

Rural Voices

THE MAGAZINE OF THE HOUSING ASSISTANCE COUNCIL

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PUBLIC HOUSING AUTHORITIES



PARTNERING IN RURAL COMMUNITIES

MESSAGE TO OUR READERS

Dear Friends:

Public housing authorities (PHAs) are critical affordable housing resources in rural communities, managing more than 232,800 public housing units and administering hundreds of thousands of housing choice vouchers. Many rural PHAs have also gone beyond the conventional housing authority role to establish innovative partnerships and programs to serve their communities. This issue of *Rural Voices* explores the many ways in which rural PHAs have become vital partners in community development efforts by leveraging traditional PHA programs and creating innovative strategies to serve their communities.

Rural PHAs from across the country create partnerships with local communities to improve and expand services for public housing residents. The Housing Authority of McDonough County transformed its role in the community by creating opportunities to partner. When the Randolph County Housing Authority recognized the need for new programs they could not effectively provide as a PHA, the housing authority created three new organizations to meet community needs. To make their Housing Choice Voucher Homeownership program work, the Northeast Nebraska Joint Housing Agency connects the voucher subsidy with USDA mortgage financing.

Articles from the Public Housing Authorities Directors Association (PHADA) and the National Association of Redevelopment Organizations (NAHRO) provide overviews of the role of PHAs, identify strategies for collaborating with housing authorities, and suggest reforms to benefit small PHAs. The Keene Housing Authority's Moving to Work program illustrates what small PHAs can accomplish with increased flexibility and a commitment to serve community needs.

We are also pleased to introduce a special feature that will run in this year's issues of *Rural Voices*. In celebration of the 60th anniversary of the Housing Act of 1949, the Housing Assistance Council has invited various stakeholders to reflect on the importance of housing programs, and the strides that were made possible by this seminal piece of legislation. In this issue, Representative Lincoln Davis (D-TN) reflects on his experiences with USDA and the many ways in which the Housing Act of 1949 has helped to create improved living conditions in rural America. We hope you will enjoy this series of articles.

In Community,



Lauriette West-Hoff, Chair



Debra Singletary, President



Moises Loza, Executive Director

Contents



1 HAC FACTS

5 SPECIAL FEATURE

Reflections on USDA Rural Housing

By Representative Lincoln Davis

Representative Lincoln Davis (D-TN) provides a personal account of his experiences with USDA Rural Housing and the impact of the Housing Act of 1949 on living conditions in rural America.

FEATURES

6 Housing Authorities and Rural Communities

By James Armstrong

Housing authorities can be effective partners for those interested in improving housing conditions. The Public Housing Authorities Directors Association provides an overview of small PHAs and reforms that can help make them operate more efficiently.

9 Broadening Our Reach: Randolph County Housing Authority

By Karen Jacobson

When the Randolph County Housing Authority (RCHA) needed new partners to address local housing conditions, they created three new organizations. RCHA's executive director reflects on the experience of creating and working with new nonprofit organizations.

12 Invest Your Best: The Importance of Partnership

By Bill Jacobs

The Housing Authority of McDonough County became a vital part of the local community by thinking creatively about its partners and investing its staff's time, talent, and resources.

14 Moving To Flexibility: Encouraging Flexible Public Housing Programs

By Julie Davenson

By participating in the demonstration program, Moving to Work, the Keene Housing Authority was able to create and offer innovative programs to serve the broader needs of the community.

16 Helping Renters Become Homeowners

By Bernice Beaulieu

With USDA Rural Development mortgage loans and mortgage subsidies from the Housing Choice Voucher program, the Northeast Nebraska Joint Housing Agency has been able to offer a successful homeownership program to very low-income rural residents.

20 VIEW FROM WASHINGTON

Public Housing Preservation

By Jennifer Lavorel

The National Association of Housing and Redevelopment Officials identifies the challenges faced by small, rural housing authorities and offers tools to preserve public housing projects.

Cover Photo courtesy of McDonough County Housing Authority

Housing Partnerships and Prisoner Reentry

In 2008, HAC was asked to contribute to an effort aimed at increasing housing options for formerly incarcerated persons returning to rural communities. Family Justice, an organization that focuses on using family strengths and resources to address justice issues, launched the project, *Housing Partnerships to Enhance Reentry Outcomes*, with support from the Bureau of Justice Assistance. With help from HAC, Family Justice conducted a site selection process, comparing factors such as level of rurality, income, crime rate, and availability of affordable rental housing in communities around the country.

Family Justice and HAC traveled to Arkansas to initiate collaboration between community corrections officials and housing practitioners, including public housing authority staff, nonprofit housing developers, and homeless advocates. The resulting work group met four times and created an action plan to explore housing options for families involved in the criminal justice system. Based on the lessons learned, Family Justice developed a manual to educate both criminal justice professionals and housing providers about the potential for partnership in the interest of decreasing recidivism; decreasing homelessness; enhancing family health and well-being; increasing public safety; and creating cost-effective solutions to address social issues.

~The manual will be available soon. Visit www.ruralhome.org or www.familyjustice.org for updates.

Homeownership Dream Closer to Reality for Rural Families

More than 500 low-income families in 15 states will help construct their own first homes in rural places around the country, thanks to local community development organizations that will receive financing from the HAC.

Most of the \$8.6 million in financing comes from the Self-Help Homeownership Opportunity Program (SHOP), which is administered by the Department of Housing and Urban Development. Since the inception of SHOP, HAC has been awarded \$84.3 million to help produce over 7,200 homes.

SHOP funds can be used to cover costs associated with land acquisition and infrastructure improvements. HAC's

local SHOP affiliates can use up to \$15,000 per unit for eligible development. The affiliates are responsible for all construction activities, including securing additional funding, preparing sites, training families, and managing the self-help process.

~For more information, visit www.ruralhome.org/manager2/prshop09.pdf.

HAC Opens Western Regional Office

HAC will open its western regional office in Sacramento, California on June 1. Karl Ory, HAC's Western Regional Director will oversee daily operations of HAC's western regional training and technical assistance program and implement programs to improve the housing conditions of the rural poor in the region.

Mr. Ory has worked in rural housing since 1981. He has managed two self-help housing programs for 11 years helping to create 250 affordable units in 12 housing developments. He also worked as a trainer and technical service provider to rural housing organizations for eight years in ten western states. Karl joined HAC in February 2007, primarily serving in northeastern states and training nationwide. He has expertise in single-family housing development, land development, and strategic planning. He holds a Master's degree in Public Administration and is a former council member and mayor of the City of Chico in California.

~For more information on HAC's western regional office or for assistance in the region, please contact Karl, karl@ruralhome.org or western@ruralhome.org.

HAC's Training and Technical Assistance Division helps rural organizations to improve the housing conditions for the rural poor. The division focuses on developing the capacity of local leaders in nonprofit organizations to help their own communities. This is done by providing formal training, one-on-one technical assistance, and connecting local organizations to resources.

~Visit HAC's website at www.ruralhome.org/servicesTraining.php for upcoming trainings in your area.

Highlights from the 2008 National Rural Housing Conference

HAC convened the *National Rural Housing Conference 2008: Working for Change, Building our Future* at the Hyatt Regency Washington on Capitol Hill in Washington, DC, from December 3-5, 2008. Conference highlights included:

More than 640 participants from across the country. Rural housing practitioners representing 44 states and the District of Columbia brought a high level of energy and excitement to the 2008 conference. Thanks to the generous contributions of conference sponsors, HAC was able to provide more than 200 scholarships to help nonprofit staff participate from across the country.

Informative workshops and plenary events. Plenary events provided participants with a variety of perspectives on the current political and economic environment and the impact recent events will have on rural housing issues in the future. A total of 34 workshops were offered at the 2008 conference. In addition to general sessions focused on housing development and organizational management, HAC offered specialized workshops on a range of topics, including a green building track sponsored in part by the Home Depot Foundation, rental housing and preservation sessions sponsored in part by the MacArthur Foundation, and a new self-help housing track.

A celebration of leaders. The *2008 Rural Housing Awards Banquet* honored the contributions of several rural housing developers and supporters from across the country. HAC presented the Skip Jason Community Service Award in recognition of local activism, the Clay Cochran Award to an individual who has made a national impact, and the newly-created Henry B. Gonzalez Award to recognize the achievements of an elected official.

Collected input from participants to develop a rural housing platform. HAC collected input on the platform from conference participants through a blog and during a plenary session. These contributions, as well as those obtained after the conference, were synthesized and shared widely with the new Administration, agency staff, and other stakeholders.

On January 2, 2009, HAC issued the platform, providing specific recommendations to housing stakeholders and policymakers:

- Use rural housing improvements to help create and sustain economic recovery.
- Protect rural homeowners against foreclosure now and predatory lending in the future.
- Reinvigorate the original mission and philosophy of the USDA Rural Development housing programs.
- Restore and maintain full funding for HUD and USDA housing programs.
- Build and sustain the capacity of local rural housing organizations to meet their communities' needs.
- Recognize the special needs of vulnerable populations in rural America.
- Support continued strong direct lending programs for single- and multi-family rural housing development.
- Support provision of decent, affordable rental homes in rural places.
- Continue to improve the federal response to disasters.
- Adopt legislation to improve the provision of assistance to homeless people in rural places.
- Ensure adequate funding for rural residential water and sanitation services.

~ The entire platform with specific recommendations is available on HAC's website at www.ruralhome.org.





SPECIAL FEATURE
Celebrating The 60th Anniversary
of the Housing Act of 1949



REFLECTIONS ON USDA RURAL HOUSING

By U.S. Representative Lincoln Davis

For me, providing a means for rural Americans to realize the dream of home ownership or affordable and safe rental space is not only a moral issue, it is a personal matter and one that I take very seriously and with great passion.

Having grown up in the rural Upper Cumberland region of Tennessee during the 1940s and 1950s, I witnessed and lived the struggles of many of my neighbors. While life has improved dramatically for rural folks due to better roads, available healthcare, improved infrastructure and telecommunications, increased access to financial services and modern modes of travel, we are still lacking in many areas.

While there are some that like to demagogue the federal government, I am not one of them. It was a federal agency that began administering housing loans to residents of rural areas who were unable to secure affordable credit from private lenders. I later worked for this agency, known as the Farmers Home Administration (FHA), which has since integrated into other USDA agencies. It was extremely rewarding to help local municipalities and individual families, working along side one another to provide access to goods and services and build basic infrastructure. The FHA also disbursed emergency loans to help recover from natural occurrences like droughts and floods, an issue that I continue to advocate for as a Member of Congress.

Today, with perseverance and in large part due to legislation implemented during the Roosevelt Administration and the Housing Act of 1949, many rural Americans have a greater chance to improve their living conditions and enjoy healthier communities. From housing loans to disaster assistance, services provided by USDA are just as important today as they were sixty years ago. My pledge is to continue examining ways to keep these programs healthy, accessible, and responsive to current demands. 

~ Congressman Lincoln Davis represents Tennessee's Fourth Congressional District. He is a member of the House Appropriations Committee and House Science Committee. For more information, please visit www.house.gov/lincolndavis.

HOUSING AUTHORITIES AND RURAL COMMUNITIES

By James Armstrong

Housing authorities (HAs) began to operate in local communities in the United States during the Great Depression. They have since become important vehicles for communities to access federal housing assistance programs, such as public housing and the Housing Choice Voucher (HCV) program. But HAs have powers that extend beyond the operation of federal housing assistance, and the combination of their local powers and the federal assistance they administer make HAs potentially significant actors in local rental housing and real estate management.

What are Housing Authorities?

Under the authority of state enabling legislation, an HA typically operates as a political subdivision of the state in a jurisdiction that conforms to a local government's boundaries. Charters typically establish a Board of Commissioners to govern an HA and describe how board members are appointed, usually by a local governing body, the chief elected official, or, more rarely, popularly elected. Although HAs are created at the behest of local governments, they usually do not form a department of local governments but operate independently. However, since most HA board members are appointed, they remain accountable to the electorate through local governments.

The Department of Housing and Urban Development (HUD) has recognized approximately 4,200 HAs as eligible to operate federal housing assistance programs, 3,200 of which own and operate public housing apartment complexes, and 1,700 of which operate an HCV program. Some agencies operate both public housing and HCV programs. Although there are some chartered HAs that

do not operate federal housing programs, the number of agencies recognized by HUD is probably the best estimate of the number of these agencies.

HUD categorizes HAs into groups according to their size: very small (with fewer than 50 public housing units and vouchers under administration) and small (with between 50 and 250 units) make up 75 percent of all agencies. Although these small agencies are a dominant majority of all HAs, they operate less than 10 percent of the total national public housing and voucher inventory and receive only 5 percent of the national public housing and voucher funding. By comparison, large HAs (with more than 1,250 units) comprise 1 percent of all HAs, administer 66 percent of the public housing and HCV inventory, and receive 76 percent of the annual federal budget for these programs. If a rural community is served by a local HA, it is very likely that the agency is small, although some rural communities are served by regional agencies that may be larger. For example, of eight regional HAs in Mississippi, only one is a small HA.

What Do Housing Authorities Do?

The presumption that HAs simply operate public housing, or the Section 8 Housing Choice Voucher (HCV) program, is incomplete, not incorrect. In general, under their charters, HAs may buy and sell real estate, operate rental housing, incur debt and issue tax exempt bonds, use the power of eminent domain to acquire property, and transfer that property to the private sector to further their mission. They often have the power to conduct public hearings, subpoena witnesses, and issue reports concerning housing in their

communities. As a result, some rural, small HAs have become significant developers of affordable housing. They have become sophisticated in the use of the complicated combination of financing tools that are usually required to develop contemporary assisted housing. These agencies have also acted as property management organizations, asset managers, and general or managing partners in housing developments in which they have participated.

Since HAs are accountable through their Boards of Commissioners to local elected governing boards or chief elected officials, they are generally more accountable to local government and the local electorate than private non-profit or for-profit housing development or management organizations. Because of these relationships, small HAs in rural communities often claim, with justification, that they operate the best quality rental housing, subsidized or not, in their communities.

How Do Small HAs Do?

In 2008, HUD produced a report concerning HAs operating fewer than 250 units that identified several characteristics of interest. For example, small agencies operate smaller apartment complexes that are newer than housing operated by larger agencies. Based on HUD's Public Housing Assessment System, a higher proportion of

small HAs are high or standard performers, and a smaller proportion of small HAs are troubled compared to larger.

In addition to such general positive characteristics, small HAs have made innovative contributions to the quality of housing in their communities. For example, the Marble Falls Housing Authority served a small community in the central Texas hill country to the west of Austin. At the request of neighboring communities, the HA became a major developer of assisted housing in its region using various financing tools such as Section 8 Project Based Assistance, project based HCVs, and Low Income Housing Tax Credits. The HA was so successful that, at the Marble Falls HA's request, the state legislature chartered the Texas Housing Foundation, which now supports developing subsidized workforce and elderly housing in six localities in the region. The Foundation oversees the operations of 100 public housing apartments and 621 other affordable housing apartments in 13 properties in six communities.

Reform Supporting Small HAs

Although small HAs administer only 10 percent of public housing and HCV-assisted units, and use only 5 percent of these program budgets, these agencies are subject to federal regulation comparable to that of the large housing authorities that comprise 1 percent of the agencies but administer 66 percent of the assisted units and receive 76 percent of the federal budgets of the public housing and HCV programs. These monitoring, reporting, and oversight requirements disproportionately burden small HAs and consume HUD's resources, focusing attention to agencies that present very low risks to the federal government.

In order to ease the administrative burden for small HAs and to permit HUD to target its oversight capacity where the government is at most risk, the Public Housing Authorities Directors Association (PHADA) has proposed a broad set of administrative and statutory reforms for small HAs. Detailed reforms fall into five broad categories:

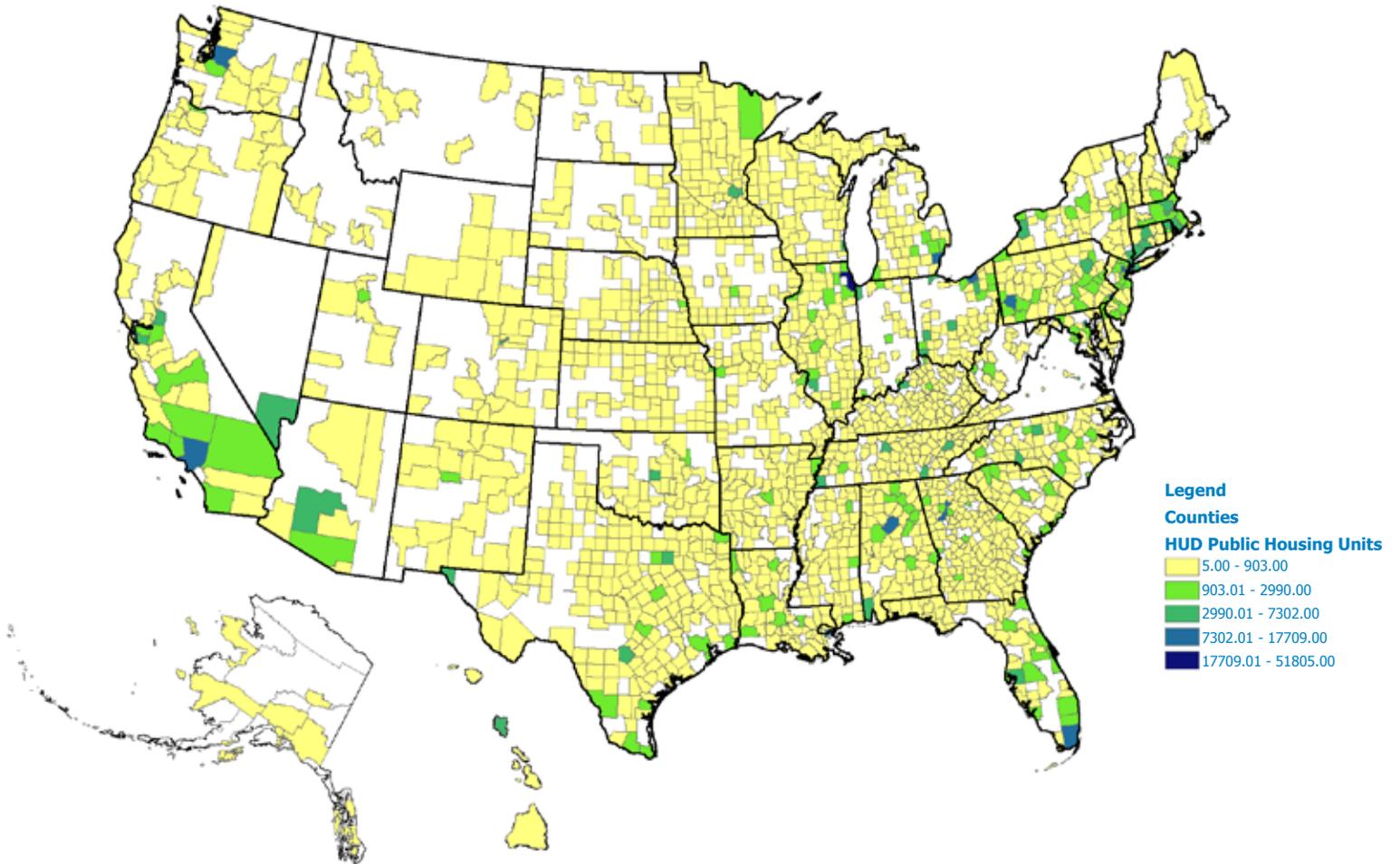
- Reform of monitoring and oversight
- Rent reform
- Regulatory simplification



This unit was developed by the Marble Falls Housing Authority, in central Texas, for a low-income family.

Continued page 23

HUD PUBLIC HOUSING



Produced by the Housing Assistance Council
Washington, DC

Source: HAC Tabulation of 2000 Picture of Subsidized Housing

BROADENING OUR REACH RANDOLPH COUNTY HOUSING AUTHORITY

By Karen Jacobson



The Moore family purchased a home with help from the HOC. The home was built by the RCHA/HCB crew on land owned by the Moores. They moved to their new home from a trailer next door.

Randolph County is the largest and among the most rural of West Virginia's 55 counties, covering 1,040 square miles with a population of just 28,000. The county seat of Elkins has a population of 7,000 and is host to a small liberal arts college. It is also a gateway to the spectacular Monongahela National Forest, a 900,000 acre tract that offers a wide variety of recreational activities.

In this area, the biggest employers are the wood products industry, retailers such as Wal-mart, and the local schools. Roughly 19 percent of the population lives in poverty, almost one-fifth of the population is over 65, and half have a disability of some sort. While homeownership is high, 78 percent, the housing stock is old. The average age of the housing is 30 years and the units are in constant need of repair. There is a significant rent burden for low-income families in our state, with 40 percent of renters having to pay more than 30 percent of their income for housing.

The Randolph County Housing Authority (RCHA) celebrated 30 years of service in March 2009. Despite our size—RCHA is a small agency with an operating budget of under \$1 million and 17 FTE staff members—we have been able to offer a number of programs to meet the wide-ranging needs of residents in our six-county service area. In order to help meet these needs, RCHA created three nonprofit organizations to tap into new resources, improve organizational efficiency, and serve more residents.

Our Foundation

RCHA's longest running program is its housing repair program, which, while small, provides a vital service by offering grant-funded home repairs to low-income elderly or disabled residents. RCHA acts as the general contractor and funder, but local contractors provide the service and the homeowners approve all payments.

Our largest program is a standard housing authority (HA) product: Housing Choice Vouchers (HCVs), also known as the "Section 8" program. RCHA assists over 600 households a year with these vouchers, which can be used to pay a portion of the rent for any private, unsubsidized rental unit. Nearly 200 landlords participate in this program, which offers them a guaranteed payment of at least a portion of the rent each month, as well as a "vetted" tenant who has been through a criminal background check.

Arguably, the heart of our agency is our YouthBuild (YB) program, which serves 17-24 year olds who have dropped out of school and are seeking a GED and work experience. These young people are the future of our communities. While many of their peers will leave the area for college or better job opportunities, they are most likely to stay close to home. Our YB program works on a holistic model, providing a wide range of services to crew members to

Continued page 10

help them succeed as young adults. Each year, we work with 35 to 40 young people, over half of whom are able to earn GEDs. Seventy percent of our graduates go on to work in the community.

Creating New Partners

RCHA also works in partnership with an array of nonprofit organizations that it has founded over the years to meet the broader needs of the communities we serve. These include a certified Community Housing Development Organization (CHDO), a NeighborWorks America® affiliate, and a community development corporation (CDC).

RCHA created a CHDO in 1995 in order to meet the demand for rental housing units in the region. Because rents were so low in our rural area, private developers could not make projects financially feasible, and Low Income Housing Tax Credits were not yet an option. At the time, HUD funding for new public housing funds was not available. However, the HOME program provided states with set-aside funds that were available only to CHDOs. RCHA created a CHDO and developed its first rental project of 16 scattered site units, which were completed in 1999. Census data later revealed that the CHDO units comprised the majority of total new rental units in Randolph County from 1990 to 2000, making the CHDO the largest single developer in the county. The CHDO has gone on to develop another six rental units and 18 new homes scattered across small towns in Randolph and adjacent counties. It employs a full-time program manager and part-time program assistant, while continuing to contract with RCHA for a part-time executive director.

The next spin-off came as a result of RCHA's expansion into the development arena with its homeownership program. Using public housing "5H" funds, we were able to develop 60-80 homes for first-time, low-income homebuyers. To do this, we created a revolving fund for development using the house sales proceeds, as well as a program that provided homebuyer education and credit counseling to potential homeowners. This program has gone on to construct or rehabilitate over 150 homes. In 1999, we had an opportunity to expand the program piece by becoming a NeighborWorks HomeOwnership Center.



Photo provided by RCHA.

Anna Smith is a YouthBuild graduate that went on to college after earning her GED. "I always knew I wanted to go to college," she said. "Being in YouthBuild helped realize that I could. The staff even helped me with admissions applications."

At that time, NeighborWorks would not allow housing authorities to become members, so a new nonprofit was formed called, coincidentally, the HomeOwnership Center, Inc. This group has gone on to become a licensed mortgage broker with a three-member staff. Each year they work with over 300 customers and originate 80 to 100 mortgage loans.

Lastly, RCHA founded the CDC, Highland Community Builders (HCB), in 2006 for three principle reasons. RCHA wanted to expand its impact on meeting affordable housing needs. To do this, the agency needed to become more efficient, in part by bringing its cost structure in line with the local industry. By turning its construction crew into a private nonprofit, RCHA was able to shed cumbersome procurement and personnel policies, and access a wider array of grant opportunities. This also enabled us to meet the membership criteria of Rural LISC, a national intermediary that serves CDCs with financing, training, and technical assistance. Finally, as a nonprofit organization, the CDC is able to raise grant funds for the YB program, a task that has become increasingly difficult for the housing authority to accomplish without a 501(c)(3) designation.

The Board of Commissioners has been very satisfied with what has been achieved by starting and supporting these nonprofit entities. In addition to the community outcomes summarized above, there have been many synergistic outcomes that have helped RCHA stretch the scarce

RCHA created three nonprofit organizations to tap into new resources, improve organizational efficiency, and serve more residents.

resources available for rural affordable housing, and to have a greater impact. For instance, all the organizations share office space and administrative functions. For the first five years of the CHDO's operation, it was staffed by RCHA employees. HCB also followed this model during its start-up period. The three organizations and RCHA also conduct joint marketing efforts, which saves time, money, creates a unified approach, and casts a broad net for clients and customers.

The organizations pursue grant opportunities together and align different products and services in order to make a larger impact with precious state and federal dollars. We are also able to be very efficient with our development dollars, using our senior development director and his construction crew to build most of the CHDO and CDC projects. Finally, and perhaps most importantly, each entity can access specific housing-related subsidies that enable local residents to improve their housing, which has greatly expanded RCHA's impact.

The Challenges

There are, of course, challenges to this "affiliated network" approach to affordable housing. RCHA and its partners work with four boards of directors. This offers more opportunities for citizen involvement than the housing authority's mandated five-person board of Randolph County residents ever could. But there is a significant workload associated with recruiting, training, and working with a number of board members.

Each affiliate organization also requires a separate audit, and the financial arrangements between the entities have to be worked out in Memorandums of Agreement, so that auditors and others understand that all government and grantor rules have been upheld. Another challenge relates to our marketing goals. Because RCHA's largest program, the HCV, is a HUD program that works with low-income renters, a perception persists that this is the only group that RCHA and its affiliates serve. Since HUD and the federal government have a negative connotation for some residents, this creates a barrier for our joint marketing on a range of needs we can meet with our affiliated groups.

Critical Resources

PHAs interested in creating nonprofit organizations need to understand the challenges they might face and the resources that will be required to be successful. For RCHA, the critical resources include a Board of Commissioners and senior management with the vision to see what could be accomplished for the community, and a certain comfort level with risk-taking. In short, leadership is key.

Partnerships with local and state entities were also key to building the new nonprofits. It is best to start a new group with a clear focus on a community need and a specific project in mind. This enables the HA to reach out and create new partnerships and bring in new resources, while building the new entity at the same time. For instance, the CHDO's first project was funded in part with CDBG funds through the Randolph County Commission. The HomeOwnership Center's connection to NeighborWorks was born out of RCHA's involvement in organizing a state-wide, member-led NeighborWorks group. The CDC's first project involved a year-long process with the City of Elkins to bring sewer to its subdivision development. These partners, and others, went on to support a variety of grant applications submitted by the affiliated groups that benefited the community.

Two federal grants were pivotal in growing all three nonprofits. The Rural Housing and Economic Development (RHED) grant from HUD helped build the capacities of the CHDO and the HomeOwnership Center by supporting new staff positions and training, while accomplishing needed housing projects. The Rural Community Development Initiative (RCDI) grant from USDA also provided key capacity-building funds.

Finally, there are fabulous training and financing resources available to rural nonprofits by these national intermediary groups: the Housing Assistance Council, Rural LISC, and NeighborWorks America®. The efforts of our local agency and its nonprofit groups have been enhanced by working with these groups. 

~ Karen Jacobson is the executive director of the Randolph County Housing Authority.

INVEST YOUR BEST THE IMPORTANCE OF PARTNERSHIP

By Bill Jacobs

Situated on the rolling prairies of rural west-central Illinois, the Housing Authority (HA) of McDonough County is a relatively small HA that manages 281 units of public housing, 24 units of Rural Development housing, and 125 housing choice vouchers. In the early 1990s, many folks in Bushnell and Macomb, Illinois did not think of this HA as a community asset. Now it is much different story. Years of increased and improved screening, cooperation with law enforcement, better communications with residents and the public, and partnerships for residential programming have paid off. But there is a cost to making those things happen.



Photo provided by McDonough County Housing Authority.

Fitch Manor, a housing authority property, hosts its Resident Picnic annually. Everyone had a good time eating great food and listening to live music by Peachy Miller and Mickie Weaver.

Investing Your Best

Our housing authority now plays a vital role in the larger community and has reaped many benefits because of the active role we play. An HA has two principal resources; its residents and staff. The Housing Authority of McDonough County has used its most important resources to establish connections in the community, create better programs, and improve quality of life for residents. Our HA thinks of it as an investment.

As a public HA director, you want to see your residents succeed. At a minimum, this includes paying their rent on-time. You want your maintenance staff to have a good attitude about their jobs and the residents. You want the police to compliment you on the minimum number of calls they have to make to your properties. You want to have social service agencies calling you with ideas or recommendations. You want to be proud of your work and be respected and held in esteem by those around you.

How do you accomplish all this? By being an organization in which others will invest their time and resources. In order to be this kind of organization, an HA needs to invest its resources and be recognized as a community partner.

“Partnerships” became a buzz-word in our industry a decade or so ago. However, in order to make partnerships work, it has to be more than a word in your vocabulary. Partnership must be a way of work, if not a way of life. HAs cannot be successful in this industry simply by providing vouchers and public housing units. In order to be truly successful, HAs must either find or create partners who deliver additional resources to develop and nurture its staff and residents.

HA staff must be prepared to invest their most precious resource: time. We must use our time to advocate for the people and programs of other community organizations. We should join their boards of directors and commit our time to their projects. By making these investments, HA staff will be recognized as doers, and perhaps, leaders. People who are known for making things happen.

Partnerships at Work

In our efforts to create programs for our residents and improve conditions in McDonough County, the HA has become a better community partner. By offering our space and staff time, we have found partnerships in almost every

sector of the community. These connections have resulted in critical programming for our residents and improved relations with the community.

Our longest lasting partnership has been with a grassroots neighborhood group known as Pride & Responsibility in My Environment (PRIME). Since 1997, this volunteer organization has provided structured activities on Saturdays during the summer months. Working out of the HA's community center, PRIME provides community service activities, followed by instructional activities and lunch, and ends with recreational activities. The highlight of the season is a block party celebration that is held on our grounds and is open to all residents. Our support for this organization has provided our youth with safe, fun, and rewarding activities, while we have earned untold good will and support for our HA.

Our most critical partnership effort was to join the McDonough County Interagency Council (IAC). The Council "provides a forum where social service professionals exchange information, ideas, and experiences of mutual interest. Members find appropriate means and methods to affect permanent, lasting positive change for residents of McDonough County." In these monthly meetings, professionals representing approximately 70 social service agencies share information and knowledge that can change the lives of our residents.

A discussion that began at the IAC led to the establishment of the McDonough County Youth Mentoring Council. After several discussions highlighting the importance of adult mentoring for youth, the Chief of Police forwarded a grant application to our HA. Our networking through the IAC created an opportunity for us to establish a local *Big Brothers, Big Sisters* chapter that is now a regional affiliate. For the last nine years this affiliate has been located on HA grounds, and many of our families have reaped the benefits of being exposed to the many wonderful and caring *Bigs* who have made them a part of their lives.

When you go looking for resources in our county, you cannot overlook the local institution of higher learning, Western Illinois University (WIU). We have been involved in several initiatives with the university, including an after school program, school holiday activity days, and social work internships. It was not an accident that we received a call asking if the HA would be interested in participating in the Peace Corps Fellows/USA Graduate Program.



Photo provided by McDonough County Housing Authority

Pride and Responsibility In My Environment (PRIME), a Housing Authority partner, holds an annual summer block party. Kids of all ages enjoy playing basketball, flying down the waterslide, exploring a fire engine, hanging out with friends and eating good food.

"Fellows/USA is reserved exclusively for Peace Corps volunteers who have satisfactorily completed their service abroad and allows them the lifetime opportunity to attend top graduate programs with the benefit of financial assistance." The WIU program was the first Fellows/USA program to move into the field of community development.

The program integrates graduate school with community service, requiring each Fellow to undertake an internship related to his or her degree that helps meet the needs of underserved American communities. In the process, the volunteer fulfills the Peace Corps' third goal, to bring that volunteer's international experience back home to share.

We are nearing the end of our third academic year with this program, and we have been impressed with our interns. They are mature, being somewhat older than most graduate assistants, and having had the experience of working in a challenging environment in a poor region of the world. They have a youthful enthusiasm and an idealistic approach to their studies and work.

In turn, the HA provides our interns with an opportunity to work with people who are in need of positive changes and meaningful activities in their lives. Although the HA staff has a long track record of working with our residents, this arrangement has allowed us to increase our engagement in resident-oriented support efforts and activities. The results have been tremendous for our HA, residents, and the community.

Continued page 18

MOVING TO FLEXIBILITY

ENCOURAGING FLEXIBLE PUBLIC HOUSING PROGRAMS

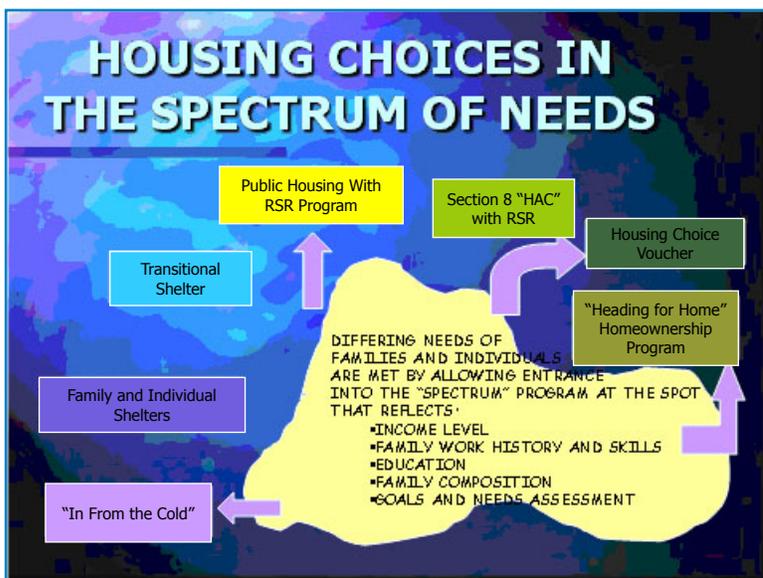
By Julie Davenson

As an industry, we have witnessed the impact of the declining housing market on the national economy. The challenge of developing affordable housing in both urban and rural areas has been amplified by the collapse of the banking and mortgage industries over the past year. Now more than ever, it is important for Public Housing Authorities (PHAs) to have the ability to quickly adopt practices and policies to meet the needs of their local communities. Federal regulations do not provide PHAs with the ability to react quickly and customize responses to the dramatic and swift-moving economic changes effecting the subsidized housing industry.

While some PHAs have been forced to close their waiting lists, reduce the number of Section 8 vouchers available to households, sell properties, or close their operations all together, some others have been able to innovate. In 1996, the Department of Housing and Urban Development (HUD) introduced a small demonstration program called Moving to Work (MTW). Under MTW, a handful of PHAs were granted some flexibility and authority to create programs that would allow them to respond to local conditions and needs. (See Fig. 1)

Keene Housing Authority (KHA) submitted a proposal and was one of the original PHAs selected to participate in the MTW demonstration. KHA has been a MTW participant since 1999. Located in Keene, New Hampshire, a small city with a population of about 22,000, the KHA owns 228 units of public housing and administers 409 Section 8 vouchers. KHA also operates several multifamily, Low Income Housing Tax Credit (LIHTC), and Rural Development properties.

Figure 1.
Approaches for Providing & Administering Housing Assistance



Moving to Work

On December 18, 1996, HUD published a Federal Register notice inviting applications from PHAs to participate in the MTW demonstration program. HUD was initially authorized to select up to 30 Public and Indian Housing Authorities from across the United States. The purpose of the demonstration, as defined in the original Federal Register, was to give PHAs the flexibility to design and test various approaches for providing and administering housing assistance that:

- Reduce cost and achieve greater cost effectiveness

- Provide work incentives to promote resident self-sufficiency
- Increase housing choices for low-income families

PHAs selected to participate in the demonstration were given considerable flexibility providing they met the following standards:

- 75 percent of households assisted by the PHA under the demonstration must be very low-income at the time they initially receive housing assistance
- Establish a reasonable rent policy designed to encourage employment and self-sufficiency of participating families
- Continue to substantially assist the same number of low-income families as would have been served had the PHA not participated in MTW
- Maintain a comparable mix of households, by family size, as would have been assisted had the PHA not participated in MTW
- Assure housing assisted under the demonstration meets housing quality standards established or approved by HUD

In exchange, participating PHAs receive the following expanded authorities:

- The ability to combine assistance received from HUD. Participating PHAs can create a pool of fungible resources from certain types of HUD assistance which include: operating subsidies provided under Section 9 of the 1937 Housing Act (42 U.S.C. 1437g); modernization funding provided under Section 8 of the 1937 Housing Act; and assistance provided under Section 8 of the 1937 Housing Act for certificate and voucher programs.
- The applicability of the 1937 Housing Act was waived for MTW sites based on submission of original proposals. The newer MTW Amendments executed in 2008 cite the specific regulations HAs may waive under MTW authority.

From Flexibility to Innovation

P. Curtis Hiebert, CEO of the Keene Housing Authority, used the flexibilities granted under the MTW program to strengthen existing collaborations between KHA, other

social service agencies, and local organizations to increase affordable housing options for residents of the Monadnock region. By partnering with local agencies and using the flexibility allowed under the MTW program, KHA was able to implement a full spectrum of housing options for extremely low- to moderately low-income households in the region.

Some examples of the innovations that were introduced include:

- Subsidizing participants at local shelters, enabling the shelters to serve more of the region's homeless population. Shelter residents are required to participate in life-skill classes and, once they successfully graduate, they receive a preference for a tenant-based Section 8 voucher
- Using the MTW-authority to increase eligibility for the voucher program from 50 percent to 80 percent of area median income
- Removing barriers to full utilization of the vouchers, such as Rent Reasonableness in the Section 8 program, and changing the subsidy calculation methods from an income-based system to a flat-rate step system

These changes have yielded important results for Keene residents. By combining and allocating Section 8 vouchers and the Public Housing operating subsidy, KHA was able to support job training and social service programs for the benefit of KHA tenants and other low-income households in the Monadnock region. KHA joined forces with Monadnock Developmental Services, Monadnock

Continued on page 19



Photo provided by Keene Housing Authority.

First Course students pose for a picture.

HELPING RENTERS BECOME HOMEOWNERS

By Bernice Beaulieu

Dakota, Dixon, and Wayne counties are situated in the northeast corner of Nebraska, along the Missouri River. These counties are the designated service area for the Northeast Nebraska Joint Housing Agency (NNJHA), a small housing agency that provides rental and mortgage assistance in these rural communities. NNJHA has received a high performance rating status from HUD for its service ability and maintenance.

This region in northeast Nebraska includes numerous villages and three cities. There is about a 12-mile distance from one village to the next, with the agency's service area covering distances as far as 50 miles away. Within these counties, there is a University of Nebraska campus and several nationally known manufacturers. Almost every town has its own school, and you can see buffalo roaming in private pastures as you drive along Highway 35. *Chicken Days* is becoming a state tourist attraction, and there are parades, contests, and a street dances for all to enjoy. The area includes many communities where families want to live and buy a home.



A disabled participant in NNJHA's homeownership program was able to purchase this home for \$32,000 and a monthly pay of only \$142.

The Department of Housing and Urban Development (HUD) instituted the homeownership assistance program in 2001. It was apparent early on that this program would work in our rural community. Eligible low-income residents were given the choice to use their vouchers to receive either rental or mortgage assistance; thus began NNJHA's Housing Choice Voucher (HCV) program.

Homeownership Program

If a family applicant chooses a homeownership voucher, there are some additional guidelines. In order to qualify, we require that at least one household resident be employed for one year, continuously, full time, and at minimum wage. However, this is not required for disabled families or the elderly. A family needs to attend homeownership education and housing counseling courses, which are provided through the affiliated REACH program, a HUD-certified housing counseling agency. The courses are offered at three different sites to ensure that it is convenient for the potential homeowners to attend. A family must also be an eligible first time homebuyer. Finally, the purchase price for a home must be appropriate for the income of the homeowner, and the financing must be secured by the family.

The homeowner share cost is based on 30 percent of their monthly adjusted income to be paid towards the monthly gross mortgage and utility costs. The cost to be paid by the agency is established by HUD based on the family bedroom size allowance determined by the agency. In addition, mortgage assistance is only permitted for a specific number of years depending on the family status.

Qualified potential homebuyers are instructed to apply and qualify for a mortgage loan from the bank of their choice. This first step provides the family with the basic loan amount for a home purchase. Many families may ultimately



With NNJHA's assistance a disabled family was able to purchase this home for \$70,000 and a monthly pay of only \$269.

be disappointed if they look at homes too soon and find one they absolutely want. The home may not be in the loan amount range that is allowed under the program, or it may be sold to someone else before all of the paperwork is completed.

NNJHA completes a home inspection for each chosen home. However, the buyer is required to contract with an independent contractor to inspect the unit. If inspections are approved and the loan is processed, the housing mortgage assistance becomes available on the first of the following month after the closing date. Some homes do need rehabilitation before the loan is available, and that process may delay closing dates.

Homeownership mortgage assistance is marketed through newsletters and brochures to the housing agency's rental-assisted tenants, and to other established program agencies. When applicants from other agencies are interested in mortgage assistance, they are referred to the housing authority. This partnering establishes a great link to provide the needed services to potential homeowners.

The Right Partners

Partnering with other agencies allows us to identify additional resources that benefit the family in the short- and long-term. For example, many homes in our rural communities are approaching 100 years old. Locating a home that is not too dilapidated is often a challenge. Agencies that offer rehabilitation-resale programs often have limited funds and long waiting lists. One local agency provides assistance with free weatherization in communities across our service area.

Other organizations and agencies offer more long term and intensive assistance. In 2003, a disabled rental-assisted tenant qualified for a USDA Rural Development Section 502 Direct Loan (USDA-RD) and this became NNJHA's first USDA-RD loan partnership. The Section 502 program has been a critical resource for our homeowners for many reasons. Given the incomes of participating families, many qualify for mortgage loans at one percent interest which is subsidized for 33 years. In addition, there are often down payment assistance partnerships associated with these loans that may be forgivable or deferred until the original USDA-RD loan is paid off. Currently, nearly 80 percent of the agency's homeownership closings have used USDA-RD loans.

Nonprofit organizations have also been vital partners in our effort to use the homeownership program. Closings were completed for two disabled families who purchased brand new homes. One family built a home specifically to accommodate their disability while partnering with a local community housing development corporation. The other purchase was a modular home from Prairie Gold "Bar-None" built in Nebraska and transported across the state. This family partnered with another community affordable housing agency, Northeast Housing Initiative. Both of these agencies have been involved in other homeownership closings with our housing agency.

Pulling together the requirements from all the different agencies involved creates a flurry of activity and can be challenging, but we have found that it is well worth it. Housing authorities need to be knowledgeable and inform

Continued page 18

Invest Your Best *continued from page 13*

Interns have initiated a quilt-making project to raise funds for a public after-school program, which in turn provided scholarships for our youth. A disability support group was created that provided input to a City Planning meeting on the need for improved sidewalks. A mural has been painted on a wall of the community center and another one is in progress. Social events have included attendance at final dress rehearsals of WIU theater productions, the annual international bazaar, community dinners, holiday parties, and much more.

Being Successful

Successful partnerships are a two-way street. If that street is in a rural community, all the players and resources will be

living in close proximity. We have no one else to turn to. We must nurture and live within a web of interconnectedness.

When connecting your residents with community programs, you introduce resources into their homes, while helping to ensure the survival of those programs. When you bring your time, talents, and resources to other organizations, you further their missions while helping them to improve the quality of life for your community. 🌐

~Bill Jacobs is executive director of the McDonough County Housing Authority. For more information on the HA, visit www.mcdonoughhome.org. And for more information on the McDonough County Interagency Council, please visit, www.socserv.org.

From Renters To Homeowners *continued from page 17*

their clients of the services available through USDA-RD and their local nonprofits. Partnering allows the homeowner the best deal when in reach of their homeownership goal.

Our Impact

When the homeownership assistance program first began in 2001, NNJHA's goal was to achieve one homeowner closing each year. Over the past eight years, we have helped 24 households go to closing, and several more USDA-RD closings are imminent.

There are several other indicators of our success. In reviewing the agency's rental and mortgage assistance payments, the data show that mortgage payments tend to be lower than monthly rental assistance. The housing agency's average rental assistance provides about \$287 per unit, while the subsidy for homeowners averages \$148 per unit. Approximately 35 percent of the non-elderly, disabled homeowners participating in the program have earned additional income to make them ineligible for continued mortgage assistance with the housing agency. This frees up additional resources for new participants and expands our reach into the community.

Homeowners also add to stability to communities through what this agency calls "trickle down" dollars. Dollars circulate through employers, real estate agencies, property insurance companies, county and state taxes, schools, colleges, grocery stores, utility companies, car shops, day care centers, medical care facilities, movies, and restaurants just to name a few. Spending money provides stability for our communities. Dollars just keep circulating. 🌐

~Bernice Beaulieu is the coordinator for the Northeast Nebraska Joint Housing Agency. For more information on the Northeast Nebraska Joint Housing Agency, please visit www.simpco.org.



With NNJHA's assistance a disabled family was able to purchase this home for \$90,000 and a monthly pay of only \$339.

Photo provided by NNJHA.

Family Services, and Southwestern Community Services to develop First Course, a job training program designed to support employment for individuals with low incomes, developmental or physical disabilities, as well as mental health issues. First Course is a 16-week culinary program that provides training to enter the food service and hospitality industries.

The resident services program for families was also expanded as part of KHA's participation in the MTW program. All family households were assigned a Resident Service Coordinator who helped the family identify employment and financial goals. Families are required to participate in quarterly meetings and receive free employment coaching and financial counseling services. The agency's paradigm shift from that of authority figure to service provider has resulted in positive changes for families. Employment rates and earned income for participating families have steadily increased over the course of the demonstration. (See Fig. 2)

The MTW demonstration has also allowed KHA to better integrate its programs with other housing programs and activities. In addition to its other multifamily housing efforts, KHA currently participates in the Low Income Housing Tax Credit (LIHTC) program. Rents on LIHTC units, while restricted, are still expensive for the population of people who are income-eligible to live in these properties. Because of the MTW demonstration, KHA has

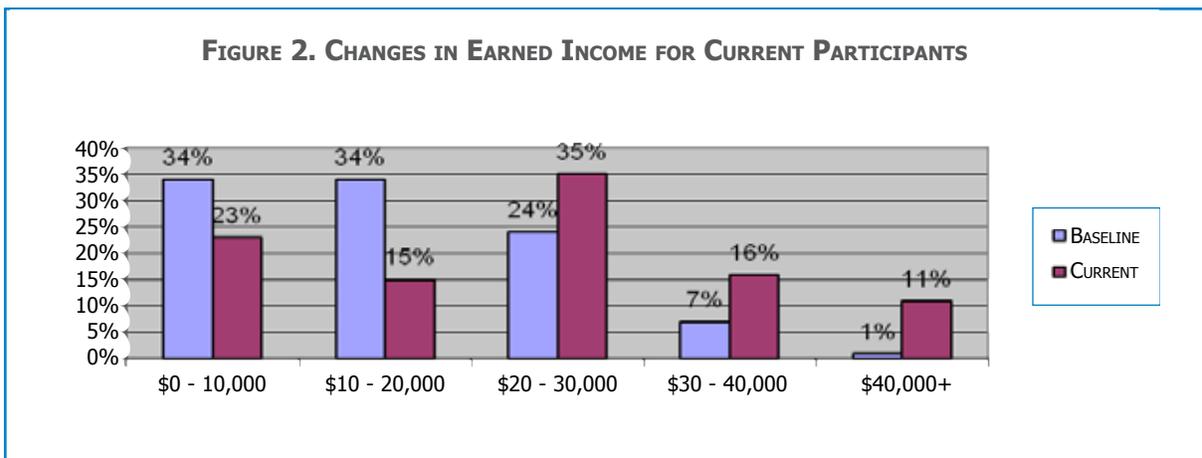
the ability to project-base Section 8 vouchers and determine alternative systems for calculating subsidy and administering inspections, resulting in increased affordability and streamlined program administration.

KHA was also able to create a grant and loan fund through its nonprofit subsidiary, Monandock Affordable Housing Corporation, to provide funds to other organizations to rehabilitate the older housing stock in the community. The MTW authority has created a way for KHA to adapt its programs and services in such a way as to make them work more effectively with other programs and increase affordable housing options for its applicants.

Flexibility for All

A majority of the PHAs across the country are small agencies like KHA. It would be beneficial if the flexibility provided under the MTW demonstration was granted to other PHAs across the country, so they may evolve with the ever-changing industry. One such bill, SEVRA, proposes to increase the number of PHAs permitted to participate in the demonstration. 

~ Julie Davenson is the manager of policy and program development for the Keene Housing Authority. She has been responsible for implementing and developing the Moving to Work program and managing the agency's housing and service programs. For more information on KHA's MTW Work program please contact jdavenson@kha.org.





PUBLIC HOUSING PRESERVATION

By Jennifer Lavorel

A January 2004 report commissioned by the Center for Rural Pennsylvania, a legislative agency of the Pennsylvania General Assembly, noted that “the number of public housing units in rural counties is more than double the number of low-income, multi-family units financed by [the U.S. Department of Agriculture].” Of the 1.2 million units that make up the nation’s portfolio of public housing, approximately 19.5 percent are located in non-metropolitan areas. Compared with their suburban and central-city counterparts, properties owned by non-metropolitan public housing authorities (PHAs) tend to be low-density garden- or townhouse-style apartments. High-rise public housing properties in rural America tend to serve elderly and disabled residents.

Among the challenges faced by small, rural PHAs is the difficulty they face in obtaining resources to support the preservation of the assets in their portfolios. Despite the differences between rural PHAs and their urban and suburban counterparts, this is a shared challenge. The National Association of Housing and Redevelopment Officials (NAHRO) has advanced a proposal that would provide PHAs with a tool they can use on a voluntary basis to preserve public housing assets. The tool will facilitate the ability of any PHA to access debt and equity to address their properties’ modernization needs. It will also provide PHAs with predictable, stable, and reliable funding to support operations. The tool might be especially useful to small, rural PHAs that may have trouble competing for resources that are more readily accessible to larger, metropolitan and urban PHAs. The proposal entails the

conversion of individual public housing assets to properties assisted with project-based Section 8.

Key Differences Between Project-Based Programs

Generally speaking, the Department of Housing and Urban Development (HUD) offers three programs that are broadly available to the lowest income renters: tenant-based rental assistance, project-based rental assistance, and public housing. (For a description of each of these programs, see the text box on page 21.)

There are some similarities between the project-based Section 8 program and the public housing program. For example, the physical condition of both types of properties is assessed using the same protocol, HUD’s Uniform Physical Condition Standards. The income-targeting requirements are identical, too; for both programs, 40 percent of units that become available each year must be rented to households earning less than 30 percent of the area median income. The fundamental difference between the two programs is that, under the project-based Section 8 program, the federal government is contractually obliged to pay the owner the difference between what the tenant can afford to pay and what it costs to own and operate the unit. Under the public housing program, the federal government faces no such obligation. As a result, public housing operations have been funded at a deeply prorated level for several years.

Structurally, under the project-based Section 8 program, there is a contract between the owner of a property and the

federal government. The contract establishes the rents that will be paid, subject to annual operating cost adjustments, for the life of the contract. In setting the contract rents, HUD evaluates the owner's budget, taking actual operating expenses and the need for adequate operating and capital reserves into account. Under the public housing program, there is a contract between the PHA, which may own many properties, and HUD. The contract, called the "Annual Contributions Contract," or ACC, obliges the federal government to make an annual contribution to the owner. Today, the annual contribution is determined based on a

formula that translates into a dollar amount of operating subsidy per unit. The formula itself was derived based on an analysis of operating costs in the project-based Section 8 inventory. Each year in HUD's budget, the Department sets a dollar amount that represents full-funding under the formula, and it then specifies the prorated amount that is going to be made available in lieu of the full amount. Importantly, there are no contracts between HUD and the individual properties within a PHA's portfolio. The contract is between HUD and the PHA.

Continued page 22

HUD's Rental Assistance

Tenant-based assistance. Under the tenant-based rental assistance program (Housing Choice Vouchers), income-qualified families and individuals are offered a voucher and have the opportunity to find and rent a privately owned rental unit. If the unit meets the applicable property condition standards and the rents are within the acceptable range, the household enters into a lease with the owner. The voucher serves as a pledge that the federal government will pay the landlord the difference between what the tenant can afford to pay, and what it costs to own and operate the unit of housing. As of September 2008, nearly 1.9 million households are served by this program.

Project-based assistance. Under the project-based rental assistance program (project-based Section 8 program), the rental assistance is attached to a privately owned building, not to a person. The program was authorized in 1974 to support the production and rehabilitation of housing that would then become affordable to income-qualified renters. In order to induce private—for-profit and not-for-profit—developers to participate in the program, the federal government provided long-term, 20- to 40-year rental assistance contracts—and in many cases capital subsidies governed by regulatory agreements—to mitigate the risks to the owner of renting to tenants who were recognized to be too poor to pay rents adequate to cover operating and ownership expenses. These long-term contracts are attached to individual properties and constitute a pledge on behalf of the federal government that if the private owner maintains the housing to an acceptable standard, rents to income-qualified households, and remains in compliance with the requirements of the rental contract, and, if applicable, the regulatory agreement, then the federal government will pay the difference between what the tenant can afford to pay and what it costs to own and operate the real estate. The nation's inventory of project-based Section 8 comprises approximately 1.2 million units.

Public housing. Like the project-based Section 8 program, the public housing program involves assistance linked to buildings and not to people. The program was authorized at the federal level in 1937. Individual states then enacted enabling legislation authorizing the establishment of public housing agencies (PHAs). PHAs, which were subject to local political control, had the authority to construct, own, and operate public housing, using federal financing provided through the issuance of bonds. In the early years of the public housing program, it was anticipated that PHAs would be able to lease their units to income-qualified households whose rent-paying capacity would be adequate to support operations. Over time, this expectation changed, and the rent structure and income-targeting requirements changed as well. The current residents of public housing have incomes too low to pay rents adequate to support operations. As of 2009, the 1.2 million units of public housing that comprise the nation's inventory serve approximately 2.3 million people.

In practical terms, this means that neither the funding formula nor the allocated amount are derived based on a property's actual operating expenses or the owner's budget for the property. In addition, there is no capital replacement reserve in the public housing program. The capital needs of properties are expected to be met via a separate funding stream, the public housing capital fund. The capital needs of the inventory are, however, enormous. Based on inspections of a sample of properties, HUD estimated in 2000 that the modernization backlog was \$24.6 billion, with capital needs accruing at an annual rate of \$2 billion (Abt Associates, 2000). This accrual rate was premised on the elimination of the \$24.6 billion backlog, which has not occurred. A more recent estimate places the backlog at approximately \$32 billion (CBPP, 2008).

In NAHRO's view, the inability of PHAs to meet their properties' capital needs is directly related to the lack of a project-based contractual obligation on the part of the federal government. In other words, if the federal government were obliged by a long-term contract to pay a public housing owner the difference between what a tenant can afford to pay and what it costs to own and operate a particular property, PHAs would not only be better able to cover their operating expenses from year-to-year, but they would also be in a position to budget and plan for their properties' capital repair and replacement needs. They would also be better positioned to leverage debt or equity to finance their properties' modernization needs, because the long-term contract would provide lenders and equity providers with some assurance regarding the PHA's capacity to repay. Simply put, the absence of such a federal commitment undermines the ability of PHAs to borrow money to address modernization needs. Instead, they must depend on annually appropriated capital grant funds, which are woefully inadequate to tackle the modernization backlog.

Goals of Conversion & Applicability in Rural Communities

The goals of NAHRO's proposal are several:

1. To address properties' immediate capital needs

2. To place operations on a sustainable footing for the next 20 years, at a minimum
3. To implement underwriting standards that contemplate and provide resources to support the recapitalization of the assets, with renewed long-term affordability at the end of the initial 20-year contract term
4. To enter the assets into an oversight environment that rewards strong ownership and management practices
5. To provide owners with an immediate opportunity to implement energy-efficient and green, renewable components

The ability of rural PHAs to participate in the conversion will depend in large part on the capital needs of their properties and the comparable market rents for the area. NAHRO has taken steps to begin developing a spreadsheet tool that individual PHAs will be able to use to assess whether conversion is right for them. NAHRO believes that a project-based Section 8 conversion option will work well for some PHAs in some areas and should be among the options made available to support the preservation of public housing assets. NAHRO believes that project-based vouchers (PBVs) have a role to play in public housing preservation, as well, and supports in concept a proposal put forth by the Center on Budget and Policy Priorities that contemplates the use of PBVs. In NAHRO's view, the need for multiple options is consistent with the diversity of properties, portfolios, local markets, and community and resident needs and goals that characterize the nation's public housing inventory. 

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~Jennifer Lavorel is a senior policy advisor for program and policy development with the National Association of Housing and Redevelopment Officials. Questions about this article may be forwarded to Jennifer at jlavorel@nahro.org.

- Reforms facilitating housing development
- Expansion of the definition of small HAs

In particular, expanding the definition of small HAs from those administering fewer than 250 units to those administering fewer than 550 units would apply PHADA's reform proposals to 90 percent of HAs, but those agencies administer only 20 percent of the assisted housing units and use only 10 percent of HUD's budget for the public housing and HCV programs. Details concerning PHADA's reform proposal are available from the association.

Collaborating with Local HAs

Organizations interested in collaborating to improve housing quality in their communities, or to develop or rehabilitate affordable housing for low wage workers, the elderly, or people with disabilities can consider HAs as a strong potential partner. HAs have collaborated with organizations serving homeless veterans, employers interested in supporting affordable housing for their employees, organizations interested in a range of housing for the elderly from standard rental housing to assisted-

living arrangements, and organizations interested in the same range of housing for people with disabilities. These collaborations have involved for-profit businesses, non-profit organizations, local governments, as well as state and federal government partners.

HAs can bring capacities to bear on improving housing quality otherwise unavailable. For example, the use of tax-exempt bonds to finance housing development or rehabilitation, access to debt markets, and property acquisition tools. If a locality lacks a local HA, the local government may be able to arrange for the HA of a neighboring locality to act as the jurisdiction's HA, and bring these powerful tools to bear on housing quality in rural communities. 

~James Armstrong is a Policy Analyst with the Public Housing Authorities Directors Association (PHADA). Founded in 1979, PHADA represents the professional administrators of approximately 1,900 housing authorities throughout the United States. For more information, please visit www.phada.org.



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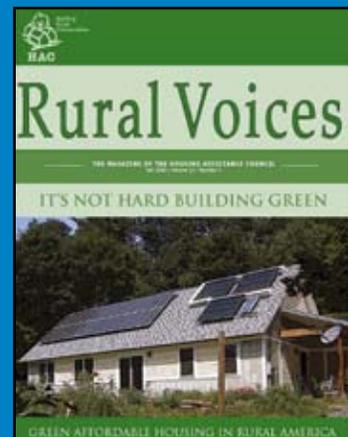
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