



RURAL VOICES

ACTION FOR A RAPIDLY CHANGING RURAL AMERICA

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The Changing Face
of Rural America

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Dear Friends,

This issue of *Rural Voices* reports on some of the learning and brainstorming that occurred at the Housing Assistance Council’s 2016 Rural Housing Conference: Building Rural Communities. Held in Washington, DC, November 29–December 2, 2016, the conference offered educational and networking opportunities for rural housing practitioners to advance their efforts to provide decent and affordable housing for our nation’s rural poor.

Speakers included two Members of Congress, a U.S. Senator, then-Secretary of Agriculture Tom Vilsack, and dozens of other subject matter experts from around the country. Two of the plenary speakers – Rep. Keith Ellison and John Henneberger of the Texas Low Income Housing Information Service – gave HAC permission to publish versions of their remarks.

The event offered 12 pre-conference meetings, 41 workshops, seven plenary sessions, and a variety of networking opportunities. Workshops were offered through four learning tracks designed to enhance participant knowledge of housing development, affordable housing finance, organizational development, and innovation and current policy issues. Many of the workshops were also organized by learning series, such as Native American housing, veterans housing, green building, and self-help housing.

Over 630 people registered for the conference from 46 states, Puerto Rico, and Washington, DC. Sixty-two percent of them work for nonprofit organizations. Just over one-quarter (27 percent) had never attended a HAC conference before. One hundred percent of those who filled out conference evaluations rated the overall event to be good, very good, or excellent.

Rural Voices presents some of the conference highlights. Several articles are adapted from speeches given there. A set of maps taken from a conference presentation by Lance George, HAC’s Research Director, provides a dramatic view of some current “ruralities” – the ways rural America’s demographics and housing are changing. A series of five articles addresses action for a rapidly changing rural America on topics ranging from persistent poverty to creative placemaking. These pieces are based on white papers developed for the conference and in-depth participant discussions at the event. Their recommendations are timely and important as rural housing faces changes in policy and funding.

A report on the conference, including a list of the contributors who made it possible, is available at www.ruralhome.org.



Photos from the HAC 2016 Rural Housing Conference were taken by Jay Mallin Photography.

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Inequality Harms Us All



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Ruralities: The Changing Face of Rural America



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Rural Community Development Can Address Inequality

A View From Washington

Inequality Harms Us All

Investing in rural America will not only improve the lives of people who live there, but will also help create a thriving country where everyone can succeed.

By Congressman Keith Ellison





Editor's note: Rep. Keith Ellison spoke before a plenary session at the HAC Rural Housing Conference on December 1, 2016. This article is adapted from his speech.

The way the federal government invests in housing in America is upside down, and the way it funds housing and distributes housing benefits is mixed up. We spend more than a hundred billion dollars for housing in the form of tax breaks, the biggest of which is the mortgage interest deduction, about \$70 billion. In contrast, the total funding appropriated for HUD is about \$41 billion, and the Rural Housing Service's budget is much less.

The mortgage interest deduction and other homeownership tax benefits go only to people who own homes, take out a mortgage, and itemize their taxes. In fact, half of homeowners with a mortgage don't claim the mortgage interest deduction as they don't itemize. Yet people who need help to afford a home tend to have to fight for a bit of the limited budgets from local, state, and federal governments. I always note that for every \$1 invested to help low-

income renters, the federal government invests \$4 through the tax code to help homeowners. Like I said, upside down.

I'm not saying that we should not provide housing benefits to people who are more middle-class and upper middle-class, or even rich. I'm saying that if the United States wants to be the land of opportunity, we should make sure that the housing benefit from the public is going to the people who need it most. It's going to be a Herculean task to set this right. But if we do, we can put our country on a trajectory of real middle-class prosperity.

This is true in both urban and rural communities. Many people who live in rural America prefer to be in rural America. If we invest in rural America, we will not only improve the lives of people who live there, but we will be able to have a thriving, growing country where everybody can succeed.



Rural America is a beautiful place. It is diverse and creative. And it fights back. But rural America needs some help, just like everybody else. Poverty rates are higher in rural America than in urban areas. It is critically important to educate people to understand this reality. I encourage rural housing supporters to go help people on Capitol Hill and in state capitals and in city councils all across this country to understand the truth and the reality of rural America – its needs, its opportunities, and how it can thrive even more with a little bit of investment.

Recently I read a powerful book titled *Evicted: Poverty and Profit in the American City*, written by Matthew Desmond about the urban housing crisis in Milwaukee. But I haven't seen the rural housing version of *Evicted*. There is an equal crisis across rural America and there is an important story to be told. Part of the reason we're not having the success we should is that

people just don't understand what we're fighting for. Rural housing advocates must write about the people you are fighting for every day. I know you are in meetings and you are designing and putting together financing for better housing. But as you do all that, take a little extra time to get something about the reality of rural housing in the local newspaper, into your podcast, into your blog.

Writing important books and speaking is key. If you don't tell your story, somebody else is going to tell it for you, and maybe their story is going to be, "You're fine." Is that the story you want? Think about how we message so that we can get to the top of the pile in terms of policy initiatives and agenda.

To get more resources for your work, I encourage you to support any legislation that lowers the cap on mortgages that qualify for interest deductions and any legislation that converts the mortgage interest tax deduction to a non-refundable mortgage interest tax credit. That conversion can help 16 million current homeowners who have a mortgage now but do not itemize deductions on their tax returns. We can help millions of low-income elderly people, veterans, people with disabilities, and families with kids to find safe, affordable homes. We can expand the Low Income Housing Tax Credit and provide funds for rental assistance and public housing. We can provide a source of permanent funding for the National Housing Trust Fund. We can help millions of families move off waiting lists into good homes.

Let's address inequality. One of the main ingredients in American inequality is inadequate, unaffordable housing. To make America more equal and more fair, to help working people meet their goals, we must address housing. Unless we get people in safe, affordable, clean homes that do not eat up all their income, we are going to continue to suffer this inequality. I believe inequality is really hurting not just individual people, but our national narrative as a people, as Americans. Because of income inequality and wage stagnation, the practical reality is that our great country is ceasing to be the land of opportunity. I believe that the fierce fighters for people who live in rural communities are going to help lead that fight. I believe you are the vanguard in the battle for an inclusive, prosperous America that helps lift all the boats. If you're ready for that fight, I am too.

Representative Ellison is a Democrat representing the fifth district of Minnesota. He sits on the House Financial Services Committee and the House Democratic Steering Committee.

HAC 2016 Rural Housing Conference Highlight



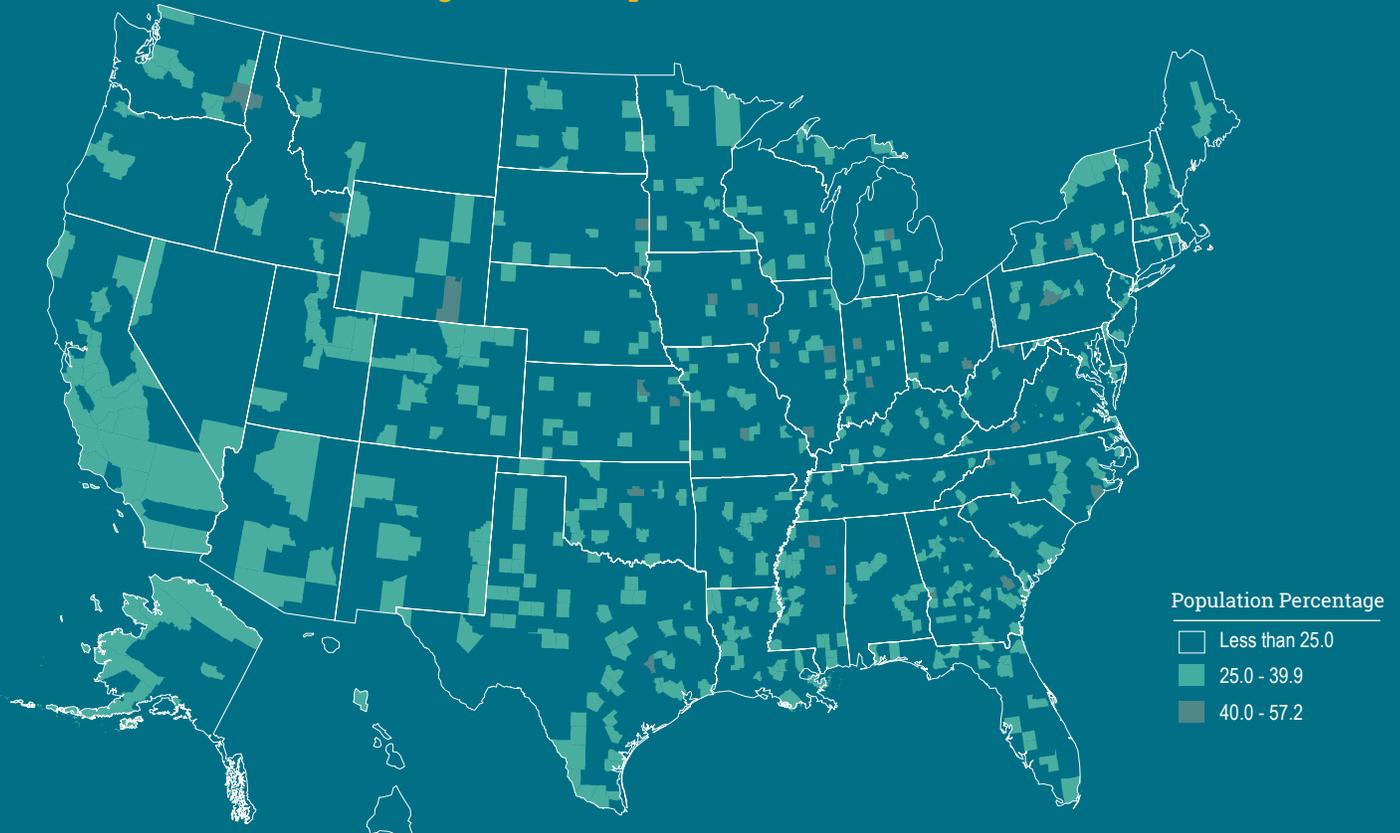
Brenda Williams, a participant at HAC's 2016 Rural Housing Conference, shares a moment with Tony Hernandez, then the Administrator of USDA's Rural Housing Service. The conference provided participants with numerous opportunities to interact with elected officials and government staff. They served as speakers and workshop panelists, as well as resources at pre-conference meetings on a variety of rural housing topics. A popular feature at this conference, as at past events, was a series of "Nuts and Bolts" sessions with specialists from the U.S. Department of Agriculture's Rural Development arm, the U.S. Department of Housing and Urban Development and the Federal Housing Administration, and (for the first time) the U.S. Department of Veterans Affairs.

RURALITIES: The Changing Face

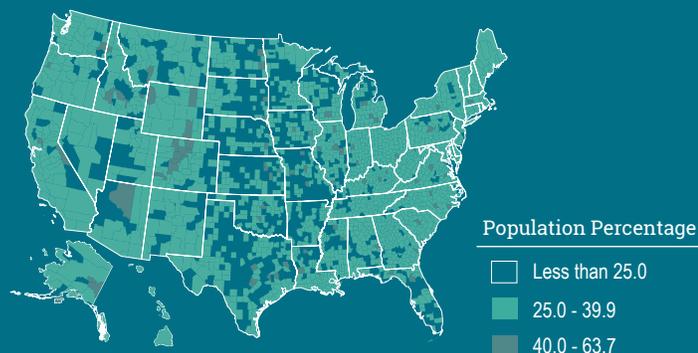
Many rural communities are losing population, especially younger, educated people.

Counties with more than 25% of their population age 18-35

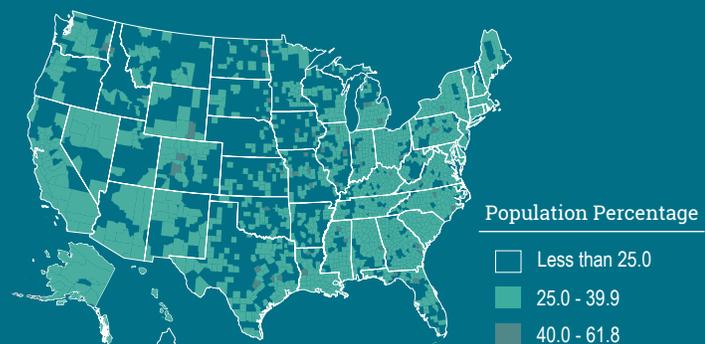
Age 18 - 35 Population, 2010



Age 18-35 Population, 1980



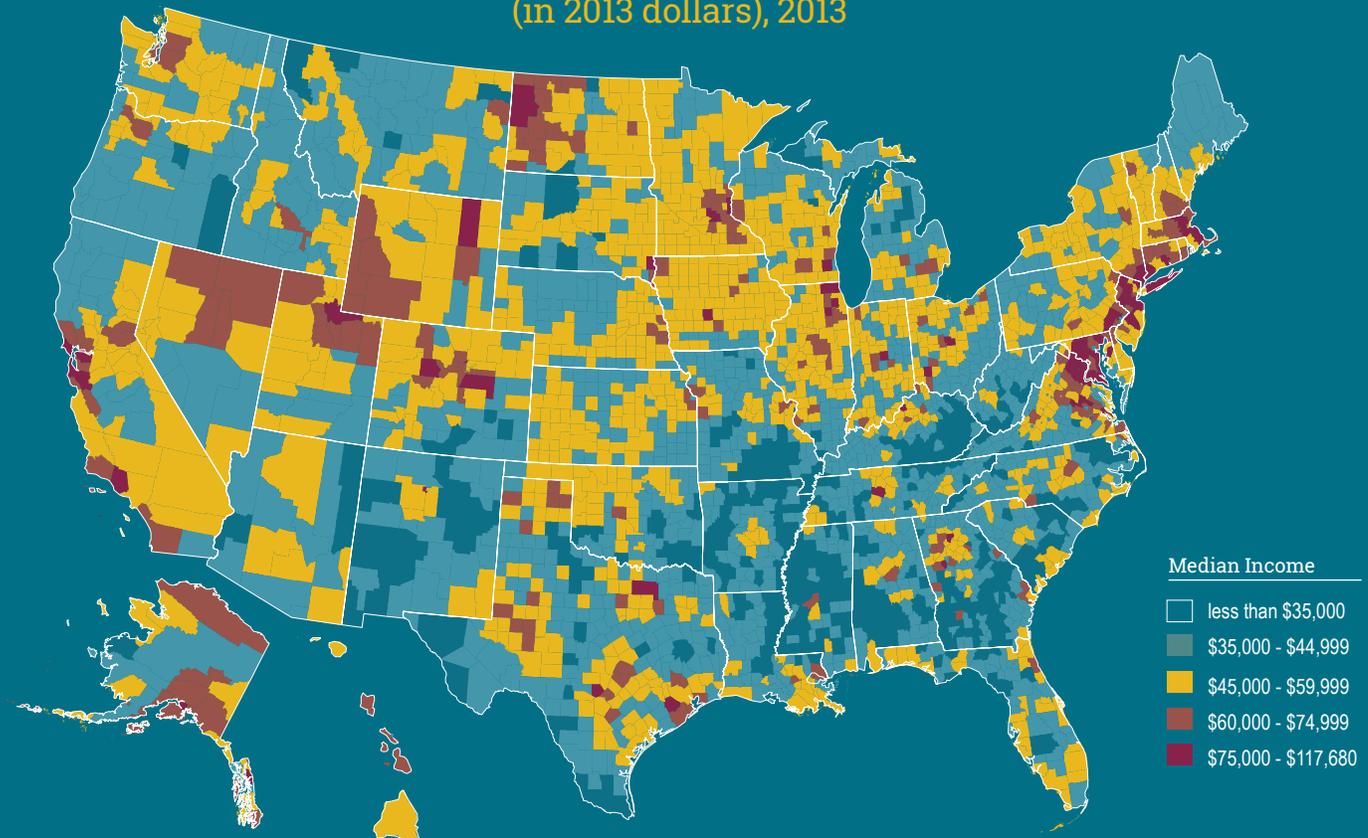
Age 18-35 Population, 1990



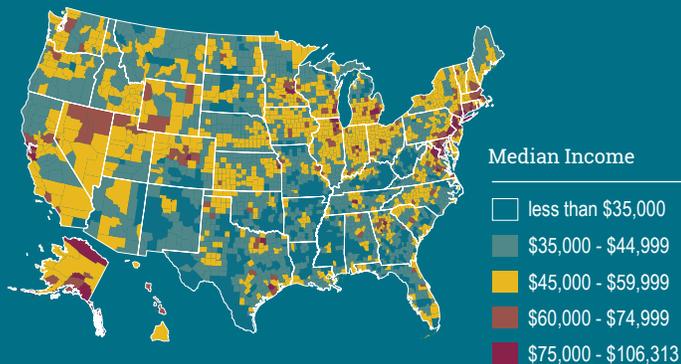
of Rural America

Rural household incomes
have stagnated.

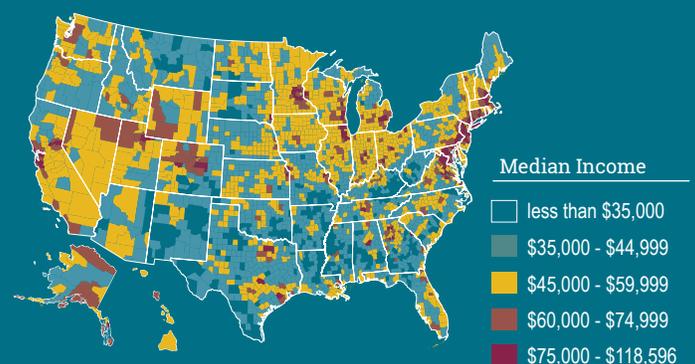
Median Household Income
(in 2013 dollars), 2013



Median Household Income
(in 2013 dollars), 1993



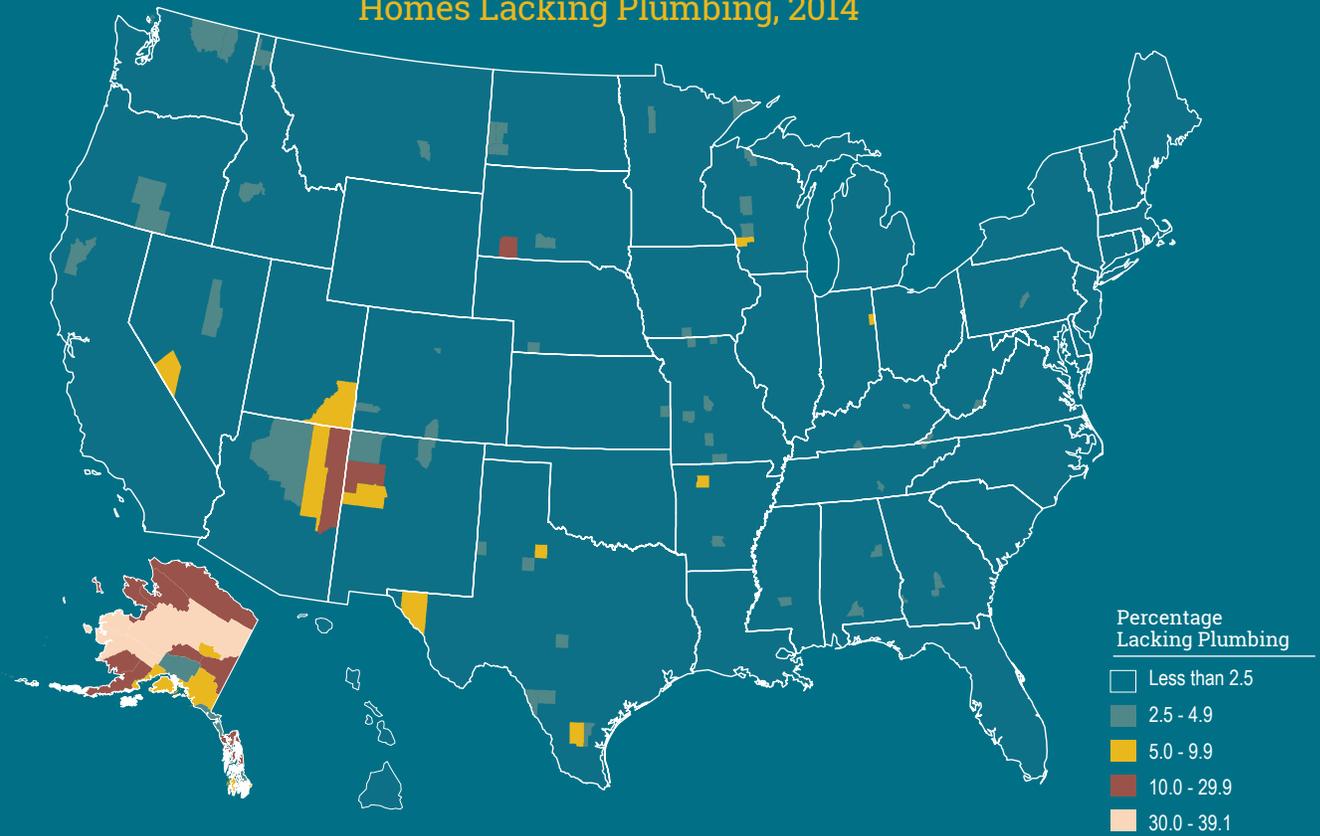
Median Household Income
(in 2013 dollars), 2003



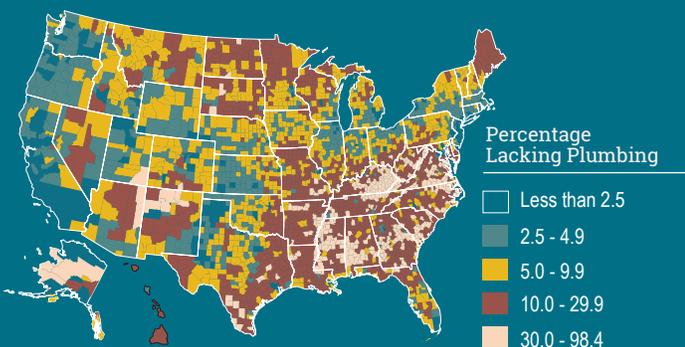
Housing quality has improved, but too many rural homes are still substandard.

Counties with more than 2.5% homes lacking adequate plumbing

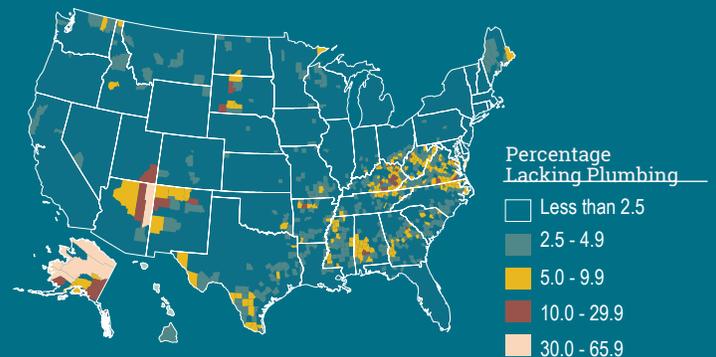
Homes Lacking Plumbing, 2014



Homes Lacking Plumbing, 1970



Homes Lacking Plumbing, 1990

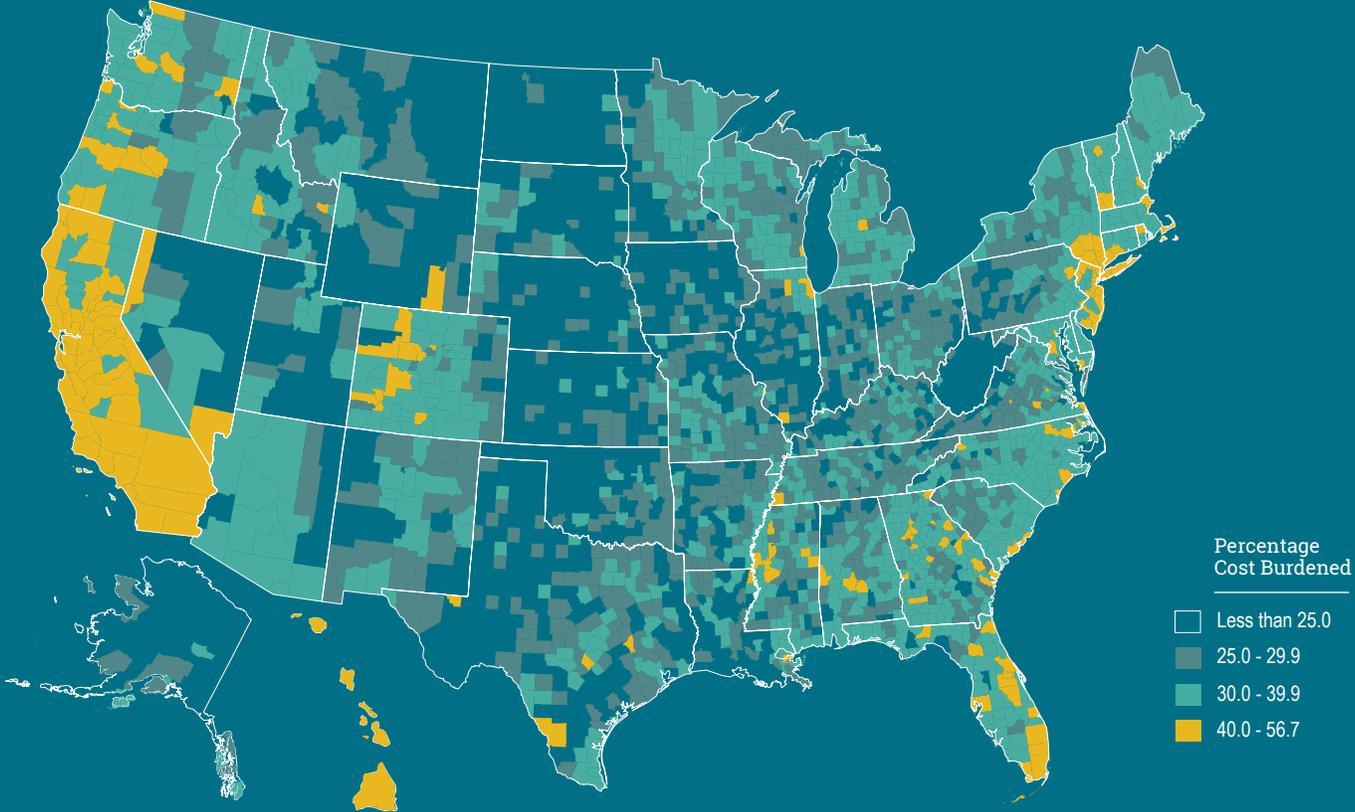


Source: HAC tabulations of 1970 and 1990 Census of Population and Housing and 2010-2014 American Community Survey.

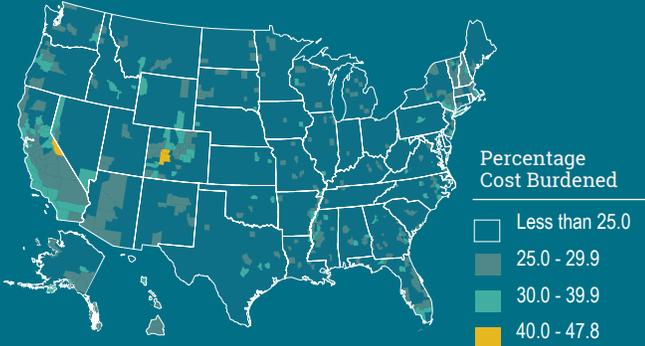
Affordability has become the largest rural housing challenge.

Counties with more than 25% cost burdened* households

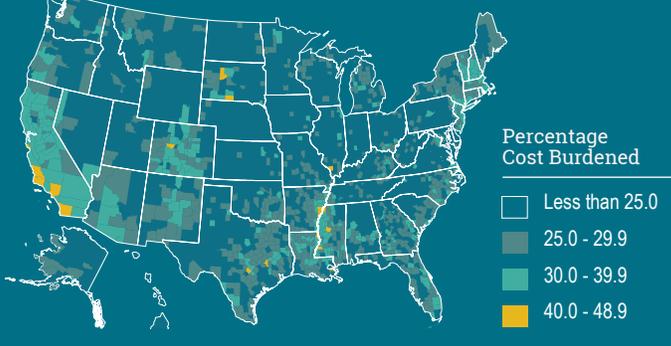
Housing Affordability, 2014



Housing Affordability, 1980



Housing Affordability, 1990



Source: HAC tabulations of 1980 and 1990 Census of Population and Housing and 2010-2014 American Community Survey.

Our homes and communities are the foundation for achieving our aspirations. Yet in rural and small town America, many communities cannot offer what their residents seek. Those places need community development assistance: new and better homes, businesses, streets, sidewalks, water and sewer systems, parks, public safety, schools, libraries, and other amenities.

Many rural housing and development organizations are doing work that provides a basis for a sound rural community development initiative. I propose we frame these ongoing efforts as a coherent and scalable program. Our broad goal is creating healthy and fair rural communities that give residents a shot at security and prosperity. These are communities that attract and retain residents, and that restore equity and opportunity through economic, racial, and ethnic integration.

Organizations Evolved

When I started out in the 1970s, we were much closer to this type of work when we called ourselves not housing development corporations, but community development corporations (CDCs). We built housing as one of several initiatives to achieve the goal of comprehensive community development. We also organized communities and neighborhoods to plan and advocate for the development and improvement of the community and to secure missing public infrastructure for underserved neighborhoods. We mobilized and empowered neighborhood residents to do this. Our organizations were run by grassroots leaders, mostly people of color with low incomes. CDCs were the vital, missing community-based and democratic problem-solving institutions.

But money was hard to come by to sustain our work. We were gadflies to local governments, who quickly figured out that life was simpler when they made us go away. They refused to fund efforts that stirred people to demand services and equal treatment. So the community development movement ebbed and, out of necessity, transformed itself into a financially sustainable business model of developing subsidized housing.

Yet the need for community development did not go away. Grassroots citizen action is essential work in a democracy and is the only way to overcome inequality. Community development is the business of helping people in communities discover and act out their essential role in making their lives and neighborhoods better. When people engage in community building they are participating in civic and electoral life. If a small number of new people become engaged in the civic process through this effort, they can make a big difference, not only in transforming their local communities, but in the electoral college as well.

Foundational Rights for Residents

The quality of the community in which the home is located is critical. Once you decide to build subsidized housing you must ask, "Where is the right place to develop new subsidized housing?" If the answer is never to build in high opportunity parts of town, then you are not building equality or an equitable community because you are perpetuating residential racial segregation.

The community leaders we work with understand this in ways that few outsiders can appreciate. They frame their community building work as a struggle to win fair housing and neighborhood rights for themselves and their neighbors.

Grassroots leaders advocate four rights:

1. The right to choose for themselves the community where it is best for them and their family to live;
2. The right to stay, to choose to remain in a gentrifying or high opportunity area and not have that choice denied by a subsidized housing provider or government agency;
3. The right to equal treatment in public services and public infrastructure; and
4. The right to have a say in the allocation of public resources and in policies and programs that affect the community.

Editor's note: John Henneberger delivered one of the addresses at the conference's opening plenary session on November 30, 2016. This article is adapted from his speech.



Jesse Budlong, Flickr Creative Commons, <https://flic.kr/p/5wGQgg>

And once substandard segregated communities are built, they almost never get integrated or upgraded. So the problems compound: a lack of proper drainage infrastructure or development in a flood plain leads to constant flooding. A segregated minority real estate market depresses home values and robs families of home equity; a lack of good, affordable rental housing to compete with slum housing produces blight; when predatory lending and land sales are the only routes to homeownership, they rob families of the chance to get ahead economically; limited housing choice in subsidized housing reinforces racial discrimination and public and private neighborhood disinvestment. This pattern is repeated across rural America. It creates conditions that discourage people from moving to communities in which such neighborhoods exist. It discourages people already living in such communities from staying.

We need successful models of community development that create real solutions by engaging local citizens and governments. The federal government will need to provide a big part of the financial resources and to enforce civil rights and Title VI laws. (Title VI of the 1964 Civil Rights Act prohibits discrimination on the basis of race, color, and national origin in programs and activities receiving federal financial assistance.) But local leadership, commitment, and expertise will be needed to do the real work.

Developing and defining the model for this joint federal, local, and community initiative will also require foundations to step up and provide some resources for organizing and advocacy. It is up to us to bring together community organizers, CDCs, policy people, and planners to show how it should be done.

To build these models we should work collaboratively to engage government leaders and foundations and, above all, to learn from each other. Our objective should be to undertake a model demonstration Rural America Community Building program in each state.

These four rights are the foundation for equitable and inclusive community development. When we deny people of color these rights, we maintain residential segregation. Every small town, every rural community I've been to still seems to have the railroad track or the river that separates where people live by race. Many others have a nearby, unincorporated subdivision, lacking essential public services, where people of color with low incomes live.

The path of inequality produced by segregation is far too easy to follow in rural America. In many Western and Southern states, including Texas, rural areas lack building standards and regulations. This gap is coupled with exploitation of the housing market by developers and predatory lenders. Low-income people of color in rural America routinely encounter a predatory, exploitative housing market. Participants in this market are excluded from the financial advantages and regulatory protections that people in traditional real estate markets enjoy.

Priorities for Federal Action

In addition to advocating this sweeping new community building initiative, there are also specific things we must either defend or ask the federal government to do right away. Here are ten suggested priorities for immediate federal action:

1. Expand Community Development Block Grant funding to provide infrastructure, affordable subdivisions, and housing finance, and to clean up the housing and infrastructure deficits in rural America.
2. Enforce the existing civil rights laws, specifically, Fair Housing and Title VI. We must find other funding to build the capacity of local organizing groups to use fair housing and civil rights as tools to challenge discrimination in the siting of subsidized housing and in the inequitable allocation of public services and infrastructure.
3. Expand and revise the Low Income Housing Tax Credit to better meet the needs of rural communities by providing incentives for smaller scale, mixed-income developments, linking the program more closely to residential desegregation, and permitting the use of tax credits to finance and rehabilitate owner-occupied housing.
4. Greatly expand funding for USDA Section 502 direct loans for homeownership. These loans have adjustable interest rates based on the income of the borrowers, with built-in foreclosure prevention and other features that make homeownership work well for low-income people.
5. Change the regulations that govern Fannie Mae, Freddie Mac, and the Consumer Financial Protection Bureau to improve use of HUD and USDA grants and loans for financing incremental development of owner-occupied housing.
6. Create incentives for new subdivision development to provide alternatives to unserved colonias and other informal or substandard rural subdivisions.
7. Increase funding for USDA's Section 523 self-help administrative program and expand Section 502 direct loan authority to make available self-help housing across rural (and urban) America.
8. Provide tax credit incentives to mortgage lenders to extend credit on more favorable terms in underserved rural markets.
9. Provide direct financial support for the work of community development corporations so that CDCs can provide a level of basic coverage across rural America.
10. Clean up rural areas where far too many environmental hazards are located in low-income communities of color.

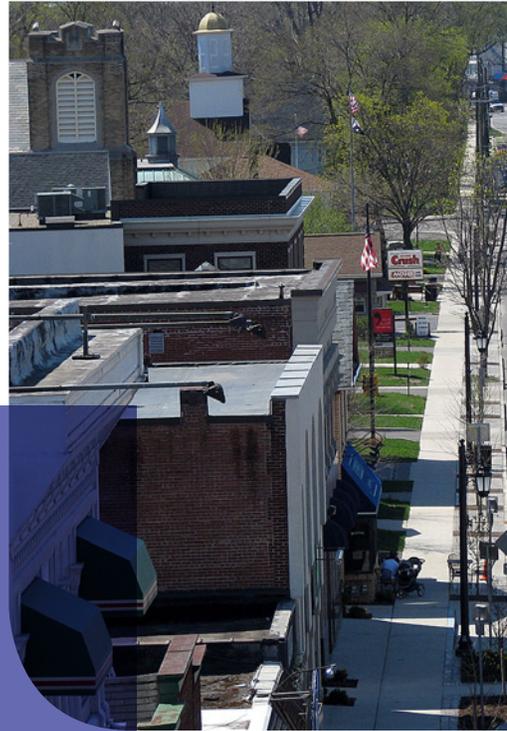
Conclusion

It is up to us to seize this moment to empower the people of small towns and rural America to shape the future of their homes and communities so they can realize their aspirations. We must defend existing funding and policies while we offer a new vision of inclusive and equitable community development: creating communities where everyone, regardless of race or income, is secure and safe; where everyone, regardless of race or ethnicity, is a member of the community; and where parents pass down family homesteads in great communities where their children want to remain.

Our mission is not merely about housing or infrastructure. It is about justice.

John Henneberger is Co-Director of the Texas Low Income Housing Information Service.

Action on Housing Programs and Infrastructure



Rural advocates can act on housing programs and infrastructure needs by improving messaging and advocacy efforts.

By Hope F. Cupit and Julie Bornstein



Complete Streets, Flickr Creative Commons, <https://flic.kr/p/7XuSRw>



With rural voters' economic anxiety well-documented throughout the 2016 election cycle, rural concerns may be elevated in the national dialogue, bringing resources to our communities. Alternatively, threats to domestic discretionary spending could turn back years of progress and thwart efforts to bring opportunity and self-sufficiency to rural America. President Trump has expressed a strong interest in improving the nation's infrastructure, and a variety of elected officials have indicated a willingness to work with him on this issue.

Strong infrastructure is critical to the survival of rural America. It also influences economic opportunity, standards of living, and social cohesion for residents. In rural

areas, investing in housing represents infrastructure investment that addresses human needs, creates jobs, and stabilizes rural communities. Housing stability is necessary for individuals and families to thrive and prosper, yet millions of households in both rural and urban communities across the country live in homes that cost more than they can afford, have physical or health hazards, or are in danger of being lost due to foreclosure or eviction.

Issues/Challenges and Opportunities

Serious infrastructure problems are common in rural communities that are isolated and lack the population density to support economic infrastructure

development. Additionally, the demand for rural infrastructure development often goes unheard because rural populations are smaller and less dense than those in urban and suburban areas, which generate louder political voices. The challenges can be illustrated by the issues associated with creating adequate infrastructure for rural development. The physical challenges in rural areas also have significant impacts on the options for developing infrastructure. Water, sewer, and electrical power delivery may have to span long distances between developed areas but each foot must be paid for regardless of the number of actual users. New technology may not be available for internet and Wi-Fi, which limits opportunities

for information, education, and commerce and makes the finished development less desirable to the ultimate users. Because there are fewer people across whom to spread the costs, large infrastructure projects in rural areas tend to have much higher costs per household than comparable projects in urban areas. In addition, potential supportive retail and community services do not have enough customers or users to risk rural location investments.

Rural communities may struggle to draw upon private capital for affordable housing development and ample evidence shows that national philanthropic investment largely bypasses rural America, especially isolated areas with persistent poverty. Therefore, rural places may rely heavily on federal support through various programs that promote rural development. This situation has worsened with reductions in federal spending for affordable rural housing programs.

Rural areas also generally have fewer banks and fewer specialized lenders in those banks because of limited capacity. Rural developers are less likely to operate in a specialized niche, concentrating solely on financial transactions. Relatedly, rural development practitioners often must play multiple roles to make up for the lack of support, addressing a wide range of community needs, unlike their often more specialized urban counterparts.



Michigan Municipal League, Flickr Creative Commons, <https://flic.kr/p/NUHDcu>

Rural communities are sometimes at a disadvantage when federal and state governments allocate infrastructure spending dollars. That does not mean that opportunities do not exist. In many cases, satisfying rural infrastructure needs demands new investment – not rehabilitation of old, outdated systems. Land rights can be purchased far less expensively than in urban areas. New technology may become available to change the nature of providing necessary services to support development. Increasing the availability of credit sources would be one way to help support rural infrastructure development.

Satisfying rural infrastructure needs demands new investment

Hope F. Cupit is President and CEO of Southeast RCAP, Inc. in Virginia, and Julie Bornstein is Executive Director of the Coachella Valley Housing Coalition in California.



Discussion and Ideas for Action

At the HAC 2016 Rural Housing Conference, participants' discussion about housing programs and infrastructure needs focused on ways to improve messaging and advocacy efforts for rural housing and community development. Specifically, they suggested that housing advocates do the following.

- Keep the bigger picture in mind – not just housing, but also community and economic development.
- Approach advocacy as if making a deal. Start with a broad negotiating stance, knowing there will be a negotiation and the end result will be somewhere between the two sides' initial positions.
- Phrase housing and community issues in terms of popular subjects such as infrastructure, aging in place, and veterans' needs. Build on existing best practices.
- Promote housing as infrastructure, and educate the public and policymakers about the key role that development of sewer, water, septic, street, and transportation infrastructure plays in building rural communities.
- Fight to preserve existing programs. Show they are cost effective and provide specific examples among elected officials' constituents.
- Resist any attempts to move USDA's rural housing programs to HUD. Support ongoing funding for all current programs.
- Support proposals for new programs and improvements to existing programs.
- Establish partnerships with new allies as often as possible.
- Improve messaging around rural affordable housing. This includes collecting data and using it; asking beneficiaries of rural housing programs (clients/families and also local elected officials) to provide their stories; and educating local elected officials.
- Advocate for needed changes in regulations.

HAC 2016 Rural Housing Conference Highlight



A participant makes a point at a session during the HAC 2016 Rural Housing Conference. Handouts and presentations from workshops remain available online, along with videos of plenary sessions and the conference app's lists of speakers, exhibitors, and attendees.

Visit <http://ruralhome.org/calendar/nrhconf/1414-2016-conference-materials>.

Action on Persistent Poverty and Rural Inequality

Rural advocates can act on persistent poverty and rural inequality by building the capacity of nonprofits and local government agencies in persistent poverty areas.

By R. Scott McReynolds and Ann Williams Cass



The efforts must start with local communities and be built upon local assets and a local vision for the future.



dshlbarshin, Flickr Creative Commons, <https://flic.kr/p/6s6mct>

HAC 2016 Rural Housing Conference Highlight



A pre-conference meeting on rural veterans housing was one of several sessions at HAC's 2016 Rural Housing Conference related to specific populations with unique housing needs. In addition, veterans housing was the subject of a series of workshops. The 2016 conference was also the first to include a "Nuts and Bolts" session with Department of Veterans Affairs representatives.

In Hidalgo County, TX, almost half the children (46.4 percent) live in poverty. In Breathitt County, KY, the median household income is less than half the national average (\$26,094 compared to \$53,482). In fact, over a quarter of the households in Breathitt County live on less than \$15,000 per year. But these statistics tell only half the problem: these areas not only have extremely low median incomes and high poverty rates, but they have had these problems for a very long time.

USDA's Economic Research Service considers a county to have persistent poverty if its poverty rate has exceeded 20 percent for 30 years or longer. Today there are 353 persistent poverty counties and the overwhelming majority of them are outside metropolitan areas. While only 63 percent of all counties are nonmetro, 85 percent of persistent poverty counties are found outside metropolitan areas. Persistent poverty counties are concentrated in specific geographic regions. These regions include central Appalachia, the Rio Grande Valley, the Mississippi Delta, the Southern Black Belt, and Native American lands.



Don Shall, Flickr Creative Commons, <https://flic.kr/p/6N2eLf>

Issues/Challenges and Opportunities

While the official measure for persistent poverty is 30 years, many of today's persistent poverty counties have had high poverty rates since at least 1960 (when the current poverty measure was first introduced). Poverty has remained entrenched in these regions despite the War on Poverty and many other relief and development efforts.

The reality of high poverty rates over long periods of time creates layers of challenges and obstacles that must be overcome for these communities to prosper. Infrastructure such as water, sewer, and roads is inadequate. So are basic services like building code enforcement, fire protection, law enforcement, and garbage collection. Insufficient transportation systems isolate

persistent poverty areas from greater opportunities, and make it hard for residents without cars to reach opportunities that do exist. Educational outcomes are poor, good jobs are scarce and economic opportunities are limited. Health outcomes are poor as well, and there are high levels of drug abuse and a shortage of treatment programs.

Housing challenges exist alongside everything else. Housing markets are broken. There is not enough land suitable for development, and there are land use issues. Community nonprofits and local governments lack the capacity needed to access federal and state resources. When those resources require matching funds, it is hard to find sources. Access to credit and capital for individuals and businesses is constrained. Resources seem to be diverted

away from the greatest needs. Not surprisingly, given the situation in these communities, many residents have lost hope for a better future.

Faced with these layers of challenges and obstacles, providing a single service – such as affordable housing, pre-school education, or healthy meals – in these communities can be a monumental task. Trying to actually “move the needle” on the overarching issues of poverty rates and income inequality can seem impossible.

Overcoming persistent poverty will require a significant investment of outside resources. We know from the War on Poverty, however, that simply dumping money and programs designed outside the community into these hard-to-serve areas is not enough. The efforts must start with local communities and be built upon local assets

and a local vision for the future. Collaboration is the only way to move forward. It is focused on doing, not just talking, with shareholders, not stakeholders, as everyone will share in the outcomes. It puts a focus on local assets that already exist.

When significant outside resources support and leverage locally driven efforts, real change happens. Overcoming persistent poverty and closing the rising income gap will take a multi-faceted, long-term effort. There are no quick fixes. Justin Maxson of the Mary Reynolds Babcock Foundation describes the necessary work as “hard, slow and expensive.”

While affordable housing alone cannot solve persistent poverty and close the rising income gap, housing must be part of the solution. Housing is a known economic driver and these communities desperately need the jobs and economic development that housing provides. People living in safe, decent, and affordable housing have better health outcomes, are more successful in employment, and perform better in school. Affordable homeownership and home repair programs also add to the local tax base and thus provide more funding for schools and other services. In addition, these programs provide the best opportunity for low- and moderate-income families to build wealth.

Perhaps the most important benefit from affordable housing programs is they offer a tangible bit of hope. A safe, decent home provides a base upon which a brighter future can be built.

Discussion and Ideas for Action

At the HAC 2016 National Rural Housing Conference, participants’ discussion of persistent poverty focused on ways to build the capacity of nonprofits and local government agencies in persistent poverty areas.

National and regional intermediaries, and federal and state governments, can build the capacity of nonprofits and local government by:

- educating and training nonprofit staff, local government officials, and government staff;
- funding local entities’ operations and activities;
- building relationships among relevant parties;
- bringing staffers from non-local sources of aid to visit the areas;
- convening summits and dialogues that bring different sectors together; and
- providing ongoing technical assistance.

The same entities can provide financial assistance in several ways, including:

- identifying funding sources;
- managing or aggregating resources;
- helping with marketing; and
- helping to maintain local assets.

These entities can also offer helpful research:

- describing successful places these communities might emulate; and
- detailing how successes, particularly successful exits from persistent poverty, have been achieved.

R. Scott McReynolds is Executive Director of Kentucky Housing Development Alliance and Ann Williams Cass is Executive Director of Proyecto Azteca in Texas.



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Action on the Opioid Epidemic and Rural Affordable Housing

Rural advocates can act on the opioid epidemic and connected housing needs by making resources available, educating relevant parties, and working with partners to coordinate services.

By Alan Morgan



At the National Rural Health Association, rural America is defined as a place where those most in need of healthcare services have the fewest options available to seek that care. Overall, rural health care delivery systems have unique barriers including long travel distances to obtain health care, low population densities, lack of economies of scale, and high rates of fixed overhead per patient revenue. In addition, an enduring characteristic of the rural health landscape is the uneven distribution and relative shortage of health care professionals. This results in rural people being less likely than their urban counterparts to have private health care coverage or be covered by Medicaid benefits. Moreover, all these factors have helped to set the stage for an opioid abuse crisis in rural America.

Rural Opioid Crisis

Since 1992, life expectancies of urban populations have continued to increase, sometimes dramatically, while rural populations' life expectancies have decreased. One major reason for a decrease in life expectancy is the opioid crisis. The Centers for Disease Control and Prevention has reported that opioids killed over 28,000 people in 2014, an average of more than 76 people every day. Additionally, a February 2014

study published in the American Journal of Public Health revealed rural areas have higher rates of drug poisoning deaths, including deaths from opioids. In addition, drug poisoning and deaths in rural areas are increasing at more than three times the rate of urban communities. The report also revealed that rural adolescents are more likely to use prescription opioids nonmedically than their urban counterparts.

This increased drug abuse contributes to a growing homeless population as well. According to the Substance Abuse and Mental Health Services Administration, 26 percent of rural people experiencing homelessness reported that chronic drug or alcohol use caused their homelessness. Of veterans experiencing homelessness, 70 percent reported having a substance use disorder. Clearly, this opioid crisis in rural communities is creating an increased demand on health care, social services, and criminal justice systems – thus making this the time to act.

Issues/Challenges

Access to healthcare facilities is a challenge. Since 2010, 79 rural hospitals have closed across the United States. At that rate, within 10 years, one quarter of the nation's rural hospitals will close. That means there will be an additional 700 communities without a hospital. Beyond that, the healthcare system is the second largest employer behind the school system in most rural communities, so closure is not just an access issue, it's also an economic concern.

In addition to having a shortage of general healthcare professionals, rural populations also have much more limited access to behavioral and mental health providers, so it is not surprising that they have dramatically higher rates of suicide, drug addiction, and drug overdoses.

Rural areas have higher rates of drug poisoning deaths, including deaths from opioids.



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Opportunities

Of course, there are things that do work in the rural health field right now. First, as quality begins to be measured in our healthcare system, we're finding rural healthcare outcomes are as good as, and in many cases better than, urban outcomes. Not surprisingly, this difference is most striking in primary care. A major reason for these better outcomes is that the hospital staff in a small community knows their patients on a personal level and there is coordination of care between healthcare providers.

Second, rural areas are actually experiencing population growth. Some people think rural areas are not worth investing in because rural people are dying or moving to the cities. But in fact, since the Great Recession, the population trend in rural

America has leveled off and last year actually saw an increase. Data from the National Education Association shows that, for the first time ever, the population of students in rural schools is also increasing. Young families are now selecting the rural lifestyle, the quality of life, and the sense of community in rural America.

Going forward, all rural advocates must communicate the unique environment that is rural. At the legislative and regulatory policy levels, as well as in local best practices, there must be collaborations to address housing, healthcare, and transportation needs. As we move forward, it is important that we collaborate, coordinate, and speak with a common voice on behalf of rural America.

Discussion and Ideas for Action

At the HAC 2016 National Rural Housing Conference, participants' discussion of the opioid epidemic related to ways that local advocates can make resources available, educate relevant parties, and work with partners to coordinate services.

- Use the Housing First model in providing housing to people with substance use disorders or recovering from them. Provide permanent housing first, without imposing requirements like abstinence or enrollment in a treatment program. Then make supportive services available as needed.
- Monitor the performance of USDA Rural Development's housing pilot for those with substance use disorders and expand it if successful, with modifications as needed. This pilot, launched in a few states in 2016, provides housing for rural residents in recovery from substance use disorders. The agency is making vacant houses and apartments available to tenants in treatment programs and to nonprofit organizations that can turn the properties into transitional housing, and is offering financing for transitional housing facilities.
- Educate healthcare and service providers about the availability of USDA housing resources and other supportive housing.
- Partner with service providers, housing providers, and local governments throughout a region to educate each other about available resources so an entity that is not able to help someone knows who can provide the needed assistance.
- Coordinate and integrate mental health, healthcare, and transportation services.
- Educate the public and rural healthcare stakeholders about substance use disorders to break down the stigma and increase community support.

Alan Morgan is CEO of the National Rural Health Association.

The Opioid Crisis is Personal

By former USDA Secretary Tom Vilsack, adapted from a speech at the HAC 2016 Rural Housing Conference



I knew someone addicted to prescription drugs: my mom.

When I was nine years old, my mom had surgery and was given pain medication. She came out of the hospital a different person.

Over the next five years, my mom's life was a downward spiral. She was addicted to pain medication and alcohol. Several times, she was so despondent, she tried to take her own life. At Christmas time in 1963, she decided that it couldn't get any worse, that she had to take action.

Fortunately, my mom had access to a treatment plan. The community was supportive and offered multiple AA meetings and sponsors. Family members were sympathetic too, and over time she got her life back together. The last 14 years of her life, before she died from cancer, my mom was sober.

This crisis needs voices at every level. Find a way to remove the stigma. Make sure that people understand this is a disease and not a character flaw. Make sure rural communities allow that conversation to take place without judgment, provide transitional or permanent housing, and expand economic opportunities so that we can get ourselves in a much better place. There are 21 million Americans out there who need help. This is a major problem. It is everywhere and it affects everyone, every income level, race, and gender.



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Action on Creative Placemaking

By Bob Reeder and Lisa Neergaard

Rural advocates can use creative placemaking to help act on community needs.

In recent years, diverse communities have embraced a growing movement to foster and implement creative placemaking, a process involving public, private, and community partners working together to strategically improve the social and physical character of a community through arts and cultural activities. Creative placemaking, particularly when incorporated into a broader community development approach, has been shown to be a powerful vehicle for fostering community connections and pride of place.

Defining Creative Placemaking

The strength of creative placemaking is its ability to gather a community around a common experience, and to provide a process by which the history and future of a place can be expressed and discovered collectively. Reorienting community investment toward an asset driven model, particularly in low-income and/or under-resourced communities, supports stabilization, historic patterns, and equitable revitalization.

Traditional notions of housing development are commonly focused on housing delivery or land development. However, the shift to incorporate cross-disciplinary activities – including the infusion of arts and culture – has shown to be a tremendous “value add” for a project’s community development goals. The conceptual framing of creative placemaking does not solely reference any one element of art, culture, or physical housing development (to include architectural, interior, and landscape design), but instead refers to collectively creating, making, or sharing.



Issues/Challenges and Opportunities

Creative placemaking relies on inclusive resident engagement to be successful, but the words “art” and “culture” can be intimidating and/or alienating to audiences who perceive these endeavors as “not for them.” Gaining and maintaining equitable representation of the community can prove to be time consuming and an ongoing challenge, yet is also an excellent opportunity to build trust within communities. Adding engagement and creative activities into already tight project budgets can be seen as adding undue costs. However, when understood as part of a holistic approach to community development, the long-term economic benefits outweigh the additional upfront costs.

Discussion and Ideas for Action

At the HAC 2016 National Rural Housing Conference, participants’ discussion of creative placemaking focused on articulating its benefits, and some talking points that could be used to convince policymakers of its value.

- Creative placemaking:
 - o cultivates new leaders and retains existing residents,
 - o engages community members,
 - o builds on community strengths, and
 - o increases civic participation.
- When a community is healthy physically, economically, and socially, its economy benefits as well.
- Improving communities is not a zero-sum game: both rural and urban places can succeed together.

Interested in more information about creative placemaking? The summer issue of *Rural Voices* will focus on it.

Bob Reeder is Program Director at Rural LISC in Washington, DC. **Lisa Neergaard** is a Senior Policy Manager at buildingcommunityWORKSHOP in Texas.



Michigan Municipal League, Flickr Creative Commons, <https://flic.kr/p/vWmz5v>

Action to Nurture Rural Leaders

By Gisela Salgado and Janet Topolsky

Rural advocates can act on the need for future leadership by improving staff recruitment and retention, as well as educating and involving policymakers and community leaders.

Human capacity is critical for rural affordable housing and community development corporations (CDCs) to deliver their mission effectively. This capacity includes a CDC's employees, as well as its partnerships with other organizations, institutions, and local government. However, there are some potential challenges and important things to keep in mind when attempting to attract and retain staff, as well as develop relationships with and inform local leaders about the value of affordable housing.

Issues/Challenges and Opportunities

Internal Capacity

Recruiting, training, and retaining qualified professionals in a rural organization, in particular, can be difficult for two main reasons. Rural areas have a smaller population pool to draw from in the first place, but more so, many capable rural professionals, early in their careers – especially those from the poorest and most distressed rural places – move to urban and suburban areas that offer greater opportunities for advanced education, higher-paying jobs, and leisure





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activities. This makes it even more challenging to attract and retain young leaders and people from diverse backgrounds for housing development, asset management, and community lending professional jobs, especially under-represented leaders from immigrant, minority, farmworker, and low-income communities. Moreover, even when there is a capable pool of local workers who are qualified, they may not seek careers with nonprofit housing and community development organizations.

Nurturing young leaders is imperative to increase a CDC's effectiveness and its planning for sustainability in the face

of enormous demographic change. Given that the demographic composition of rural America is changing, housing and community development organizations must be prepared to comprehend and address the needs of communities that have a range of cultural, social, and linguistic backgrounds. Having professionals on staff who are representative of the diversity of the area increases community acceptance, as well as our competitiveness for scarce federal, state, and local resources.

Partnerships

At the same time, it is necessary to foster relationships with leaders in the community outside our affordable housing organizations on whom we rely to make decisions

and take action that affects our work. Possibilities of leaders to reach out to include the state representatives, mayors, or county commissioners who can leverage public funding and build resident support for our work; bank officials we need as partners; or Chamber of Commerce or church leaders we need as champions. Our organizations may have great and creative ideas, but without cultivating these leaders, our best laid plans and visions may go nowhere.

There may be some challenges communicating and developing partnerships with these community leaders whom we need to tap for leverage, partnership, and support for



Virginia Tech School of Performing Arts, Flickr Creative Commons, <https://flic.kr/p/a35e6i>

a multitude of reasons. They often have only a rudimentary understanding of what is involved in how we structure deals in order to get affordable housing financed and developed. They may want to avoid controversy that might accompany affordable housing in the community. Or they simply may not believe we need any more affordable housing because they are not up to speed on current data or because they are out of touch with low-income and poor people in the community.

Yet we need them to succeed. So it's up to us to keep these critical "partner leaders" informed about the problems in the community and how our work is solving these problems. Showing them how what we do will be good for what interests them is a creative method to gain their support and help our cause. If we don't do it, who will?

It's up to us to keep these critical "partner leaders" informed about the problems in the community and how our work is solving these problems.

Discussion and Ideas for Action

At the HAC 2016 Rural Housing Conference, participants' discussion of nurturing rural leaders focused on staff recruitment and retention techniques and on ways to educate and involve policymakers and community leaders.

Internal Capacity

- Recruit staff from within the community, including among tenants and housing residents/self-help clients who understand the housing programs and have developed a passion by participating in those programs.
- Offer internship opportunities for high school and college students, who may not realize that community and economic development is a potential career path.
- Leverage programs like Youthbuild/AmeriCorps to provide opportunities for young people.
- Provide fair, competitive salaries and benefits.
- Create an entrepreneurial environment that allows employees to explore new work experiences and gain new skills, such as grant writing.
- Allow flextime and telecommuting.
- Be open to staff attendance at trainings and conferences where they can gain more knowledge.
- Develop in-house mentoring programs to pass down knowledge from more senior staff to new staffers.
- Provide meaningful and challenging work experiences to motivate employees and encourage career development.

Partnerships

- Invite community leaders to Homeownership Month events or to participate in groundbreakings.
- Meet one-on-one with local government officials and staff who are involved in community and housing development programs.
- Share monthly newsletters with partners and potential partners to show your successes and accomplishments.
- Make potential partners stakeholders in your activities so they become invested and see the benefits of what you do.
- Use social media to spread the word about needs in your community and your work.

Gisela Salgado is the Director of Leadership Development Programs of California Coalition for Rural Housing and Janet Topolsky is the Executive Director of The Aspen Institute Community Strategies Group in Maryland.

Rural Housing Awards

Seven individuals were honored at the HAC 2016 Rural Housing Conference for their service to rural housing.



Rep. Henry B. González Award
Sen. Jeff Merkley (OR)

Clay Cochran/Art Collings Award

Lisa Mensah, USDA (DC)
Tony Hernandez, USDA (DC)



**Kathy Tyler, Motivation
Education and Training,
Inc. (TX)**



**Earl Pfeiffer, Florida Home
Partnership (FL)**

**Lenora Jarvis-Mackey,
River City CDC (NC)**



**Earl Howerton, Southside
Outreach Group (VA)**

Skip Jason Community Service Award



HAC FACTS

MOISES LOZA ANNOUNCES RETIREMENT

Moises Loza has decided to retire as Executive Director of the Housing Assistance Council. Moises worked at HAC from 1973 to 1978, and returned in 1981. Since becoming HAC's Executive Director in March 1989, Moises has served as one of the nation's strongest voices on behalf of affordable housing in rural America. His skilled leadership has enabled HAC to better the lives of many thousands of rural residents. As he departs for his well-earned retirement, he leaves the organization strong and ready for the future.



RURAL PLACEMAKING FUNDING AWARDED

HAC and buildingcommunityWORKSHOP recently announced the selection of two organizations for a Rural Placemaking Program, supported by the National Endowment for the Arts (NEA). Creative placemaking is a way of working between community developers, housing organizations, artists and local stakeholders to strengthen communities.

The smART Kinston City Project Foundation in Kinston, NC focuses its initiatives on connecting individuals and communities, using art as a tool to address local infrastructure and regional economic challenges. Its pilot project will partner artists with local stakeholders to develop a creative placemaking project that addresses racial tensions and economic inequity in this city of 21,000.

The Woodlands Development Group has worked in Elkins, WV and the surrounding area since 1995. For this initiative, Woodlands will partner with ArtSpring – a nonprofit that nurtures the arts community – to implement a creative placemaking initiative in the town of Thomas, WV, population 600. Community input will be used to develop public art and wayfinding installations that reflect the artistic assets of the region and highlight Thomas's quickly developing cultural identity.

To learn more about the awardees and creative placemaking,

▼
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