

Self-Helper

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Adaptability is Key

The self-help program can throw a variety of twists and turns at an organization—from families dropping out, to homes or lots not appraising for what they once did, to supply costs shooting up overnight. The ability to plan, and adapt to these changes is key. How adaptable is your organization? How willing are you to adjust in the face of change? Change can be difficult and scary at times, but organizations that keep aware and open to change, tend to be the most successful.

In 2010 Community Concepts, Inc. (CCI) in South Paris, Maine began to sense that change was coming. The suppressed economy was finally affecting their self-help program. Not as many families were applying for the program, and those that did were not qualifying for the cost to build a new home. Others did not have the time to commit to working 30 hours per week for close to a year, and as always, there was credit counseling required. The staff at CCI was getting ready to apply for their next round of grant funds. They decided that adding a Self-Help Purchase Repair component was the way to go. According to Dana Stevens, Housing Director, “Without the Purchase Repair program we would have had to close the doors on our housing programs. There is just no way we could have scaled back our new construction program and still have had enough grant funds to operate.”

CCI is now doing half new construction and half purchase repair. “The program is not easy. There were challenges in the beginning. We realized that foreclosures and short sales are not an option due to the time it takes to get to closing. Also, the families will still need at least six months of credit counseling to become eligible. There are some good things too, now the families have more choices in square footage and the style of the home,” Dana shared.

Another way CCI has adapted to the economy is that they no longer do land banking. The families participating in their new construction program use a Realtor to locate their lots on which to build. This method keeps CCI from

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Providing comprehensive, quality services for self-help housing

Adaptability *(Continued from page 1)*



financially extending themselves and taking risks on land that may go down in value over time.

Other successful groups have also made their programs more flexible.

Some ways they have done so are:

- ♦ Going into a different area
- ♦ Having a variety of locations to choose from
- ♦ Changing up the size of the groups—either making them larger or smaller to accommodate the situation
- ♦ Altering or adding new house plans
- ♦ Creating more discretionary

- ♦ funds by building spec homes
- ♦ Adding other programs to the housing department to spread out costs

Any of these changes may help a struggling self-help organization. What type of change would help your organization succeed? A new area, a new program, a new attitude?

Fresh Look for Self-Help Housing Spotlight!

If you haven't visited www.SelfHelpHousingSpotlight.org lately, please take a few minutes to browse the website. Some of the noteworthy improvements include a rotating menu on the home page and the expandable sections on the articles page.

New Forums

Even though regional conferences are a thing of the past, NCALL wants to enable the grantees in Region III to continue networking with each other. Online forums are a great way to facilitate immediate contact and feedback from your peers. Although it's not available through a public link, the website includes forums especially for grantees' staff (www.SelfHelpHousingSpotlight.org/forum) to discuss matters pertaining to the self-help housing program. Three groups have been created to ensure users are notified of topics that relate to their position in the program. These groups are: (1) Construction Supervisors, (2) Group Workers, (3) Project Managers. NCALL has also developed a user guide to assist in setting up accounts, joining groups, and using the forum.

(www.selfhelphousingspotlight.org/SH_Housing_Forum_User_Guide.pdf)

Brand New Photo Gallery!

A new and improved photo gallery is the latest aspect of the redesign. (www.selfhelphousingspotlight.org/photos.htm#main). Please feel free to send any photos you have of your self-help housing program, grantee's office building, etc. Images can be sent to Meghan at mfitzgerald@ncall.org. Please be advised that written consent from individuals will need to be provided before the images can be uploaded and used for promoting the program.



The Savings Project

NCALL's self-help team has created a new newsletter, titled "The Savings Project," for use by our grantees. The newsletter is aimed at families/households that are working on their credit and debt issues prior to being ready to join a self-help group. So many people need help in this area. This newsletter can be a great way to keep in touch with potential participants during this down time. The more they remember your organization as a resource, the more likely they are to come back to you when they are ready, or will refer others. For its distribution, it could be mailed, emailed, or left in your office as a handout.

Contact Jill Lordan at jlordan@ncall.org to have the newsletter customized for your organization.

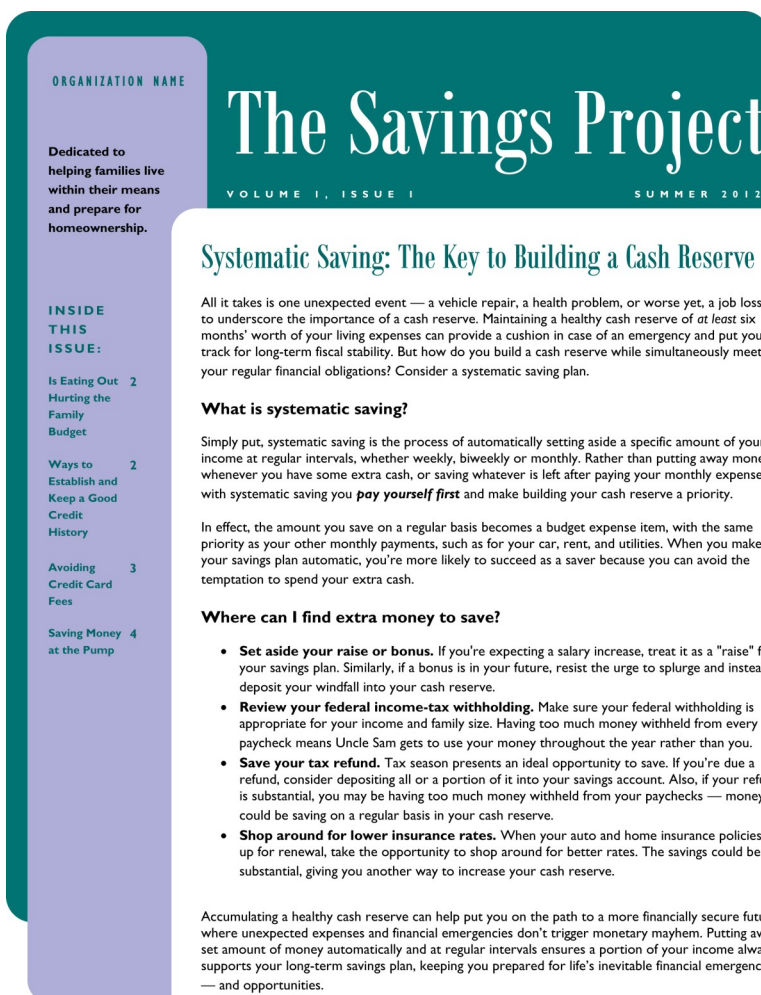
More issues will follow!!

Funding Flow

On September 13, 2012, the U.S. House approved H.J.Res. 117, the Continuing Resolution to fund the federal government until March 27, 2013. The temporary funding measure continues funding at the current rate of operations for federal agencies, programs and services, and provides funding for FEMA's Disaster Relief Fund, for relief and recovery following disasters.

It is anticipated that the flow of 502 and 523 funds should not be drastically interrupted. Hopefully, funds will be distributed to the states and moving by late October.

In January, sequestration will begin. The 523 funding will be reduced by 8.2% or approximately \$2 million.



Cancellation of the Rural Energy Plus Program



In an unnumbered letter dated September 10, 2012, the National Office of USDA Rural Development announced the discontinuation of the Rural Energy Plus Program (REPP). This program had allowed the total debt ratio to increase to 43% if a borrower was purchasing a home that met certain energy standards. This program will continue for the 502 Guaranteed Loan Program. According to USDA, the program was discontinued because it relied on outdated

energy standards that were nearly seven years old.

According to the National Self-Help Housing Association, however, USDA plans to move forward with a new pilot program based on updated energy standards and higher qualifying ratios for 502 direct participants. USDA plans to begin implementing this new pilot program in the beginning of FY13, and is now open to recommendations and suggestions on how this new pilot program should operate.

What Questions Should Board Members Ask?

It is important that members who serve on nonprofit boards are knowledgeable, but there are so many topics to be informed about. The following list includes some simple questions or concepts of which Board members should be cognizant. They may also be good questions if you are invited to join a Board:

Finances and Budgets

This is an important aspect of Board governance especially in these economic times.

- ♦ What if any changes do we have to make in planning the next budget cycle?
- ♦ Is the organization obligated to raise wages per any contracts that might be in place?
- ♦ Are there any increases in the lease/rental contracts?
- ♦ Any potential fringe benefits increases such as unemployment or health insurance?
- ♦ Has the agency successfully

identified new financial resources?

- ♦ Is the staffing as lean as possible? (without jeopardizing programs)
- ♦ How is the local economy fairing? Make sure to talk to colleges, government entities, and clients to find out what is really going on with the economy in your community.

Staff Turnover

- ♦ Is there a lot of staff turnover?
- ♦ Has this pattern changed over the years?
- ♦ Do staff like working for the organization? When a staff person leaves the organization, exit interviews should be a part of the procedure.

Programs

- ♦ Does regular review of procedures and policies exist?
- ♦ Do staff members feel comfortable suggesting new ways to operate programs?
- ♦ Has a staff member ever recommended the need for a new program?

Capital Needs

- ♦ Who is monitoring the organization's capital needs? Poor capital expenditure planning is a major cause of financial distress and bankruptcy. The odds are, unless an organization is relatively large, it has little or no experience in really doing proper planning for capital related projects.
- ♦ Does the organization's capital plan includes a new or expanded facility?
- ♦ Are the needed funds to properly operate and staff the facility built into the annual operating budget?

Conclusion

Remember, the questions asked by the Board are not just a one time event. These issues should be brought up throughout the year so that everyone's focus remains sharp.

Is Your Area Still Eligible? - The Definition of Rural Housing Could Change - Update



As previously reported, more than 900 communities currently eligible for

USDA Rural Development programs could lose their eligibility on September 30, 2012 unless Congress acts. (Follow this link to see which communities will be affected: http://ruralhousing-coalition.org/wp-content/uploads/2012/02/USDA-List-of-Impacted-Communities_06272012.pdf.)

There have been several solutions offered to help rectify this situation,

but so far none have been approved.

The Senate is prepared to move forward with a ten-year extension of the grandfather clause and increase of the cap to 35,000. However, the House is only willing to consider a one-year extension, and there is not time to arrive at a compromise before the lame duck session begins in October.

According to the National Rural Housing Coalition (NRHC), conversations are being held at USDA to determine their plan of

action from here. They do not anticipate immediate implementation of the 2010 census numbers.

This issue is far from over. The fact that the Senate is prepared to enact a ten-year extension and increase population limits to 35,000 is a very good starting point. NRHC urges interested parties to continue to take every opportunity to educate members of Congress as to the importance of this issue in their districts and throughout rural America.

Preventing Injuries on the Work Site

According to OSHA, nearly 137,000 construction workers are seriously injured on the worksite. To help avoid this from happening at a self-help housing worksite, NCALL recommends including OSHA training in Pre-Construction meetings. To simplify this, OSHA has developed some Prevention Videos, or v-Tools, that are focused on

construction hazards. (<http://www.osha.gov/dts/vtools/construction.html>)

The videos show how quickly people can be injured or even killed at the worksite then helps identify, reduce, and eliminate construction-related hazards. Most of the videos are 2-4 minutes long, presenting a

worksite incident based on true stories then showing corrective actions for preventing such accidents.

The image shows the various categories and subjects of the videos.



DVDs Coming Soon!



In order to ensure that all grantees have easy access to the compilation

videos that we have put online, NCALL is sending out copies on DVD. All operating and prospective organizations will get a copy of the DVD for your use.

We hope that you will find these useful. Show them to potential

families at a public meeting, share them with partnering community organizations or participating families to help with motivation and understanding!

Rural Development Interest Rate

The Rural Development 502 Direct note rate for October has not yet been announced. It may remain at 3.125%.

Local Property Values



NCALL has used a Success Measures® tool to determine the average home sales prices throughout Region III. You can expect to receive the results showing the property values in your county or state in the very near future.

We will be collecting this data annually to keep you abreast of the fluctuation of the housing market in your area. Depending on the area, these figures could be a great marketing statistic for the self-help housing program.

HAC's National Rural Housing Conference

The National Rural Housing Conference is a gathering of housing and community development organizations that serve rural areas, national housing and rural related associations and groups, federal agency and hill staff, and stakeholders interested in affordable housing in rural America. The conference, themed **"Promises to Keep in Challenging Times,"** will take place in Washington, DC Wednesday, December 5 through Friday, December 7, 2012.

HAC hopes that "the theme brings to mind the vision and promises America made through the Housing Act of 1949 and all subsequent housing legislation and policy. While these promises still remain, the country continues to face a difficult fiscal situation with many questions or concerns about what can be done to protect affordable housing, particularly in rural areas. Keeping

the vision and promises are important, not just to increase the quality of life for low-income Americans, but also to build stronger and more sustainable communities as a whole."

HAC has reserved a limited amount of funding for scholarships to cover registration costs for representatives of community-based nonprofit organizations.

Visit HAC's website at www.ruralhome.org for more information and to register.

We hope to see you there!!

Regional Conference Call Planned

NCALL will be hosting another regional conference call on **Thursday, October 18th at 10:00 a.m.** for an open discussion. Please join us and be prepared to share your thoughts and questions. More information will be coming out on this call later.

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