight CDC, the organization had three staff members and was building six houses per year. Now, with a staff of 12, the organization is building 60 houses per year, and supports its production program with financial literacy, post-purchase, and housing rehabilitation programs. "We would like to become a 'one-stop-shop' for affordable housing but we are having some growing pains," said Patton.

Patton credits the peer training with helping Eastern Eight CDC reaffirm and streamline its housing programs. "To spend three days immersed in another nonprofit's challenges and successes was exactly the training we needed," said Patton. "Housing Resources is smaller but they are doing things in a completely different way. We came home with a vote of confidence that we are on the right track."

During the peer training, Housing Resources shared its processes and knowledge, as well as more tangible products such as worksheets, construction budgets, and site plans. As a result of learning how Housing Resources structured its self-help housing program, Eastern Eight CDC created a new position to act as a front-line contact with families, qualify potential buyers, market the program, and provide counseling. Eastern Eight CDC had three different people performing these duties previously, and ultimately was able to reorganize duties so that homebuyers now have one point of contact. The organization now uses staff time more efficiently.

Patton and her staff are committed to meeting the housing needs of the communities they serve in Tennessee. "My motto is dream...believe...achieve and I dream big things for Eastern Eight," she said. "We have so much more we can do. With help from organizations like HAC and those at the peer training we can become the housing resource our community needs."

Laying the Foundation

2009 BY THE NUMBERS

Partner organizations. HAC delivered thousands of hours of intensive one-on-one technical assistance to 112 organizations in 35 states and Puerto Rico.

Workshops. HAC convened 25 regional training workshops in 17 states across the US and via online audio and web technology.

Participants. 507 people from 39 states (as well as D.C. and Puerto Rico) participated in HAC workshops.

Save the date for the 2010 National Rural Housing Conference!

More than 640 participants joined us at the 2008 conference.

Plan to join us in
Washington, D.C.,
December 1-3, 2010

HAC INITIATIVES

FOCUS ON PRESERVATION

HAC's rural rental housing preservation initiative continued throughout 2009 with the support of the John D. and Catherine T. MacArthur Foundation. In addition to research and information sharing on this issue, HAC also convened *Preserving Rural Rental Housing: A Conference on Policy and Practice* in Washington DC. More than 80 people attended the briefing to hear about the legislative outlook for preservation, available resources, and models of successful deals. The event featured speakers including Congressmen Lincoln Davis (D-TN) and Geoff Davis (R-KY), Tammye Trevino, Administrator for the Rural Housing Service at USDA, and USDA Under Secretary for Rural Development Dallas Tonsager.

Also highlighted were local nonprofit organizations that have worked to address preservation issues. By sharing stories of local success on a national stage, HAC is able to focus the dialogue on rural conditions and trends and potentially bring greater resources to bear on significant issues.

A NATIONAL AUDIENCE

Community Housing Partners (CHP) is a nonprofit community development corporation that serves the needs of low-wealth and low-income individuals and families in the southeast United States. A HAC partner since 2001, CHP has worked to create and sustain communities, promote vitality in neighborhoods, foster wealth-building for individuals, and contribute to a better environment for future generations.

During the 2009 preservation conference, CHP spoke about its program to preserve and manage affordable rental housing. Through this venue CHP was able to talk to a national audience about the impact of its preservation program at the local level.

CHP emphasized that the preservation of affordable rental properties allows families, the elderly, and others to live in stable environments and within their financial means. By helping to ensure the availability of affordable rental homes, preservation programs help families spend a reasonable amount on rent and utilities, leaving them better positioned to afford other basic needs. Participants in the conference left with a better understanding of rural housing preservation needs, and CHP shared its perspective with national housing policy decision makers and stakeholders.

◀ Orlando Artze shares CHP's views on housing preservation at a HAC conference in September 2009.



SUPPORTING INNOVATION

HAC is committed to improving rural housing conditions and thus supports incorporating more advanced development methodologies into affordable housing. Efficient housing techniques and tools are more readily available and, in order to better serve the rural community, HAC has begun to strengthen the link between its affordable rural housing initiatives and the use of sustainable resources. When carefully planned and implemented, even modest measures to increase a home's energy efficiency can conserve key resources and result in savings for occupants.

HAC created the Green Building/Healthy Homes Initiative to ensure that rural affordable housing developers and the families they serve reap the short- and long-term environmental, economic, and health-related benefits associated with adopting these new methods. With generous support from the Home Depot Foundation and Enterprise Community Partners, the initiative is a comprehensive program of loans, capacity-building grants, research, information, training, and technical assistance activities to promote the incorporation of an innovative, eco-friendly approach to affordable rural housing development. Bishop Sheen Housing's "green" experience demonstrates how small investments can create big changes for local groups and families.

HAC AT WORK: GOING GREEN

BISHOP SHEEN ECUMENICAL HOUSING FOUNDATION ROCHESTER, NEW YORK

Bishop Sheen's Executive Director, Allynn Smith, credits its first HAC "green grant" as what "helped jump-start our [green building] program before it became a priority in our housing initiatives." Since 2000, the organization has rehabilitated nearly 200 homes that include moderate green rehabilitation. Many of the energy-saving measures it incorporates are simple and cost-effective, such as low-flow water devices or Oriented Strand Board (OSB), a flooring alternative that costs approximately 60 percent less than plywood.

This year, the Bishop Sheen Ecumenical Housing Foundation was one of 21 recipients of a HAC Green Building/Healthy Homes grant. Bishop Sheen's emphasis on using sustainable products has resulted in tangible benefits for home occupants. Utility and

BUILDING GREEN, HEALTHY HOMES

HAC's Green Building/Healthy Homes Initiative is comprehensive and cross-cutting. The initiative spans every program activity offered by HAC, and thus provides organizations with a range of tools needed to create and sustain local green building programs.

2009 BY THE NUMBERS

Grants. HAC provided grants totaling \$315,000 to 21 rural nonprofit organizations to support the integration of green building techniques in homes owned or rented by low-income families.

Publications. HAC's *Are Your Projects Green?* online quiz evaluates an organization's overall knowledge and use of green building methods and then directs the users to green resources.

HAC's *Building Affordable ENERGY STAR® Qualified Homes in Rural Communities* outlines the process and policies of building ENERGY STAR® qualified homes, provides advice from home energy raters, and shares best practices from affordable housing developers in the field.

BUILDING GREEN, HEALTHY HOMES

(continued from previous page)

Training and technical assistance. Ten organizations participated in Green Peer Exchanges held in Jacksonville, Florida; Sunland Park, New Mexico; and Anthony, New Mexico.

Lending. All 530 units funded through HAC's SHOP program are required to include energy-efficient techniques and products. These green strategies include ENERGY STAR® appliances, solar design, and modern airflow systems.

water cost savings average between 20 to 30 percent per home and, most importantly, families enjoy a healthier living environment. "Mold has become a difficult and pressing health issue," says Smith. "Before, our choices were to leave the home or suffer the health consequences! We heard about many asthma and breathing problems, especially with children. Now with our green program, families can remain in their home, safe and healthy. Soy-based spray foam and VOC paint are life savers."

Bishop Sheen regularly researches new green methods to incorporate into its projects and every home receives an energy audit, a "valuable tool in determining the needed improvements in a home," says Smith. Through Bishop Sheen's diligent effort, once skeptical homeowners are now getting green. "Some families had horror stories about inconvenient products that failed to reap cost savings. Nonetheless, we pushed forward, carefully researched durable products, and started offering training and educational information to the families served." These efforts have increased community awareness and responsiveness "significantly," Smith says. "Residents are now seeing a cost savings, which is very encouraging. We will continue to look for new products that work for our families."

▼ **Before and After:** Bishop Sheen Housing completed a green rehabilitation of this home where two elderly brothers currently reside. Improvements include an indoor bathroom, ENERGY STAR® appliances, and an energy-efficient furnace.



SHARING KNOWLEDGE

Research and information products add a unique rural voice to the national housing dialogue. By sharing this knowledge, HAC helps rural housing stakeholders make more informed decisions and channel resources in a more efficient manner.

HAC's Research and Information Division conducts both basic and applied research in order to expand the rural housing knowledge base and pursue practical solutions to rural problems. HAC's research highlights the trends and concerns of rural America through several different mediums.

- **Information Sheets and Publications.** Each year, HAC produces several reports on rural housing needs, federal programs, and related topics.
- **HAC News.** This 38 year-old biweekly newsletter provides current information on regulatory, programmatic, and funding changes that impact rural housing development.
- **Rural Voices.** Partner organizations share perspectives on rural housing topics in HAC's quarterly magazine. *Rural Voices* is a highly valued forum for rural nonprofit organizations.

All of HAC's research and information materials are available through the highly dynamic website, www.ruralhome.org, which also provides timely information on housing issues and HAC's services. Resources on the site include training materials, HAC loan information and applications, and regular updates on federal housing policy. HAC's emphasis on sharing knowledge helps connect the rural housing community and provides easily accessible information to rural housing practitioners. A recent effort to examine the housing needs of individuals newly released from prison shows how HAC's research can help create change in the real world.

HAC AT WORK: APPLYING KNOWLEDGE PRISONER RE-ENTRY & FAMILY JUSTICE

Each year, nearly 650,000 individuals are released from prison. Many will return to communities that lack affordable housing options to meet this population's needs. Housing practitioners are feeling an increased pressure to provide service to formerly

RESEARCH & INFORMATION

HAC raises awareness of rural housing topics by providing a comprehensive array of information to a wide audience.

2009 BY THE NUMBERS

Website. HAC's website, www.ruralhome.org, received more than 12 million hits in 2009 and remains a dynamic resource for individuals and organizations seeking to expand their knowledge of rural housing issues. The website features HAC's Rural Housing Data Portal, an information tool that is used by 12,000 visitors each month.

HAC News. Throughout 2009, the newsletter went to nearly 8,000 recipients every other week.

Rural Voices. The 2009 issues focused on the role of public housing authorities, the enforcement of fair housing policies, and strategies for nonprofit sustainability amidst an economic downturn.

Publications. A sample of HAC's 2009 publications includes:

- *Rural Housing Research Note: Poverty in Rural Areas*
- *Housing Partnerships to Enhance Reentry Outcomes*
- *USDA Rural Development Housing Programs FY2008 Year-End Report*



Research and collaborative work helped to create a foundation for new opportunities for formerly incarcerated men and women in Arkansas and may directly influence policy and practice around the nation.



incarcerated men and women and many lack the knowledge needed to develop these programs. Family Justice, a New York-based nonprofit organization, launched *Housing Partnerships to Enhance Reentry Outcomes* in October of 2008 with support from the Bureau of Justice Assistance in the Department of Justice. HAC was called upon to contribute housing expertise to an effort aimed at increasing housing options for rural families who are involved in the justice system.

In partnership with HAC, Family Justice conducted a site selection process, comparing factors such as level of rurality, income, crime rate, and availability of affordable rental housing in communities around the country. Family Justice and HAC traveled to Arkansas to initiate collaboration between community corrections, public housing authorities, nonprofit housing providers, community-based organizations, homeless advocates, and academics in the Delta region of the state.

Throughout 2008 and 2009, a work group met four times and created an action plan with goals related to exploring housing options for families involved in the criminal justice system. This research and collaborative work helped to create a foundation for new opportunities for formerly incarcerated men and women in Arkansas and may directly influence policy and practice around the nation. A curriculum for rural community correction and housing staff, *Housing Partnerships to Enhance Reentry Outcomes*, was published in March 2009.



▲ Photo courtesy of the Greater Minnesota Housing Fund, a contributor to HAC's *Rural Voices* and author of significant studies on foreclosure.

RURAL RESEARCH NOTE: WHAT IS THE HOUSING FORECLOSURE SITUATION IN RURAL AMERICA?

Our nation is experiencing the most extensive economic crisis since the 1930s. Housing markets are at the heart of the crisis, with millions of American households having trouble meeting their mortgage payments and facing foreclosure or eviction. While rural America has been impacted by the housing crisis, it has been difficult to determine the extent of foreclosures in rural communities.

To better understand the scope and severity of the rural foreclosure problem, HAC compiled and analyzed several sources of information on housing distress in its 2009 Rural Research Note, *What is the Housing Foreclosure Situation in Rural America?* HAC's probe into this issue found that there is some indication that the housing price boom-and-bust cycle was not as profound in rural America. Many rural areas experienced housing price increases over the past few years. However, these increases were not as dramatic as their metropolitan counter-

parts. In addition, HAC's research indicates that a definitive estimate of the number of rural households experiencing foreclosure cannot be specified at this time, as many foreclosure estimates omit special considerations in rural areas such as loans for manufactured homes and federally funded affordable loan programs.

The report also outlines a set of recommendations aimed at improving the reporting of housing foreclosure and loan delinquency in rural areas, assisting rural homeowners facing mortgage foreclosure and delinquency, and shoring up the fundamentals of our housing system to provide sound markets. HAC's recommendations include protection for rural renters whose landlords are facing foreclosure, granting owners of manufactured homes access to standard loan products, expanding post-purchase counseling, and ensuring that rural homeowners with USDA guaranteed loans can refinance with mortgages made directly by USDA.

LOAN FUND

In fiscal year 2009, HAC committed \$14.3 million in loans and recoverable grants to support the development or rehabilitation of 1,310 units of affordable housing.

2009 BY THE NUMBERS

Self-Help Homeownership Opportunity Program (SHOP). HAC approved \$7.4 million in SHOP awards to 32 organizations to produce 530 self-help homes.

HAC committed \$5.62 million **Rural Housing Loan Fund (RHLF)** resources to help create 596 multifamily and single-family affordable housing units.

HAC's **Preservation Revolving Loan Fund (PRLF)** provided \$1.29 million to four organizations for the preservation or rehabilitation of 184 units of housing.

Leveraging. Local organizations will leverage another \$187 million with these HAC resources.

CREATING TANGIBLE CHANGE

By providing direct loans and recoverable grants, HAC supports the development of affordable rural housing. These financial resources help local organizations create and sustain affordable housing opportunities for low-income rural residents. HAC fills critical financing gaps by providing an array of effective financing products:

- **Self-Help Homeownership Opportunity Program (SHOP).** Through this program, recoverable grants are made to public and private self-help organizations for land acquisition and infrastructure improvements to prepare building sites.
- **Rural Housing Loan Fund (RHLF).** RHLF is an essential predevelopment financing source for local housing developers.
- **Preservation Revolving Loan Fund (PRLF).** With generous support from the U.S. Department of Agriculture and the John D. and Catherine T. MacArthur Foundation, HAC continues to finance the short- and long-term costs of preservation and rehabilitation of USDA Rural Development's rural rental housing properties.

As a certified Community Development Financial Institution (CDFI) and equal opportunity lender, HAC provides lending capital to support both single-family and multifamily housing. HAC's short-term, low-interest loans provide much needed capital to initiate affordable housing developments in rural communities. HAC loans provide local organizations with the capital needed to create tangible change in rural communities. HAC's lending to Othello Housing Authority and Affordable Homes of South Texas shows how these resources can make the difference for low income residents.

HAC AT WORK: PRESERVATION REVOLVING LOAN FUND **OTHELLO HOUSING AUTHORITY, OTELLO, WASHINGTON**

With renovations completed in March 2009, Cedar Park residents can rest assured that their home will retain its long-term affordability. The Othello Housing Authority (OHA) received financing from HAC's Preservation Revolving Loan Fund (PRLF) to purchase Cedar Park, a USDA multi-family rural rental project located in Othello, Washington. The 26-unit complex is the only low-income senior building available in this small community of 6,000 residents. "Cedar Park was right on the edge of being sold and converted into a market-rate building," says OHA Executive Director Alan Hanks. "Losing this residence would have been a grave disservice to our senior and disabled populations."

► AHSTI's Self Help program helped the Soto family achieve homeownership. *Photo courtesy of AHSTI.*

Once an outmoded two-story walkup, Cedar Park's second floor typically remained vacant as many elderly and disabled residents struggled to use the stairs. Today, Cedar Park boasts a new elevator and more accessible bathrooms. These units now more effectively meet the needs of residents and the property has a 100 percent occupancy rate.

Without PRLF financing, Cedar Park would have converted into market-rate apartments, further reducing Othello's stock of decent affordable housing. "Preserving affordable homes is essential in our community," says Mr. Hanks. OHA has operated a strong preservation program for fifteen years and over half of the nearly 300 units OHA manages are preserved residences. "A number of the affordable units in Othello were built during the 1970s and many owners are reaching a point where they want to sell their property. As the only low-income housing provider in Othello, retaining these affordable units continues to be our top priority."

HAC AT WORK: SHOP **AFFORDABLE HOMES OF** **SOUTH TEXAS, INC., MCALLEN, TEXAS**

Affordable Homes of South Texas (AHSTI) has been assisting low-income families achieve self-sufficient and sustainable homeownership since 2004. AHSTI's service area includes Hidalgo County, a historically distressed area located on the U.S.-Mexico border. The county's per-capita income is approximately \$11,900, and almost one-third of the residents live in poverty. The rising prices for new homes in the Hidalgo County MSA are often beyond the reach of low-income working families.



"Implementing a self-help program grants access to homeownership to working, low-income residents who would have otherwise not had this opportunity," says Martin Medina, a Grant Manager at AHSTI. AHSTI was able to have this type of impact in Donna, Texas, a small town with a population of fewer than 15,000 residents.

Through its self-help program, AHSTI constructed the Donna Meadows subdivision, a community comprised of 40 single-family homes. For Erika Soto, her husband, and their three children, Donna Meadows was almost "too good to be true," recalls Soto. Once living in a small two-bedroom trailer for \$300 per month, Erika and her husband felt they would never be able to provide their children a home with room for them to grow. Through the self-help program offered by AHSTI, the Soto family now resides in a home at Donna Meadows. "We have a home of our own with more room for my kids and we are paying only \$184 more per month for our mortgage, home insurance, and taxes combined," says Soto. "My only regret is that we didn't find out about the program years earlier!"

"It is thanks to the SHOP program that AHSTI is able to provide families with affordable housing solutions," says Medina.

CAPACITY-BUILDING GRANTS

HAC provides grants to local nonprofits to help these groups build capacity and improve programs.

2009 BY THE NUMBERS

Grants: 128 capacity building grants were provided to organizations in 34 states. Organizations used these resources to support a range of activities, including attending training events, strengthening internal operations, and integrating green building technologies.



SHAPING THE FUTURE

A strong, sustainable nonprofit organization results from a combination of effective leadership, funding, expertise, and dedication to its mission. Building capacity can be difficult for small organizations in rural areas where financial resources are scarce and needs are great. HAC is committed to providing the resources needed to help organizations build capacity and improve service delivery.

With its partners — the U.S. Department of Agriculture, the U.S. Department of Health and Human Services, and Enterprise Community Partners — HAC provides capacity building resources in the form of competitive grants to nonprofit organizations across rural America. While administrative funding is critical to organizational success, it can often be the most difficult type of funding to access. By partnering with federal agencies and other funding sources, HAC is able to make small investments that result in improved programs and increased long-term viability of local organizations. Recipients are able to work on those internal needs or develop program areas that will best enable them to remain viable and shape the future of its communities. While these financial investments are small, it is clear that they have a huge impact on the organizations that receive them.

HAC AT WORK: MAKING HOUSING AFFORDABLE

OGLALA SIOUX TRIBE PARTNERSHIP FOR HOUSING, PINE RIDGE, SOUTH DAKOTA

The Oglala Sioux Tribe Partnership for Housing, Inc. (OSTPH) is dedicated to making homeownership opportunities available to members of the Tribe living on the Pine Ridge Reservation in South Dakota. Its programs include loan packaging and providing soft-second mortgages, providing homeownership counseling for borrowers, and developing affordable housing.

A long time participant in HAC's capacity building programs, OSTPH received capacity building grants and participated

◀ The Muir family, in Nibley, Utah, was so excited to have their new home. They were featured on local television sharing their experiences building their own home. *Photo courtesy of Neighborhood Nonprofit Housing Corporation, a longtime HAC partner who celebrated the building of their 150th home in 2009.*

in several trainings throughout 2009. These resources assisted OSTPH in its efforts to set up a Community Development Financial Institution (CDFI) that provides mortgage products for tribal members. In 2009, its CDFI, Mazaska Owecaso Otipi Financial, Inc., became a separate entity, allowing OSTPH to focus on homeownership counseling and housing development.

The foreclosure crisis has been documented across the country, but the Tribe has experienced very few foreclosures and none have gone through tribal court. The Tribe attributes much of this success to its financial literacy program and has begun expanding the program to hold trainings in each of the nine Pine Ridge Reservation Districts.

In the future, OSTPH plans to renew its housing development program, explore information on green building and energy sustainability for homes, and continue efforts on financial literacy. OSTPH would also like to continue its relationship with Mazaska and assist in growing its assets.

HAC AT WORK: SPEAKING TO THE COMMUNITY

DELTA AREA ECONOMIC OPPORTUNITY CORPORATION, PORTAGEVILLE, MISSOURI

Delta Area Economic Opportunity Corporation (DAEOC) is a community action agency in rural Missouri that is committed to empowering people to make positive changes in their community. Among the many services DAEOC provides is a homeless prevention program with emergency shelter and transitional housing components. DAEOC realized the need for a public awareness campaign upon hearing a prominent member of the community declare, “We don’t have a homeless problem in our area.”



▲ With assistance from HAC’s Rural Homelessness Capacity Building initiative, DAEOC put a local face on the issue of homelessness to help the community better understand the reality of the problem. DAEOC’S programs and services assist families in need and empower them to take the steps toward self-sufficiency. *Photo courtesy of DAEOC.*

Using a grant from HAC’s Rural Homelessness Capacity Building initiative, DAEOC created a communications campaign to bring much needed attention to the issue of homelessness in the local community. As part of the campaign, DAEOC produced a video to educate community members about local homelessness and aired it at community meetings.

By putting a local face on the issue of homelessness, the video helped DAEOC’s community better understand the reality of the problem. It identifies some of the causes of homelessness, including domestic violence, illness, and divorce. The video also provided homelessness statistics for DAEOC’s service area. Finally, the film talks about DAEOC’s homeless service program and provides information on the different ways it serves the homeless.

The communications campaign, implemented in 2009, raised awareness about homelessness in DAEOC’s communities resulting in increased support from various community stakeholders. There has been a dramatic increase in the amount of donated goods, hours volunteered, and positive interactions between homeless clients of DAEOC and the community. DAEOC learned that “given the opportunity, our community will come through.”

SUPPORTERS

As HAC looks forward to 2010, we maintain our commitment to the programs and policies that support affordable housing in rural America. HAC is very grateful to the following friends and partners for their support through grants, loans, contracts, and contributions during 2009.

Affordable Housing Finance magazine
Gideon Anders
Mary Reynolds Babcock Foundation
Bank of America Foundation
Joseph and Tamara Belden
California Coalition for Rural Housing
Calvert Foundation
Calvert Social Investment Fund
Citi
Arthur and Jean Collings
Congregation of the Humility of Mary
Council for Affordable and Rural Housing
Enterprise Community Partners
Episcopal Diocese of Iowa
Fannie Mae
Federal Home Loan Bank System
Federation of Appalachian Housing Enterprises
Florida Non-Profit Housing, Inc.
Ford Foundation
Freddie Mac
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F.B. Heron Foundation
Habitat for Humanity International
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Norman Hurwitz
Karin M. Klusmann
Moises and Teresa Loza
Little Dixie Community Action Agency
Local Initiatives Support Corporation
John D. and Catherine T. MacArthur Foundation
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Maria Luisa Mercado
National Association of Realtors®
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William and Gloria Powers
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Rural Community Assistance Corporation
Rural Community Assistance Partnership, Inc.
Rural LISC
Seton Enablement Fund
Sisters of Charity, Blessed Virgin Mary
Sisters of the Holy Cross, Inc.
Sisters of St. Francis of Philadelphia
Sisters of the Presentation of the Blessed Virgin Mary
Society of Mary
Southeast Rural Community Assistance Project, Inc.
Stand Up For Rural America
State Farm Insurance
Elizabeth Stookey Trust
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U.S. Department of Agriculture—
Rural Development—Rural Development Business
and Cooperative Programs—Rural Development
Housing and Community Facilities Programs
U.S. Department of Health and Human Services
Compassion Capital Fund
U.S. Department of Housing and Urban Development
U.S. Department of the Treasury—Community
Development Financial Institutions Fund
U.S. Green Building Council
Vermont Community Foundation
Wachovia Bank

HAC BOARD OF DIRECTORS

HAC is governed by a 25-member board of directors. Board members include representatives of private industry, government, and public and nonprofit housing agencies at the national, state, and local levels.

Lauriette West-Hoff, *HAC Chair*
Southern Real Estate
Management & Consultants, Inc.
Durham, North Carolina

Twila Martin-Kekahbah,
HAC President
Turtle Mountain of Chippewa
Bismarck, North Dakota

Moises Loza, *HAC Second
Vice President*
Housing Assistance Council
Washington, D.C.

Polly Nichol, *HAC Secretary*
Vermont Housing and
Conservation Board
Montpelier, Vermont

Richard Tucker, *HAC Treasurer*
Washington, D.C.

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National Housing Law Project
Oakland, California

Andrew Bias
Mennonite Housing
Rehabilitation Services, Inc.
Wichita, Kansas

Robert Calvillo
Affordable Homes of South
Texas, Inc.
McAllen, Texas

Peter N. Carey
Self-Help Enterprises, Inc.
Visalia, California

Joe Debro
Trans Bay Engineering &
Builders
Oakland, California

Sandra Ferniza
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Tempe, Arizona

Ninfa R. Gutierrez
KDNA Public Radio
Yakima, Washington

Swynice Hawkins
Tri-County Community
Development Corporation
Hughesville, Maryland

Lenin Juarez
Action Gypsum Supply Company
Houston, Texas

Dave Lollis
Appalbanc, Inc.
Berea, Kentucky

Arturo Lopez
Coalition of Florida
Farmworker Organizations
Homestead, Florida

Maria Luisa Mercado
Lone Star Legal Aid
Galveston, Texas

William Picotte
Indian Initiative, Fannie Mae
Rapid City, South Dakota

William Powers
Rural California Housing
Corporation/Mercy Housing
Sacramento, California

Pedro Rodriguez, Jr.
Waukesha, Wisconsin

Irene E. Sikelianos
Delphi, Inc.
Albuquerque, New Mexico

Rep. Bennie G. Thompson
U.S. House of Representatives
Bolton, Mississippi

Dazetta Thorne
Seventh District Pavilion, Inc.
Crowley, Louisiana

Jose Trevino
Lansing, Illinois

Peggy Wright
Arkansas State University—
Delta Studies Center
Jonesboro, Arkansas



HAC STAFF

National Office

HAC is headquartered in Washington, D.C., with regional offices in Georgia, California, Missouri, and New Mexico. HAC's National Office houses staff from the executive office, finance and administration, loan fund, research and information, training and technical assistance divisions.

Moises Loza, *Executive Director*

Joe Belden, *Deputy Executive Director*

Karin Klusmann, *Loan Fund Director*

Jeff Mosley, *Training and Technical Assistance Director*

Theodore J. Russell,
Finance and Administration Director

Theresa Singleton,
Research and Information Director

Brooke Adams, *Loan Associate*

Lawrence Adams, *Production Specialist*

Alem Berhane, *Managerial Accountant*

Janice Clark, *Communications Associate*

Matt Conaway, *Production Assistant*

Myra Cobb-Davis, *Senior Loan Specialist*

Jorge Diaz, *Portfolio Manager*

Stella Edosomwan, *Research Assistant*

Darren Favello, *Research Associate*

Wendy Ferman, *Receptionist*

Lance George, *Research Associate*

Michael Griffin, *Loan Specialist Midwest*

Shalon Hazzard, *Administrative Assistant*

Tierah Holloway, *Accounting Assistant*

Tanisha Jacob, *Loan Fund Assistant*

Angela Jacobson, *Loan Fund Assistant*

Jennifer Kinney, *Loan Specialist Northeast/Southeast*

Kristine Kizzie, *Loan Specialist West*

LaVerne Lawrence, *Senior Accountant*

Kathryn Lloyd, *Research Associate*

Montika Moton, *Special Projects Assistant*

Carlos Muralles, *SHOP Program Manager*

Dierdra Pressley, *Loan Officer*

Luz Rosas, *Assistant to Deputy Director*

Charnette Sample, *Grants Contract Associate*

Dan Stern, *Training Coordinator*

Leslie Strauss, *Senior Policy Analyst*

Lilla Sutton, *Executive Coordinator*

Jennifer Tirado, *Loan Specialist Southwest*

Keith Wiley, *Research Associate*

jann Yankauskas, *Senior Loan Officer*



Western Office

The Western Office of HAC primarily provides training and technical assistance in the states of Alaska, California, Hawaii, Idaho, Montana, Nevada, Oregon, and Washington.

Karl Ory, *Director*

Southeast Office

Located in Atlanta, Georgia, the Southeast Regional Office was created in 1972 to respond to the need for decent affordable housing in rural communities throughout the region. Today, the Southeast staff continues to provide assistance to rural housing development organizations, a significant number of which operate in the high poverty communities of the Black Belt Region and the Mississippi Delta.

Carolyn Branton, *Director*

Christina Adeshakin, *Housing Specialist*

Shonterria Charleston, *Housing Specialist*

Kelly Cooney, *Housing Specialist*

Mark Williams, *Administrative Assistant*

Southwest Office

HAC's Southwest Regional Office in Albuquerque, New Mexico, has provided technical assistance and training to rural nonprofits serving the border colonias, Native American lands, and migrant farmworkers for more than 35 years.

Anselmo Telles, *Director*

Graciela Loya, *Administrative Assistant*

Gene Gonzales, *Housing Development Specialist*

Midwest Office

The Midwest Office, in Kansas City, Missouri, opened in 1999. Midwest staff provide training and technical assistance and respond to the unique needs of the region. Their areas of expertise include tax credit financing, organizational development, single-family and multifamily development, and HOME program regulations.

Nicole Opfer, *Director*

Stephanie Nichols, *CHDO*

Project Manager/Housing Specialist

Marla Mangogna, *Administrative Assistant*

FINANCIALS

Housing Assistance Council Consolidated statements of activities and changes in net assets

	Year ended September 30	
	2009	2008
<i>Changes in unrestricted net assets</i>	Unaudited	Audited
Revenues, gains, and other support		
Grants and contributions	\$ 241,000	\$ 120,200
Interest income on bank accounts and short term investments	5,129	8,806
Realized and unrealized gains and losses on investments	-	-
Other income	114,678	68,003
Total unrestricted revenues	360,807	197,009
Net assets released from restrictions	10,691,072	13,844,243
Total unrestricted revenues, gains and other support	11,051,879	14,041,252
Expenses		
Loan administration	6,045,497	10,752,024
Research and information	859,402	581,629
Training and technical assistance	3,224,572	2,049,777
Management and general	529,467	1,420,786
Total expenses	10,658,937	14,804,216
Increase (decrease) in unrestricted net assets	392,942	(762,964)
<i>Changes in temporarily restricted net assets</i>		
Grants and contributions	9,685,720	9,992,251
Interest income on bank accounts and short term investments	504,262	898,671
Realized and unrealized gains (losses) on investments	171,107	220,140
Realized and unrealized gains (losses) - other	-	-
Loan interest income and service fees	896,294	761,326
Conference registration and support	158,932	59,386
Other revenue	47,274	17,789
Net assets released from restrictions	(10,691,072)	(13,844,243)
Total temporarily restricted revenues	11,463,590	11,949,563
Decrease in temporarily restricted net assets	772,518	(1,894,680)
<i>Changes in permanently restricted assets</i>		
Grants and contributions	-	225,000
Increase in permanently restricted net assets	-	225,000
Increase in net assets	1,165,460	(2,432,644)
Net assets, beginning of year	\$ 37,977,148	\$ 40,409,792
NET ASSETS, END OF YEAR	\$ 39,142,607	\$ 37,977,148

Housing Assistance Council
Consolidated statements of financial position

	September 30	
	2009	2008
Assets		
Cash and cash equivalents		
Available for operations	\$ 447,425	\$ 691,224
Restricted for development loans	12,274,616	16,204,610
Total cash and cash equivalents	12,722,041	16,895,834
Investments in marketable securities	8,300,112	11,333,399
Cash in restricted guarantee fund reserves	664,424	560,669
Contracts and grants receivable	2,166,982	2,501,741
Loans and advances, net of \$25,622,803 and \$23,695,612 in potentially forgivable loans and loan loss allowances at 09/30/2009 and 09/30/2008, respectively.	28,413,514	27,020,059
Accrued interest receivable	1,427,183	947,617
Prepaid and other assets	168,934	156,084
Investments in partnerships at net realizable value	10,010	10,010
Land held for resale, net of provision for unrealized losses of \$50,000	1,027,818	87,818
Total assets	\$ 54,901,019	\$ 59,513,231
Liabilities		
Accounts payable	\$ 110,380	\$ 105,377
Accrued personnel costs	367,425	422,185
Accrued interest payable	58,767	56,754
Refundable advances	72,457	206,997
Other liabilities	2,660	2,660
Notes payable	15,146,723	20,742,110
Total liabilities	15,758,412	21,536,083
Net Assets		
Unrestricted	\$ 7,559,494	\$ 7,166,550
Temporarily restricted	22,616,114	21,843,600
Permanently restricted	8,966,999	8,966,998
Total net assets	\$ 39,142,607	\$ 37,977,148
TOTAL LIABILITIES AND NET ASSETS	\$ 54,901,019	\$ 59,513,231

HAC LOANS & RECOVERABLE GRANTS IN 2009

Organization	State	Amount	Units
Northwest Regional Housing Authority	Arkansas	15,000	1
Northwest Regional Housing Authority	Arkansas	75,000	4
South Arkansas Community Development	Arkansas	45,000	3
South Arkansas Community Development	Arkansas	45,000	9
South Arkansas Community Development	Arkansas	135,000	18
Universal Housing Development Corporation	Arkansas	75,000	5
Universal Housing Development Corporation	Arkansas	225,000	15
Burbank Housing Development Corporation	California	75,000	5
Burbank Housing Development Corporation	California	255,000	17
Coachella Valley Housing Coalition	California	90,000	6
Coachella Valley Housing Coalition	California	1,000,000	137
Coachella Valley Housing Coalition	California	500,000	68
Coachella Valley Housing Coalition	California	270,000	18
Mercy Housing California	California	60,000	4
Mercy Housing California	California	210,000	5
Self-Help Enterprises	California	180,000	12
Self-Help Enterprises	California	570,000	5
Colorado Housing, Inc.	Colorado	45,000	3
Colorado Housing, Inc.	Colorado	45,000	3
Florida Home Partnership, Inc.	Florida	210,000	14
Florida Home Partnership, Inc.	Florida	645,000	43
Homes In Partnership, Inc.	Florida	225,000	15
Homes In Partnership, Inc.	Florida	705,000	5
St. John's Housing Partnership	Florida	135,000	60
St. John's Housing Partnership	Florida	15,000	0
Self-Help Housing Corporation of Hawaii	Hawaii	315,590	76
Self-Help Housing Corporation of Hawaii	Hawaii	100,000	*
Youthbuild McLean County	Illinois	45,000	3
Youthbuild McLean County	Illinois	135,000	9
Mennonite Housing Rehabilitation Services, Inc.	Kansas	135,000	9
Mennonite Housing Rehabilitation Services, Inc.	Kansas	405,000	20
Community Housing, Inc.	Kentucky	30,000	2
Community Housing, Inc.	Kentucky	90,000	6
Frontier Housing, Inc.	Kentucky	75,000	5
Housing Development Alliance	Kentucky	60,000	4
Housing Development Alliance	Kentucky	210,000	5
Low Income Housing Coalition of East Kentucky, Inc.	Kentucky	75,000	27
Seventh District Pavilion, Inc.	Louisiana	20,000	*

* Denotes units associated with another loan or no new units developed.

Rural Development, Inc.	Massachusetts	500,000	20
Community Concepts, Inc.	Maine	30,000	2
Community Concepts, Inc.	Maine	90,000	6
G.A. Haan Development	Michigan	750,000	24
Marquette County Habitat for Humanity, Inc.	Michigan	75,000	14
Hinton Rural Life Center	North Carolina	15,000	1
Hinton Rural Life Center	North Carolina	90,000	47
Kearney & Company, LLC	North Carolina	300,000	122
Telamon Corporation	North Carolina	75,000	5
G.A. Haan Development	North Dakota	281,000	80
Hudson Valley Housing Development Fund Company, Inc.	New York	500,000	36
Clinch-Powell Resource Conservation & Development Council, Inc.	Tennessee	60,000	4
Clinch-Powell Resource Conservation & Development Council, Inc.	Tennessee	15,000	1
Community Action Network, Inc.	Tennessee	75,000	5
Creative Compassion, Inc.	Tennessee	30,000	2
Creative Compassion, Inc.	Tennessee	120,000	8
Eastern Eight Community Development Corporation	Tennessee	75,000	5
Proyecto Azteca	Texas	27,000	2
Proyecto Azteca	Texas	121,500	14
Color Country Community Housing, Inc.	Utah	60,000	4
Color Country Community Housing, Inc.	Utah	378,900	13
Color Country Community Housing, Inc.	Utah	165,000	11
Mountainlands Community Housing Trust	Utah	45,000	38
Mountainlands Community Housing Trust	Utah	75,000	3
Neighborhood Nonprofit Housing Corporation	Utah	210,245	6
Neighborhood Nonprofit Housing Corporation	Utah	300,000	9
Rural Housing Development Corporation	Utah	90,000	6
Rural Housing Development Corporation	Utah	90,000	6
Rural Housing Development Corporation	Utah	270,000	3
Rural Housing Development Corporation	Utah	315,000	5
Community Housing Partners Corporation	Virginia	180,000	12
Community Housing Partners Corporation	Virginia	165,677	48
Community Housing Partners Corporation	Virginia	30,000	2
Community Housing Partners Corporation	Virginia	570,000	38
People Incorporated of Southwest Virginia	Virginia	75,000	6
Housing Authority of Jefferson County	Washington	470,000	40
Southern Appalachian Labor School	West Virginia	60,000	21
TOTAL		\$14,324,912	1,310

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