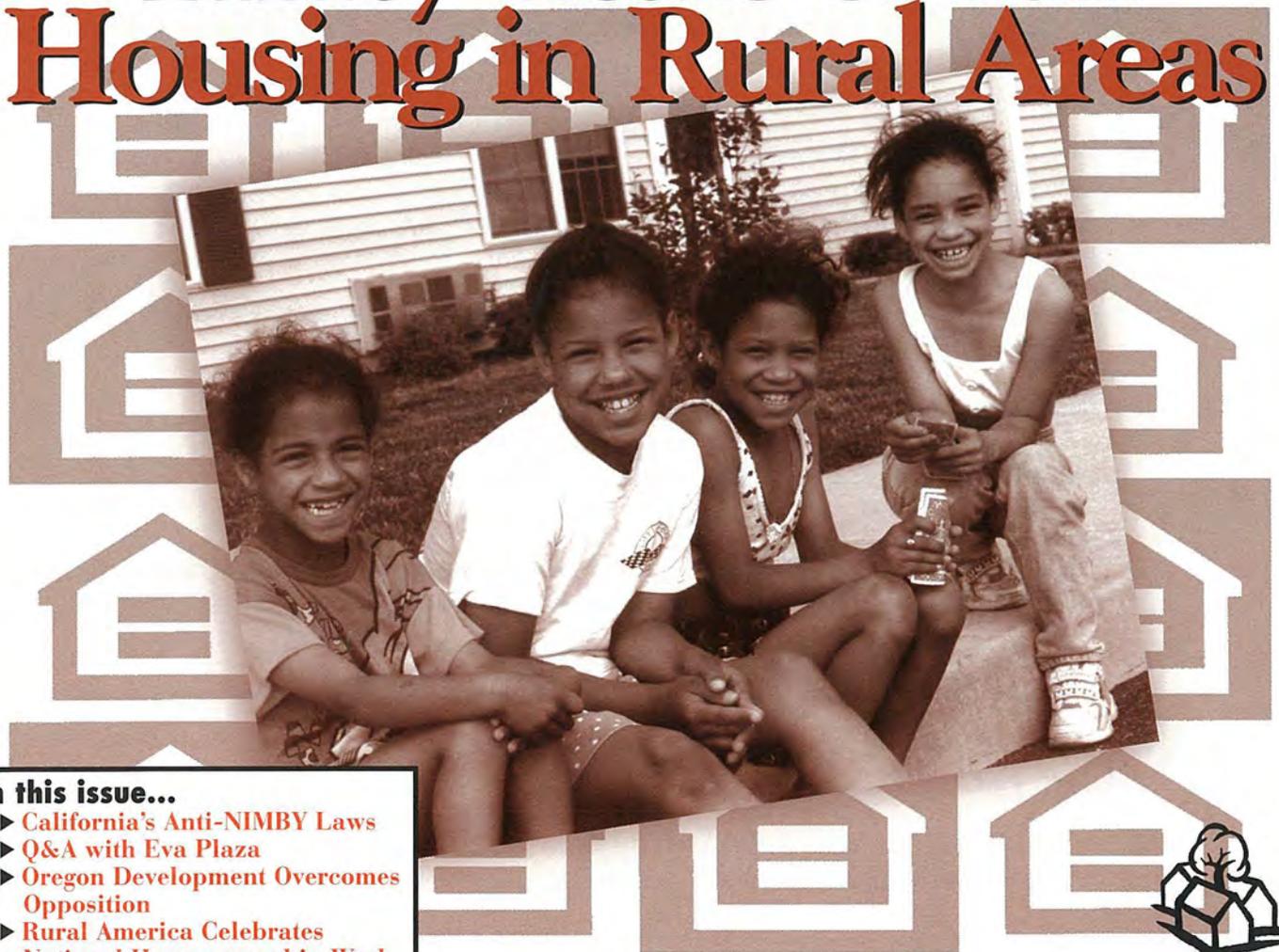


Rural Voices

Summer 1998, Vol. 3, No. 4

The Magazine of The Housing Assistance Council

Thirty Years of Fair Housing in Rural Areas



In this issue...

- ▶ California's Anti-NIMBY Laws
- ▶ Q&A with Eva Plaza
- ▶ Oregon Development Overcomes Opposition
- ▶ Rural America Celebrates National Homeownership Week
- ... and more



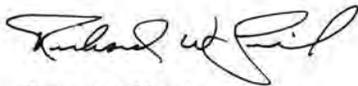
Dear Friends:

This year marks the thirtieth anniversary of the Fair Housing Act. However, years after the passage of this momentous legislation, fair and equal access to decent, affordable housing remains a dream for many people. Housing discrimination is still a reality in many places. In others, local opposition stymies the construction of new housing for low-income persons. This issue of Rural Voices is dedicated to highlighting these fair housing and NIMBY issues.

First, an article by a national fair housing nonprofit organization provides an overview of the fair housing movement in this country and its impact. Other articles describe the approaches adopted by the state of California and a local nonprofit in Oregon to combat NIMBY opposition to affordable housing projects. An interview with Eva Plaza, assistant secretary for Fair Housing and Equal Opportunity at the Department of Housing and Urban Development (HUD), is also included.

Our regular features also include several interesting items. The magazine's View from Washington department outlines the possibility of the creation of a new Office of Rural Housing within HUD. As always, the HAC Facts department summarizes some of the Housing Assistance Council's recent activities.

If you have suggestions or comments about Rural Voices, please do not hesitate to contact us or the magazine's editor at the address or phone number shown on the back cover.



Richard W. Lincoln
Chairman



Peggy R. Wright
President



Moises Loza
Executive Director

T A B L E O F C O N T E N T S

FEATURES

2 An Overview of the Fair Housing Movement

Although a number of gains have been made by the fair housing movement in this country, there are still several issues for fair housing advocates to monitor, particularly in rural areas.

6 California Uses a Patchwork of Laws to Tackle NIMBY Issues

Local government attorneys can play a critical role in using state laws to facilitate the development of affordable housing.

9 Persistence Pays: Casa of Oregon Overcomes NIMBY to Develop Farm Labor Housing

Overcoming NIMBY opposition to a farm labor housing project was tricky and unpredictable until the housing was actually constructed.

13 Q&A with Eva Plaza

The assistant secretary for Fair Housing and Equal Opportunity discusses topics ranging from the Administration's policy regarding fair housing to the new MOU between HUD and USDA.

16 Rural America Celebrates National Homeownership Week

Highlights of several events that were held in rural areas throughout the country are presented.

1 HAC FACTS

18 A VIEW FROM WASHINGTON

In a Bold Move, Senate Proposes a HUD Office of Rural Housing

HAC FACTS

Notes about some of the many recent activities, loans, and publications of the Housing Assistance Council

SHOP AWARDEES RECEIVE FANNIE MAE MAXWELL HONORS

Rural housing organizations which received Maxwell Awards of Excellence from the Fannie Mae Foundation or other recognition in a May 19 ceremony at the U.S. Capitol included five groups which have received awards under the Self-Help Homeownership Opportunity Program (SHOP), a special HUD program which is administered by HAC to provide land for owner-builder housing.

Peoples' Self-Help Housing Corporation of San Luis Obispo, California, a HAC loan fund user since its early days, has been a "sweat equity" housing organization for nearly 30 years, and has helped 1,000 families own homes. Peoples' Self-Help received the coveted Sustained Excellence Award including a \$150,000 three-year grant and a \$250,000 Community and Neighborhood Development loan. *Frontier Housing, Inc.*, also an early HAC borrower, works in three very poor counties in eastern Kentucky. Frontier Housing received an Award of Excellence for building 26 homes on scattered sites using an array of financing and building resources to serve families with limited resources. *Proyecto Azteca*, a recent SHOP recipient from San Juan, Texas, received an award for a program building 13 low-cost houses for colonias families in Hidalgo County. Proyecto's approach uses family labor, zero-interest mortgages, and bulk purchase of materials. Two additional SHOP recipients, *Homes In Partnership* of Apopka, Florida, and *Stop Abusive Family Environments, Inc. (SAFE)* of Welch, West Virginia, were finalists for the Fannie Mae awards.



Self-help homes constructed by Proyecto Azteca for colonia residents of Hidalgo County, Texas. Photo by Surabhi Dabir, HAC



House sponsored by Frontier Housing, Inc. in Morehead Kentucky. Photo by Joe Belden, HAC

HAC ADVISES BANK OF AMERICA ON RURAL 2000 INITIATIVE

Three members of the HAC staff — Moises Loza, executive director, Susan Peck and Apolonio Montejano, directors of the Western and Southwest offices, respectively — are participating in the national or regional advisory committees to the Bank of America RURAL 2000 initiative. In this three-year initiative, first announced in September 1997, the Bank has committed \$500 million in lending and \$5 million in grants to increase the supply of community development resources for addressing poverty and economic viability issues in rural America. The various advisory committees were assembled to provide direction to the Bank for creating and modifying products for use in rural America, and to develop rural grantmaking criteria to be incorporated by the Bank of America Foundation. Eight months after the initiative began, NationsBank and the Bank of America announced a proposed merger, and committed \$10 billion over a ten-year period to "stimulate affordable housing, job creation, and economic opportunity in rural areas and Indian country." HAC staff have since been involved in meetings with both banks to encourage specific commitments to very low- and low-income, as well as minority, households.

HAC LOAN HELPS DEVELOP HOUSING FOR MIGRANT AND SEASONAL FARMWORKERS IN FLORIDA

Centro Campesino Farmworker Center, Inc. recently received a construction loan of \$843,070 from the HAC Rural Housing Loan Fund for the construction of the final

14 single-family units of Centro Villas North, a 33-unit subdivision in the Florida City area of south Dade County, Florida. The project serves an area with large numbers



Farmworker in South Florida. Photo by Patricia A. Adams, East Coast Migrant Project

continued on page 19

AN OVERVIEW OF THE FAIR HOUSING MOVEMENT



HUD Secretary Andrew Cuomo and USDA Secretary Daniel Glickman sign a Memorandum of Understanding to address discrimination complaints by rural residents more effectively. Photo by Christine Alden, HAC.

by Shanna Smith

From 1967 until 1968, efforts to pass the nation's first comprehensive fair housing legislation were delayed in Congress and there was little hope of a fair housing law ever moving forward. However, in the wake of the assassination of Dr. Martin Luther King, Jr. in April 1968 and the civil unrest that ensued, Congress passed Title VIII of the Civil Rights Act of 1968, also known as the Fair Housing Act. The promise of this initial legislation was to promote a truly integrated society by making housing available regardless of a person's race, color, religion or national origin. Thirty years later, however, equal access to apartments, homes, mortgage loans, and homeowner's insurance is still not a reality for the vast majority of people the law was designed to protect.

Legislative History

In its haste to pass the Fair Housing Act,

Congress failed to establish an effective governmental enforcement mechanism for victims of housing discrimination. The U.S. Department of Housing and Urban Development (HUD) had the primary responsibility for enforcement of the Fair Housing Act, but was only given the authority to attempt conciliation of complaints. If the respondent refused to cooperate with HUD's inquiry, HUD had no power to compel the respondent to provide documents relating to the complaint, to enter into conciliation or to issue a finding of discrimination. The law also limited the Department of Justice to review and filing of only those complaints that indicated a pattern of discrimination. Consequently, the burden of providing enforcement of the Fair Housing Act fell to private attorneys and the less than 25 private, nonprofit fair housing organizations in existence at the time.

The initial promise in 1968 to end housing discrimination and replace racially segregated neighborhoods with truly integrated communities was

almost wholly unfulfilled. Attempts were made to put teeth into the Fair Housing Act in 1978, but these amendments found little bipartisan support. The Act was amended in 1972 to provide protection based on sex. And in 1988, President Ronald Reagan signed into law the Fair Housing Amendments Act which expanded fair housing protections to persons with disabilities and families with children. The amendments also established a significantly improved governmental enforcement mechanism. While conciliation was still offered as a means of resolving complaints, the new administrative enforcement process gave HUD authority to obtain documents through subpoenas and to issue a charge where reasonable cause existed to support a claim of housing discrimination. Once a charge was issued, the complainant and respondent could elect to have the case heard before HUD's administrative law judge or in federal district court. Complainants who elected HUD's process were provided legal assistance by HUD's Office of General Counsel. If an election was made to federal court, the Department of Justice brought the case on behalf of the complainant. The complainant could also be represented by his/her own legal counsel in either proceeding.

FHIP & FHAP

While the 1988 Amendments were under consideration, HUD recommended to Congress the creation of two programs designed to assist HUD in handling housing discrimination complaints. These programs were the Fair Housing Initiatives Program (FHIP) and the Fair Housing Assistance Program (FHAP). Under President Reagan, Congress approved both programs. These programs became permanent at an increased funding level during President George Bush's administration.

FHAP allows HUD to contract with state and

local human rights agencies in jurisdictions with laws that are "substantially equivalent" to the federal Fair Housing Act for investigating and conciliating housing discrimination complaints. FHAP agencies are reimbursed by HUD on a case-by-case basis.

FHIP provides funding to state and local governments, private nonprofit fair housing agencies, and other organizations such as universities, traditional civil rights agencies and community groups. FHIP funds are used for a variety of education and outreach activities designed to help housing providers comply with the law and to assist housing consumers in identifying and reporting even subtle acts of housing discrimination. FHIP organizations, in partnership either with their local FHAP agency or with HUD, can also assist in the processing of complaints through investigation and testing, weed out non-meritorious claims, negotiate settlements and file claims in state or federal courts. This substantially limits the number of complaints which must be processed by HUD.

The Private Fair Housing Movement

The private, nonprofit fair housing movement is responsible for investigating the majority of housing discrimination complaints in the United States. The National Fair Housing Alliance serves as the umbrella organization for the network of private fair housing organizations. In 1997, these fair housing groups handled more than 13,500 complaints, as shown in the table below. Without this network, HUD would be inundated with claims and complaints (both frivolous and valid), justice would be slow or absent for people with valid complaints, and challenges to systemic discrimination would be virtually non-existent. (Claims include calls to federal/state/local agencies which after an interview do not raise meritorious allega-

TOTAL CLAIMS/COMPLAINTS - 1996 and 1997			
AGENCY	CLAIMS/COMPLAINTS	1996	1997
HUD	Claims	6,661	4,364
	Complaints	Undefined	1,955
FHAP	Claims & Complaints	4,256	4,219
NFHA Members	Complaints	10,692	13,584
TOTAL		21,609	24,122

PERCENT OF CLAIMS RECEIVED BY PROTECTED GROUP IN 1997

	HUD	State/Local Agencies	Fair Housing Groups
Race	32.44%	33.15%	38.38%
Disability	27.03%	20.21%	17.99%
Family Status	13.71%	18.03%	18.12%
National Origin	10.91%	8.04%	8.72%
Sex	7.96%	8.91%	3.76%
Religion	1.45%	1.33%	0.98%
Color	5.27%	8.88%	.085%
Other	1.23%	1.45%	11.20%
Total	100.00%	100.00%	100.00%

tions under fair housing law. Complaints are logged after the initial interview determines that the allegation(s) involve(s) unlawful actions as defined under fair housing law.)

Among the more than 24,000 claims/complaints of housing discrimination made in 1997, African Americans continue to report the highest levels of discrimination in the United States in the rental, sales, lending, and property insurance markets. As the second table illustrates, people with disabilities and families with children continue to represent the next largest number of complainants. Reports of housing discrimination from Hispanics remained the same in spite of evidence from rental and property insurance audits indicating that Hispanics experience discrimination anywhere from 70 to 100 percent of the time they seek housing.

(The "other" category referenced in this table refers to complaints alleging retaliation, or to state/local protections such as marital status, source of income, sexual orientation, age, etc. that are not directly covered by the Fair Housing Act.)

Fair Housing Issues in Rural Areas

The discriminatory practices identified in rural America are mostly identical to those found in urban centers, which include denying or restricting housing because of race, national origin or the fact that a family has children or too many children. Lenders still engage in discrimination based on race, sex and national origin and there are instances in small towns where real estate agents steer people to different neighborhoods because of their religious affiliation. The difficulty fair housing advocates face in challenging these practices

lies in the fact that in many small towns and communities everyone knows everyone else; therefore, recruiting testers and conducting testing can pose a problem. In central Alabama, for example, both African-American and white testers expressed concern that assisting in an investigation might cause problems for them on their jobs. Generally, when the law is carefully explained to potential testers they decide to help with investigations. The fact that everyone knows each other also leads to a reluctance among small town residents to file discrimination complaints.

Fair housing groups have developed ways to overcome most of the obstacles to testing in rural areas with the help of local community action agencies and other social service and religious groups. Often an agency will use a tester from a nearby community with a cover story that they are moving into town. The community action agency or other social service group provides employment verification information and reference check assistance to help establish the legitimacy of the tester. It is critical, however, that the fair housing group properly structure the first tests because it is unlikely that they will have a second opportunity. Each subsequent test increases the risk of the landlord discovering the investigation. HUD and USDA are working to increase investigations in rural communities. The National Fair Housing Alliance is working directly with USDA to implement pilot testing programs.

Another great challenge in rural areas is conducting adequate outreach to inform rural residents about their rights and responsibilities under

the Fair Housing Act. Nonprofit fair housing organizations hope to work in partnership with the federal agencies to help this information to reach remote rural areas throughout the country. In some instances, new fair housing groups will have to be created, or other rural organizations will have to be trained to undertake fair housing activities and to address fair housing concerns in rural areas.

Future Directions

While many gains have been made through the efforts of the fair housing movement in this country, there are still several issues for fair housing advocates to monitor. Fair housing groups need to carefully watch new developments in the housing field and steer practices in a direction that promotes fair housing for all, as intended by the law. Some of the key upcoming challenges and positive measures are highlighted here.

HUD has signed a memorandum of understanding with the U.S. Department of Agriculture to work cooperatively on investigating housing discrimination issues in rural America. With the establishment of new, private, nonprofit fair housing centers in Spokane, Wash.; Albuquerque, N.M.; Boise, Idaho; Little Rock, Ark.; and Fresno, Calif., we expect to see substantially more fair housing cases involving Native Americans, migrant workers, and housing developments in small towns. In addition, jurisdictions that receive Community Development Block Grant funds are now required to prepare an Analysis of Impediments to Fair Housing with recommendations to actually implement programs to eliminate identified barriers. This is a positive step towards ensuring fair housing for all residents, including rural residents.

With the emergence of the subprime lending markets and the abuses illustrated in the cases, *USA v. Long Beach Bank* and *FTC v. Capital City Mortgage Corporation, et al.*, we expect more complaints from people of color, older citizens, and women concerning the unethical and discriminatory practices involved in predatory lending. African Americans and Hispanics appear to be frequent targets of these often unscrupulous lenders who mislead or coerce people into signing agreements for home purchase or refinancing loans at

rates ranging from 10 to 28 percent. Several homeowner insurance companies have recently changed discriminatory underwriting practices that have long made it impossible for homeowners living in older, minority and integrated neighborhoods to purchase replacement cost coverage for their homes. Lenders and insurers are now using credit scoring systems to rate applicants, and these systems may have a disparate or discriminatory impact on members of protected groups as well as other residents of older neighborhoods. Nonprofit groups will have to watch these practices carefully.

Hate crimes relating to housing continue to rise. HUD and the Department of Justice have implemented rapid response programs to assist victims and work with local communities, police departments and government officials to quell problems. As housing opportunities for people of color increase in the suburbs, we see a corresponding increase in racially motivated acts of violence. The good news is that residents in these communities are speaking out against the racist behavior, the FBI is promptly investigating hate crimes, and HUD and the Department of Justice are coordinating their actions to obtain justice for victims in both civil and criminal forums.

With proposed mergers between banks and insurance companies and use of the Internet to view homes, assist in relocation moves, advertise, and pre-qualify for loans, the fair housing movement must develop means of monitoring these intra- and interstate activities for compliance with fair housing, lending, and insurance practices. Corporate decisions are made on multiple levels now, and the fair housing network must be able to evaluate compliance on each of these levels and in multiple jurisdictions. This requires adequate funding from city, state, and federal governments to design, develop, and implement testing and investigation programs that will effectively monitor the diverse multi-market transactions among real estate companies, corporations, and the financial and insurance industries. ♦

Shanna Smith is the executive director of the National Fair Housing Alliance, an umbrella organization for private, nonprofit fair housing groups.

California Uses a Patchwork of Laws to Tackle NIMBY Issues

by Richard A. Judd

California may have earthquakes, Hollywood and the Golden Gate Bridge, but in many ways it is just like everywhere else. Californians believe in affordable housing, but are skeptical if a particular housing development could affect them directly.

California's twist on the "not-in-my-back-yard" syndrome stems from having the nation's least

affordable housing prices coupled with one of the country's strongest traditions of local land use control. This combination brings a statewide need for housing into collision with local government prerogatives which often create a problematic development environment. This article describes the state's attempt to master this conflict by adopting state laws which attempt to stack local approval odds in favor of affordable housing, without removing local government from the process.

For the most part, these laws are not specific to rural housing. The most important of them, California Government Code Section 65589.5, requires any local government — rural, suburban or urban — to make one of six specified findings before it can disapprove any affordable housing. If the locality cannot make one of these findings, and support it with substantial evidence,

it must approve the housing. Also, the locality cannot impose conditions which would make development infeasible without making and substantiating one of the six findings. The findings most often at issue include adverse health or safety impacts and the overconcentration of low-income housing that will result from the proposed development.

This approach subjects local decisionmakers to cross pressures. Constituents' concerns about nearby affordable housing projects push local officials toward disapproval. This is typically within their discretion, but for the laws discussed in this article. Legal obligations, and frequently their attorneys, pull decisionmakers towards approval.

California developers have increased their efforts to win community acceptance, with signal successes in some communities.

Unfortunately these efforts are often stymied because prospective residents of affordable housing are not usually organized, and support for affordable housing is diffuse and rarely accompanied by the sort of urgency which brings voters to city council meetings. Opponents, in contrast, are geographically concentrated, intensely concerned about harm to their families and property and often highly motivated to attend meetings and sign petitions. The tension between political pressure, on the one hand, and the need to make and support one of the findings required to disapprove a development, on the other, comes to a head before the local city council or county board of supervisors.

Lawyers often write findings for government decisions, and lawyers assess whether there is "substantial" evidence to support them. California has an ample supply of attorneys, and Section 65589.5 is a law which only a lawyer — if anyone — could love. Its most important provisions leave quite a bit to the legal imagination. The statute does not define overconcentration and, although it requires that a health or safety impact be defined by a written local standard, it does not prescribe the form, content or any process for adopting such standards.

Opponents of affordable housing developments, whether opportunistic or entirely sincere, often argue that low-income housing is not fairly distributed geographically. Accurate information is rarely available about housing costs by neighborhood. Census data, while systematic, only covers incomes, not housing cost. In addition, census data is broken down by census tracts, not neighborhoods. Also,

information obtained from the census can be up to ten years old.

Opponents also often foresee adverse health or safety effects, in the form of crime, overcrowding, parking or traffic congestion, or proximity to “unhealthy” activities such as industry or active agriculture. Again, there are no systematic criteria for testing the substance of these issues.

Perhaps partly because it does leave these issues open, to date Section 65589.5 has rarely been useful to mount a court challenge after a local government makes disapproval findings. The relevant part of Section 65589.5 was adopted in 1990. There are no reported appellate cases applying the statute and, to the author’s knowledge, no affordable development has been built following a trial court judgment in its favor under Section 65589.5. Even where a developer believes it may be possible to win a lawsuit under the statute, the developer may not be able to afford the cost of litigation, particularly since this cost may not be recoverable even in a successful suit. In addition, few proposed projects can remain viable during the uncertain year or years required to resolve litigation. Although the law shifts the burden to the local government to show substantial evidence to back up any disapproval finding, this is a meaningless technical advantage to the developer who cannot afford litigation.

However, despite the vagaries of litigation, Section 65589.5 has been a valuable tool. Local governments are rarely wholly opposed to affordable housing development. This state law helps bolster local office holders who believe that supporting affordable housing is the right thing



California developers have succeeded in constructing affordable housing projects in several rural communities by judiciously employing the state’s patchwork of anti-NIMBY laws.
Photos by Stan Keasling, Rural California Housing Corporation.



to do. It also allows them to shift responsibility for unpopular decisions to the outsiders in Sacramento, the state capital, who have “tied their hands” by statute.

Local government attorneys too play a critical role in using state law to facilitate the development of affordable housing. Until a vote is cast in public — at which point the political consequences of turning back are usually unacceptable — council members may rely on their lawyer’s advice that they have no choice and may cast the decisive votes for a development. Moreover, in the author’s experience, local government attorneys are generally

sympathetic to affordable housing, and are often willing to advise local decisionmakers of their state law obligations despite practical obstacles which might prevent the city or county from being held to the statute.

Section 65589.5 has also been used successfully in litigation when local government attorneys recommended settlement to clients who might have hoped, by persistent obstruction, to defeat projects. In one case, a for-profit developer in a formerly rural town rapidly becoming an outer suburb of the San Francisco Bay Area succeeded by bringing both state and federal law-

suits, in obtaining a settlement quickly enough to permit construction of a low-income housing tax credit project before the expiration of Internal Revenue Code deadlines. In another, a well-established and determined Bay Area nonprofit with pro bono legal assistance battled through a two-stage settlement and a project redesign to final approval, a period of several years.

In contrast, a rural town in the Salinas Valley which fought to the bitter end of an adverse trial court judgment did succeed in blocking another tax credit development. However, this was at the cost of an undisclosed amount of its own attorneys' fees, payment of a large portion of the nonprofit developer's attorneys' fees and costs, and the ultimate recognition that the site would eventually be used for another affordable housing project. The site is now slated to be used for single-family self-help homes.

In addition to Section 65589.5, California has other statutes which encourage local government to overcome resistance to affordable housing. Each local government must have a housing element in its general plan which provides zoning to accommodate, and programs to encourage, affordable housing. Also, California Government Code Section 65008 prohibits any different treatment of a housing development based on its sources of financing or the income level of its occupants. A panoply of separate laws protects small group homes for users with disabilities or other "suspect" characteristics, requiring that such uses be treated as single-family homes if they will not accommodate more than six residents.

The group home statutes have

been widely, though not universally, successful in allowing small group homes to be created throughout the state, in rural as well as urban areas. Section 65008, the specialized anti-discrimination statute, has seen less use, primarily because local governments seldom announce discriminatory purposes, making successful litigation more problematic and potentially prolonged and expensive. In addition, nonprofit developers are reluctant to accuse local governments of discrimination, a high-stakes confrontation with the potential to sour relations with other towns. The housing element statute has been relied on to affect program decisions more than to help specific projects.

California also has specific statutes which limit the conditions which can be placed on Rural Housing Service funded homes and exempt some urban infill and farmworker housing from the state's frequently time-consuming environmental review process. (California Health & Safety Code Section 17922.9(b); California Public Resources Code Sections 21080.7, 21080.10(c), 21080.14.)

Finally, in a state where the availability of water or of public services can determine whether development is possible, California law also requires that priority in allocation of water and sewer capacity be given to affordable housing developments (California Government Code Section 65589.7).

The success of California's approach, compared to other alternatives, might make an interesting study. Other states, for instance, including California's neighbor Oregon, have attempted to resolve the tension between local reluctance

to approve affordable housing and statewide housing needs by setting up regional or statewide land use appeal boards. These regional boards are less susceptible to local opposition to development. It is sometimes possible to achieve similar results in California, particularly for housing in areas outside incorporated cities. California county supervisors are elected by district. In counties with significant urban populations, affordable housing development in areas outside incorporated city boundaries is subject to county land use control and tends to be somewhat insulated from local political pressure. This is so because nearby residents vote for only one of the five supervisors, and even in that case their votes are diluted by the urban population.

California does have a few regional boards with land use authority for areas of special environmental concern. These include the San Francisco Bay Conservation and Development Commission, Coastal Commission, and Tahoe Regional Planning Agency. The state also has regional air pollution and water quality control boards. However, even these boards are controversial, and direct regional or state land use authority is an idea whose time has emphatically not yet come in the Golden State.

In California and other states with strong traditions of local land use autonomy, California's patchwork of laws — the "stop me before I kill affordable housing again" approach — may be the only practically available model. ♦

Richard A. Judd is a partner in the law offices of Goldfarb and Lipman in San Francisco, California.



CASA of Oregon overcame local opposition to develop this 32-unit multifamily farm labor housing project in a small rural community in Willamette Valley, Oregon. Photo by Bob May, Casa of Oregon.

by Bob May

In Oregon, the development of new multifamily housing for year-round agricultural workers and their families is rarely well received. CASA of Oregon, a private nonprofit organization, has encountered resistance to proposed farm labor housing developments a number of times. CASA has been successfully overcoming this opposition and developing decent, affordable housing for agricultural workers throughout rural Oregon for over 10 years.

I mention this only to convince you that at CASA we understand the sensitive issues surrounding the development of this type of special needs housing. We have learned over the years to gauge the impact affordable housing proposed by us will have on a community. We have also learned to predict the extent of opposition our project might generate. Consequently, we have refined our ability to announce our intentions tactfully to the city and the community at large.

I like to think of our process as the “Teddy

Roosevelt” approach, only we keep our stick hidden and only use it when absolutely necessary. We prefer to take a non-threatening approach and generate community acceptance of our projects by providing detailed information to interested community members. Despite this, we expect, and usually get, some degree of opposition to our type of housing.

In early summer in 1996, I arranged for a local housing authority to obtain an option to purchase a five-acre parcel of land for a proposed 32-unit

farm labor housing development. By mid-July the whole town of 2,500 residents was in an uproar. The city manager and I agreed that an "informational meeting" should be held to dispel the rumors and misinformation that had begun to circulate around town.

So, on a balmy evening in 1996, CASA staff presented our vision of 32 new units of multifamily housing to the city council of a small rural Willamette Valley community. Also in attendance were about 50 concerned citizens. Another 50 or so people milled around the parking lot because there was no more room in the small concrete block city hall. We began by explaining who CASA was, and showing off enlarged photos of other housing we had developed in similar communities. We explained how successful and well managed these projects had been over the years. We also encouraged people to visit our other developments or to at least call the respective city staff to ask if there had been any problems with our developments over the years. Our architect then took the floor to show his site plan and design, complete with a color sketch of the proposed new housing.

At the conclusion of the architect's presentation, I arose to field questions from the council or the audience. One of the women on the seven-person council asked why we were there wasting everyone's time. It was obvious to her and to everyone in the room (in her opinion) that this housing was neither wanted nor needed in their town and that we should all just leave and not bother them again. She stated that we were foolish and incompetent people if we could not see that our proposed housing should be sited either on a farm somewhere or in some other town. One of the male members of the council then stood up, red-faced and angry, pointed his finger and screamed at me that this housing would be built only over his dead body and that he would do everything in his power to stop it. The cheering from the now agitated crowd went on for

quite a while. We departed the building as gracefully as possible, ignoring the jeers and expletives aimed our way. It was a bad beginning, but we were determined to proceed with our project.

Once we started the land use approval process, the battle raged on for nearly a year with subsequent meetings being held in the local grade school cafeteria. The city hall was too small to accommodate the 150-person plus crowd of angry, impassioned citizens opposing our farm labor housing project. During the ensuing months, while the financing was being secured for the project now known as Abbey Heights, we tried everything we could think of to calm the populace and dispel the misinformation being spread. We had very little success.

The opposition seemed to have many leaders.

There was of course the usual inflammatory petition being circulated and signed stating that our housing was racially discriminating. Recall petitions were also being discussed if any planning commission or city council member should be so foolish as to support or even seriously consider our project. Despite all this turmoil around us, we proceeded with our development plans.

Once the financing was secured, and the plans and specifications had been completed, we applied for land use approval. Since the property we had by now purchased was zoned for multifamily housing, we did not need any special variances. The city's staff recommended approval of our plans by the council, since there was no legal basis for denial. This however did not seem to matter to the planning commission. They stalled the process over and over by giving weight and credence to endless testimony from the audience. They listened patiently to hours of repetitive testimony which had no relevance to the narrow range of issues which could actually be used to deny our land use.

After a second meeting that lasted late into the evening with no resolution in sight, we decided to



"Our project was no longer in the abstract. They could observe its progress. They could see how the physical structures would be laid out."

retain a very prominent land use and civil rights attorney from the Portland area to assist us.

Our attorney finally convinced the city's attorney that we were deadly serious about our development and that we were not going to go away or give up. The attorney also made it clear to the other side that if they persisted in continuing with their obstructionist hearings, we were prepared to proceed with whatever litigation we deemed necessary to win our approvals and that we would expect compensation for this insane waste of time and money.

Ultimately there were four planning commission meetings. The final lasted until 1:30 am. Eventually, even though the city staff and attorney explained to the commission that they had no basis for denial, we were denied approval for our project.

We then appealed to the city council and at the next regularly scheduled meeting our approval was granted. The city council had been threatened with a lawsuit by both the opponents and the proponents so it was not an easy decision for them to make, but eventually they voted 4 to 3 to approve our project. The mayor had to cast the deciding vote. The opposition never did follow up with any litigation, there being no legal basis for a denial of our request. Petitions were circulated to recall those council persons that had voted for our project, but eventually they fizzled out. We went ahead, finally, with our project.

We began to hear rumors around town of how our project was going to be terrorized, with equipment being destroyed and buildings being vandalized or burnt.

In August 1997 we broke ground. Our excavating crew was led by a man named Clovis Gibson. Clovis has a Paul Bunyan-Babe the Blue Ox look about him. He is a huge man with an ever present smile on his face and hands the size of hams. Clovis became the friend of everyone in town just by being himself. Unbeknownst to us, he was hauling excess dirt to the city park to help the city con-

struct a skate board park. He was also using his equipment to help the public works department complete some of their projects. Clovis was gradually ingratiating himself to the local populace.

Soon the rumors of terrorist opposition to our project died down. The city residents were not going to bother Clovis and his excavating equipment, but would wait until some of the buildings were framed and then burn them to the ground.

By the time we finished construction of our slab on grade footings, foundation walls, and slabs, the city populace that had opposed us had mentally moved on. They now were upset about other things and had new issues to contend with.

Besides that, our project was no longer in the abstract. They could observe its progress. They could now see how the physical structures would be laid out. They could now understand how the design issues that the architect spoke of so many months ago were going to benefit the neighborhood. Little by little the rumors changed from the negative to the positive. The housing itself was becoming a reality and was being accepted.

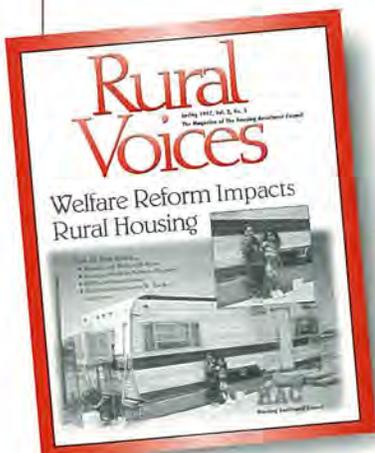
The fact that the housing was going to be occupied by non-migrant agricultural workers and their families, who everyone knows are

mostly Hispanic in Oregon, does not now seem to be a problem. It obviously was a problem in the beginning, but now that they can see the housing, it no longer elicits such negative passion. I don't understand, but I am grateful. All I know is I have, in the past few months, witnessed two extraordinary occurrences which, to me, spoke volumes.

One was a planning commission meeting. Being discussed was an expansion of the local grade school. The city planner was explaining how an expansion of the cafeteria would be beneficial to the community. He explained how they could hold large meetings there if need be. The planning commission chair and all the rest of the planning commission people turned in unison toward me in



"The current attitudes, both ours and theirs, are based on trust. They now trust that we are not liars out to destroy their town and that we'll manage the units in the manner we described."



SUPPORT Rural Voices

**Subscriptions are
now free.**

**Only one free per organization, please.
Contributions for additional subscriptions, or
to help cover production costs, are still welcome.
The suggested donation is \$12 for one year
(four issues), but any amount helps.**

Make check or money order payable to:
Housing Assistance Council
1025 Vermont Ave., N.W., Suite 606
Washington, DC 20005

or call 202-842-8600 with a credit card.

Name: _____

Organization: _____

Address: _____

City, State, Zip: _____

Phone: _____

- Check or money order enclosed.
 Please bill my credit card:
 Visa MasterCard American Express

Card number: _____

Expiration date: _____

Authorized signature: _____

Single copies and back issues are also available for \$4 each. For contents of back issues, see the list at <http://www.ruralhome.org>, or call or write to request a free list.

the audience and said, "well yes, that's true. Remember all those meetings we had about Abbey Heights. Ha! Ha! Ha!" Believe it or not they were all grinning as though it was a fond memory and one they hope to relive again. After the meeting they chatted with me as if I was an old friend.

This obvious change in attitude prompted me to make a request of the city council that no one would have previously thought possible. In an attempt to get the rents as low as possible I had long wanted to access \$150,000 in Community Development Block Grant (CDBG) funds which can be used for infrastructure improvements in support of affordable housing. The catch had always been that in rural Oregon only cities or counties could apply for these funds. The thought of this city applying for CDBG money which would help the farmworker project had heretofore been unthinkable. In fact, it was the hint of this request that had prompted a council member, many months ago, to shake his finger at me and state that the project would be built over his dead body.

After lengthy discussions with the city manager and a few of the council members, I had reason to believe that the council might receive my request without animosity. But I was totally unprepared for the motion to approve the request being made by the "over my dead body" guy and another previously zealously opposed council member saying after the unanimous vote, "You may proceed with our blessing." I was stunned by their warmth and sincerity.

Our relationship with the city is now one of partnership. Problems and concerns that crop up during this final phase of the project are now discussed in a cooperative fashion.

The current attitudes, both ours and theirs, are based on trust. They now trust that we are not liars out to destroy their town and that we will manage the units in the manner we described. We trust that they are not terrorist bigots out to destroy the human rights of the population we are intent upon serving.

The city has a new city manager now and a few new city council members. New attitudes prevail. I could not be working with a more amenable group and I am grateful beyond words. ♦

Bob May is housing program manager at CASA of Oregon, a nonprofit organization serving the needs of farmworkers in rural Oregon.

Q&A WITH EVA PLAZA

Eva Plaza is the assistant secretary for Fair Housing and Equal Opportunity at the Department of Housing and Urban Development.

(Owing to scheduling constraints, the assistant secretary was unable to grant HAC staff an interview in person, and provided the answers to our questions in writing.)

Could you describe the Administration's HUD's policy regarding fair housing? How do fair housing issues fit into HUD's overall mission in coming years?

This Administration is committed to stepping up enforcement of the Fair Housing Act. Secretary Cuomo has directed HUD to double the number of fair housing enforcement actions by the end of his second term. This commitment is having a significant impact at HUD, where fighting discrimination is now one of five specific departmental priorities.



Eva Plaza, assistant secretary for Fair Housing and Equal Opportunity, HUD.
Photo by Surabhi Dabir, HAC.

What are the specific steps HUD has taken to implement fair housing policy? How do these address the concerns of rural residents?

All HUD employees — in public housing, in Community Development Block Grants, in the Federal Housing Administration — are committed to departmental fair housing goals, which include a doubling of enforcement actions within four years. As part of this commitment, this Administration requested an \$86 million increase in the overall budget for civil rights earlier this year. This included a requested 73 percent increase in HUD-funded fair housing enforcement. The additional dollars will fund a \$10 million housing discrimination audit to assess the level of housing discrimination in 20 localities, including some rural areas. The audit will focus on the rental and sale of housing. This national study will use standardized, HUD-approved testing procedures, and provide the basis for enforcement action where warranted. The new request would also fund a national fair housing rights education

campaign to inform all Americans, including those residing in rural areas, of their legal rights and responsibilities under the Fair Housing Act.

In addition to complaint-driven enforcement activities, Secretary Cuomo has asked all parts of HUD to work collaboratively to ensure that all HUD-funded programs promote fair housing. For example, Community Development Block Grant recipients, in both large urban areas and small towns,

have a duty to affirmatively further fair housing. Secretary Cuomo has also entered into a Memorandum of Understanding (MOU) with the Department of Agriculture to bring about more effective processing of Fair Housing Act complaints received by that agency from rural residents. HUD also plans to make several grants to a number of organizations through the Fair Housing Initiative Program (FHIP) and the Fair Housing Assistance Program (FHAP) to promote fair housing outreach and enforcement activities in both rural and urban areas.

What do you see as the biggest challenge to strengthening fair housing enforcement in rural areas? How does HUD propose to address this?

The biggest challenge is getting the word out — discrimination in housing on a prohibited basis is unlawful, and there is an established administrative and judicial process for people who allege discrimination. An individual who believes he or she has been the victim of unlawful discrimination can file a complaint with HUD and HUD will conduct an

investigation on his or her behalf. HUD will attempt to resolve the matter informally and obtain relief for the person, if appropriate. If HUD cannot resolve the matter, and the evidence supports a finding of discrimination, HUD will argue the case, on the complainant's behalf, before a judge.

One method of getting the word out is working through publications like *Rural Voices* and groups like the Housing Assistance Council. The state-by-state HUD/USDA initiative on Fair Housing Act complaints is another method. The signing of local agreements between HUD and USDA field offices has generated considerable favorable publicity. However, to really get the word out so that people in rural areas — and not just areas with active fair housing organizations — know about the Fair Housing Act requires a serious national advertising campaign. We've already asked Congress to fund such an initiative.

How does the new MOU between HUD and USDA fit into HUD's fair housing plans for rural areas? Can you elaborate on the status of the MOU? What was the impetus behind the MOU and how will it change the way the federal government handles fair housing issues in rural areas?

The MOU was signed by Secretaries Cuomo and Glickman on July 11, 1997. The MOU recognizes HUD as the federal agency responsible for enforcing the Fair Housing Act and sets forth the procedure by which USDA will refer to HUD complaints alleging discrimination by USDA-assisted housing providers. HUD and USDA field offices are coordinating their activities to implement the MOU. HUD field offices are working directly with USDA local rural housing offices. Joint agreements have been executed in the Midwest and Southeast regions. Meanwhile, joint training has also been conducted in the field. USDA has referred several cases of alleged discrimination to HUD for investigation.

HUD is the agency charged by the Congress with enforcement of the Fair Housing Act, and has developed considerable expertise in that area. Agencies such as the Department of Agriculture are not equipped to undertake a full Fair Housing Act investigation. HUD can obtain a temporary

restraining order and issue subpoenas where appropriate. It can also provide a hearing before an administrative law judge or in federal court, with representation by the federal government. All these services are free of charge. These benefits, afforded by the Fair Housing Act, which are only part of HUD's arsenal, made a strong case for cooperation between the Department of Agriculture and HUD.

The MOU represents a commitment between HUD and USDA to cooperate in enforcing fair housing laws. Aren't there other housing providers in the government who should be included in this agreement?

If you mean in the federal government, yes. Any department that provides housing assistance, such as USDA, can sign an MOU with HUD. It's well known that the Department of Veterans Affairs has long been in the business of helping veterans become homeowners. The Department of Defense is also responsible for providing off-base housing to many presently in the military. The very different programs implemented by those departments would have to be analyzed before a final determination can be made as to the nature of an MOU with HUD.

One of the major areas of discrimination in housing involves mortgage lending. Does this agreement address that aspect of fair housing?

Just as HUD would investigate a complaint alleging discrimination by a lender in an urban area, HUD would investigate a complaint alleging that a lender has engaged in unlawful discrimination in a rural area. The MOU, however, does not address allegations of discrimination in the administration of USDA direct loans. The Department of Justice has determined that HUD does not have enforcement authority over other federal departments.

How does HUD propose to address complaints alleging that USDA or HUD personnel or funding recipients have violated the Fair Housing Act?

Before signing the MOU, Secretary Cuomo and USDA agreed that a subsequent MOU would have to be negotiated regarding claims against USDA and other federal agencies. We may very well take

that step after we have determined how effective the present MOU has been and what changes need to be made in it.

We suspect that people from many rural, minority communities may not come forward with complaints. How does HUD propose to address this situation?

As stated in a prior response, this problem can be addressed, in part, by doing a better job in getting the word out about a person's rights under the Fair Housing Act.

Secretary Cuomo has requested funds for a national education campaign from Congress, and we work closely with our partners in the Fair Housing Initiative Program (FHIP) and the Fair Housing Assistance Program (FHAP), each of which have some rural constituencies. We want them to work closely with other local organizations, including rural organizations.

Finally, it is important to note that a person who has been discriminated against doesn't have to go to a city to file a Fair Housing Act complaint. If you can get access to computer, you'll find a Fair Housing Act complaint form on line at the HUD web site (<http://www.hud.gov/hdiscrim.html>).

How will HUD address the fair housing problems faced by migrant workers, Native Americans, etc.?

We recognize that discrimination against some populations, such as Hispanics and Native Americans, may go largely unreported, so HUD has taken steps to reach out to those underserved communities. The most recent Notice of Funding Availability seeks to address this by targeting funding to private fair housing groups who can demonstrate that they can effectively reach these populations. Secretary Cuomo has also proposed a national education campaign for Fiscal Year 1999 which is geared to reach language minorities and penetrate areas where there are no private fair housing groups. The federal government can do a lot to fill in those gaps. It's worth noting that 10 percent of the complaints we receive now allege discrimination against Hispanics. We suspect there are many more complaints out there and hope to begin addressing them in the near future.

What activities has HUD planned to mark the thirtieth anniversary of the Fair Housing Act? Do any of these focus on rural areas?

HUD has joined in celebrating the thirtieth anniversary of the Fair Housing Act in many state and local events marking that anniversary. I participated in a number of these on HUD's behalf. We have had anniversary celebrations and commemorations all over the country, some of which have been in states with large rural regions, if not in rural areas specifically.

Does HUD plan to undertake a new outreach activity to expand its fair housing effort in rural areas?

The most important initiative affecting rural areas is probably the most recent Notice of Funding Availability for Fair Housing Initiative Program (FHIP) grants which was mentioned earlier. This "NOFA" makes clear that underserved communities will receive a preference for FHIP funding. That means that, if all other things are equal, a grant proposal targeting a rural area with little or no fair housing organization activity will have a better chance of being funded than one from an urban area with a lot of such activity.

What advice do you have for rural groups that are concerned about housing discrimination in their service areas?

If you have an organization in the community that receives funds from HUD to conduct fair housing complaint investigations, you should get to know the people there to learn how the complaint process works. You can also contact your local or state government and find out whether either administers a law that provides rights and remedies that are substantially equivalent to the federal law.

Local groups can also contact their local HUD office and talk to the Fair Housing and Equal Opportunity staff there. Any HUD Fair Housing office can be reached by dialing 1-800-669-9777. In addition, local groups should watch for individual acts of discrimination. When there appears to be a problem, help gather the facts and develop the process of filing a complaint. If a local community receives HUD funds, e.g., CDBG, make sure they are doing their part to affirmatively further fair housing. ♦

RURAL AMERICA CELEBRATES NATIONAL HOMEOWNERSHIP WEEK

Visit us on the

Sunday **Hera**

Over 1,100 events were held throughout the country June 6 - 13, 1998 to commemorate National Homeownership Week. Highlights of some of these events in rural areas are presented here.

Family's new home is



The U.S. Secretary of Agriculture Dan Glickman, HAC Executive Director Moises Loza, government officials, staff and friends of Interfaith Housing of Western Maryland celebrated National Homeownership Week at a wall raising ceremony with participants in the Taneystown mutual self-help housing program. The Taneystown project was selected as USDA's paramount site to acknowledge National Homeownership Week. It is one of several projects sponsored by Interfaith Housing of Western Maryland.
Photos by Heidi Jones, HAC.



Southern Maryland Tri-County Community Action Committee, Inc. began National Homeownership Week with an open house and ground breaking ceremony for the Brawners Estates self-help housing program. John Walls, state director of the U.S. Department of Agriculture, Rural Development, and Moises Loza, executive director of the Housing Assistance Council, offered remarks and congratulations. Dana Jones, executive director, Southern Maryland Tri-County CAC, welcomed event attendees. Self-help program participants proudly displayed their homes and offered tours to those in attendance. Photos by Catrice Humphries, HAC.



The McDowell County Action Network Enterprise Community Corp., McDowell County Redevelopment Authority, Stop Abusive Family Environments, Inc. (SAFE), and USDA Rural Development joined forces to celebrate National Homeownership Week in West Virginia. Among the many events planned was a ribbon cutting ceremony for SAFE's first project. SAFE is the only community development corporation in West Virginia and is the only community housing development corporation in the county. Pictured here from left to right are Sharon Yates, SAFE; Bobby Lewis, USDA state director; Debra Hagerman, SAFE; Peter Minter, HUD; Jon Rogers, West Virginia Housing Development Fund; and Cliff Moore, MCCA director. Photo courtesy SAFE.



USDA recognizes partners for homeo...



People's Self-Help Housing Corporation, San Luis Obispo, California, organized a wall raising ceremony at Los Pinos Estates in celebration of National Homeownership Week. Los Pinos Estates is a 39-unit mutual self-help housing development. Photo courtesy Peoples' Self-Help Housing Corp.



The Mayor of Lake City, Florida, joined the board and staff of Affordable Home Ownership Corp. of Lake City, Florida for an event at the E.C. Cummings self-help housing subdivision to commemorate National Homeownership Week. Photos by Harriet Macklin, HAC.



Rural California Housing Corporation joined the local community and 21 families constructing their own homes under the mutual self-help housing program to celebrate National Homeownership Week. A lunch was hosted by suppliers and vendors to commemorate this event. Photos courtesy Rural California Housing Corporation.



In a Bold Move, Senate Proposes a HUD Office of Rural Housing



by Joe Belden

Rural housing advocates have grumbled and groused for years about the frequent lack of interest in rural concerns at the U.S. Department of Housing and Urban Development (HUD). Just the title "Urban" has been a small poke in the eye to some of us. Now that might change. Certainly the most interesting and exciting item on this summer's rural housing scene in Washington is the *potential* creation of a small new federal rural housing program within HUD.

Potential is the operative word here. It may not happen. The Senate Appropriations Committee's bill to fund HUD and several other agencies for fiscal year 1999 calls for a completely new Office of Rural Housing and Economic Development. The bill, S. 2168, would establish a \$35 million program to function within HUD's Office of Housing. The Office of Housing/Federal Housing Administration (FHA) is the large multi-billion-dollar HUD division that oversees certificates and vouchers, housing for the elderly and disabled, and FHA mortgage insurance.

The proposed HUD Office of Rural Housing and Economic Development would use its designated \$35 million for three functions:

- ▶ \$10 million for an information clearinghouse,
- ▶ \$5 million for seed grants to rural nonprofits, and
- ▶ \$20 million for state housing finance agencies to support rural community development.

A detailed explanation of the new office is found in the "Committee Print" that accompanies S. 2168. Separate from the bill itself, the Committee Print or report is a narrative statement that explains the often technical language that makes up the contents of a bill. With respect to the new Office of Rural Housing, the Committee Print offers one-and-one-half pages of interpretation and direction on use of the funds.

The Committee Print states that the \$10 million information clearinghouse will support "ideas for innovative strategies for rural housing and economic development and revitalization. Of this, \$8,000,000 shall be provided directly to local rural nonprofits and community development corporations to support capacity building and technical

assistance." HUD would have to distribute this funding by July 1, 1999.

The Print goes on to state that \$5,000,000 "will be used to provide seed support for nonprofits or community development corporations in States which have limited capacity in rural areas... The remaining \$20,000,000 will be awarded to State housing finance agencies to support innovative community development initiatives in rural communities." The narrative goes to some length to explain that this new office is not intended to duplicate the work of USDA's Rural Housing Service (RHS). Several times the Committee Print directs HUD to consult with RHS and USDA Rural Development, including entering into a memorandum of understanding. Finally, the new office is directed to evaluate the HOME and Community Development Block Grant programs to ensure that rural, nonentitlement communities are getting their fair share of those major funding sources.

This idea for a new HUD office is part of the much larger \$21 billion HUD budget. The Senate passed a bill on July 17 containing the HUD budget for the next fiscal

year (beginning October 1, 1998). The Senate Appropriations Committee finished its "mark-up" of this bill on June 11. However, the measure actually originated two days earlier in action by the Appropriations Committee's Subcommittee on VA, HUD and Independent Agencies. This panel is one of the 13 appropriations subcommittees where much of Washington's real power resides. In the House Appropriations Committee, there is an exactly parallel group of 13 subcommittees. The so-called HUD bill also includes funding for the Department of Veterans Affairs (VA), the Environmental Protection Agency, NASA, and a number of smaller agencies including the Community Development Financial Institutions Fund and the Neighborhood Reinvestment Corporation.

The House of Representatives passed its version of the 1999 VA-HUD spending bill on July 29. The Appropriations Committee completed work on this bill on June 25. The House bill does not include the new Office of Rural Housing and Economic Development. If such a new agency were to be created, the House would have to agree to "recede" to this Senate idea. The House would need to allow the Senate provision to be included in a final bill passed by Congress and sent to the President for signature or veto. This compromise would come in a conference committee, convened to work out differences between the bills passed by the full House and Senate. So, there is still a long way to go before such a new office might actually be created. ♦

Joe Belden is deputy executive director of the Housing Assistance Council.

of migrant and seasonal farmworkers, many of whom have great difficulty in finding suitable permanent housing. The project is financed with a combination of sources including HOME, Community Development Block Grants, Local Initiatives Support Corporation, and loans from Citibank and the Dade County surtax mortgage program. One of the unique features of this project is that construction is undertaken mainly by job trainees from the Youthbuild USA program. In addition, owners contribute sweat equity to units which have been widely hailed in the area as excellent affordable housing in a very attractive subdivision.

LETTER OF CREDIT FROM HAC SUPPORTS AWARD OF TAX CREDITS IN MARYLAND

HAC provided a \$200,000 letter of credit to support an award of tax credits, HOME funds, and Rural Housing Production Program funds by the state of Maryland to Courtyards at Fishing Creek, Chesapeake Beach, Md. The project, which will have tax credits syndicated by the National Equity Fund and a permanent loan by Calvert Bank, will produce 30 one- and two-bedroom units of affordable rental housing. The site, in an inlet just off the Chesapeake Bay, has an additional 30-unit tax credit project approved last year, and will seek financing for a final 16 units as soon as the 60 units already approved are under way.



Construction is underway on a tax credit project, Courtyards at Fishing Creek, Chesapeake Beach, Md., supported by a letter of credit from HAC. Photos by Andy Saavedras, HAC

SHOP FUNDS PAY FOR TEN HOMEOWNERSHIP SITES IN WEST VIRGINIA

Stop Abusive Family Environments, Inc. (SAFE) received a \$100,000 Self-Help Homeownership Opportunity Program (SHOP) loan from HAC for the acquisition and development of 10 scattered sites for homeownership in McDowell and Wyoming counties, West Virginia. SAFE currently operates a transitional shelter for victims of domestic violence, and hopes that as residents prepare to transition out of that facility, some will be able to qualify for homeownership. For permanent financing, SAFE plans to use Rural Development Section 502 funds from its Rural Homeowner Partnership Fund set-aside of \$360,000 in participation with \$250,000 of CHDO/HOME funds and Affordable Housing Program (AHP) funds from the Federal Home Loan Bank of Pittsburgh.

continued on next page

HAC FACTS

Continued from page 19

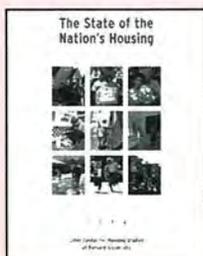
HAC PUBLISHES REPORTS ON BORDER COLONIAS AND THE HISTORY OF SELF-HELP HOUSING



The Border Colonias Region: Challenges and Innovative Approaches to Effective Community Development, a new HAC publication, presents detailed case

studies highlighting successful approaches to improving housing and infrastructure conditions in the colonias. It also includes a background section outlining the key challenges faced by colonia residents, and some broad policy recommendations based on the experiences of local groups. This report, ISBN 1-58064-084-2, is available for \$5.00. A revised edition of *A Brief and Selective Historical Outline of Rural Mutual Self-Help Housing in the United States* is also now available from HAC. Updated to include FY 1996 and 1997 data, this report (ISBN 1-58064-014-1) provides a historical overview of USDA's mutual self-help program, including a brief narrative summary and detailed tables. Copies can be ordered for \$4.50.

1998 REPORT ON THE STATE OF THE NATION'S HOUSING NOW AVAILABLE



The State of the Nation's Housing: 1998, published by Harvard's Joint Center for Housing Studies, describes the patchwork of homeownership gains in the U.S. between 1994 and 1997. Although minority households account for just 17

percent of all homeowners, they have been responsible for 42 percent of the recent gains in homeownership, according to the study. However, minority homeownership rates still seriously lag behind those of whites. The homeownership boom is also taking place outside city lines, according to the report. This

publication is available from HAC for \$1.50 (to cover postage) or free on the Joint Center's web site <http://www.gsd.harvard.edu/jcenter/>.

HAC TRAINS NONPROFITS WORKING IN COLONIAS IN EL PASO COUNTY, TEXAS



Substandard colonia housing in El Paso County, Texas. Photo by Surabhi Dabir, HAC

Nonprofits participating in this training included the state designated self-help center Organizacion Progressiva de San Elizario, a participant in HAC's initiative *Building Communities in the Border Colonias* funded by USDA, the Bank of America, and the Ford Foundation.

As a result of this training, El Paso groups have stepped up their outreach efforts to colonia residents and have submitted 31 applications to the local Rural Development office to improve housing conditions in these communities.

OTHER PUBLICATIONS AND ORDERING INFO

HAC publishes more than 80 technical manuals and research reports on rural housing topics. Contact Luz Rosas at HAC's national office for a free publications list or a free subscription to the *HAC News*, where new publications are always announced along with other rural housing news.

To order HAC publications, send a check to HAC's national office or call Luz Rosas at 202-842-8600 to order with a credit card. Or visit HAC's web site at <http://www.ruralhome.org> for a publications list, an order form, copies of the *HAC News*, or copies of brief information sheets on over 50 different topics. Prices include postage and handling.

December 10-12, 1998*

Omni Shoreham
Washington, DC

*Pre-conference activities begin December 9.

The Housing Assistance Council offers special appreciation to the following organizations that are generously helping to produce this conference (as of July 31, 1998).

AIDS Housing of Washington
American Bankers Association
American Association of Retired Persons
California Coalition for Rural Housing Project
The Chase Manhattan Foundation
CDFI Coalition
Center for Community Change
Coalition for Low-Income Community Development
Community Information Exchange
Development Training Institute
The Enterprise Foundation
Federal Home Loan Banks
Florida Nonprofit Housing, Inc.
Habitat for Humanity International
Hispanic Organizations Leadership Alliance
Human Resource Consortium
McAuley Institute
Midwest Association of Farmworker Organizations
National Alliance to End Homelessness
National American Indian Housing Council
National Association of Housing and Redevelopment Officials
National Association of Community Action Agencies
National Association of Counties
National Association of Home Builders
National Community Capital Association
National Community Reinvestment Coalition
National Congress for Community Economic Development
National Coalition for the Homeless
National Council of La Raza
National Council on Agricultural Life and Labor Research Fund, Inc.
National Housing Conference
National Housing Law Project
National Low Income Housing Coalition
National Neighborhood Coalition
National Puerto Rican Coalition
National Rural Community Assistance Program
National Rural Housing Coalition
National Rural Self-Help Housing Association
Neighborhood Reinvestment Corp.
Rural Community Assistance Corp.
Rural Development and Finance Corp.
Rural LISC
Rural Opportunities, Inc.
Self-Help Enterprises
Southeast Rural Community Assistance Project/The Virginia Water Project

For more information, please call
202-842-8600, ext. 47,
or email nrhc98@ruralhome.org
or visit www.ruralhome.org.

A Place For Everyone



1998
National Rural
Housing Conference

Sponsored by the Housing Assistance Council

Workshop Topics Include:

HUD Consolidated Planning
Housing Needs Assessments
NIMBYism
Water/Waste Water Planning
Modest Home Design
Economic Development
Creating a Revolving Loan Fund
Using Volunteer and In-Kind Contributions
The Self-Help Housing Development Process
Managing Rental Projects
HOME/CHDO Best Practices
Public Relations for Nonprofit Organizations
Local, State and National Advocacy
Coalition Building
Funding Programs and Resources
Introduction to the Internet
Information Systems for the Nonprofit
Human Resources Development
Farmworker Housing
Senior Housing
Consumer Advocacy
Fair Housing
Rural Homelessness

Registration Fee

Early Bird (by Oct. 16)	\$235 nonprofit	\$275 for-profit
Standard (by Dec. 1)	\$275 nonprofit	\$315 for-profit
Walk-In	\$315 nonprofit	\$340 for-profit

Call 202-842-8600 after Dec. 1: do not mail.



Housing Assistance Council

1025 Vermont Ave., N.W., Suite 606
Washington, DC 20005
Tel.: 202-842-8600
Fax: 202-347-3441
E-mail: hac@ruralhome.org
ruralvoices@ruralhome.org

Southeast Office

615 Peachtree St., N.E., Suite 1130
Atlanta, GA 30308
Tel.: 404-892-4824
Fax: 404-892-1204
E-mail: southeast@ruralhome.org

Southwest Office

3939 C San Pedro, N.E., Suite 7
Albuquerque, NM 87110
Tel.: 505-883-1003
Fax: 505-883-1005
E-mail: southwest@ruralhome.org

Western Office

1050 Redwood Highway
Mill Valley, CA 94941
Tel.: 415-381-1706
Fax: 415-381-0801
E-mail: susan@ruralhome.org

Editor: Surabbi Dabir

Designed by Design Powers, Inc.

ISSN 1093-8044



<http://www.ruralhome.org>

Statements made in *Rural Voices* are the opinions of the authors of the individual articles, not of the Housing Assistance Council.

Subscriptions to *Rural Voices* are free, but donations of \$12 per year are gratefully accepted. Single copies and back issues are \$4. Material may be reproduced without permission, but *Rural Voices* should be credited.

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 seed money loans, technical assistance, training, research and information to local producers of affordable rural housing. HAC maintains a revolving loan fund providing vital seed money 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, nonprofit, and private organizations. HAC's subsidiary, Rural Housing Services (RHS), syndicates rural housing developed with the Low Income Housing Tax Credit.