

Spring 2011

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NCALL Celebrates 35th Anniversary

2011 marks the *35th Anniversary* of NCALL's affordable housing and community development work. NCALL began its affordable housing mission in 1976, recognizing the need for improved housing conditions and affordable choices. Substandard housing conditions prevailed and little was being done in rural areas with state and federal assistance. NCALL's initial work was considered an experiment to see if USDA and HUD housing programs could be used effectively by the nonprofit sector throughout Delmarva. This led to development of new apartments, education and counseling services, lending, and special attention to self-help and farmworker housing.

Affordable housing is not easy and it takes time to achieve results. It is fortunate to be able to point to significant outcomes resulting from NCALL:

- **6,950 households have become first-time homeowners;**
- **50 apartment communities have been developed serving families, elderly, and farmworkers;**
- **A major foreclosure prevention component has been developed serving Delaware;**
- **Self-help housing technical assistance has been provided across 21 states; and**
- **NCALL's Loan Fund now services a portfolio of \$5.2 million with a CARS rating of AA+2.**

This measurable and quantifiable work, at a significant scale and impact, **has leveraged an amazing \$750 million in housing finance and assistance to date.**

Through various networks such as NeighborWorks America®, NCALL has been able to bring substantial resources into Delaware and the Delmarva Peninsula that would never have existed. NCALL has also positively impacted housing policy work in Delaware, as well as regionally and nationally.

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Anniversary

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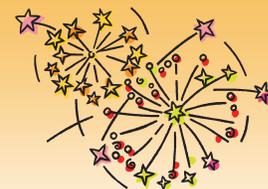
Staff and Board members are leaders in the affordable housing and community development field, using what we learn and experience to advance this industry.

Whether you view NCALL as an effective housing provider, advocate, employer, partner, or well managed nonprofit, we hope you will join with us as we celebrate.

It is amazing to look back at NCALL's very modest beginnings which included a staff of 2.5 and a \$50,000 budget. The initial experiment has achieved much. Thanks to Jeanine Kleimo and the initial Board of Directors for their vision and foresight, and to Board members and staff over the years who have worked hard to address community housing needs.

Highlights of 35 Years

- **50** housing complexes and over 1100 apartments have been built on the Delmarva Peninsula leveraging over **\$93 million** in financing.
- **6,950** families in Delaware have become homeowners with NCALL's assistance; 870 low and very low income families have utilized Rural Development's Section 502 Loan program (63 were last year.)
- **906** households have received foreclosure prevention counseling and so far since 2007, **250** have saved their homes with mortgages totaling \$37 million with hundreds more in process.
- As the Northeast Regional Self-Help Housing Technical and Management Assistance Contractor, NCALL has assisted 63 Self-Help Housing grantees to operate 176 grants that built 2,805 self-help homes since 1982.
- In six years since becoming a CDFI, NCALL's Loan Fund originated nearly \$35 million in 49 loans to over 20 organizations that have created more than 500 affordable housing units or building sites, and close to 50,000 square feet of community-based facility space.



Trying Times – An Editorial by Joe Myer

“These are the times that try men’s souls”. No, we are not in the 1700’s hearing a discourse from Thomas Paine; rather, we are wrestling with a series of events and circumstances that perhaps like then constitute an American Crisis. A full blown recession, a stagnant housing market with record foreclosures, and nagging unemployment, all seemingly years away from normalcy are our challenges. Couple that with a huge deficit that needs paring, wars and new areas of strife, and poverty and homelessness on the rise, affecting many who have never before felt its sting. And now the poor face budgets full of cuts which will further impact them.

How do we get past the vitriolic rhetoric and blame game which only results in division? How do we turn around corporate ethics and

accountability? How can the common good take precedence over individual greed? Certainly domestic discretionary which is 16% of the federal budget, should not bear the sole brunt of deficit reduction duties.

But “trying times” are supposed to bring out the best in us. What is the “best in us?” Perhaps it is standing together not apart or hard work and going the extra mile. Maybe it’s teaching principles and values along with compassion and empathy. Perhaps it is personal and corporate responsibility. Shouldn’t the pain of deficit reduction be shared across the board? Shouldn’t fiscal restraint be practiced in all parts of the budget and every income strata? But, shouldn’t we hold harmless “the least of these”, our children, our frail, our destitute? America has a rich heritage of doing

just that. Won’t we be stronger if we continue to care for these citizens?

Elected officials, please take time to learn about the housing programs that are used in your districts. Talk to beneficiaries in the field about what works and what doesn’t. Don’t wield an uninformed ax, as doing so could cause the loss of quality programs, with severe consequences. Consumers and beneficiaries of rural housing programs should be tell the story of their housing journey and what a new apartment or home means to their family. Experts should share the impact of the programs on those served and on the local economy. The needs of our rural communities should be taken seriously as a lot of the character that makes America great resides right here in our smaller communities and towns.

NCALL GAP Financing Grant

One of the biggest hurdles to homeownership is finding affordable housing to purchase that matches the income of the buyer. NCALL is pleased to provide assistance to help our families fill the gap between the market rate cost of houses and the price that the home buyer can afford according to their income.

Delaware State Housing Authority awarded \$160,000 in funding to NCALL to provide up to \$10,000 in

gap financing for approximately 16 new homeowners in Kent or Sussex Counties. This program provides the necessary financing to make the home affordable to the household. The gap financing will be forgiven on a pro rata basis over a ten year period, unless the homeowner transfers, sells or refinances the house prior to this time.

Combined with NCALL's homeownership education, this resource will help families achieve homeownership by matching the family to affordable mortgage products and properties. Contact your Housing Counselor or NCALL to see if you qualify.

Millsboro Village Complete

Congratulations to Millsboro Housing for Progress on the completion of the renovations to their 50-unit Millsboro Village. The community center's green features, including solar panels, tankless water heater and a rainwater harvesting system are innovative for affordable housing! NCALL is proud to have been a partner in this LIHTC project.



NCALL to Host 2nd Annual Homeownership Expo!!

NCALL is very pleased to announce that we are hosting our **2nd Annual Homeownership Expo!!** June is National Homeownership Month and NCALL is planning to celebrate it by hosting the Homeownership Expo on **Saturday June 11, 2011 from 9:00 a.m.—2:00 p.m. at our Dover office on 363 Saulsbury Road.** We will be offering free credit reports, prequalification services and preliminary work plans to families that may be thinking of homeownership.

Last year, NCALL's Homeownership Expo was a huge success and we look forward to a repeat. For this event we pre-registered 65 visitors and actually had over 80 attendees. It was busy from the time the doors opened until the end of the event. This year, NCALL anticipates pre-registering 85-100 visitors and hosting 100-125 attendees. Registration is now open.

The goal of the Homeownership Expo is to provide families who are thinking of, or are curious

about homeownership with their credit information, an approximation of what house price range they might qualify for, and a preliminary work plan to become mortgage-ready. We are also inviting a number of nonprofit and government partners to share materials and talk with families.

Door prizes will be available!! We look forward to a successful event!!

The Continuing Resolution Score Card

HR 1473, the Continuing Resolution for Fiscal Year 2011 Act, passed the House and Senate with \$38.5 billion in cuts, some which will impact affordable housing. We are thankful that long-time rural housing programs such as Self-Help Housing and Section 502 Direct loans were not eliminated for the balance of FY'11; however, other important housing programs were impacted and the FY'12 Budget process starts now which will no doubt consider additional cuts.

Budget cuts or eliminations impacting affordable housing for the balance of FY'11:

- Eliminated HUD Housing Counseling \$88 million down to 0
- Eliminated HUD Rural Innovation Fund, \$25 million down to 0
- Cut HUD CDBG 21% from \$4.45 billion down to \$3.508 billion
- Cut HUD HOME 12% from \$1.825 billion down to \$1.610 billion

- Cut HUD 202 elderly housing 52% from \$825 million to \$400 million
- Cut HUD 811 disabled housing 50% from \$300 million to \$150 million
- Cut Treasury CDFI Fund 8% from \$246 million down to \$226 million

There were many more cuts to poverty and assistance programs that will directly impact many families, and indirectly impact affordable housing. Stay tuned for FY 2012 Budget.

Karen Speakman Provides Testimony



“We pay for the lack of affordable housing one way or another.”

NCALL's Deputy Director, Karen Speakman, was asked by the National Rural Housing Coalition to speak at a US Congressional briefing on February 17, 2011 about rural and farmworker housing. An excerpt from her testimony follows:

It is extremely difficult to find *affordable* rental housing in rural America -- especially that very-low income families can afford. For instance, in Delaware the Fair Market Rent for a two-bedroom apartment ranges from \$774 to \$1,096/month. A worker in Delaware must earn \$19.31 per hour--or \$40,163 annually--to afford this two-bedroom apartment.

Often the best and most affordable rental housing option available in rural areas is the rental housing financed by Rural Development. Over 400,000 low-income families and elderly households

live in Section 515 rental housing nationwide. The average income of the households in these properties is \$9,200. The only federal housing program targeted for farmworkers and their families is the Rural Development's Section 514/516 loan and grant program. With this program, more than 37,000 units have been financed across this country for farmworkers who pick our crops and put food on our tables. With over 3 million migrant and seasonal farmworkers in the United States and almost one million rural renter households nationwide suffering from various housing problems with 600,000 paying more than 70% of their income for housing, Rural Development's programs are solving just a small portion of the need.

On the Delmarva Peninsula, there are approximately 6,000-7,000 farmworkers during the peak growing season. Because of the seasonal nature of farm work, farmworkers are often relegated to over crowded and unsafe housing or to camps that provide minimal amenities. Some farmworkers have been known to even sleep in shifts sharing the same bed. NCALL has assisted with the development or preservation of 50 apartment communities of which three are for farmworkers. One family shared

“Unlike other places we have stayed, the housing provides freedom and safety for our children. We never want to leave.”

Producing affordable rental housing now takes three to four financing sources and USDA's Rural Development programs provide one of those important sources. Safe, affordable rental housing such as produced with the 515 and 514/516 programs enables families to stabilize their lives. These housing programs make a huge difference in the lives of many rural Americans. There is a continuum of housing need in this country from those that are homeless to those wanting to buy their first home. Unfortunately, the lack of affordable housing has its costs -- a reporter calculated that a man, who was homeless, had cost society over one million dollars in hospital care due to his illnesses and repeated use of emergency rooms. Wouldn't providing him with an affordable rental unit been less expensive? We will pay for the lack of affordable housing one way or another.

There is no easy solution to Rural America's affordable housing crisis but we have choices. One clear choice is to continue and fund Rural Development's housing programs.

NCALL'S 2010 Production Viewed Nationally

A great aspect of being part of a 235 organization network of excellence such as NeighborWorks America is that data is available showing how we rank nationally. An Executive Directors Symposium in early April provided a scorecard ranking the top 25 organizations in various categories for their 2010 performance.

NCALL ranked as follows out of 235:

- #9 in the number of homeownership clients
- #17 in producers of residential units
- #24 in households served by National Foreclosure Mitigation Counseling
- #13 in direct investment leveraged

NCALL, along with Interfaith Delaware, caused Delaware to rank:

- #13 in the nation in unit production
- #7 in the nation in production per \$100,000 in grants
- #3 in the nation in direct investment per \$1 grant

Keep in mind that other network organizations may be larger, serve a metro area, or have more expansive service areas. Also, NCALL was ranked first in each category within the Mid-Atlantic District (PA, DE, MD, VA, DC) which is made up of 22 affiliates.

NCALL Receives Financial Literacy Grant

NCALL was awarded a first round Financial Literacy Education Fund grant from the Delaware Bank Commissioner's Office in February. Grant funds are made possible through state licensing fees on certain types of lending and were awarded following an RFP process.

The \$75,000 award will be used to teach NCALL's Growing Your Money financial literacy classes in affordable apartment communities owned by the Delaware State Housing Authority, Dover Housing Authority, Millsboro Housing for Progress, and Better Homes of Seaford in Kent and Sussex Counties.

These classes, which are two hours long for five weeks, teach all aspects of basic banking and financial fitness including credit, debt, budgeting, savings, borrowing, and more.

NCALL Loan Fund Supports La Red Health Center

The NCALL Loan Fund recently settled on a \$2 million construction loan for La Red Health Center, Inc. This loan allowed La Red to purchase a 3.21 acre property in Georgetown, DE where it will soon begin construction of its new 15,000 square foot ambulatory health care facility. The property is on Carmean Way, near the intersection of Routes 113 and 404. The NCALL financing includes participation loans from Artisans' Bank, Deutsche Bank Trust Company Delaware and Partners for the Common Good.

Permanent financing for the facility will be provided by U. S. Department of Agriculture Rural Development

(USDA-RD). This project marks the third time that the NCALL Loan Fund has worked with USDA-RD on a community facility in Georgetown. The Loan Fund has provided more than \$20 million of financing in Sussex County since 2005.

The new facility will triple the amount of space that La Red currently occupies. Such expansion is necessary due to the increase in patient visits that La Red is experiencing each year. The Loan Fund has also approved construction financing for Phase II of the project. This phase calls for increasing the facility by an additional 10,000 square feet. This space will allow La Red to bring its

administrative offices and other services to the new site.

Groundbreaking for the project occurred on February 4th. Among the attendees were Tammye Treviño, USDA-RD Administrator for Housing and Community Facilities Programs, Senator Tom Carper, Congressman John Carney and Jack Tarburton, Delaware/Maryland Director for USDA-RD. Representing NCALL and the Loan Fund were Joe Myer, Executive Director and Karen Kollias, Loan Fund Director.



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NCALL is a partner agency of the United Way of Delaware



NCALL Recognizes Staff for Years of Service

NCALL's employees are responsible for the many substantial accomplishments and measurable results enjoyed each year through their concurrence with the organization's vision and mission, and their embodiment of its corporate values. It is a joy to recognize employees who have made NCALL their employment home for a number of years.

NCALL celebrated the tenure of five employees in December of 2010 for their "Years of Service." They are left to right:

- Joan Edwards, *Secretary* --- 20 years
- Maggie Cook-Pleasant, *Housing Development Specialist* --- 10 years
- Nathaniel Horsey, *Home Preservation Specialist* --- 10 years
- Stephanie Johnson, *Homeownership Specialist* --- 10 years
- Carolyn Figueroa, *Receptionist* --- 5 years



Joan Edwards, Maggie Cook-Pleasant, Nathaniel Horsey, Stephanie Johnson, and Carolyn Figueroa.

A New Spotlight for Self-Help Housing



NCALL's Self-Help Housing team has launched a new website to highlight the Mutual Self-Help Housing Program. Visit www.selfhelphousingspotlight.org to view video interviews of current and past self-help families, articles pertaining to the program and grantees, testimonials from participants and a brief overview of each grantee in Region III.

United Way Affiliation

NCALL is a partner agency of the United Way of Delaware. If you wish to designate a gift to us through their system, our identification number is 0708. We have also just joined the Combined Federal Campaign; our ID # is 36425.

