



Building
Rural
Communities

Celebrating
35 Years
1971-2006

Rural Voices

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BUILDING CAPACITY, BUILDING HOMES



MESSAGE TO OUR READERS

Dear Friends,

The Housing Assistance Council's (HAC's) ability to build rural communities depends on the work of committed organizations across the country. Through partnerships with these organizations, HAC supports the capacity building that is needed to create affordable housing solutions. In December, as HAC celebrates its 35th anniversary, we honor these partnerships at the National Rural Housing Conference 2006: *Building Communities, Celebrating Partnerships*. This issue of *Rural Voices* offers a firsthand look at how challenges can be overcome to build local capacity and, ultimately, to build affordable housing.

To serve the community effectively, an organization needs to bring together the right combination of leadership, funding, expertise, and commitment. However, building capacity at this level can be difficult for small organizations in rural areas, where resources are scarce and needs are great. The articles in this issue illustrate the various ways in which local organizations have worked to build capacity and overcome limitations.

Rural nonprofits share stories of how they increased their capacity through coalition building, connecting with their community, raising and managing funds more effectively, and broadening their visions. These organizations have one thing in common: they are not going it alone. Whether their partners are nonprofits, for-profits, local businesses, or national funders, these organizations are effectively using the available knowledge, skills, and resources.

The "Principles of Partnership" article reflects on the lessons HAC has learned from its partnerships with organizations in the field and how those lessons have shaped HAC's standards of collaboration. This issue also includes a special "Intermediary Roundtable," in which representatives from several national and regional intermediary organizations discuss the most critical capacity needs of the organizations they serve and how those needs can best be met. In "The View From Washington," the U.S. Department of Agriculture's Rural Community Development Initiative (RCDI) is described; success stories highlight how RCDI funding has provided resources for training and community services.

Capacity building is a concern of all nonprofits, large and small. We hope this issue offers some helpful insights into how housing practitioners can obtain the resources they need to improve housing in their communities.

On behalf of the HAC board and staff, thank you for 35 years of partnership.



Gideon Anders, Chair



Arturo Lopez, President



Moises Loza, Executive Director

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USDA's Rural Community Development Initiative (RCDI) program seeks to enhance the capacity to organize and administer projects and programs related to economic development, housing, infrastructure, or community development. RCDI success stories are shared to highlight the importance of this rural capacity building program.

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Robert Calvillo, Twila Martin Kekahbah

Cover photography is of multiple capacity building projects in rural communities across the country. Top: Diocese of Yakima Housing Services; Middle left: James L. Barnes CDC; Middle right: California Coalition for Rural Housing; Bottom left: ACHANGE; Bottom right: Community Action Commission of Fayette County, Photography by April Greene.

HAC Facts

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

HAC Celebrates 35 Years of Building Rural Communities

The Housing Assistance Council's approach to its 35th anniversary is reflected in the theme of its National Rural Housing Conference 2006: *Building Communities, Celebrating Partnerships*. Partnerships with others, most notably local organizations and funders, have made HAC's longevity and success possible. "Local groups—particularly nonprofits and public agencies— . . . are the frame that holds the rural housing movement together, and they are also the skilled carpenters and plumbers and electricians that make it function," wrote HAC's Chair Gideon Anders, President Arturo Lopez, and Executive Director Moises Loza in the introduction to HAC's 2006 calendar.

The role of these partnerships is visible in the activities of HAC's Loan Fund, analyzed in a new HAC report. *Through Partnership, Progress: 35 Years of Building Rural Communities: Housing Assistance Council Loan Fund, 1971-2006* is available free at www.ruralhome.org, or from Luz Rosas, HAC, 202-842-8600, luz@ruralhome.org.

Ten Years of SHOP Reviewed

Since HUD launched the Self-Help Homeownership Opportunity Program (SHOP) in 1996, it has awarded more than \$76 million to HAC to support the creation of over 6,500 self-help homes by homebuyers working with 130 affiliate organizations in 36 states and Puerto Rico. *Through Partnership & Promise: Ten Years of SHOP in Rural Communities*, a new HAC report, describes some of the tangible results of HAC's SHOP lending. For example, the labor contributed by homebuying families has provided some of them with initial home equity valued at more than \$15,800. The average monthly housing cost of households assisted by HAC SHOP funds is \$580, compared to \$764 for all low-income nonmetro owners with mortgages. Families report intangible benefits as well, including strong connections to their neighbors and communities.

The report is available free on HAC's website, www.ruralhome.org, or in print for \$6.00 from Luz Rosas, HAC, 202-842-8600, luz@ruralhome.org.

Farmworker Housing Characteristics and Trends Show Unmet Needs, HAC Concludes

For perhaps the first time, an analysis of USDA's Section 514/516 Farm Labor Housing is available. HAC used a

USDA database to examine the characteristics of the 787 active Section 514/516 developments, which account for more than 14,000 units located across the country, the majority of them located off-farm.

HAC also researched trends related to farmworker housing, identifying needs that cannot be met by the 514/516 program. *USDA Section 514/516 Farmworker Housing: Existing Stock and Changing Needs* is free on HAC's website, www.ruralhome.org. Printed copies are available for \$4.00 each from Luz Rosas at HAC, 202-842-8600, luz@ruralhome.org.



Participants in the peer exchange hosted by Coastal Enterprises Inc. visited Pemaquid Point Light one of the more popular lighthouses in Maine.

Local Organizations Share Expertise in HAC Peer Exchanges

Four recent "peer exchanges," which are part of HAC's USDA-funded Rural Community Development Initiative, enabled staff from new or expanding groups to learn from experienced nonprofits.

- ♦ **Green, Sustainable Design.** Hosted by homeWORD in Missoula, Montana for the Oglala Sioux Tribe Partnership, Oglala Lakota College, and Southside Outreach Group.
- ♦ **Homebuyer Counseling.** Universal Housing Development Corporation provided training for SEE-Kan.
- ♦ **Credit Counseling.** Standing Rock Housing Authority hosted Northern Cheyenne Housing Improvement Program.
- ♦ **Combining Housing with Economic Development.** Hosted by Coastal Enterprises Inc. in Maine for Carey Counseling Center and Southwest Georgia Housing Development Corporation.

CAPACITY BUILDING

Capacity building includes a range of activities that are undertaken to strengthen the ability of an organization to make sustainable change. According to De Vita and Fleming (2001), nonprofit organizations need capacity in the following areas to work effectively:

- **Vision and Mission**

An organization's vision and mission answer the question "Why does this organization exist?" Vision and mission not only reflect the types of programs and services offered by the organization but also direct the leadership and shape outreach. Although vision and mission are meant to be enduring, they should be reviewed periodically.

- **Leadership**

Leaders (e.g., executive directors, board members) motivate others and create action. Leadership provides direction for selecting among the options and constraints in the environment. Leaders set the tone for internal decisions and provide the public face. Effective leaders enhance the organization's public image, establish partnerships and collaborations. There are two pieces to leadership: enhancing existing leaders and developing new leaders. Identifying and developing new leadership is key to making sure the organization can renew and sustain its work.

- **Resources**

Resources enable community based organizations to achieve results. Resources come in different forms, and include financial resources (e.g., raising and managing funds), human resources (e.g., staff) and physical resources (e.g., building space, technologies).

- **Outreach and Community Support**

Community-based organizations are created from and sustained through the support of a community. Maintaining these networks and creating new relationships will provide an organization with much-needed support and resources in times of crisis or need. Outreach is the mechanism for building a base of strong community support. Outreach is essential for strengthening and extending the work of community-based organizations. It can include marketing and public relations; community education and advocacy; as well as...collaborations, alliances, and partnerships.

- **Products and Services**

Products and services are the outputs and outcomes of the organization. Outputs and outcomes are the product of the interactions of vision and mission, leadership, resources, community support and outreach – how well you do in these other components directly impacts products and service.

For rural housing developers, accessing the resources, skills, and knowledge needed to create or sustain affordable housing can be difficult, so capacity building is all the more critical. Using the components identified by De Vita and Fleming, the following profiles illustrate how some rural organizations have built capacity to increase the stock of affordable housing in their communities.

Source: Carol J. De Vita and Cory Fleming. 2001. *Building Capacity in Nonprofit Organizations*. Washington, DC: Urban Institute.




PRINCIPLES OF PARTNERSHIP

For 35 years, the Housing Assistance Council (HAC) has worked to build the capacity of rural organizations that strive to create or sustain affordable housing. This effort has depended on hundreds of partnerships with local organizations that have received one-on-one technical assistance, attended regional and national training events, or accessed grants, loans, or information from HAC. In working with local communities, HAC has adopted certain principles of partnership that have been central to our collaborative efforts.

HAC believes:

1. **Housing conditions for the poorest of the poor in rural areas can be improved.** HAC's mission guides its overall philosophy and its everyday activities. By remaining focused on the key components of the mission – rural, housing, and the poorest of the poor – HAC has been able to foster the partnerships needed to make a difference in rural communities across the country.
2. **All development is local.** HAC's partnerships are defined by local needs. When rural stakeholders require assistance, guidance, and resources to create affordable housing solutions, HAC engages in a way that respects local processes, needs, and context.
3. **Every partnership has value and should be nurtured.** Support existing organizations or help to create capacity where none exists. HAC has worked with local governments, nonprofit organizations, for-profit corporations, and tribes – anyone who is committed to building affordable rural housing. HAC's open door policy has led it to collaborate with high end producers as well as fledgling organizations working in remote rural and difficult to serve areas. By valuing the potential of each partner, our combined efforts can produce results.
4. **Unique needs shape customized assistance.** Develop capacity building strategies based on the specific needs of rural developers. HAC's programs are designed to address the unique issues that affect rural communities. HAC's national perspective provides a general framework to design assistance programs; however, the interaction with local communities dictates the implementation of these programs.
5. **There are no shortcuts to sustainable growth.** Change is a process. It may take many years or a series of interventions, but the ultimate goal of affordable housing development can be achieved. Some of HAC's partnerships have lasted since the 1970s. As these organizations have grown, the partnerships have evolved. While innovative strategies are often sought after and used, there is always an underlying commitment to rural communities of need that drives our ongoing efforts.
6. **Effective development requires collaborative solutions.** Community development is complex work that requires bringing collective strengths to the needs of rural communities. HAC is committed to working with as many partners as needed and uses multi-dimensional tools to support local efforts. HAC's information provision, technical assistance, training, and lending are used individually and jointly to support these efforts.
7. **Local voices can create systemic change.** The experiences of rural organizations should be reflected in the larger community development arena. It is HAC's responsibility to connect its perspective, networks, and expertise to the articulated needs of rural communities. By having ongoing dialogue with local communities, expressing and advancing rural interests on the national level, and helping to create policy and programmatic responses that are sensitive to the rural context, HAC has been able to institutionalize needed change.
8. **Never underestimate the impact of a small action.** A small capacity building grant, a short telephone call to share technical advice, or an online resource can mean the difference between success and failure. Targeted support can have a dramatic ripple effect that can help groups leverage additional resources, leading to future success.

HAC's foundation is its commitment to the groups it serves and the results our collective efforts produce for rural residents. In celebrating its 35th anniversary, HAC honors the partnerships that have made this work so rewarding and so greatly benefited the communities we are all committed to serve. 

A HISTORY OF COMPREHENSIVE ASSISTANCE AND CHANGE

By Raul Flores, Planner, Community Council of Southwest Texas

The long history of the Community Council of Southwest Texas, Inc. (CCSWT), chartered in 1965, has enabled this nonprofit organization to develop extensive capacity. It administers some of the original community action programs instituted by the federal War on Poverty, and has also added programs over the years as it sees needs and identifies resources. While staying true to its core mission, “to support families to become empowered to achieve self sufficiency,” CCSWT’s has also expanded its vision of community development—and, consequently, its programming.

Although CCSWT is chartered to provide services throughout the state of Texas, the agency focuses its resources on the nine counties closest to its center of operations in Uvalde County. This service area, which borders Mexico, is highly traveled but very poor, with high unemployment and poverty rates, and a generally distressed economic environment. CCSWT’s programs serve 237,613 persons in 14 cities and outlying rural areas (clients are counted for each program used, and some receive aid from more than one program.)

Agency Experience, Capacity, and Future

CCSWT administers a multitude of assistance programs, such as Early Head Start, Head Start, Emergency Services, Rural Public and Medical Transportation, Housing, and Elderly Nutrition. These programs operate under CCSWT’s mandate to reduce poverty, which focuses on children—providing parents and family members with a support system through comprehensive case management. By combining its efforts with those of regional, state, and national partners, CCSWT is able to empower low-income children and their families. The CCSWT social service programs have been identified as a successful resource in moving people out of poverty.

In 1997, CCSWT was chartered by the state to operate the Gabriel Tafolla Charter School, a college preparatory school for children in grades pre-K through 12. Over the past 10 years, CCSWT has developed a truly self-governed, integrated educational system from birth through secondary education: Early Head Start, Head Start, and the Tafolla School.




This home is being rehabilitated by CCSWT through funding from a USDA Housing Preservation Grant. Photo courtesy of Community Council of Southwest Texas.

In addition to education and social services, CCSWT provides various housing programs to low-income families, including first-time homebuyer assistance and housing repair. Recently, CCSWT was designated a HUD-approved housing counseling agency in the Middle Rio Grande service area. This will allow CCSWT to provide much-needed housing education to residents. CCSWT is also a self-help housing producer, currently in the development phase using Self-Help Homeownership Opportunity Program (SHOP) resources from HAC for the construction of affordable housing for low-income families.

Over its years of experience CCSWT has developed a strong reputation, which led to the selection of Southwest Transit (under the CCSWT corporate umbrella) as the lead agency in the Texas Transit Commission’s regional comprehensive transportation planning initiative for the Middle Rio Grande Region.

Future Efforts

The war on poverty is not yet won. As it has done in the past, CCSWT must continue to improve and adjust its programming within the context of its larger mission. In response to changes at both the state and federal levels, CCSWT feels compelled to focus on helping low-income families gain self-sufficiency through family goal-setting, learning about economic and consumer issues, and building assets. In CCSWT’s 41st year as an antipoverty agency, it is imperative that CCSWT continue to use its high level of organizational capacity to offer new programs, while staying true to its vision and mission. 

GROWING TO SURVIVE

By Craig Beckley, Executive Director, Heart House

Rural homeless shelters are an endangered species in Indiana. In the past five years, 43 of the state's 92 shelters have closed and only 25 have reopened. To survive, Heart House needed to increase the scope of its services and identify programs and nongovernmental funding that would enable the organization to continue serving the state's homeless population.

Heart House serves Dearborn, Ripley, Franklin, Ohio, and Switzerland counties—a mostly poor, white area in the rural southeastern corner of Indiana. Heart House confronts issues of homelessness and affordable housing where few others have ventured. Its mission is to provide shelter and programs to homeless persons and families, and to return them to their communities as productive citizens. Formed in 1998 as a new organization with no experience in affordable housing, it needed capacity building of all types to put it on the path to becoming a viable housing organization.

Establishing a Sustainable Organization


To become self-sufficient and fulfill its mission, Heart House first needed to identify a sustainable source of funding for the homeless shelter. After consultations with stakeholders, staff decided to develop affordable housing to generate income to cover the shelter's operating costs. The organization expanded its mission to support and strengthen its core activities.

HAC's Rural Community Development Initiative (RCDI) capacity building program provided valuable information on how to apply for grants, manage money, and conduct productive fundraising, as well as critical information on programs to help low-income families become first-time homebuyers. (For more information on the RCDI program see page 19.) This guidance from HAC could not have come at a better time as the organization moved from infancy to building projects and operations.

In 2004 and 2005, 24 two-bedroom units of affordable, transitional housing were built and migrant housing

was built in 2006. Funds are now coming in from these rental units; these funds help sustain the organization and the programs it offers. The shelter, which opened in 2002, has served more than 800 homeless persons in less than five years. The organization's increased capacity allows the shelter to operate debt-free.

Looking to the Future

Because the shelter is operationally secure, resources and attention can now be directed to the housing needs of the low-income families in the area. Heart House's expanded services are meeting critical needs among the community's homeless population. Services are directed toward low-income (often unemployed) persons and families who are living in substandard housing or have no housing at all. Programs such as money management, family budgeting, parenting, nutrition, and job readiness are offered to provide life skills, the lack of which often contributes to homelessness. Heart House is currently looking for land on which to construct permanent affordable housing for families who are coming out of the transitional housing program. 



This migrant housing, designed to fit in with the neighborhood, was built by Heart House in 2006. Photo courtesy of Heart House.



INTERMEDIARY ROUNDTABLE FEDERATION OF APPALACHIAN HOUSING ENTERPRISES, INC.

By Jim King, President

What are the three most critical capacity needs of the organizations served by the Federation of Appalachian Housing Enterprises? What approaches are most effective in meeting those needs?

Leaders in the field are mired in the day-to-day business of managing operations. As a result, they have been distracted from building leadership around the industry's vision, empowerment, innovation, and advocacy. We can meet the local housing need by building capacity in three dimensions: transformational leadership, collaborative strategies, and resource volume.

Transformational leadership. Rural housing is a big issue, and our solutions are not yet broad enough. The Federation of Appalachian Housing Enterprises (FAHE) offers a program called Achieving Your Mission to nonprofits to refocus attention on the magnitude of our missions. This is an 18-month leadership seminar designed to give executive directors the conceptual frameworks and practical tools to adapt to changing circumstances and the obstacles facing community development corporations. The seminar encourages leaders to envision meaningful transformation of their communities and adapt their organizations so they can turn these visions into a large-scale impact. The first seminar participants have reported very impressive results.

Collaborative strategies. We can build collaborative capacity by understanding our real strengths and identifying what we can do at the regional level to take advantage of economies of scale. Rural housing providers tend to be too insular, with each organization performing every step in delivering solutions, regardless of what each is best suited to do. In Appalachia, our members have begun to address this issue by undertaking the Berea Performance Compact. We all have particular ways we want things done, but if we accept a level of standardization based on excellence, our members can capitalize on the strengths of each other and of the network.

Resource volume. Nearly every rural housing provider struggles with the lack of resources available at scale and on a continuing basis. Capacity is then defined by the balance sheet: there can be only as much growth as there is money. At FAHE, we have become aggressive in program design and product delivery. FAHE's primary role as an intermediary is to develop the infrastructure to deliver affordable housing products to the region. We will continue to offer the kind of mortgages that have established our reputation, but we will also offer conventional mortgage products to buyers in the moderate-income bracket. These products are limitless, because they have secondary market potential. We are also trying to look at rental housing in terms of scale. We raised \$10 million for a statewide equity fund in Kentucky and have plans for a region-wide fund in 2007. We will continue to do the commercial lending we've always done with our members—money to seed a revolving loan fund, build a subdivision, or buy equipment. Again, as an intermediary, we can create the infrastructure for our network to serve more families.

GROWING A NEW GENERATION OF LEADERS

By Gisela Salgado, Internship Program Coordinator, California Coalition for Rural Housing

Formed in 1976, the California Coalition for Rural Housing (CCRH) is one of the oldest statewide low-income housing coalitions in the United States. Its mission is to strengthen the capacity of the nonprofit and public sectors to provide affordable housing and related facilities that will improve the quality of life of farmworkers, immigrants, and distressed populations in rural areas of California. The mission is achieved through a comprehensive program of public policy advocacy, organizing, research, technical assistance, and leadership development. Members are primarily community-based nonprofit and public developers, including the largest self-help and farmworker housing producers in the country, as well as government officials, lenders, social service providers, and activists concerned about rural housing improvement.


The Need for Leadership

California is the nation's most diverse state, and its housing and community development organizations must prepare to comprehend and address the needs of communities that have various cultural, social, and linguistic backgrounds by cultivating leaders who not only have the tools and professional skills to be effective developers but also truly understand and appropriately represent the communities they serve.

Rural organizations face a unique set of challenges in comparison with their counterparts in urban settings. It is often difficult to attract and retain rural housing and development staff, as many young professionals are drawn to urban and suburban areas that have greater opportunities for advancement and access to leisure activities. Another challenge is creating a diverse workforce, especially from under-represented immigrant, minority, farmworker, and low-income communities. Finally, it is difficult to plan for succession and make the transition from the current leaders, who may be the same activists and visionaries who started these organizations 20 to 30 years ago. CCRH responds to these challenges and the need for leadership capacity building through its Internship Program for Diversity in Nonprofit Housing and Community Development.

Creating a Valuable Resource

The Internship Program was launched in 1998 and provides a structured, year-long experience for up to 10 university and college seniors (generally first-generation college students) in the housing and community development field. Placed at nonprofit housing and community development organizations serving rural areas across the state, the students earn stipends for full-time work during the summer and part-time work during the academic year. The program was originally underwritten by Bank of America for three years, then funded by the USDA Fund for Rural America for five years; currently, it is supported by five major banks and the Hearst Foundation. The financial support has contributed greatly to the overall success of the program, as have the partnerships built over the years among participating host agencies, public and private universities, and the interns themselves.

In its ninth year, the program has introduced 58 Latino, Asian, Native American, and African-American students to the field. All have successfully completed the program, and over half of the graduates hold highly responsible community development (CD) positions, some at the executive level. Graduates from the past three years have remained in the field at an unprecedented rate of 80 percent. The program has reached a maturity level at which it can be replicated in other regions of the country in CD organizations that wish to invest in the professional development of youth to achieve goals of diversity, improved services, and leadership succession. 



CCRH interns at the Power Inn self-help project site in Sacramento, California. Photo courtesy of California Coalition for Rural Housing.

MANAGING THE MONEY

By Wilbur Cave, Executive Director, Allendale County ALIVE

Before



After



This home was rehabilitated by ALIVE. Photos provided by Allendale County ALIVE.

Allendale County ALIVE, Inc. was founded in 1998 to foster self-sufficiency through programs that enhance the educational, economic, health, and social development of all residents of Allendale County, South Carolina. Located along the Savannah River on the border between South Carolina and Georgia, the county is home to a population of fewer than 12,000. It has the highest poverty rate (34.5 percent) and the lowest median household income (\$20,898) of any county in the state.

Housing needs among this largely African-American population are considerable (4.7 percent of Allendale County's housing units lack plumbing, 4.6 percent lack a complete kitchen, and 61.4 percent of all units were constructed before 1970). Before 2003, few efforts were made to address these conditions. ALIVE has pursued its housing goals to meet the pressing need for housing rehabilitation, homeownership, new construction, and property management in the local community. ALIVE staff has learned that although raising the funds to do this work is important, managing these funds can be just as critical for success.

The Art and Science of Managing Multiple Resources

Given local needs, housing rehabilitation has been a core part of ALIVE's work in the community. Those who

fund housing rehabilitation like to see their resources leveraged with other resources, but leveraging can complicate the process and, in some cases, delay the rehabilitation of units, because every funder has a different process and different implementation requirements. By developing strong financial management processes and reporting tools, ALIVE has been able to use funds effectively and secure additional funding.

ALIVE has successfully accessed funding from numerous sources: the South Carolina State Housing Finance and Development Housing Trust and HOME funds, HUD's YouthBuild program, the USDA's Rural Development Housing Preservation and Section 504 programs, and the Federal Home Loan Bank of Atlanta. In addition to being a funder, HAC has provided technical assistance to help ALIVE prepare applications and organize its financial management procedures.

For ALIVE, technical assistance and training enabled the organization to make decisions about accounting policies and tools that, coupled with increased knowledge about real estate, have maximized efforts to create improved housing conditions for local residents. This capacity building is reflected in ALIVE's staffing and tool selection. Managing multiple government and private sector contracts has required hiring a full-time finance director who

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MAKING FRIENDS, RAISING RESOURCES

By Reverend Ezekial Holley, Executive Director, James L. Barnes Community Development Corporation

The James L. Barnes Community Development Corporation (JLB/CDC) is committed to working with Terrell County, Georgia, residents to increase affordable housing availability. Poverty is high among this small community's largely African-American population, and JLB/CDC staff are committed to developing housing for local residents who have a household median income of just under \$27,000.

JLB/CDC was created in 2002 by 13 concerned Terrell County residents to increase resources in this low-income county through community-based economic development. While good intentions are important, finding the resources to make this vision a reality has been challenging. The organization started out with a bank account near zero and operated out of a small, dilapidated building. Fundraising has been a constant and important activity for JLB/CDC staff. By partnering with and learning from others, JLB/CDC has been able to build resources and increase its organizational capacity.



JLB/CDC's after-school program is supported by the Georgia Department of Community Affairs. Photo courtesy of the James L. Barnes Community Development Corporation.

Gathering Resources

JLB/CDC has been effective at obtaining resources from nonprofits, private companies, government agencies, and banks through grants, technical assistance, and general support. JLB/CDC staff have learned that success in raising funds depends on gaining knowledge and skills from committed partners. The relationships JLB/CDC has developed have led to increased resources for its programs.

JLB/CDC was organized into a CDC with the help of the Georgia Legal Services Program. Legal Services staff provided training in organizational development, affordable housing, and resource development. Lessons from these early capacity-building interventions laid the foundation for future success. Staff learned to look locally for resources and how to approach the local economic sector for funding. Several of JLB/CDC's early grants were secured from local industries, including Golden Peanut, Georgia Power, and Tyson Foods.

Recently, JLB/CDC collaborated with the Bank of Terrell and the Federal Home Loan Bank of Atlanta to obtain an Affordable Housing Program grant for \$250,000. Other grant funds were obtained to rehabilitate the old office building and lease another space in the community. The organization runs an after-school program for 30-40 children in one of the spaces with grant monies received from local legislators and the Georgia Department of Community Affairs.


Rural Community Development Initiative (RCDI) funds from HAC enabled the organization to hire housing staff, and HAC's technical assistance staff helped JLB/CDC design a mutual self-help housing program. The one-on-one technical assistance and peer learning provided much-needed knowledge about the self-help process, which opened the door for securing the funds needed to operate a program. With the help of Florida Non-Profit Housing, a Section 523 pre-application was submitted to Rural Development; it was recently approved.

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has specific skills and experience in the nonprofit arena. While several staff members had adequate bookkeeping skills, accounting expertise was needed to deal with the grants being leveraged to rehabilitate housing units. Decisions about whether to select off-the-shelf software or develop a customized bookkeeping system also were critical.

The Impact of Effective Resource Capacity Development

Since 2003, ALIVE has rehabilitated 62 owner-occupied homes and helped another 16 families become first-time homeowners after having received housing counseling, downpayment, and closing cost assistance. ALIVE is in the process of rehabilitating five existing housing units into affordable single-family rentals for families with low or very low incomes. In early 2007, ALIVE will purchase nine more units and rehabilitate them as single-family rentals. Setting up appropriate accounting programs has enabled the organization to manage money responsibly and report to funders effectively. While increased funding would help ALIVE sustain and increase its efforts, other supports—such as more uniformity in program reporting and more technical assistance—would help as well. 



INTERMEDIARY ROUNDTABLE

RURAL LISC

By Sandra Rosenblith,
Senior Vice President

What are the most critical capacity needs of the organizations served by Rural LISC?

Currently, Rural LISC supports 75 rural community developers in 36 states with training, technical assistance, information, capacity building grants, predevelopment grants, low-cost loans, and access to Low Income Housing and New Markets Tax Credit equity and bridge financing. Capacity building needs vary widely among these groups. Personally, those which concern me the most are (1) the need for truly committed board members with broad vision, high performance standards, and an equal passion for pragmatic solutions and social justice; and (2) the need for staff leaders who are skilled in the “art of the deal” and dedicated to building healthy, equitable, and sustainable communities.

What approaches are most effective in meeting those needs?

The best overall approach to helping meet these needs is twofold: (1) create long-term support relationships that are marked by mutual learning and respect, and that involve funding, training, and technical assistance; and (2) bring board and staff together with accomplished counterparts to successfully pursue community building strategies.

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New Challenges, New Partners

With funding in place and the organization established, things were running smoothly until JLB/CDC attempted to qualify housing applicants. The organization quickly discovered that most housing program applicants had serious credit problems. To help them qualify for the housing programs, JLB/CDC created a credit repair program. The organization approached two local banks, Bank of Terrell and Early Bank of Dawson, to help with this project, and the banks donated \$4,000 each to capitalize a revolving loan fund to help families clean up their credit. With these resources, JLB/CDC makes micro loans to graduates of the credit repair program. As they make payments on past-due accounts and learn budgeting and financial management skills, these participants are improving their credit ratings and will soon qualify for USDA mortgage loans.

Though struggles continue, JLB/CDC has come a long way. Thanks to donations and volunteers, the organization will soon take ownership of the leased building where after-school programs are provided. In addition, JLB/CDC now owns the Cultural Center, which houses the after-school program. In 2007, the organization hopes to build its first five single-family homes on five lots it owns. JLB/CDC's achievements and successes have all been the result of hard work, volunteers, planning, and perseverance. By partnering and learning from our partners, we have successfully raised the resources needed to build affordable housing. 🏠



JLB/CDC staff are committed to developing housing for local residents who have a household median income of just under \$27,000. Photos courtesy of JLB/CDC.



INTERMEDIARY ROUNDTABLE RURAL COMMUNITY ASSISTANCE CORPORATION

By William French, Chief Executive Officer

What are the three most critical capacity needs of the organizations served by the Rural Community Assistance Corporation?

Our clients have a wide range of experience and capacity. In the West, we have a number of well-established clients with years of experience and strong bottom lines. We also have brand-new agencies and some that are new to housing. For these agencies, the housing development process is extremely complicated, and understanding and navigating the development process is a key capacity need. Over the past decade, HUD and the Rural Development programs used by newer agencies have decreased funding for staff and board training, travel, and other agency development costs. Consequently, access to flexible resources is another capacity need. Newer agencies also need to understand how to deal with the complicated federal system of regulations, rules, and agencies. This includes operational areas such as accounting, audits, and personnel issues, as well as the more complicated issues of relationship building and communication. Running a nonprofit business is difficult; adding development and federal funding to the mix makes it even more specialized and complex.

Among our more established housing clients, we have been blessed with phenomenal leadership tenure. For this group's boards and key staff, succession planning and leadership building are important capacity needs.

What approaches are most effective in meeting those needs?

One-on-one onsite assistance is the most effective tool we have; however, it is expensive and at times inefficient. We use small workshops and network meetings to provide assistance to groups with common issues and needs. We have used this method in our housing and environmental work, networking statewide or subregions for training and targeted assistance. We also encourage our clients to take advantage of other networks like NeighborWorks, Enterprise, LISC, and HAC—we do not have enough resources to serve all the needs of our clients, and there is no sense in recreating the good work of our intermediary peers. For example, we use NeighborWorks to train our housing counselors. In the end, organizations are made up of people, so we work to build peer-to-peer connections for efficiency and to help build independence. Intermediaries play a vital role in building capacity, but we cannot do it alone.

STRENGTH IN NUMBERS

By Lyn Haralson, Community Affairs Specialist, Federal Reserve Bank of St. Louis-Little Rock Branch

Community development corporations (CDCs) that operate in predominantly rural states such as Arkansas are often small and geographically isolated. Individually, their size and output capacity may prevent them from accessing the capital and resources they need or gaining the attention of national housing support and philanthropic organizations. Arkansas's urban and rural CDCs saw a need to come together to achieve the scale necessary to access sustainable resources.

Coming Together

Arkansas nonprofit CDCs recognized the value and power of a collective voice and reached out for a mechanism through which to achieve it. The Little Rock Branch of the Federal Reserve Bank of St. Louis was one of several organizations that helped facilitate the formation of the Arkansas Coalition of Housing and Neighborhood Growth for Empowerment (ACHANGE) in 2004. ACHANGE is a statewide coalition of nonprofit housing practitioners, financial institutions, philanthropic organizations, and federal and state government housing support organizations. Leadership is provided by chair Teddy Gardner, executive director of the South Arkansas Community Development Corporation, and co-chairs Pat Atkinson, executive director of the Universal Housing Development Corporation, and J. D. Davis, executive vice president of Arkansas Land and Farm Development Corporation.

Membership in ACHANGE is open to all who are concerned about decent, affordable housing. The coalition includes 16 member organizations and 14 associate member organizations. Members are local organizations that serve both urban and rural populations; associate members are national entities such as NeighborWorks® America, Freddie Mac, HUD, financial institutions, corporations, municipalities, foundations, and the state housing finance organization. Associate members help with funding and technical assistance; however, they have no vote in agenda setting. ACHANGE is

organized into an executive committee and several subcommittees, which are in charge of fundraising, organizing the annual conference, recruitment, and other functions. The entire group meets once a month at the Little Rock branch of the Federal Reserve Bank of St. Louis; the subcommittees meet more often, up to once a week during conference planning. Plans are in the works to organize regional workshops around the state in addition to the annual conference in Little Rock.

This model of collaboration is consistent with the mission of the Community Affairs program of the Federal Reserve Bank of St. Louis. The program exists to support the Federal Reserve System's economic growth objectives by promoting community development and fair and impartial access to credit. It accomplishes this mission by encouraging partnerships among public and private organizations to make capital and credit available to low- and moderate-income persons and neighborhoods, informing bank and community organizations about the availability of public and private community development resources, promoting understanding of the Community Reinvestment Act and the Home Mortgage Disclosure Act, and increasing understand-

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Public Policy Symposium Luncheon included ACHANGE's 2006 Community Development Training Conference. Photo courtesy of ACHANGE.

CONNECTING THROUGH COMMUNITY

By Mario Villanueva, Director, Diocese of Yakima Housing Services

Established in 1998 as a faith-based affordable housing organization, the Diocese of Yakima Housing Services (DYHS) works with local parishes, community groups, individuals, and jurisdictions to address the need for affordable shelter in the seven rural counties in central Washington state. Local community support is vital to DYHS's work.

Building Grassroots Support

Building network capacity through grassroots support was a priority for the DYHS board of directors when the organization was founded. Both the board and the agency leadership wanted to establish a connection with the local communities they hoped to serve. One obvious connection was through the 41 parishes in the seven counties of the Diocese of Yakima. They were natural touchstones for information, support, and knowledge as DYHS sought to launch its housing work, and this method is still used today.

The first step in assessing the need for affordable housing development is to establish a community-based project committee composed of representatives from local parishes, city government, local growers, and concerned citizens. In this way, DYHS does not simply impose its sense of what type of housing is needed in a community; rather, it seeks the advice of people who are knowledgeable about their own communities. This approach does not eliminate opposition or NIMBYism, but it does establish the base of local support necessary for new development.

The importance of this support is evident in many of DYHS's efforts, including an attempt to construct farmworker housing in one central Washington town. DYHS recruited volunteers from a local parish to perform a housing needs survey in the community; the survey identified an immediate need for farmworker housing. However, the project faced opposition from some community members and from the city government. In fact, the city council passed an illegal ordinance banning the construction of farmworker housing. After attempting to sway the council by bringing




Villa Santa Maria serves the farmworker community in Grant County, one of central Washington's most fertile growing regions. Photo courtesy of the Diocese of Yakima Housing Services.

local supporters to council meetings, DYHS sued the city to remove the ordinance. The lawsuit was successful, the ordinance was withdrawn, and the farmworker housing was built. Despite some tension, local support for the development has grown.

As part of the Catholic Charities network of agencies that includes Catholic Family and Child Service (CFCS) social services, DYHS is broadening its approach to connecting with local communities. It has begun to market its services with CFCS to leverage the good work and positive community image of Catholic Charities. Development and marketing staff have been brought in to form a clearer identity for DYHS in the seven-county area, which will help build stronger relations with community residents.

The Power of Community Connections

To date, DYHS has developed 231 housing units with a value of \$27 million in seven rural communities. An additional 100 units are currently under construction in three communities. Development models have expanded and now include migrant and year-round farmworker housing; single-family, first-time homebuyer housing; and senior housing. The community support that is created as projects are developed has been essential to DYHS's success. 

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ing of the community's needs for affordable housing and small business development.

ACHANGE has helped streamline the needs of Arkansas CDCs in a way that benefits the financial institutions in the state. The organization provides a single point of access to CDCs working in Arkansas, as well as ongoing access to and feedback on affordable housing issues in the state. The benefits derived from collaboration have been most profound for the CDCs that participate.

Filling Needs

The most pressing need identified by the groups participating in ACHANGE was training; working together, they have been able to bring expert training to the state. In 2006, ACHANGE held its second week-long community development training event focused on affordable housing issues. These sessions will be convened again in 2007. The result has been strengthened capacity of CDC staff to perform at higher levels.

While the access to topnotch training has been a great benefit, the information-sharing and support network created through the coalition has been equally valuable. Meetings provide opportunities for networking. During the two years ACHANGE has been in existence, "go to" people with expertise in particular areas have been identified. Today, if a member wants to learn about self-help housing, anyone in the room can point to a few people who have a successful track record in this area. Because of this networking, individual CDCs do not have to build knowledge in every area; they can develop a system of strategic knowledge that can be shared within the group.

A rural CDC recently celebrated the construction of its 100th house; several coalition members attended the ceremony to show their support. This kind of support breathes life into the next project and is a factor in bringing the need for safe, decent, affordable housing to the attention of stakeholders across the state. 



RURAL VOICES

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

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WORKING TO SUSTAIN PRODUCTS AND SERVICES

by Ron Phillips, President, Coastal Enterprises, Inc.

Coastal Enterprises, Inc. (CEI) is a community development corporation and community development financial institution (CDC/CDFI) based in Wiscasset, Maine, a small rural village along Maine's midcoast. Our mission is to help create economically and environmentally healthy communities in which all people, especially those with low incomes, can reach their full potential.

Incorporated in 1977, CEI made our first investment in 1979 to a fish processing cooperative. CEI has come a long way from its beginnings and is now a multifaceted organization managing some \$370 million of capital in hand or committed, and our market area has extended beyond Maine to other regions of rural New England, upstate New York, and beyond. The rural areas CEI serves are traditionally communities with much higher poverty and unemployment rates than the national or New England average. In this context, CEI provides a large array of programs including financing and technical support to emerging businesses, promoting women in business, microenterprise, natural resource ventures in farms, fish, and forests, and affordable housing, including homeownership.

CEI's Programs and Services

The struggle to generate steady funding for core support and capacity to meet our mission has truly been the "practitioner's lament," a lament heard throughout the CDC/CDFI network. Funding sources for core operations and sustaining the organization's vital functions are few and far between. Most funding is focused on specific projects which, while in some cases multi-year, have a fixed end point. Identifying new resources to carry on the same work in support of basic staff, systems, operations, and even the research and development necessary to improve on the products or services we offer, has been difficult.

CEI began its housing programs in 1990 and since that time we have greatly expanded our housing program offerings to include lending and development of multifamily housing,

preservation of existing affordable housing, homeownership subdivisions and lease-purchase single-family homes, homeownership counseling, and Individual Development Accounts, and we have operated such programs as Americorps, Youthbuild, and the statewide CHDO technical assistance component in a consortium with Maine State Housing Authority. We have also founded and staffed the Maine Association of Affordable Housing network. All of these parts have directly benefited CEI's housing efforts, as well as other nonprofit or for-profit developers.

CEI has successfully accessed funding from a variety of sources, including the U.S. Department of Housing and Urban Development, Americorps, and the U.S. Department of Health and Human Services' Office of Community Services (IDAs). These programs have combined with investment resources from private foundations, including the Ford Foundation, Heron Foundation, Kellogg Foundation, Fannie Mae Foundation, along with the Fannie Mae Corporation, and the Federal Home Loan Bank of Boston. Thus, grant funds have not been the only source of revenue from which CEI builds capacity. Revenues derived from (1) capital grants and loans that in effect offer zero percent interest to invest in housing or small business projects that generate a return; (2) low cost loans, like Program Related Investments (PRIs) from foundations or long term borrowings from United States Department of Agriculture, Rural Development and (3) arbitrage, the spread between cost of funds from borrowings from banks and relending rate.

The Goal: Achieving Sustainability

CEI has helped to create more than 1,000 units of housing and over 20,000 jobs through our various development, investment, and technical assistance programs and now counsels some 2,000 individual businesses and aspiring homeowners annually. Supporting these investments and program activities continues to be a challenge, and it is not clear the models and best

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FROM SMALL BEGINNINGS TO LARGE RESULTS

By Dazetta Thorne, Executive Director, Seventh District Pavilion

Founded in 1997, Seventh District Pavilion (SDP) is committed to providing decent, safe, affordable housing opportunities to families with low, very low, and moderate incomes throughout southwest Louisiana. This seven parish area includes Acadia, Calcasieu, Evangeline, Jefferson Davis, Lafayette, St. Landry, and Vermillion. SDP's service area, which includes families of various racial, ethnic, and economic backgrounds, was heavily affected by Hurricanes Katrina and Rita. Because of the capacity SDP has been able to build, the organization has been able to address some of the needs created by the hurricanes.

Developing Capacity in Response to Needs

As a relatively new organization, Seventh District Pavilion required training and technical assistance to develop the capacity and understanding to meet the housing needs of its diverse service area. These efforts are starting to pay off as evidenced by the array of programs and services now offered by the organization. These programmatic offerings are all the more important due to the widespread loss and damage of housing during last year's hurricanes.

SDP approached the Housing Assistance Council (HAC) for technical and financial assistance and received help in both areas. Training provided by HAC gave SDP staff the understanding and tools needed to structure the organization. These trainings involved everything from strategic planning and goal setting, to simply networking with other organizations. All of these efforts helped SDP understand and apply for the resources necessary to implement the organization's goals. In addition, financial assistance received from HAC provided funding to receive outside training, purchase equipment, and provide salaries for housing counselors in three parishes.

Housing counseling has played a major role in helping families become credit-ready for homeownership. With the financial assistance received from HAC, SDP has placed counselors in Acadia, Calcasieu, and Jefferson Davis parishes to provide budget, credit, and pre-purchase counseling that are




With help from its partners, SDP has been able to play a role in providing housing by constructing lease-to-own single-family homes in Lafayette and Opelousas. Photo courtesy of SDP.

needed to assist families in realizing the American dream of homeownership. Last year, SDP provided over 900 hours of counseling services to families.

Funding received through the Self-Help Homeownership Opportunity Program (SHOP) via HAC has also greatly increased SDP's capacity to produce affordable homes. After attending a conference in Kansas City, Missouri, SDP received its first self-help housing grant in June 2003 to build 20 homes in 24 months. SDP also received a SHOP loan in 2003 to acquire ten lots for those families. SDP is now operating under its second round of SHOP funding to construct 25 homes in 24 months. So far 17 homes are under construction and ten families have already moved into their new homes.

The need for decent, affordable housing in rural Louisiana was increased tremendously by the devastation of Hurricanes Katrina and Rita. Through partnerships with for-profit organizations and tax credits from the Louisiana Housing Finance Agency, SDP has been able to play a small role in providing housing by constructing multifamily housing in Lafayette, and lease-to-own single-family homes in Lafayette and Opelousas. To this end, 30 multifamily homes will be constructed this year in Opelousas and 38 in Ville Platte. SDP was prepared to support these efforts and address these needs because of its increased program activity and capacity.

Implementing Programs to Serve People

Seventh District Pavilion is proud of the progress it has made in providing housing programs to the communities it serves. Although the organization has come a long way from its beginnings in 1997, there is an array of needs present and SDP is committed to continuing building its capacity to provide programs. By deliberately adding programs and services, SDP is increasing its ability to meet the known and unexpected housing needs of local residents. 

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practices of capacity building are clearly established in our field. Many sources of capital are required, and there is a constant need to be alert to funding opportunities, changes in the market, federal retrenchment, innovation and efficiencies in budget management, and related methods to piece together a steady revenue stream.

CEI's annual reports, which can be viewed at the organization's website (www.ceimaine.org), provide some credence to our business model, which combines strategic fundraising combined with investment dollars, an increasing net worth, and an earnings stream that has helped sustain our staff, programs, and overall operations. But the challenge is still formidable. Our CDC/CDFI field requires subsidy at many levels. We rarely use that term in our capitalization messages and proposals, but it is a fact. The more expensive money is, the fewer grant funds there are, and the less impact we can have on people and places left out of the economic mainstream. The "practitioner's lament" is truly grounded in experience. Going forward, we continue nevertheless to ply the waters of the capital markets, charitable gifts, social investments, and even the U.S. tax system for credits and purpose that will support our mission until complete. 🍷



INTERMEDIARY ROUNDTABLE NEIGHBORWORKS® AMERICA

By Eileen Fitzgerald, Chief Operating Officer

What are the three most critical capacity needs of the organizations served by NeighborWorks America?

Focus, finances, and staff. One of the greatest challenges in managing a nonprofit organization—whether it is NeighborWorks America or a small community-based organization in rural America—is to stay focused on the core mission and say “no” to activities and projects that divert the organization from its mission. Another consistent challenge for nonprofits is to truly understand the cost of doing business by line of business. Not every line of business can be self-supporting, but it is essential for the board and management of the organization to have an in-depth understanding of the actual cost of operating various programs. Finally, recruitment and retention of skilled staff and leaders continue to be challenges, especially as the housing and community development industry has become more complex and sophisticated.

What approaches are most effective in meeting those needs?

Nationally, NeighborWorks America has shifted our focus from funding projects to underwriting entire organizations. This new underwriting model places a strong emphasis on the NeighborWorks® organization's operational plans, which highlight the focus of the organization (through a business plan and outcomes) and a detailed understanding of the finances (the cost of lines of business). At the local level, we encourage organizations to use Success Measures, a participatory evaluation method designed by and for community-based organizations and their stakeholders to document outcomes, measure impact, and inform change. In addition, our national and regional NeighborWorks® Training Institutes are a key element in providing high-quality training to staff and boards on nonprofit management, leadership, and finance as well as community development and affordable housing issues. This training can help retain staff and ensure that they have the skill sets to accomplish their organization's mission. Board commitment to training and retaining quality staff and leaders and preparing future leaders is a key element of success.



INTERMEDIARY ROUNDTABLE ENTERPRISE COMMUNITY PARTNERS

By Kelly Cartales, Senior Vice President and
Adelaide Steedley, Director of Grants



What are the three most critical capacity needs of the organizations served by Enterprise Community Partners?

Enterprise Community Partners sees the following as the three most critical capacity needs of the rural organizations we serve:

- Increasing unit production and preservation – building new affordable, high-quality homes at scale, with environmentally efficient and culturally appropriate production, and rehabilitating and protecting existing affordable rural housing stock that is in danger of conversion to market-rate housing or deterioration.
- Creating new or expanded regional coalitions – leveraging existing partners, enticing new support, targeting efforts in a changing landscape, and building a system that supports rural development.
- Advancing housing/community development policy and resources at the state and local levels – as federal resources for affordable housing continue to decline, local partners must band together to advocate for new housing policies and adequate resources at the state and local levels.

What approaches are most effective in meeting those needs?

Our experience has shown that the most effective approaches for delivering on those efforts are these:

- Predevelopment grants and technical assistance – adequate predevelopment planning, design, and staging are absolutely crucial in rural areas, where management costs run higher and resources may be limited. Life-cycle costs can be lowered through water and energy efficiency, and good siting.
- Grants to pay for staff and scholarships – rural areas are constantly challenged to identify resources that can support core activities such as staff, professional development, and peer-to-peer interaction.
- Organizational development, such as staff and board training, and technical assistance – as a complement to operating support, Enterprise provides expertise in organizational management and housing development.



RURAL COMMUNITY DEVELOPMENT INITIATIVE: PROVIDING RESOURCES TO BUILD RURAL CAPACITY

By William Kenney, Senior Community Program Specialist, United States Department of Agriculture, Rural Development

We've all heard the proverb about the difference between providing a fish and teaching someone how to fish. USDA's Rural Community Development Initiative (RCDI) aims to help more experienced intermediaries (nonprofits and public bodies) instruct and guide locally based, rural community organizations in the development of projects and programs. Then, the next time the community is looking to undertake an economic or community development project, the tools and experience will already be in place. The local organization will know how to fish.

Rural Community Development Initiative

Many rural communities are unable to provide even the most basic services to their residents owing to a number of economic factors, including declining population and changes in agricultural economics. Furthermore, rural areas generally have a higher proportion of elderly people in their total population than cities and, thus, may have a greater need for health care and other services. Helping rural communities provide these services enhances the communities over the long term.

RCDI started out in fiscal year 2000 with a \$6 million allocation from Congress. The program was designed to add a much-needed component to community development in rural America: its mission was to enhance the capacity of rural communities to organize and administer projects and programs related to economic development, housing, infrastructure, and community development.

Program Eligibility and Partnerships

There are no restrictions on the type or location of the intermediary organizations that serve as RCDI grantees. To

be eligible, an intermediary must have been legally organized for a minimum of three years. Groups eligible to receive assistance from an intermediary are nonprofits, low-income communities, and federally recognized tribes. A recipient organization must be located in an eligible rural area with a population of 50,000 or less; the area may not be urbanized. Low-income community and nonprofit recipients must meet an income requirement: the median household income must be at or below 80 percent of either the state or national median.

Programs delivered by intermediaries are often based on the train-the-trainer concept. Intermediaries train the recipients on various topics: housing development, economic development capacity building, housing preservation, business creation, tourism development, water and sewer capacity building, or renewable energy, to name a few. The recipients then provide training to the residents in their service area, who are the ultimate beneficiaries of this program. Grants must be used in a three-year time frame.

Examples of Success

The following are a few success stories, illustrating the array of projects and programs that can be developed to help rural communities. While some grantees work nationally to effect change, in these stories the grantees have worked locally and focused on specific states and regions.

The *Nebraska Department of Economic Development* (DED) applied for an RCDI grant from USDA Rural Development and received \$700,000 to assist 111 communities in rural Nebraska. Nebraska DED matched the funds dollar for dollar for a total of \$1,400,000.

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The resources were used for technical assistance and training in capacity development throughout rural Nebraska over a three-year period.

A total of 82 trainings were administered on 10 different topics, including grant writing, capacity building for community boards, entrepreneurial training for technology and for nonprofits, and the Center for Leadership Development's Heartland Train-the-Trainer program. Some of the projects that resulted from the communities' gaining the tools they needed were a cooperative grocery, a community center, a community foundation, a Main Street Housing and Business Incubator, and regional tourism development. Communities appreciate the training opportunities made possible through the RCDI grant—they feel more connected to Nebraska DED and government in general as a result of the grant. This program also has improved communication among communities, government, and statewide agencies, allowing them to collaborate, build capacity, and educate the residents of the communities.

The *Center for Rural Affairs* applied for an RCDI grant from USDA Rural Development and received \$60,000 to assist four rural communities in Knox County, Nebraska. The center matched the funds dollar for dollar for a total of \$120,000 to be used over a three-year period.

Key community leaders were trained in five program areas: sustainable concepts, leadership skills, youth involvement, business development, and agricultural enterprise development. The rural communities of Bloomfield, Plainview, Wausa, and Wynot were able to design and launch priority development activities with the help of this training and the information resources provided. Activities included inter-generational training for leaders and youth, grant writing, board leadership training, entrepreneurial training, holistic management training, and administration of the Hometown Competitiveness program. The training also included creative thinking for youth, technology information meetings, and assistance in grant applications, from which all four communities benefited.

After the first RCDI grant, the Center for Rural Affairs was able to continue the momentum into another grant that focused on six communities in Knox County and provided additional training in the area.


The goal of *Ho-Chunk Inc.* (Nebraska) was to use the internally developed Total Approach (a strong partner-

ship among the Winnebago Tribe, Ho-Chunk Inc., and Ho-Chunk Community Development Corporation) to implement a meaningful large-scale project on the reservation that focused on community and economic development and addressed housing and community facilities. Ho-Chunk wanted to help the tribe and the surrounding communities gain the tools, especially technology, they needed to battle high levels of unemployment and low per-capita income.

Ho-Chunk applied for an RCDI grant from USDA Rural Development and received \$152,195. The Winnebago Tribe matched the funds dollar for dollar for a total of \$304,390. The money was used to coordinate community development planning and other economic and betterment efforts over a three-year period.

Grant funds were used to hire a community project manager and expand the capacity of the technology manager. Both positions play a vital role in comprehensive community development planning and project development for the tribe and for the social services offered to Winnebago residents. The money helped achieve the following goals, among others: creation of a 16-person technology lab, development of a technology curriculum, and submission of 24 community development proposals. Thirteen of the proposals have been awarded and completed to date, including the creation of an arts and crafts retail store, the purchase of a fire truck, training on safe handling and preservation of artifacts, and implementation of a USDA Rural Development Intermediary Re-lending Program loan. Also, curriculum specific to Native Americans in Nebraska has been developed in coordination with the University of Nebraska Enhancing Developing and Growing Entrepreneurs program.

Results

The RCDI program provides grants to intermediary organizations that, in turn, offer capacity-building, financial, and technical assistance to recipient organizations. The recipient organizations' capacity is increased through the assistance, enabling them to provide more efficient services to the residents of their communities. The RCDI program has been funded at the \$6 million level every year since 2000. Over this period, USDA Rural Development has approved 130 grants totaling approximately \$32 million to organizations that are trying to improve the quality of life in rural America. 

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



Robert Calvillo

A few years after joining the McAllen Affordable Homes, Robert Calvillo took a short detour on Christmas Eve to drive through the nonprofit's most recently completed 118-lot subdivision. This development had been a challenging project both politically and financially, the subject of intense scrutiny by local residents and NIMBY opposition.


As he drove, Calvillo saw Christmas lights hung outside, Nativity scenes, and other decorations to celebrate the season. In open garages, he saw parents putting together bicycles and other toys. "What would these families be doing this Christmas," he wondered, "if we hadn't received support from our partners and if we gave in to oppositional pressures?"

The joy of seeing and knowing that his work has made a positive impact on the lives of families in his community is why Robert works as Executive Director of the Community Development Corporation (CDC) of South Texas and as Executive Director of McAllen Affordable Homes, and serves on HAC's Board of Directors.

Both Texas organizations, while they are separate entities, are residential development nonprofits that build homes and provide mortgages for low-income families. McAllen Affordable Homes serves residents of the City of McAllen. The CDC of South Texas serves families living in the rest of Hidalgo County. "On tough days," Calvillo said, "I often replay that Christmas Eve night in my mind."

As the newest member of HAC's Board of Directors, Calvillo notes that he is still learning his role. "I am impressed with the dedication of HAC's Board and staff and the spirit of community service that each member possesses," he said.

Before becoming a Board member, Calvillo had partnered with HAC to provide affordable housing in Hidalgo County. He noted, "HAC is second to none in its commitment to rural housing. It provides financial support but also technical support for its partners. As we were organizing our county-wide program, the assistance and advice that HAC staffers provided were invaluable and continue to serve as a significant resource for our efforts."

Originally from Weslaco, Texas, Calvillo and his wife, Carmen, now call McAllen home. McAllen, a community of about 120,000 people, is located about five miles from the border with Reynosa, Mexico and is the largest city in Hidalgo County. "Despite challenges of high unemployment and high poverty," Calvillo says, "McAllen is a very progressive community and a great area to raise a family." 



Twila Martin Kekahbah


Ask Twila Martin Kekahbah about herself and she will talk about her tribe, her family, the community she lives in, and society today. It becomes clear early in the conversation that Twila's values do not allow her to think of herself outside of those realms. When asked about her identity, she said, "I do not think of myself as an individual. My individuality is wrapped in my identity as a member of the Chippewa tribe, wife, mother, daughter, and sister."

Twila's home is in Belcourt, North Dakota, located on the Turtle Mountain Band of Chippewa Indian Reservation. She lives there with her husband Rollin. Twila cares about her community and works for justice when often there is none. She was tribal chair from 1988 to 1992 and again from 1994 to 1996. She described her decision-making style as tribal leader; it was inclusive and thoughtful. Her concerns now are for the lack of affordable housing for the Reservation's residents.

Due to the Reservation's small land base and large population, affordable housing is a constant unmet need. Currently, over 300 families are on the waiting list for tribal housing; many of them have been waiting for more than 10 years. Recently, an entire housing cluster known as Turtleville, which was built on a reclaimed dump, was condemned due to black mold infestation. Many of Twila's family and friends are either homeless or living in housing that is in critical need of repair. She is working to change that.

Twila is Director of the Tribal Analytics Institute (TAI) at United Tribes Technical College located in Bismarck, North Dakota. TAI, an intertribal program serving the Tribes of North Dakota, was developed to help Tribes identify and address their unique needs, create long-term solutions, and use effective, Native-based research practices to build tribal capacity and improve tribal program services. The TAI provides training, technical assistance, and statistical analysis to North Dakota Tribes. One of the issues it is addressing is the lack of affordable housing.

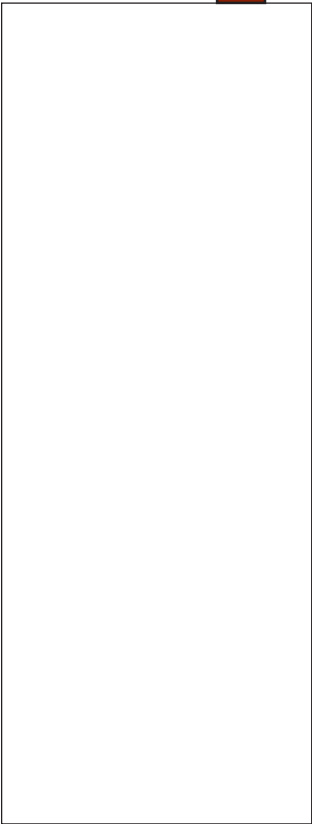
Twila is also the First Vice President of HAC's Board of Directors. She has a long relationship with HAC and its staff and values its integrity and leadership for improving living conditions in rural America, including American Indian/Alaska Native communities. She agreed to become a Board member because she was impressed with the life-long commitment of its Board members to the HAC vision.

On the reservation, Twila grew up with respect for herself and others. Her father often told her, "You are no better than anyone else, but no one is better than you." She lives her life with that thought in mind. 



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