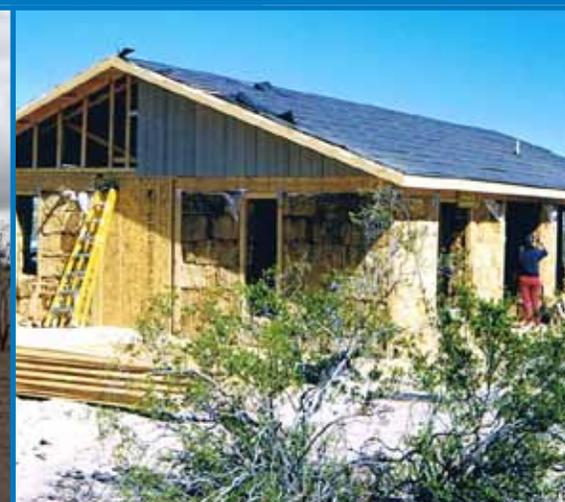
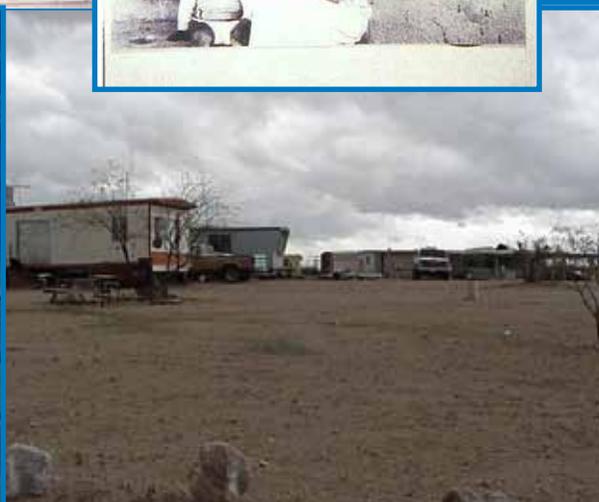
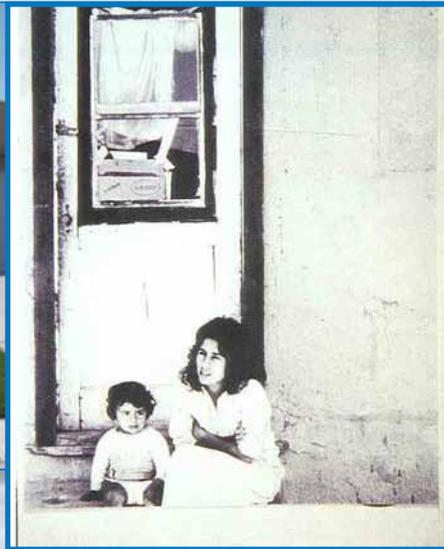


Rural Voices

THE MAGAZINE OF THE HOUSING ASSISTANCE COUNCIL

Winter 2009 - 2010 • Volume 14 / Number 1

BUILDING A BRIGHTER FUTURE IN THE COLONIAS



MESSAGE TO OUR READERS

Dear Friends,

With the 1990 Cranston-Gonzalez National Affordable Housing Act, the federal government defined colonias as “identifiable communities in Arizona, California, New Mexico, or Texas within 150 miles of the U.S.-Mexico border, lacking decent water and sewer systems. Over the last 20 years, nonprofit organizations, harnessing residents’ desire to improve their communities, have worked to create solutions and improve quality of life. In this issue of *Rural Voices*, we are pleased to highlight some of these efforts.

Articles from nonprofit organizations working across the region illustrate the work being done to organize colonias residents, build affordable housing, and improve infrastructure. The Colonias Development Corporation and Southwest Fair Housing Alliance each describe their efforts to empower colonia residents. Community Resource Group, Housing America, and Coachella Valley Housing Coalition describe successful affordable housing programs.

California Rural Legal Assistance’s article provides the unique perspective of communities experiencing colonia-like conditions outside of the geographic boundaries of the Border region. Tierra Madre’s article profiles the organization’s innovative self-help housing program that incorporates green building technologies which are cost-effective for both the developer and the families.

Two articles about public policy efforts in Washington D.C. are presented as the View from Washington. Congressman Rubén Hinojosa discusses legislative actions being undertaken to provide assistance to colonias. USDA Rural Housing Service Administrator Tammy Trevino, former CEO of Futuro - a colonias service organization, shares the agency’s perspective on rural housing policies.

These articles show that much is being accomplished in colonias across the entire border region. Because of the determination of the colonias residents, targeted federal and state programs, and the efforts of local organizations, the future is brighter.

In community,


Lauriette West-Hoff, Chair


Twila Martin Kekahbah, President



Moises Loza, Executive Director

Contents



3 HAC FACTS

4 VIEW FROM WASHINGTON

Bringing Hope to the Colonias

By Representative Rubén Hinojosa

FEATURES

6 The Old Nogales Highway Colonia: A Work in Progress

By Sandy Fagan

The Southwest Fair Housing Council discusses the challenges facing residents of the Old Nogales Highway Colonia in Arizona, and describes efforts to help improve living conditions.

7 Engaging Communities: One Person at a time

By Jeremy Snyder and Diana Bustamante

The Colonias Development Council assists residents of New Mexico’s colonia communities to improve community infrastructure, face discrimination and meet food needs.

9 The Nuestra Casa Home Improvement Loan Program and the Old Dream of a Concrete Home

By John Squires and Diane Korte

The Community Resource Group created an innovative loan program to help improve housing conditions in this Texas colonia.

11 Seeking Solutions: The Human Injustice of Colonias Pushes One Nonprofit to Seek Solutions

By John F. Mealey

The Coachella Valley Housing Coalition (CVHC) reviews the history of colonias formation in California’s Coachella Valley.

13 Southwest Border of Arizona and Mexico Colonias News

By Maribel Ruble

The Housing America Corporation describes its efforts providing housing assistance in the Arizona colonias communities of San Luis, Somerton, Wellton and Quartzsite.

15 Advocating for Equity in California’s Rural Communities

By Phoebe Seaton and Ilene J. Jacobs

California Rural Legal Assistance advocates for designated colonias and those communities outside the border region that have similar infrastructure and housing problems.

16 Protecting the Environment and Creating Affordable Housing

By Cecilia Rodriguez

Tierra Madre’s use of straw bale construction results in homes that are energy efficient and affordable for families in New Mexico.

18 USDA Rural Housing Service: A New Direction

By Tammy Trevino

New Administrator of the Rural Housing Service at USDA Rural Development, Tammy Trevino, highlights the new direction and policies the agency will employ in its efforts to assist rural families in obtaining safe, affordable and high-quality housing.

Cover Photo credits. Photos provided by: top row, left to right, Housing America Corporation, Coachella Valley Housing Coalition, and the Community Resource Group; bottom row, left to right, Colonias Development Council, Southwest Fair Housing, and Tierra Madre.

Creating Affordable Housing Requires Training And Partnership

Sec. 502 Packaging Training and Certification for Nonprofit Housing Developers

The Housing Assistance Council, NeighborWorks® America and the Rural Community Assistance Corporation and USDA Rural Development have partnered to create a training curriculum focused on packaging USDA Section 502 direct loans. The three-day course provides information on many critical Section 502 topics, including: fair housing, loan calculations, payment assistance, loan application packaging, determining borrower's assets and credit history, and property eligibility. After completing the course, participants can go online to complete an exam, which has been reviewed by the USDA.

To date, five trainings have been held and over 140 people have completed the courses. Of those participants, 71 have taken and passed the online final exam. The 502 Consortium will hold additional trainings in 2010. Watch HAC news or visit www.ruralhome.org for updates on dates and locations.

Training on Sec. 502 Program to Rural Habitat Affiliates

In November, HAC TTAD staff were invited to provide training to Habitat for Humanity International on the USDA Section 502 program. HAC staff led the online workshop, which was customized specifically for Habitat for Humanity affiliates serving rural communities. Habitat estimates that more than 100 people listened to the online training from 80 affiliate offices nationwide. Habitat's goal is to use this information in a Habitat/USDA pilot project, which will result in more affordable home ownership opportunities in rural America. HAC's training staff has the same goal and is available to pursue opportunities that lead to additional investments for affordable rural housing.

~For more information on these training partnerships, please contact Dan Stern at dan@ruralhome.org.



Tammye Trevino, USDA Administrator for the Rural Housing Service, explains the Obama Administration's initiatives at HAC's December staff retreat.

HAC Staff Retreat Featured Sage Advice from Rural Housing Stakeholders

HAC's December staff retreat featured presentations from Tammye Trevino, Administrator for the Rural Housing Service at USDA, and Cliff Taffet, Director in the Office of Affordable Housing Programs at HUD. The speakers emphasized the Administration's commitment to reducing the deficit and the impact this may have on all federal programs. Also noted was the Administration's commitment to global environmental issues, which will likely translate into more emphasis on green building in federal affordable housing programs. Taffet also highlighted the importance of demonstrating program results.

The retreat also featured presentations from Tom Carew, Director of Membership at the Federation of Appalachian Housing Enterprises, and Earl Pfeiffer, Executive Director of Florida Home Partnership. These HAC partners discussed their relationship with HAC and the importance of working together. Pfeiffer emphasized that HAC was the first to provide his organization with broad support and that he was able to leverage the resources from HAC to build Florida Home Partnership's programs and capacity. Carew offered his appreciation for HAC's work to create a curriculum for packaging USDA Section 502 loans, noting the importance of the 502 loan program to rural affordable housing.

Save the Date



Join rural housers from around the country in Washington, DC, December 1-3, for the 2010 National Rural Housing Conference! Details will be posted on HAC's website as available.



SIN CASA BRINGING HOPE TO THE COLONIAS

By Representative Rubén Hinojosa (D-TX)

As the U.S. Representative for the 15th Congressional District of Texas, I continue to raise the level of social awareness to the difficulties faced by members of rural communities, specifically colonias. Those of us who live in rural areas of Texas have long known that rural residents face significant challenges in finding available, affordable, and quality housing; however, many are unaware of the impoverished conditions experienced throughout the United States. These issues are now compounded by our current economic crisis as rural consumers are having a difficult time securing the necessary financing to purchase a home and funds for community development are scarce. Despite the many challenges that Congress must confront, the economic development of rural communities remains one of my top priorities.

Rural residents of my congressional district provide a glimpse of the adversity experienced by rural communities across the United States. Currently, Hidalgo County has one of the highest colonia populations despite being rated as the fourth fastest growing metropolitan statistical area in the country. The expansion of industries in the region has created job growth, but the low wages of many aspiring rural families has resulted in limited or no sources of home financing and exploitation of hardworking individuals.

These families then turn to improvised land developments outside municipal and county jurisdiction to pursue their dreams of homeownership, where they enter into informal agreements to steadily pay off the balance of their debt. While these plots are sold at a low cost, they come with no guarantee of basic amenities. Colonias are usually situated on land vulnerable to flooding or pest infestations. The lack of drainage and paved roads makes travel into these communities difficult in times of poor weather or natural disasters. The colonias in my district are still recovering from damages caused by Hurricane Dolly. The storm washed away many colonias in my district, and those whose few possessions were taken from them are still trying to recover. A lack of clear jurisdiction complicates the effort to allocate aid to these impoverished communities. In many instances assistance is provided through cooperation of federal, state, and county agencies. A recent USDA Economic Research Services report highlighted the growing population of impoverished rural residents with an estimated poverty rate of 15.7 percent and 22.5 percent for children under the age of 18.

I have seen firsthand the challenges residents of colonias in my district face on a daily basis. The improvised dwellings of these unincorporated neighborhoods do little to protect families from the harsh seasonal



Congressman Hinojosa represents the 15th district in Southwest Texas that includes many colonias.

weather of South Texas. I am often told stories by my constituents of large families having to huddle together on one bed to keep warm during the coldest months of winter. Electricity, heating, water, and sewer services are sometimes forgone for other necessities or completely non-existent. Many colonias even lack basic roads and drainage resulting in poor sanitary conditions during wet tropical seasons. Perhaps the most concerning is the struggle many families residing in unincorporated colonias have to endure in order to provide their children with opportunities for education.

As the cofounder and current Chairman of the Congressional Rural Housing Caucus, I have committed my career in Congress to ending the cycle of poverty in our rural communities. The Congressional Rural Housing Caucus has expanded to over 50 Members of Congress and serves as a much needed forum for Members of Congress to promote policies, legislation, and regulations that improve the affordability, availability, and quality of housing, both for purchase and rental, in rural America. The Caucus highlights successful rural housing policies at the federal, state, and local levels and collaborates with the private sector, nonprofits, and community-based groups to attain the goals of the Caucus. The Caucus emphasizes the importance of providing housing for the poorest of the poor in the most rural parts of America.

The 111th Congress of the United States has taken unprecedented measures to alleviate the burden of rural families. My participation in negotiating the American

Recovery and Revitalization Act of 2009 resulted in the allocation of \$1 billion to Section 502 Government Financed Direct Loans for the low-income in rural America, and \$10.472 billion in Section 502 Government Guaranteed Rural Loans to reduce the risk commercial lenders make when they provide loans to rural residents with modest incomes. I also initiated discussion with my colleagues in the Senate to secure \$30 million in funding for the Housing Assistance Council, when I convinced Congress to authorize HAC in 2008 in Public Law 110-246, Sections 6301-6305. My efforts to assist rural development and recovery continued with the inclusion of over \$13 billion in the Agriculture and Rural Development Appropriations Act for Fiscal Year 2010. With these bills, Congress was able to go a long way toward improving the affordability, availability, and quality of housing in rural America both rental and for purchase.

The hardships rural families encounter to secure housing serve as a reminder of how fragile the American dream can be for a growing population of our country. I will continue to promote legislation and programs to make affordable and quality housing a realistic opportunity for all hard-working individuals. Economic recovery must not only be reserved for the halls of Wall Street, but must also flow through the roads of rural America, especially in the colonias that dot the border between Mexico and the United States. The development of accessible rural housing opportunities will ensure that the needs of individuals laboring in our country's important industries are met.

Sí se Puede!

God Bless!

~Congressman Rubén Hinojosa (D-TX) was elected to Congress in 1996 and is currently serving his seventh term as the representative of the 15th District of Texas. The 15th Congressional District stretches from the Rio Grande Valley to historic Goliad County and the Coastal Bend region.

THE OLD NOGALES HIGHWAY COLONIA: A WORK IN PROGRESS

By Sandy Fagan

The Southwest Fair Housing Council (SWFHC) began operations in 1986 as a 501 (c) (3) working to address housing discrimination in Arizona. This small group, consisting of a director and 11 staff members, receives funding from various sources such as the U.S. Department of Housing and Urban Development (HUD), the Arizona Department of Housing, and local CDBG awards. These funds call for SWFHC to serve greater Arizona through fair housing enforcement and education. Providing assistance to Arizona colonias is part of SWFHC's larger efforts. SWFHC has worked closely with community residents in the Old Nogales Highway Colonias to address this community's problems.

In 2002, a local newspaper article described the ONHC as a community made up of mobile homes located on floodplains with unpaved roads. While there was significant poverty and need in the community, residents had very little access to community programs and services. These conditions are not unique to the ONHC. Indeed, they are common to virtually all colonias along the California, Arizona, New Mexico, Texas and Mexican borders. SWFHC's work in the ONHC provides an excellent example of the progress that has been made in Arizona colonias.

The Old Nogales Highway Colonia

Greater Southern Arizona has a total of 87 designated colonias, 15 of which are located in Pima County. The Old Nogales Highway neighborhood is one of the HUD-designated colonias in Pima County. This community began as an enclave in the early 1940s with 43 housing units. By the 1990s, the area was booming, in part due to the proliferation of wildcat subdivisions arising from Arizona Revised Statutes Section 32-2101. The statutes allowed landowners to subdivide their property up to five times with relatively little scrutiny and without ensuring that there were basic services such as an adequate water supply, as required with larger subdivisions. Presently, there are 1,077 households and 3,450 residents in the ONHC.

Problems Come to Light

Serious consideration of living conditions in Pima County colonias began to take hold in 1994. Local activist and resident Elsa Cocoa, former Pima County Supervisor Dan Eckstrom, and his aide Ramon Valadez brought the county government's attention to the infrastructure and related needs in the county's colonias.

This increased focus in the early 1990s led Pima County to conduct a comprehensive study of wildcat subdivisions. This study documented and analyzed the aggregate problems resulting from unregulated development within the county's jurisdiction. The study indicated that many of the ancillary problems of access to water, sewer, paved roads, homes on floodplains, and the like were directly related to this unregulated development.

In particular, the study mentions that population density puts even greater strain on the land and meager resources. As

Continued page 22



Students in a Jr. Promotora class develop leadership skills that will be used to improve the community.

ENGAGING COMMUNITIES:

ONE PERSON AT A TIME

By Jeremy Snyder & Diana Bustamante

The Colonias Development Council (CDC) was founded over 20 years ago by the Office of Catholic Social Ministry of the Catholic Diocese of Las Cruces. At the time, the small organization's mission was to respond to the 1980s immigration reforms that were impacting seasonal agricultural workers living and working in the area. Since then, the Colonias Development Council has diversified its programming to include the promotion of grassroots organizing and citizen involvement as a way of tackling the problems facing colonia-designated communities across southern New Mexico. These communities face many challenges such as discrimination, inadequate housing and infrastructure, and declining food security.

The CDC functions in multiple roles to address developing and deep-seated issues facing colonia residents. No matter the program, the CDC operates under the belief that residents, rather than outsiders, know what solutions are best for their communities. Through our work we have learned that civic engagement by those who feel disenfranchised and forgotten is often the greatest outcome any campaign can have. Consequently, we measure our success by the number of colonia residents that become interested and involved in the decision making processes of their communities.

Improving Community Infrastructure

Infrastructure is an area of great need in New Mexico's colonias communities. Years of exploitative real estate practices have resulted in landowners being able to sell lots without any attendant infrastructure improvements. Consequently, many homes in these communities lack adequate sanitation and water systems, while others remain without electricity and gas.

In addition, many neighborhoods lack adequate roads and drainage systems, which have led to massive flooding in these

areas. Frequent flooding ruins homes, creates a surfeit of health problems, and has even been responsible for the recent deaths of two children in one nearby community. Localized flooding continues to be an issue not easily addressed by local and state governments.

CDC is working in the colonias to train *promotores de la comunidad*, or local people who work in their communities to inform and educate their fellow neighbors about issues related to infrastructure development. For example, *promotoras* from Vado, a small dairy community south of Las Cruces, have gone door-to-door, collecting signatures and working to procure right-of-way easements to allow county roads to be installed on formerly private property. After nearly five years of this work, they were able to successfully convert one road to public hands, and it will soon be paved and maintained by the county government. More projects like these are being developed to stem the repeated flooding in these communities.

Facing Discrimination

Discrimination is a continual and growing problem in colonia communities. Recent programs initiated by the Border Patrol and sheriff's offices keep residents—who include documented and undocumented immigrants, as well as U.S. citizens—in perpetual fear of law enforcement policies. Although racial profiling is said to be “never acceptable,” skin color and “community characteristics” are often enough to warrant time-consuming and demeaning stops by law enforcement. In the past, residents were questioned about their residency status only by Border Patrol officers. Now, due to new agreements between Border Patrol agencies and local law enforcement enacted by the Department of Homeland Security, some local law enforcement agencies have begun to call Border Patrol even on routine traffic stops.

Continued page 8

Many residents in the colonias are documented immigrants, but some are not. Regardless of an individual's immigration status, harsh policies by Border Patrol are paralyzing entire communities. Residents are afraid to contact local law enforcement to report vandalism and domestic violence, lest the family's immigration status become the focus of law enforcement's inquiry. Sadly, this fear greatly affects children. Border Patrol units have parked outside local schools, scaring away undocumented parents and leaving children stranded and frightened. Mothers and fathers from countless families have been stripped away from their children; many children know this and live in constant fear of the same thing happening to their own families.

In response to these challenges, the CDC has worked closely with organizations like the ACLU, the National Network for Immigrant and Refugee Rights, and the Mexican Consulate to develop a series of "Know Your Rights" workshops. These workshops provide a better understanding to all residents about law enforcement policies, and help alleviate some fear of unknown law enforcement practices. Although these workshops do not prevent residents from being stopped, the community can begin to address instances when certain rights are ignored by law enforcement policies.

Meeting Food Needs

The lack of food security and sovereignty is a challenge facing many colonia communities. Although colonia communities are generally located near rich and vibrant

With the help of the Youth Conservation Corps, the CDC was able to hire local youth to build a greenhouse, learn about seedling cultivation, plan community garden spaces, and design public murals. Image provided by the Colonias Development Council.



farmland, residents often do not receive the benefits of this close proximity. Limited local food production and distribution leads to what have been deemed "food deserts," which are areas without access to healthy food. The colonias in CDC's service area fit this definition. As a result of being in a food desert, residents have poor diets which in turn lead to health problems such as diabetes and hypertension.

CDC received a USDA Community Foods Grant in the spring of 2008 to tackle these food scarcity problems. This grant allowed for the creation of community gardens in Chaparral and Anthony with the express purpose of combating these problems. Each garden is maintained by community members using only sustainable practices. Gardens in the communities of Anthony and Chaparral are now providing residents with quality, pesticide-free fruits and vegetables. The gardens are spaces where all community members are welcome to gather, and where sharing and learning are encouraged. These projects are truly intergenerational, drawing youth and older adults alike to participate in creating a healthy community.

Through other funding sources such as the Youth Conservation Corps, CDC was able to train and hire youths aged 14 to 19 to plant and harvest in the community gardens. These young people have become acutely aware of food sovereignty issues in their communities. They now work with *promotores de jardín*, who plan garden events for the community, including trainings on pesticide-free insect control and fruit tree planting.

Conclusion

In colonias-related work there is no manual, no set of instructions, and no proven organizational template to emulate. Nonetheless, the Colonias Development Council forges ahead with a constant ear to the voice of the colonias. Only when the collective voices of residents are heard and acted upon will the obstacles facing these communities be addressed and overcome. 

~Diana Bustamante is the Executive Director of the Colonia Development Council (CDC) and Jeremy Snyder is the Border Servant Corps Volunteer. The CDC became an independent 501(c) (3) nonprofit in 1994 and serves Dona County and the surrounding areas.

THE NUESTRA CASA HOME IMPROVEMENT LOAN PROGRAM AND THE OLD DREAM OF A CONCRETE HOME

By John Squires & Diane Korte

The Nuestra Casa Home Improvement Loan Program was launched in 2000 by the Arkansas-based Community Resource Group, Inc. (CRG), a multistate, nonprofit Community Development Financial Institution. As a regional member of the national Rural Community Assistance Partnership, Inc., CRG has been working on water issues in the border colonias since the 1980s.

In 1996, at the request of the Texas Attorney General, CRG became the court appointed receiver in a case against a real estate developer who engaged in illegal subdivision development activities, generally referred to as colonias. These colonias or “neighborhoods” were developed without one or more basic services such as water, sewer, or paved roads. They were comprised of lots marketed and sold to low-income families through a contract for deed (rent-to-own) arrangement.

Clearing Title

As the court appointed receiver, CRG was charged with clearing land titles for the 1,400 low-income families living in the 15 Starr County colonias—and provided no funds for doing it. “It turned out to be way more difficult and costly than we bargained for,” said CRG’s CEO, John Squires. Contracts for deed, lots sold in flood plains, verbal contracts, sale of the same lot to multiple buyers at the same time, lack of receipts, unplatted lots, \$900,000 in unpaid back taxes, IRS liens, and lack of written records all added to the complexity of the receivership. It took CRG nine full years to gather information on all the residents and to raise the \$1.5 million necessary to develop and implement an innovative strategy that used the federal bankruptcy process to clear the titles. As CRG became convinced that its strategy for clearing titles was going to work, attention was directed to an even bigger problem, improving housing conditions.



Pedro and Maria Rodriguez share the progress on their home with CRG staff.

Improving Conditions

CRG contracted with the Texas Department of Housing and Community Affairs to provide grant-based housing rehabilitation for low-income homeowners. The available funding allowed CRG to rehabilitate 25 to 30 homes a year. With limited grant funds and literally thousands of equally deserving homeowners living in seriously substandard homes, CRG quickly directed their grant-based rehabilitation to homeowners with no current or future repayment ability—elderly and disabled persons.

From their door-to-door work to clear titles for families involved in the receivership, CRG knew that most homeowners in the colonias worked very hard and did have some ability to borrow and repay a loan. However, residents did not have access to non-predatory credit. CRG designed the Nuestra Casa loan to assist low-income homeowners who wanted to improve or complete construction of their homes and had some repayment ability. Nuestra Casa is designed to help families looking for a hand—not a handout.

The Nuestra Casa loan is an elegantly simple loan product. It offers a \$2,500 unsecured home improvement loan to low-income homeowners with a 24-month term and a nine percent interest rate. There are no application or late

Continued page 10



COMMUNITY
RESOURCE GROUP
www.crg.org

ACHIEVING THE OLD DREAM

Pedro and Maria Rodriguez live near the Mexican border outside Alton, Texas. Tucked in amongst commercial orange groves, their shaded half-acre lot is filled with flowers and shrubs. Chickens scratch in the dirt for insects. Standing in the middle of their partially completed home, they talk about buying their land 12 years ago under a contract for deed arrangement and constructing a small casita out of salvage lumber and plywood to live in—*acabe con la droga*—until they finished with the *drug* (local slang for the monthly payments on a contract for deed).

Their plan was always to build a permanent concrete house to replace the temporary *casita* once the land was paid for. The question was always how to pay for it. Maria says that three years ago she heard what she thought was a rumor about a family who got a loan to improve their house. By talking to friends and asking around, she was able to track down the local woman who helped people fill out the Nuestra Casa loan application.

The Rodriguezs met with Rosie Tello, who explained how Nuestra Casa worked and helped them fill out a simple application. Two weeks later they signed the loan papers and received a check for \$2,500. “We used the first \$2,500 to pour the floor for our permanent concrete house,” said Mr. Rodriguez. “Because we paid on time every month for a year we could borrow more money. We used our second loan for concrete blocks and to put up the walls.”

Meanwhile progress on the Rodriguez’s new home is temporarily stalled due to Mr. Rodriguez’s knee surgery, but he’s anxious to start on the roof as soon as he is able. Mrs. Rodriguez said with a laugh that as soon as the roof was on, she was moving in.

“I’m anxious to move in too,” added Mr. Rodriguez, “I feel honored to have been selected for a loan. I’m proud that CRG trusts me to pay them back even though we’re poor and not well educated.”

Did we mention that the Rodriguezs are both nearly seventy-nine years old? Seventy-nine years old and still pursuing their old dream of a concrete home. Poco a poco con Nuestra Casa.

Nuestra Casa continued from page 9

fees associated with the loan. Instead there is an incentive. If a borrower pays as agreed for 12 months, they are eligible to apply to increase their outstanding balance to \$3,500 for additional home improvements. Loan decisions generally take fewer than ten working days. Nuestra Casa builds on the tradition of the owner-built home by extending the credit needed to speed up the construction process, without getting borrowers in debt over their heads.

Lessons Learned

The upside is that while CRG has made over 1,250 loans, loan losses have averaged less than five percent. The downside for CRG is that the income generated by the loans does not cover operating costs. Interest earnings cover loan losses but not the cost of outreach, underwriting, servicing, and collections. But, as Squires explains,

“Nuestra Casa wasn’t designed to be a market-based program. Making a profit is not our Holy Grail. This is mission-rich lending that is cost-effective when compared to grant-based rehabilitation at a cost of \$400,000 to rehabilitate 25 homes. A \$400,000 outreach grant could provide over 1,300 Nuestra Casa loans and provide part-time work for a number of colonia residents!”

Progress on expanding Nuestra Casa has stalled temporarily. CRG has the capacity to make 1,000 loans a year and significantly improve standard housing conditions in the colonias. “It’s frustrating,” said Squires, “We’ve created and tested a low-cost, high-volume, self-help solution for improving some of the worst housing conditions in America. It works. But we’re stalled while looking for a way to cover the cost of outreach.”

Conclusion

CRG is honored to have played a small part in helping over one thousand low-income families pursue their dream of a decent home. From Brownsville to El Paso, thousands more low-income homeowners are waiting to improve their housing and achieve their dreams. It’s work worth doing. 

~John Squires is CEO for the Community Resource Group. Diane Korte is Housing and Communications Consultant for The Balance Group. Community Resource Group (CRG) works in rural areas to expand the opportunities for families to build assets, improve their lives, and strengthen their communities. Their work focuses on the basics: safe drinking water, affordable housing, manufactured home park ownership and access to credit. The Balance Group, combines experience in land use planning, and affordable housing with communication technologies. The firm supports organizations focusing their messages to reach multiple audiences with simple paths to powerful communication.

SEEKING SOLUTIONS

THE HUMAN INJUSTICE OF COLONIAS PUSHES ONE NONPROFIT TO SEEK SOLUTIONS

By John F. Mealey

Housing conditions for migrant and year-round farmworkers in California are among the worst in the United States and have been compared to conditions in third world countries. This is true not only in colonias along the border but in farm labor camps and communities throughout the agricultural areas of the southern and central parts of the state. Fortunately, California's strong network of active and creative rural nonprofit developers making good use of local, state, and federal resources to provide housing for agricultural workers and their families in single-family homes, apartments, or manufactured housing parks.

The Coachella Valley Housing Coalition (CVHC), based in Indio, CA, and serving the southeastern California counties of Riverside and Imperial, set its mission 27 years ago to help low-income people improve their living conditions through advocacy, research, construction and operation of housing and community development projects. To date, the organization has built 4,000 units of affordable housing including more than 1,500 single-family homes and 2,200 units of rental housing. CVHC also works to replace the dilapidated housing in farm labor camps and colonias across its service area.

A Look at the Past

Historically, in southeastern California's Coachella Valley, many migrant workers found shelter in "Cartolandas." Cartolandas are small complexes of cardboard and scrap material huts built on agricultural land. The better available homes were abandoned trailers usually with no place to hook up to water or electricity. Water for showers, cooking, and sometimes drinking came from nearby irrigation lines or ditches. Nevertheless, because rent was cheap and the

locations close to work, families and single migrant workers mixed and lived wherever there was available space.

Extension cords ran hundreds of feet from nearby homes, usually the home of the landowner, providing power for lights, and risk for the residents. Some cartolandas grew to be sizable communities that included open air restaurants that prepared hot lunches for the workers to take to the fields, as well as places to congregate and swap stories. Some of these campos grew large enough to support not only restaurants, but also boxing rings and open air dance halls all made from tossed away materials and operated by entrepreneurial farmworkers eager to join the capital-formation class.

Cartolandas popped up to fill the need for housing that was affordable to farmworkers, but with this unregulated housing opportunity came tragedy. Poor wiring and shabby construction caused fires resulting in deaths. Cartolandas closed down in one place and opened the next day in another. Dilapidated mobile home parks began cropping up and replacing cartolandas throughout the valley. In 1990 the Riverside County Consolidated Plan reported that approximately 19 percent, or 74,562 units, of the county's existing housing stock was composed of mobile home parks.

After years of neglect, in 1992 the Farm Labor Housing Protection Act, AB 3526 (known as the Polanco Bill), was passed by the state legislature. The bill was designed to encourage development of farmworker housing on agricultural land. AB 3526 enabled owners of agricultural land to house up to 12 farmworkers without paying business taxes or local registration fees, or obtaining conditional use permits. Unfortunately, the great need

Continued page 12

for decent farmworker housing attracted unscrupulous and opportunistic developers and land owners who took advantage of the intentions of the law. Many of these entrepreneurs built small mobile home parks that not only bypassed the local land use regulations, but also ignored basic health and safety requirements concerning placement of wells, septic systems, and utilities. Up to 500 of these parks popped up in the Coachella Valley. In the summer of 1998 four children burned to death at four different locations due to faulty wiring.

In 1999, Riverside County moved to close down more than 200 of these illegal “Polanco Parks” declaring them to be subject to dangerous health and safety conditions caused by overcrowding and a lack of adequate infrastructure, or substantial violations of health and safety standards. The county initially identified 86 parks (later almost 400 parks were located with educated speculation that the total number would be more than 500) and sent legal notices in the form of lawsuits to the owners to shut them down. Riverside County also made the mistake of including tenants from some of the illegal parks as defendants. This decision had some unforeseen consequences for the county and the community.

Attention Brings Resources

Catholic Charities, the Diocese of San Bernardino, California Rural Legal Assistance, the State Department of Housing and Community Development, HUD, and the Coachella Valley Housing Coalition, as well as concerned individuals, came together to block the immediate closing of the parks



CVHC has helped several Duros families and hundreds of other low-income families in the region become homeowners through its mutual self-help housing program.

and the suit against the tenants. The park owners formed an organization to present themselves as victims of the county’s effort to close their illegal parks. At the same time, tenants who had few or no affordable housing options to begin with, were forced to drag their rundown trailers to other unsafe parks located primarily on sovereign Indian land.

Fourth District County Supervisor Roy Wilson, long an advocate for affordable housing, met with the concerned groups to discuss alternatives to the immediate eviction of hundreds of very low-income families. The tenants were dropped from the lawsuit and plans were developed to provide financing to the park owners to bring their parks up to health and safety standards.

Through the intervention of the Catholic Diocese and local, state and federal agencies, the community consensus was to repair rather than shut down these Polanco Parks. The county responded with grant and deferred loan programs to enable the park owners to bring the camps up to health and safety standards.

Resources Brings Solutions

CVHC worked closely with the County to develop housing opportunities for displaced families and individuals from the Polanco parks. Over the next nine years, CVHC moved 500 families into newly built rental and self-help homeownership housing in the rural communities of the Coachella Valley. Las Palmeras Estates was an existing park with 77 lots that had never been built on. CVHC purchased the park, and designed and placed 77 new rental homes on the vacant lots. The park includes a swimming pool, after-school homework and computer classes, plus other amenities. CVHC also developed a new mobile home park in Mecca called Paseo de los Heroes. Paseo de los Heroes has 106 lots, a child care center, preventive medical screenings, after school homework, computer classes, and a soccer field. The former Polanco parks residents turned in their unsafe trailers to be destroyed. The families received a grant in the range of \$30,000 to \$40,000 from the county to purchase a brand new manufactured home to place in the park.

CVHC also worked with the County of Riverside to develop 48 new contractor-built homes in the City of Coachella for families who had been displaced from Polanco parks.

Continued page 23

SOUTHWEST BORDER OF ARIZONA AND MEXICO COLONIAS NEWS

By Maribel Ruble

The Housing America Corporation (Housing America) provides housing assistance to low-income individuals and families in Yuma, La Paz, and Mohave counties located in southwest Arizona. There are four HUD-designated colonias within this service area: San Luis, Somerton, Wellton, and Quartzsite. Since 1976, Housing America has worked to address the affordable housing needs of local residents. This assistance includes the provision of affordable rental housing, homeownership education training, down payment assistance, and foreclosure intervention.

Colonias Challenges

The region's economy poses significant challenges in Yuma County, where agriculture is one of the biggest employers. Unfortunately, this industry only offers primarily seasonal employment to most local residents. As a result, during the agriculture off-season unemployment rates significantly increase. Many of the unemployed agriculture workers live with the families in the colonias of Somerton, San Luis, and Wellton. Economic factors like high seasonal unemployment are responsible for Yuma County's 21.5 percent poverty rate in 2008.

Access to decent, affordable rental housing and single-family housing continues to be a major problem in the colonias. While Somerton currently has two apartment

complexes that provide housing to farmworkers, there are no farm labor rental units in either San Luis or Wellton. Housing America currently has a two-year waiting list for individuals seeking affordable rental housing in the region.

In addition to rental housing difficulties, homeowners have also experienced increased needs as a result of local economic factors. Housing America has seen a significant demand for homeownership assistance, which has only increased in the recent economic downturn. In particular, families have been seeking help to avoid losing their homes to foreclosure. The lack of affordable housing options can, in turn, lead to more people being forced to live in substandard housing.

Programs to Address these Problems

To address the current challenges in the colonias, Housing America provides housing assistance through several different rental and homeownership programs. The Mutual Self-Help program assists low-income, first-time homebuyers purchase a home. In exchange for financial assistance, participants agree to build 65 percent of their homes. Two years ago, Housing America implemented a

Continued page 14



Housing America provides housing assistance through several different rental and homeownership programs including self-help housing.

post-purchase counseling program to assist with foreclosure prevention. The program provides financial literacy education and teaches the skills necessary to maintain long-term homeownership.

In addition to the financial literacy program, Housing America has multiple down payment assistance services. With the Arizona Department of Housing, and Your Way Home Arizona (National Stabilization Program NSP) resources, first time homebuyers are offered up to 22 percent down payment assistance to buy foreclosed properties in La Paz, Mohave, and Yuma counties. Additionally, new homebuyers purchasing non-foreclosed properties can receive five percent down payment assistance from the Mortgage Credit Certificate Plus program. Down payment assistance helps potential homebuyers in a time when credit can be hard come by.

Housing America also operates a multi-family apartment program, which provides subsidized rental housing units for qualified low-income participants. Housing America manages the apartment buildings for which it provides the rental assistance. Several of these apartment complexes are located in Somerton.

Looking Forward

As a result of these programs, many local residents now have access to safe and high-quality homes. Housing America's recent successes in the community include,

- ◆ Celebrating the grand opening of two HUD Section 202 projects that Housing America developed to serve low-income senior citizens in Kingman and Somerton, Arizona;
- ◆ Acquiring 36.8 acres of land that will be used in the development of 175 houses in conjunction with the Mutual Self-Help Program; and
- ◆ Rehabilitating three multi-family housing apartment complexes for low-income farmworkers that will incorporate energy efficient technologies and improve the overall living conditions of the residents.

These successes are having an impact in the colonias, but more needs to be done. Extreme poverty conditions continue in Yuma, La Paz, and Mohave counties and colonias throughout the region. 🌐

~Maribel Ruble is the Resource Developer for the Housing America Corporation.



ADVOCATING FOR EQUITY IN CALIFORNIA'S RURAL COMMUNITIES

By Phoebe Seaton and Ilene J. Jacobs

California Rural Legal Assistance, Inc. (CRLA) is a nonprofit legal services organization working to ensure access to justice and human rights for California's lowest income, most marginalized rural communities. CRLA, a statewide law firm with a multilingual and multicultural staff, provides no-cost legal representation, community education, and outreach in the areas of housing, civil rights, employment, health, and family security. CRLA opened its doors in 1966 and has been a strong advocate, seeking to overcome the effects of rural poverty and injustice for more than 40 years. Today, it serves clients and community members from 23 offices between the US-Mexico border and northern California.

CRLA's Community Equity Initiative (CEI), a collaborative project with PolicyLink and California Rural Legal Assistance Foundation, advocates for equitable development, good governance, and democratic decision-making to create a just and equitable California. The CEI works with community leaders from unincorporated areas throughout the San Joaquin Valley to ensure that members of California's most vulnerable communities enjoy safe places to walk and play, clean drinking water, reliable infrastructure and services, and a robust democracy that represents all residents.

The "New" Colonias

Throughout the San Joaquin Valley, hundreds of thousands of low-income Californians live in communities that are similar to colonias in every respect other than their proximity to the Mexican Border. They often lack many elements critical to healthy and sustainable communities,

including potable water, sewer systems, parks, sidewalks, community centers, storm water drainage, and streetlights. These disadvantaged, unincorporated communities rely on local districts with limited resources or neighboring cities for discreet services, such as water, and in some circumstances, sewer services and streetlights. Often, geographically remote and unresponsive county governments provide the only local political representation for these unincorporated communities.

Like colonias, disadvantaged, unincorporated communities in the San Joaquin Valley are disproportionately communities of color. Throughout the 20th century, low-wage agricultural and industrial employment drew African-Americans and Latinos into communities that offered proximity to jobs. Unfortunately, the communities lacked rudimentary infrastructure and political representation.

Economic, social, and political factors have contributed to the demographic characteristics of these unincorporated areas and the lack of services. In particular, sunset laws, realtor steering, and even restrictive covenants discouraged African-Americans and Latinos from living in historically white communities. Local governments, desperate to protect their resources, perpetuated the political, social, and economic isolation of these communities. The local governments, in turn, fail to provide basic services to these communities that were intentionally excluded them from planning and infrastructure investment.

Disadvantaged unincorporated communities can be:

- ♦ islands, which are completely or substantially surrounded by one or more cities,

Continued page 16

- ◆ fringe communities that they are adjacent to a city or, within the area in which a city has land planning authority, or
- ◆ legacy communities that are geographically remote from cities and have been settled communities for decades.

Currently, there are hundreds of disadvantaged, fringe, and legacy communities throughout the San Joaquin Valley. The following short narratives of two communities illustrate the phenomenon of disadvantaged, unincorporated communities and their concomitant infrastructure and service deficits.

Lanare, California

Lanare, California is a community of between 500 and 600 residents (almost exclusively African American and Latino) in Fresno County. Census data show that the median income in the community in 2000 was just over \$26,000 a year. Unemployment and poverty rates in the community hover around 40 percent. It is a legacy community, located approximately three miles from another unincorporated community. Decades ago, the community was settled by African-American farmworkers. There is no sewer system, and many members of the community wash clothes and dishes outside because their septic tanks are insufficient. There are no sidewalks or streetlights and the streets flood after even a light rain.

The community organized a Community Services District in the early 1970s to provide water to community members. Each household pays \$46 per month for drinking water that is contaminated with arsenic and manganese. The community services district is over \$100,000 in debt. Twice during the sweltering summer, the water system failed and the community was without any running water for almost 48 hours on one occasion. The Community Services District, which is funded exclusively from this low-income community's property taxes and user fees, do not have the resources to repair the water system, let alone provide other needed services, such as, a sewer system, streetlights, sidewalks, or storm water drainage. Fresno County does not

have jurisdiction, authority, or the responsibility to repair the water system. The State of California does not have any duty to run the Community Services District or repair the water system. Both the county and the state were adamant that the community is solely responsible for ensuring that families could count on a reliable water supply.

Members of the community drew attention to the community's needs by addressing the Fresno County Board of Supervisors. Their persistent advocacy led California to release approximately \$30,000 in emergency drinking water funds to make urgently needed repairs to the system.

No Man's Land, California

No Man's Land in Stanislaus County, also known as Hatch-Midway and Parklawn, is an almost exclusively Latino community on the edge of the city of Modesto and completely within the City of Modesto's sphere of influence. The community receives water from the city of Modesto but has no sewer system; and, like Lanare, community members often must release their dishwasher and laundry water outside because septic systems are failing due, in part, to soil composition and population density. The community also lacks sidewalks, storm water drainage, and adequate garbage removal. The community is one of four similar communities that is currently the subject of litigation, led by CRLA, Inc., the Lawyers Committee for Civil Rights, and Brian Brosnahan, a private attorney from a pro bono law firm.

There are myriad causes for Hatch-Midway's circumstances; however, the city of Modesto's failure to annex the area stands out. Exclusion from the city means that basic services, such as sewer treatment, are missing. In addition, there is disagreement between the involved parties as to who is responsible for service provision. That is, the county government wants the city to provide sewer extensions. Meanwhile the city government wants the county and low-income residents to provide services such as curbs, gutters, sidewalks, and streetlights, in order make the community consistent with Modesto's municipal code, before it will provide an extension of sewer services.

Until local and state governments take responsibility for the widespread disadvantages that they have allowed and perpetuated, our neighbors will live without the most basic elements of a healthy community

Heretofore, the County has not financed the needed infrastructure improvements for lack of interest, for lack of resources and due to the potential loss of most of the community's property taxes to the City in the event of annexation. The City, in turn, will not extend sewer service until the infrastructure improvements are made. Through the American Recovery and Reinvestment Act (ARRA) millions of dollars in grants became available to improve or extend sewer service; however, neither the city nor the county of Stanislaus has applied for this funding.

CRLA, Inc is working with community members from Hatch Midway as well as California Rural Legal Assistance Foundation and Self Help Enterprises to bring ARRA funding to the community.

Conclusion

The circumstances and experiences of these two communities are paradigms. They illustrate the circumstances and experiences of disadvantaged unincorporated communities throughout the San Joaquin Valley: betwixt and between, neglected by cities and counties, and unable finance needed infrastructure improvements for themselves. Until local and state governments take responsibility for the widespread disadvantages that they have allowed and perpetuated, our neighbors will live without the most basic elements of a healthy community. 🌐

~Phoebe Seaton is the Community Equity Initiative Program Director and Ilene J. Jacobs is the Director of Litigation, Advocacy and Training with the California Rural Legal Assistance, Inc.



RURAL VOICES

ruralvoices@ruralhome.org

Statements made in *Rural Voices* are the opinions of the authors of the individual articles, not of the Housing Assistance Council. Subscriptions to *Rural Voices* are free, only one free copy per organization. Additional subscriptions cost \$16.00 per year. Single copies and back issues are \$4. Material may be reproduced without permission, but *Rural Voices* should be credited.

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

EDITORS: Theresa Singleton, Keith Wiley, and John Covert

DESIGNER: Janice Clark

ISSN: 1903-8044

HOUSING ASSISTANCE COUNCIL

NATIONAL OFFICE

1025 Vermont Avenue, NW, Ste. 606
Washington, DC 20005
TEL 202-842-8600
FAX 202-347-3441
E-MAIL hac@ruralhome.org

MIDWEST OFFICE

10100 Ambassador Drive, Ste. 310
Kansas City, MO 64153
TEL 816-880-0400
FAX 816-880-0500
E-MAIL midwest@ruralhome.org

SOUTHEAST OFFICE

600 W. Peachtree St., NW, Ste. 1500
Atlanta, GA 30308
TEL 404-892-4824
FAX 404-892-1204
E-MAIL southeast@ruralhome.org

SOUTHWEST OFFICE

3939 San Pedro, NE, Ste. 7-C
Albuquerque, NM 87110
TEL 505-883-1003
FAX 505-883-1005
E-MAIL southwest@ruralhome.org

WESTERN OFFICE

717 K Street, Suite 404,
Sacramento, CA 95814
Tel.: 916-706-1836
Fax: 916-706-1849
E-MAIL western@ruralhome.org

www.ruralhome.org

PROTECTING THE ENVIRONMENT AND CREATING AFFORDABLE HOUSING

By Cecilia Rodriguez

In 1995, Tierra Madre incorporated as a 501(c)(3) nonprofit organization to provide services to families in Sunland Park, New Mexico. Sunland Park is one of the three largest colonias in New Mexico. According to the 2000 Census, Sunland Park's median household income was 40 percent less than the state average and less than half the national average. The community has been working hard to improve services and enforce its master plan for development in an effort to "leave behind its colonias status." Tierra Madre's work in affordable green housing development is a critical part of the community's efforts. Tierra Madre offers an alternative method of developing sustainable communities by building affordable straw bale homes.

Tierra Madre uses a mutual self-help model. Generally, five families work together for 15 to 18 months on a part-time basis to construct five houses. All work is done under the direction and supervision of Tierra Madre's construction supervisor. The initial part of the process involves training and site selection. Participants go through training where they learn the unique straw bale building methods as well as conventional construction methods: concrete, basic wiring and plumbing, roofing and exterior and interior surface finishing (stucco, dry-wall, flooring and painting). Not only will this training help with the initial home construction, it can also serve as valuable experience for participants to find employment, and maintain and expand their homes.



Straw bale construction provides an innovative way to build affordable green homes and preserve the environment. Photo provided by Tierra Madre.

Bringing in the Green

Throughout the design and construction process, Tierra Madre emphasizes environmental care and energy conservation. Two key components of this involve using alternative low or no-cost appropriate technology and passive solar construction. Passive solar construction involves locating structure to take advantage of solar energy. More specifically, these homes are built with the long side of the house along an east-west axis and keeping windows on the west side to a minimum. This technique does not require expensive installation or maintenance fees, yet it improves efficiency and limits energy loss.

Other low- and no-cost appropriate technology include using affordable and long lasting construction methods, such as solar water heaters, ceramic tile floors, straw bale exterior walls, evaporative cooling, overhangs for shading, clerestory windows for heating and cooling, and a grey water system for xeriscaping (use of native and semi-arid planting). Tierra Madre homes also have energy and low flow faucets, water saving toilets and fluorescent light fixtures, Energy Star appliances and highly efficient heating, ventilation and air conditioning (HVAC) systems.

The defining and most unique fixture of Tierra Madres' self-help homes is the use of straw bale construction. The process of filling in the gaps between the exterior post and beam walls with barley straw bales is not a gimmick. According to the University of Texas at El Paso's Center for Energy Resource Management (CERM), the straw bales offer an R-55 insulation value. Environmental engineering students proved the insulation value by monitoring six homes for over ten years and recording the energy performance of the buildings.

The residents enjoy comfortable living environments and are not severely impacted by the extreme seasonal temperatures of the southwest. Many residents comment on how little they use the heating and cooling units. In fact, most residents say that they depend on ceiling fans rather than air conditioning to cool their homes. Likewise, most homeowners use solar water heaters, keeping conventional propane water heaters on the lowest setting possible.

Conclusion

Tierra Madre began construction of passive solar, straw bale homes on 20 acres of land leased from the State of New Mexico in 1997. As of October 2009, 38 of the 47 homes planned for this development have been completed. The residents benefit from a practical, green approach to housing that is affordable, effective, and appropriate. These methods are transferable and are extremely beneficial to low-income families who generally pay a disproportionate amount of their income on utilities. A 1,536 square foot, four-bedroom, two-bath home can be constructed for an affordable \$65,000. At the same time, the low-cost home saves the homeowner 30 to 50 percent on utility bills.

In addition to the cost savings, participants and volunteers learn about the value of passive solar construction, insulation and thermal mass, water-harvesting, and xeriscaping. The self-help model and shared experience helps bring the community together. There are few, if any, new developments that have a sense of community like Tierra Madre. To be able to do this, while at the same time being environmentally conscious, is certainly an impressive feat. 🌱

~Cecilia Rodriguez is the Executive Director at Tierra Madre. For more information about programs, contact Tierra Madre at 102 Tierra Madre Street, Sunland Park, New Mexico or call 575.589.4412.



USDA RURAL HOUSING SERVICE: A NEW DIRECTION

By Tammye Trevino

It is a great privilege to serve as the Administrator of the Rural Housing Service at USDA Rural Development. I have worked for over 25 years in community and economic development in rural America, and I know the critical role USDA's housing programs play in creating wealth, expanding economic opportunity, and improving quality of life for rural residents. With the housing market at a critical juncture, I am working closely with the Department's leadership to strengthen the nation's rural housing portfolio by promoting and expanding programs that enable rural communities to develop quality, affordable housing, and sustain the American dream of homeownership.

Among Agriculture Secretary Tom Vilsack's top priorities for USDA is wealth creation in rural communities, enabling them to be self-sustaining, repopulating, and economically thriving. Our housing programs have a vital role to play in meeting this goal, and that will be our focus in the months and years to come. The availability of safe, decent, affordable housing is fundamental to the success of any community. Housing plays an important role in strengthening a local economy, both in the short-run and the long-term. The construction of new single-family homes and multifamily housing complexes creates quality jobs, not only in the construction industry but in the manufacturing sector.

Unfortunately, many rural communities lack quality housing stock, often forcing residents to choose between moving elsewhere or living in less than adequate circumstances. Our housing programs have provided hundreds of thousands of rural Americans access to quality affordable housing, but we must do more. I am committed to redoubling our efforts and thinking creatively in order to expand access to our programs in an effective, targeted way.

The recession has hit rural communities especially hard, and the increasing number of foreclosures is a serious challenge. Fortunately, our single family housing direct loan program

has experienced a lower foreclosure rate than the national average. This is in large part thanks to the hard work of our staff across the country, who are careful and diligent when originating loans and who work closely with borrowers; not just at the time of closing, but later as well.

As we look forward, we do not plan to promote our multifamily or rental assistance programs over our home loan programs. That's because we have seen a surge of attention in the area of single-family homeownership. This decision does not imply that rental housing is less important, only that the bulk of our funding is dedicated to providing single-family homeownership opportunities.

The American Recovery and Reinvestment Act of 2009 provided over \$11 billion to our single-family housing direct and guaranteed loan programs, and this funding has provided a dramatic boost for rural economies. We have already allocated over \$9 billion of this Recovery Act funding, financing the purchase of over 80,000 homes in rural communities. Moreover, the guaranteed housing program has encouraged private banks to lend money to homebuyers and to pick up the pace of their lending.

USDA Rural Development Under Secretary Dallas Tonsager has set seven ambitious priorities for Rural Development, and I take very seriously my job in incorporating these priorities and the Under Secretary's vision in the execution of our programs. The priorities include promoting the development of regional food systems, expanding opportunities for alternative energy development, improving access to private capital in rural communities, promoting broadband and continuous business creation, taking a community development approach to development, expanding regional collaboration, and developing new strategic partnerships with like-minded organizations.

These last three priorities – community development, regional collaboration, and strategic partnerships – are especially relevant to our housing programs. To Rural Development, community development means taking the most holistic approach possible to the communities we serve, given our programs and resources. We have 40 different programs in Rural Development, and all too often – even within the same community – these programs can operate in a vacuum. Instead of approaching projects in isolation, the Obama Administration is committed to working with communities to determine their comprehensive needs, and putting our programs to work – in concert – to address these needs.

Because the community development initiative is so important, Under Secretary Tonsager is establishing the Office of Economic and Community Development, which will report directly to him. This office will help us flesh out what we can do to work better across program areas and foster a comprehensive community development approach among our staff and in the communities we serve. It is my goal to ensure that, as this approach takes shape in our offices across the country, housing remains a central part of the discussion. When a rural community thinks about their long-term needs or begins developing a strategic plan, I believe it is vital that we help them consider their housing needs and inform them of what our housing programs have to offer.

In many ways the next two priorities, regional collaboration and strategic partnerships, go hand-in-hand with our initiative to foster community development. The size and scope of the challenges and opportunities facing rural America often dwarf the capacity of individual communities. Rural America is better served when its communities work together, and Rural Development will encourage regional collaboration to address mutual challenges and opportunities. These collaborating regions can be centered around factors that include geography, industry, location, and history.

The development of new strategic partnerships is another priority for our Under Secretary and our agency. Rural Development's state and local offices have a proud history of working closely with local governments, community groups, nonprofits, and other organizations to implement our programs and help the communities we serve. Nonetheless, I know there are opportunities to strengthen these partnerships and expand them to new groups. If we think creatively and open our doors to everyone, we will develop partnerships that will help ensure that each dollar we spend provides maximum benefits to the people we serve. I am committed to creating and expanding partnerships with groups working to improve housing opportunities in rural communities on the national, state, and local level, and I would encourage interested groups to approach Rural Development through their area or state office or through the national office.

In a related effort, it is my goal to improve customer service delivery across our housing programs. I want individuals, lenders, nonprofits, community organizations, and other groups to *want* to do business with us. They should know that our door is always open and that we will be a respectful, responsive partner. I also believe it is critical that we redouble our outreach efforts in areas that have historically been underserved by Rural Development and other agencies.

A large part of this outreach effort will target very low-income residents – residents who have traditionally made up a smaller portion of our pool of borrowers, but who are in great need of assistance in finding quality, affordable housing in their communities. It is a challenge to reach these individuals, who disproportionately reside in the poorest and most rural counties in the country. In an effort to reach these potential borrowers, I recently launched the Single-Family Housing direct loan Outreach Initiative. This program, funded through the Recovery Act, will place about 30 loan-specialists in persistent poverty counties across the country where they will be tasked with originating new Single-Family Housing direct loans. I believe this effort is the first step in reaching very low-income rural residents, and the experience we gain and the lessons we learn from this program will guide our long-term efforts to reach these residents consistently.

The colonias also face persistent poverty, and merit our renewed attention. The issues facing these areas are longstanding and pose challenges for any organization that chooses to assist in bettering the conditions inherent to these mostly border communities. However, the look of pride and gratitude on the face of a new homeowner is priceless and it is why, as the CEO of FUTURO, I found our efforts to assist these communities were so rewarding. As administrator of USDA's housing programs it is my intention to bring focus and resources to these areas. While USDA can tout many success stories, we must recognize that the colonias continue to have great needs, and we must focus our energy on improving the quality of life in these communities.

Farmworkers will also receive additional assistance from the Obama Administration. The \$4 million appropriation for a farmworker jobs program will be made available through a demonstration Notice of Funding Availability (NOFA) that is currently being developed. Details for this demonstration have not been finalized, but I am confident that organizations that advocate on behalf of farmworkers will like what the NOFA proposes, that appropriators will see quantifiable results, and that the farmworker population will greatly benefit.

It is truly a privilege to serve as the Administrator of USDA's Rural Housing Service. I look forward to working with the Housing Assistance Council and other like-minded partners to continue to expand the reach of and improve our programs. 

~Tammye Trevino is the Administrator for the Rural Housing Service at USDA.

explained in the report, “One property owner splits a parcel five times; the five subsequent owners split their parcels five times; and this can continue until the minimum allowable lot size is reached for that zone.” In addition, title to the land is often uncertain. A contract for deed is frequently used as an alternate means of financing the purchase price of property. In this financing arrangement, the buyer does not receive an actual deed until all payments are made under the terms of the contract. Often, however, the contract is not recorded with the County Clerk, making it easy for the developer to reclaim the property.

Government and Nonprofit Action

In 2003, during her term as HUD Assistant Secretary for Fair Housing and Equal Opportunity, Carolyn Peoples traveled to southern Arizona to acquaint herself with the concept of colonias. She visited three colonias in the region, including the ONHC, and met with residents to hear their concerns firsthand. Following the visit, a community advisory group of approximately 40 residents participated in a series of meetings with County staff and community service program representatives to begin moving forward.

As a result of the community meetings, one issue that surfaced was that during the rainy season school buses often could not traverse the unpaved, muddy roads. The school district transportation staff worked with the residents to identify a safer route. In response to a devastating flood in 2005, the Pima County Home Repair Program ratcheted up the effort to work with residents to provide emergency home repairs, and SWFHC identified a *promotora*—a community health and development worker who educates and organizes local residents—to begin working in the neighborhood on housing issues and community development.

In October 2005, the *promotora*, Pima County staff, and a team of residents coordinated a massive dusk-to-dawn neighborhood clean-up. Over 80 residents came together to clean up their neighborhood, each according to his or her resources and ability. The day concluded with a community-wide potluck at the local park.

Today, there are a number of community-based programs and services available in the ONHC. In addition to the programs operated by SWFHC, the following nonprofit organizations are actively involved in meeting local needs: Border Action



Old Nogales Highway Colonias (ONHC) has been described as a community made up of mobile homes located on floodplains with unpaved roads.

Network, Comite Summit, PRO Neighborhoods, and Crossing Point Revelations. There are also state and local government efforts led by institutions such as Pima County Community Employment and Training, Summit View Head Start, and local schools and colleges. These efforts certainly point towards a brighter future for ONHC residents.

Looking to the Future

The greatest asset in the community continues to be the residents themselves. In 2008, the current SWFHC *promotora* in the ONHC developed and implemented a curriculum for a “Jr. Promotora” program for youngsters 12 to 15 years of age. When their training is completed, these motivated, committed young people work with their adult counterparts, serving residents in the community as mentors, tutors, and peer educators. To date, 20 of these youth are working to improve quality of life in their community.

Much work remains, and adequate funding will always be a challenge. However, the ONHC experience underscores that we can successfully begin the journey from there to here with hard work, creativity, and a shared vision. 🌐

~Sandy Fagan is deputy director for the Southwest Fair Housing Council, a HUD-designated FHIP, serving Arizona since 1986 in Tucson, Pima County, Arizona. Adolfo Araiza, Jesus Duran, Ramon Valadez and Valerie Lopez-Miranda also contributed to this piece.

Las Mañanitas was developed by CVHC specifically for migrant farmworkers in Mecca; the apartment-style housing rents for \$30 per week per worker. National Public Radio (NPR) recognized the merits of Las Mañanitas and featured the development as a success story on migrant housing. Additionally, CVHC has helped many other families move from illegal camps to homeownership through its mutual self-help program.

More Needs Exist

Yet for hundreds, if not thousands, the County of Riverside's threat to close down illegal trailer parks meant laborers and their families chose or were forced to move by park owners to avoid park closures. A few members of the local Torres Martinez Desert Cahuilla Indian Tribe, along with some non-members, saw an opportunity to earn a few dollars. They rapidly developed trailer parks on land within the tribal limits. The parks filled up quickly and continued to expand beyond original expectations. The results were disastrous and have led to conditions as bad as or worse than those of the Polanco parks. Once again, overcrowding, poor water and septic facilities, and serious illnesses were prevalent in these mobile home parks. Eventually the EPA filed a lawsuit against one of the tribal park owners, Harvey Duro, and received a court order demanding that Duro close down his park.

Harvey Duro, a member of the Torres Martinez Desert Cahuilla Indians, claimed that he saw an opportunity to help people and also make a profit by opening up his land to the displaced tenants who had no other place to go. Subsequently, the Desert Mobile Home Park was established on Torres-Martinez tribal land near the Salton Sea in the agricultural community of Coachella. Home to an estimated 6,000 people, mostly farmworkers, the park has become the poster-child for poverty and a well documented exposé of third world conditions which exist only 30 minutes from some of the most expensive resorts and real estate in the United States (Rancho Mirage, Indian Wells and Palm Desert).

Nicknamed Duroville, and even more commonly known as Duros, the trailer park has been plagued by environmental problems since its inception. Duros has attracted much unwanted media coverage and is now facing a second federal lawsuit brought by the Bureau of Indian Affairs to shut down the park. The lawsuit, filed in district court in Los

Angeles, alleges that conditions are so bad at the park that they pose an imminent risk to residents' health and to the environment. Cited problems include dirty tap water, sewage disposal in open ponds, seepage of sewage into the ground, and an unsafe electrical system. While federal officials are worried about displacing Duros' residents they also claim that they cannot continue to turn a blind eye to the dangerous conditions at the trailer park.

"At least Rosa Parks had a choice, we don't even have a bus stop" is a sample of some graffiti that decorates the walls of Duros, and is an eloquent testimonial to the frustration and feeling of futility that pervades trailer parks such as Duros. Duros is located near agricultural fields where most of the residents work long and grueling hours for minimum wage, or just above minimum wage. The people who live at Duros are mainly marginalized migrant workers who fear authorities and the threat of deportation, and additionally, most do not speak English. Residents of Duros would like to move to another place that is safer for themselves and their families, but see Duros as better than nothing. They are very afraid that when the park inevitably closes down they will be out on the street with no options available to them.

Conclusion

The housing solutions for Duros' residents and other low-income families in California are ultimately left up to the nonprofits in the state. CVHC has helped several Duro's families and hundreds of other low-income families in the region become homeowners through its mutual self-help housing program. Selected families must be first-time homeowners and provide sweat equity to serve as a downpayment. The program is so popular that there are more than 10,000 pre-applications.

Housing conditions for migrant and year-round farmworkers in California continues to be among the worst in the United States. The only viable solution is for California to continue to make good use of local, state and federal resources to house agricultural workers and serve low-income families in need. 

~John F. Mealey is the executive director of Coachella Valley Housing Coalition

Support Rural Voices



Rural Voices SUBSCRIPTION FORM

NAME _____

ORGANIZATION _____

ADDRESS _____

CITY _____

STATE _____

ZIP _____

PHONE _____

Check or money order enclosed.

Please bill my credit card:

Visa MasterCard American Express

CREDIT CARD NUMBER _____

EXPIRATION DATE _____

AUTHORIZED SIGNATURE _____

Single copies and back issues are available for \$4 each.

Subscriptions Are Free

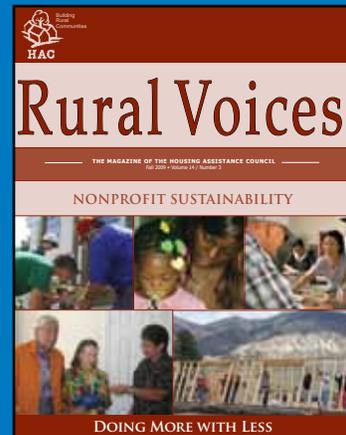
Only one free subscription per organization.

Each additional one-year subscription costs \$16.

Make your check or money order payable to:

Housing Assistance Council
1025 Vermont Avenue, NW
Suite 606
Washington, DC 20005

Or to order with a credit card call
202-842-8600.



HAC

HOUSING ASSISTANCE COUNCIL
1025 VERMONT AVENUE, NW
SUITE 606
WASHINGTON, DC 20005

DELIVER TO

