

# 2014 ANNUAL REPORT



**HAC**

Housing Assistance Council



Photo: Bailey Richards

# THE HOUSING ASSISTANCE COUNCIL

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The Housing Assistance Council (HAC) is a national nonprofit corporation established in 1971 to increase the availability of decent and affordable housing for rural low-income people. HAC provides below-market-rate financing, technical assistance, training, research, and information services to the nonprofit, for profit, and public sectors. HAC is governed by a 23-member board of directors who represent private industry, government, and public and nonprofit housing agencies at the national, state, and local levels. HAC is an equal-opportunity provider and employer.



Photo Courtesy of Southern Maryland Tri-County Community Action Committee Inc., Hughesville, MD



Photo courtesy of the Southern Appalachian Labor School, Kincaid, WV.



## Dear Friends

The mantra 'retool, rebuild, renew' resonated throughout the year as HAC continued its work improving housing conditions for the rural poor. Even as the economy begins to improve, many rural communities and Americans continue to struggle with the aftermath of the national housing crisis and recession. Similarly, some rural housing providers have scaled back their efforts in response to critical funding cuts and uncertain markets. Adversity and change have never discouraged HAC or the partners we have developed such strong relationships with across the nation. HAC continues pressing forward to retool our collective talents, rebuild the innovative spirit that got us where we are, and renew our passion for the mission that guides us.

For the entirety of its existence, HAC has worked to recognize housing inadequacies and help facilitate remedies through affordable lending products, technical assistance, and accessible information. As traditional problems linger, new and more complicated constraints of housing distress have emerged. The past decade has taught us the importance of housing to our nation's economy, communities, and families. As the nation's fiscal outlook grows more complicated and public sector investment decreases, HAC becomes increasingly integral to the success of building capacity and providing affordable, quality homes in rural America.

All of our efforts serve one goal: to improve housing conditions for the poorest of the poor in the most rural of places. HAC remains dedicated to this mission and to the partners that work tirelessly in pursuit of the day when every family in rural America will have a safe, affordable place to call home.

Thank you,

Polly Nichol  
Chair, Board of Directors

Andrew Bias  
President, Board of Directors

Moises Loza  
Executive Director

HUD SECRETARY JULIÁN CASTRO DISCUSSES RURAL HOUSING ISSUES WITH HAC'S EXECUTIVE DIRECTOR, MOISES LOZA



Photo: Jay Mallin Photography

REPRESENTATIVE HAL ROGERS (R-KY) ACCEPTS THE HENRY B. GONZÁLEZ AWARD FOR PUBLIC SERVICE

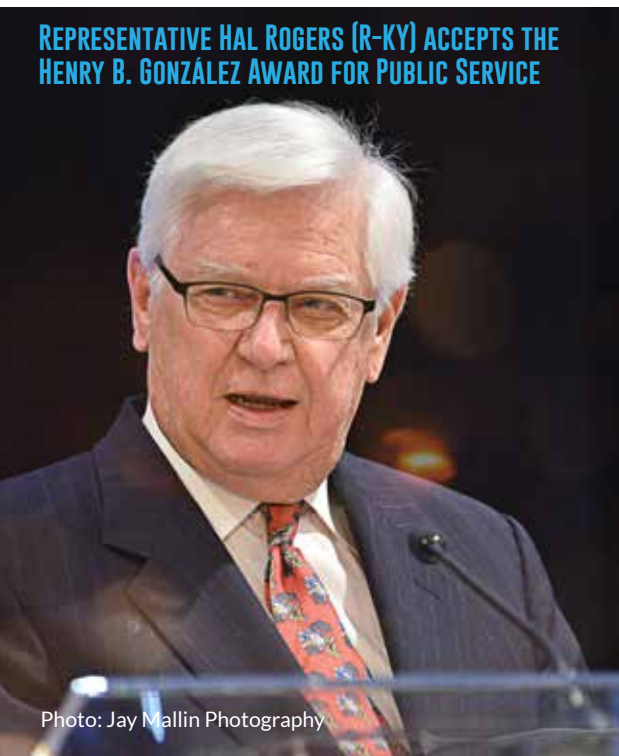
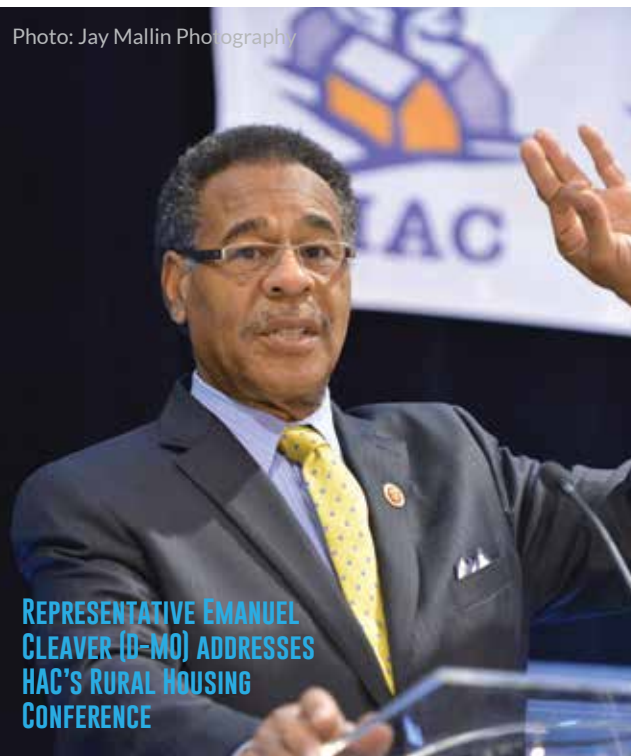


Photo: Jay Mallin Photography

Photo: Jay Mallin Photography



REPRESENTATIVE EMANUEL CLEAVER (D-MO) ADDRESSES HAC'S RURAL HOUSING CONFERENCE

# RETOOLING, REBUILDING, AND RENEWING THE HOUSING EFFORT IN RURAL AMERICA

## THE 2014 HAC RURAL HOUSING CONFERENCE

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Rural housing organizations and professionals from across the nation came together December 2nd to December 5th for HAC's 2014 Rural Housing Conference. The biennial conference convened rural affordable housing stakeholders from community based nonprofits, federal agencies, Congress, state and local governments, and other sectors. For many attendees, HAC's conference represents one of the few opportunities to connect with important policy makers and experts. HAC prides itself on facilitating these connections which make us all stronger.

## SHARING EXPERTISE

Conference participants chose from nearly 40 workshops and learned best practices for housing development, organizational management, resource development, and innovative approaches. The meeting also included a pre-conference day, packed with gatherings for coalitions, associations, and working groups.

## MEETING RURAL HOUSING LEADERS

Rural Housing Conference attendees heard from a number of leaders nationally and locally. Plenaries included a discussion on cultivating new and emerging rural housing leaders, a conversation with recently appointed HUD Secretary Julián Castro, and keynote addresses from Secretary of Agriculture Tom Vilsack and Congressmen Emanuel Cleaver (D-MO). Leaders and innovators were honored with HAC's Rural Housing Awards including former four-term U.S. Senator Christopher "Kit" Bond (R-MO), Senator Patrick Leahy (D-VT), and Representative Hal Rogers (R-KY). HAC also recognized rural housing leaders who have excelled in service to their communities including Brad Bishop (UT), Martha Mendez (CA), Retha Patton (TN), and Andy Saavedra (DC).

**HAC's 2014 Rural Housing Conference highlighted emerging leaders in the field of rural housing. One of those leaders is Denyse Carr of Native Community Finance in Laguna, NM. Denyse works to improve housing opportunities for people living on Native American lands while also going to school for architecture and engineering.**

**"I'M HELPING  
MY PEOPLE. I  
KNOW THEY HAVE  
BEEN ABLE TO  
DO FOR ME, AND  
BEING ABLE TO  
RETURN THAT IS  
REWARDING."**



# BUILDING, IMPROVING, & PRESERVING RURAL HOMES

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HAC's lending and grant-making has been a centerpiece of its ability to help build and preserve housing for low-income rural Americans. As a community development financial institution (CDFI), HAC provides capital through short-term, low-interest loans to community based nonprofits, organizations serving Indian Country, for-profit builders, and local municipalities. HAC loans can be used for a variety of purposes including new construction, preservation, predevelopment costs, site acquisition, and more.

The Housing Development Alliance of Hazard, Kentucky, built its 200th affordable home in 2014. Located in the Appalachian Mountains of Eastern Kentucky, the Housing Development Alliance strengthens communities through the creation of high quality, long lasting, affordable homes. HAC is proud to support and partner with community-based organizations like the Housing Development Alliance. These partnerships are integral to HAC's work of improving housing conditions across rural America.



Photo: Bailey Richards. Housing Development Alliance, Hazard, KY



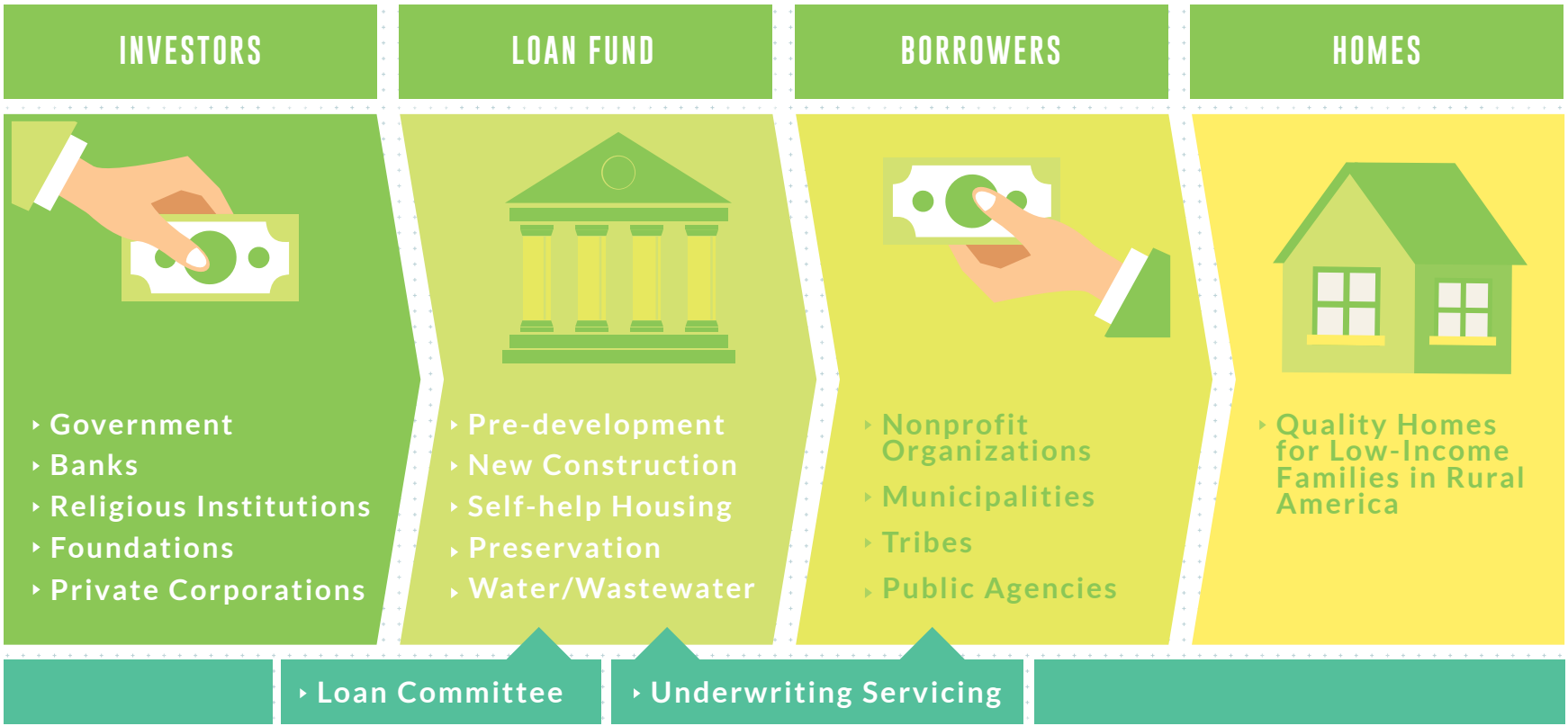
Current investments through HAC's loan fund total over \$49 million, and are helping construct or preserve more than 3,000 affordable homes in communities across rural America.

An important component of HAC's lending efforts is the Self-Help Homeownership Opportunity Program (SHOP), in which families contribute sweat equity to the building of their home. These loans and grants provide crucial support to rural housing providers and enable them to continue strengthening rural communities even as federal funding continues to decrease.

A good example of HAC's lending in rural communities was a recent loan to New Horizons, Unlimited, Inc., a nonprofit organization that provides care for developmentally disabled persons as well as decent and affordable housing for low- and moderate-income families in the community of Harlem, MT.

Most renters in Harlem pay over 30 percent of their income for housing. The surrounding county of Blaine, MT has a population that is 49.8 percent Native American and an unemployment rate of 14.4 percent. HAC provided financing for the rehabilitation of Pioneer Apartments, a property with eight subsidized housing units occupied by very low-income families and individuals. The majority of the residents in Pioneer Apartments are Native Americans.

# HOW HAC'S LOAN FUND WORKS





**HAC held a training on Energy Efficiency and Renewable Energy Systems for Affordable Housing Development in Memphis, Tennessee. Co-hosted by the Community Action Network of Paris, Tennessee, the training included site visits and a presentation on energy efficiency performance methods and sustainable affordable housing development. The training also included a tour of the Agricenter International Solar Farm, led by Bryan Martinez of LightWave Solar. The farm is the largest single-axis tracking system in Tennessee and attendees were able to learn firsthand about alternative energy sources that exist for affordable housing.**

# IMPROVING RURAL HOUSING CAPACITY WHERE IT EXISTS . . . BUILDING IT WHERE IT DOES NOT

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Having the capacity to address new challenges and obstacles is critical for affordable housing providers. HAC's team of training and technical assistance experts offer customized responses to unique issues faced by local rural and tribally led organizations so that they can better navigate market trends, federal regulations, funding resources, and real estate development obstacles. HAC offers community-based organizations a full menu of on-site and remote technical assistance, training, and other capacity-building aid on housing and community development. This includes assistance with specific projects, ranging from planning to feasibility analysis, and construction oversight to property and asset management.

HAC's regional staff, based in Georgia, Missouri, New Mexico, and California, provide hands-on, direct support to local organizations and communities through in-depth, ongoing assistance. Throughout 2014, HAC staff assisted hundreds of localities, jurisdictions, and individuals across the nation. This assistance covered organizational capacity building and project-related development. Specific assistance included housing development fundamentals, building energy efficient homes, self-help housing, using federal resources, fundraising, compliance, financial management, strategic planning, and other current programmatic concerns. HAC is also an active partner in HUD and USDA capacity building programs, allowing it to assist jurisdictions and organizations in need of assistance.

HAC hosted 17 trainings during 2014, with funding from the Atlantic Philanthropies, The Home Depot Foundation, HUD, and

USDA. HAC's two day training Housing Seniors and Veterans in Rural America, held in Phoenix, AZ, included training and information on housing for rural seniors and veterans. The training featured program overviews, funding resources, case studies and models presented by experts. Through this training, HAC helped increase awareness of, and develop solutions to address, the housing needs of two highly vulnerable populations.

HAC held additional regional trainings in Memphis and New Orleans. These trainings covered topics including USDA loan packaging for non-profits and building for energy efficiency, and financial management and acquisition/rehabilitation strategies. HAC also hosted a number of web-based interactive learning sessions focused on organizational capacity building and housing project development.

## TRAINING AND TECHNICAL ASSISTANCE

### THE NEED

Rural communities that need a boost to address the poverty and poor housing conditions they face

### THE INTERVENTION

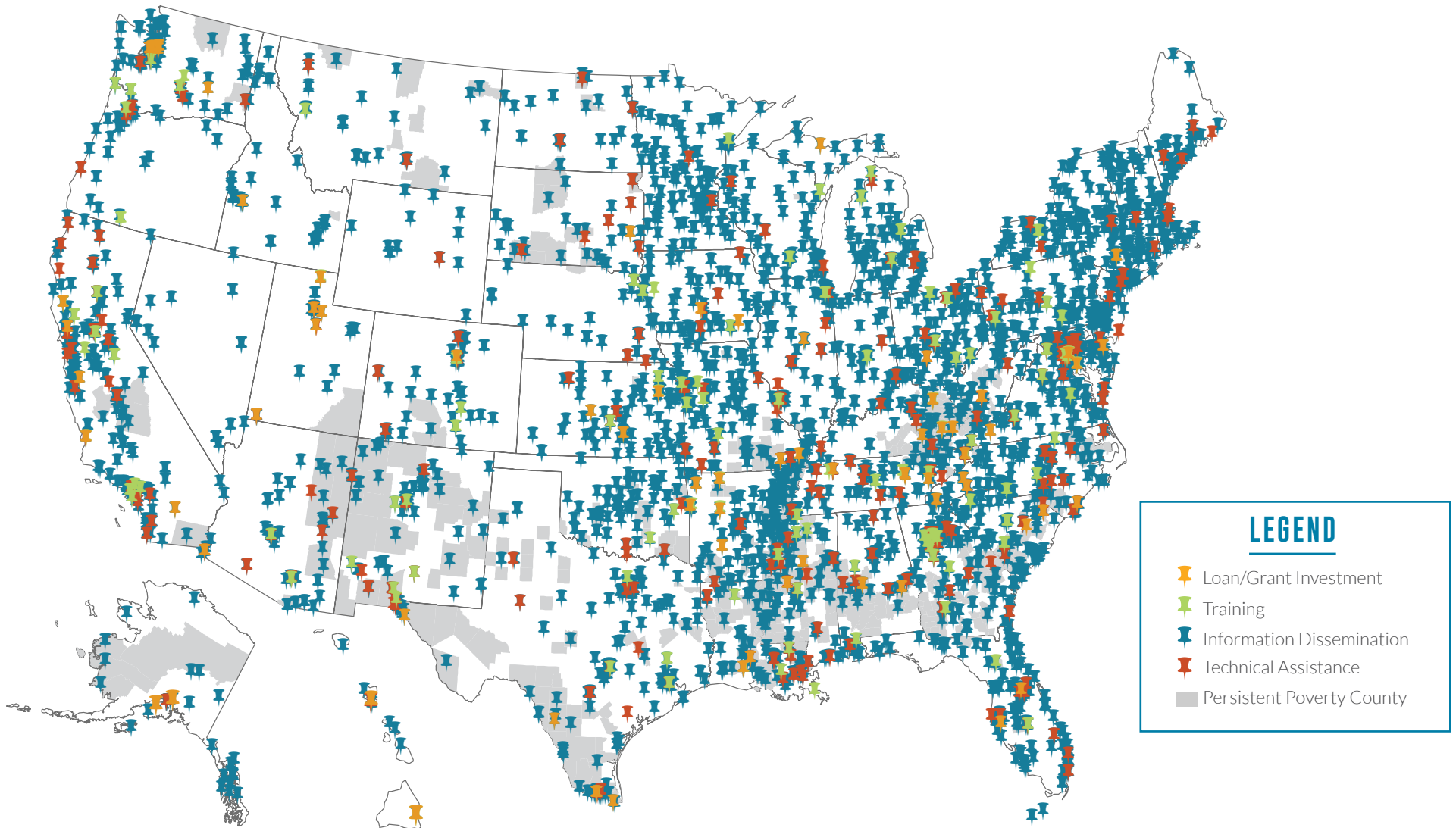
Technical assistance and training to build organizational capacity and guide the finance, design, and construction of affordable, healthy housing and community and economic development

### THE RESULTS

Stronger organizations, more effective rural housing providers, healthier, more sustainable and economically resilient communities

# HAC IN 2014:

A BROAD REACH ACROSS RURAL AMERICA



Source: Tabulations of Housing Assistance Council Data



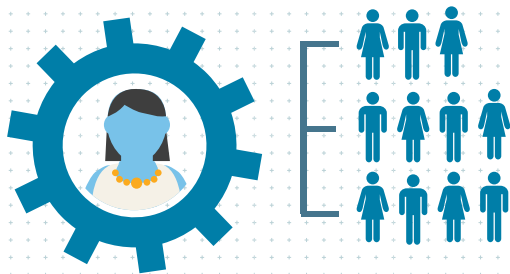
TRAININGS ON  
AFFORDABLE HOUSING



RESEARCH &  
INFORMATION PRODUCTS



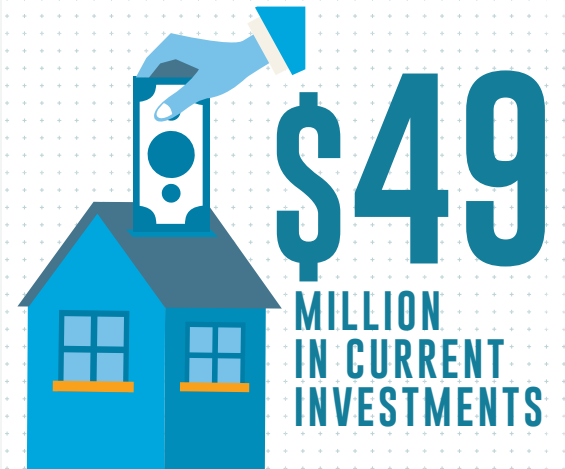
TRAINING PARTICIPANTS



TECHNICAL ASSISTANCE  
ENGAGEMENTS



DATA SEARCHES ON HAC'S  
RURAL DATA PORTAL



TO HELP FUND MORE THAN 3,000 HOUSING  
UNITS IN COMMUNITIES ACROSS RURAL AMERICA

# INFORMING SOUND STRATEGIES AND POLICIES

HAC has a long history of providing research and information to help its partners serve the needs of rural people. Through a website, newsletter, magazine, and library of over 150 studies and reports, HAC's research and information constantly evolves to keep partners and policy makers informed.

The award winning *Rural Data Portal* presents reliable and easy-to-access information allowing organizations to better understand and serve their communities. The *HAC News* newsletter, published every two weeks since April 1972, provides a concise summary of national news on rural housing.

Recently, HAC published a special edition of *Rural Voices* magazine entitled *Revisiting Poverty in Rural America: Where are we 50 years after the war on poverty began?*



SENATOR JOHNNY ISAKSON (R-GA) AND  
HEATHER PRITCHARD, SENIOR MANAGER,  
THE HOME DEPOT FOUNDATION.

Drawing attention to the housing needs of rural veterans, the Housing Assistance Council with support from The Home Depot Foundation convened Serving Veterans in Rural America, a symposium held at the U.S. Capitol on April 9th, 2014. Senators Johnny Isakson (R-GA) and Bernie Sanders (I-VT), along with Representative Tammy Duckworth (D-IL) highlighted the responsibility we share to ensure the well-being of our veterans, regardless of where they may live. HAC also released a major report entitled *From Service to Shelter*, emphasizing the often unique housing characteristics and needs of veterans living in rural communities. The JP Morgan Chase and Home Depot Foundations are supporting HAC's ongoing work for rural veterans.



The edition revisited the issue of rural poverty with frank questions, informed viewpoints, and honest assessments. Experts and contributors from across the nation helped provide a better understanding of this complex issue and its intersection with housing in rural communities.

HAC's timely *Rural Research Notes* covered topics such as homelessness, rural mortgage activity since the national housing crisis, rural poverty, and the impact of maturing USDA multi-family housing loans on rural tenants.

HAC also published a number of feature reports in 2014 including *Housing an Aging Rural America: Rural Seniors and their Homes* and *From Service to Shelter*, a report which outlines the needs of rural veterans. Technical guides such as the *USDA Rural Housing Service's Section 504 Repair and Rehabilitation Program Resource Guide* and *Rural Veterans Resource Guide* also rounded out HAC's research provision.

# BOARD OF DIRECTORS

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**Polly Nichol**

HAC Chair  
Vermont Housing and  
Conservation Board  
Montpelier, VT

**Andrew Bias**

HAC President  
Neighborhood Housing Services  
of Kansas City, MO  
Kansas City, MO

**Peter N. Carey**

HAC Vice President  
Visalia, CA

**Moises Loza**

HAC Second Vice President  
Housing Assistance Council  
Washington, DC

**Swynice Hawkins**

HAC Secretary  
Southern Maryland Tri-County  
Community Action Committee, Inc.  
Hughesville, MD

**Gideon Anders**

National Housing Law Project  
San Francisco, CA

**Robert Calvillo**

Affordable Homes of South Texas, Inc.  
McAllen, TX

**Janaka Casper**

Community Housing Partners  
Christiansburg, VA

**Sandra Ferniza**

Director of Constituent Services  
Rep. Ruben Gallego's Office  
US House of Representatives  
Phoenix, AZ

**Marvin Ginn, Jr.**

Native Community Finance  
Laguna, NM

**Ninfa R. Gutierrez**

KDNA Public Radio  
Yakima, WA

**Ilene Jacobs**

California Rural Legal Assistance, Inc.  
Marysville, CA

**Lenin Juarez**

Action Gypsum Supply, LP  
Houston, TX

**Twila Martin-Kekahbah**

Turtle Mountain Band of Chippewa  
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**Dave Lollis**

Lexington, KY

**Arturo Lopez**

Coalition of Florida Farmworker  
Organizations  
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Lone Star Legal Aid  
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**Pedro Rodriguez**

Waukesha, WI

**Irene E. Sikelianos**

Delphi, Inc.  
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U.S. House of Representatives  
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Seventh District Pavillion, Inc.  
Crowley, LA

**Lauriette West-Hoff**

Southern Real Estate  
Management & Consultants, Inc.  
Durham, NC

**Peggy R. Wright**

Arkansas State University  
Delta Studies Center  
Jonesboro, AR



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## IN MEMORIAM

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### **Richard Tucker**

Richard Tucker dedicated his life to serving the less fortunate. Richard was an outstanding and dedicated member of the HAC Board of Directors for 31 years, including a number of years as Treasurer. Although his accomplishments are too numerous to chronicle here, he inspired many in the affordable housing field and will be missed dearly.

# SUPPORTERS

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- ▶ The Atlantic Philanthropies
- ▶ Bank of America Foundation
- ▶ Capital One Bank
- ▶ Council of Federal Home Loan Banks
- ▶ Episcopal Diocese of Iowa
- ▶ The Episcopal Church
- ▶ F.B. Heron Foundation
- ▶ Ford Foundation
- ▶ The Home Depot Foundation
- ▶ Home Missioners of America
- ▶ Lenin Juarez
- ▶ John D. and Catherine T. MacArthur Foundation
- ▶ JP Morgan Chase
- ▶ Morgan Stanley
- ▶ Navajo Housing Authority
- ▶ NeighborWorks™ America
- ▶ Seton Enablement Fund
- ▶ Sisters of Charity, Blessed Virgin Mary
- ▶ Sisters of St. Francis of Philadelphia
- ▶ Sisters of the Holy Cross
- ▶ Sisters of the Presentation of the Blessed Virgin Mary
- ▶ Society of Mary
- ▶ U.S. Department of Agriculture—Rural Development - Business and Cooperative Programs
- ▶ U.S. Department of Agriculture
- ▶ U.S. Department of Housing and Urban Development
- ▶ U.S. Department of the Treasury—Community Development Financial Institutions Fund

# PARTNERS

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- ▶ AARP Foundation
- ▶ Gideon Anders
- ▶ Joseph and Tamara Belden
- ▶ Brattleboro Area Affordable Housing Corporation
- ▶ California Coalition for Rural Housing
- ▶ Calvert Foundation
- ▶ Congregation of the Humility of Mary
- ▶ Council for Affordable and Rural Housing
- ▶ Enterprise Community Partners
- ▶ Federation of Appalachian Housing Enterprises
- ▶ Florida Non-Profit Housing
- ▶ Greystone Affordable Housing Initiatives
- ▶ Habitat for Humanity
- ▶ Norman Hurwitz
- ▶ Little Dixie Community Action Agency
- ▶ Local Initiatives Support Corporation
- ▶ Moises and Teresa Loza
- ▶ MAFO/UMOS
- ▶ Maria Luisa Mercado
- ▶ National Housing Conference
- ▶ National Trust for Historic Preservation — Housing Initiative
- ▶ NCALL Research
- ▶ Next Step
- ▶ New York State Rural Housing Coalition
- ▶ Opportunity Finance Network
- ▶ PathStone Corporation
- ▶ William and Gloria Powers
- ▶ Reno & Cavanaugh, PLLC
- ▶ Rural Community Assistance Corporation
- ▶ Rural Community Assistance Partnership
- ▶ Rural LISC
- ▶ Southeast Rural Community Assistance Project
- ▶ Byron and Lee Stookey
- ▶ Leslie R. Strauss
- ▶ UMOS
- ▶ Volunteers of America
- ▶ Wachovia Bank
- ▶ Harold and Marilyn Wilson
- ▶ Yardi

# FINANCIAL STATEMENT

## HOUSING ASSISTANCE COUNCIL STATEMENT OF FINANCIAL POSITION

	September 30	
	2014*	2013
<b>ASSETS</b>		
Cash and cash equivalents	\$ 9,381,526	\$ 6,385,070
Investments	24,432,524	25,085,374
Loans receivable, net of loan loss allowance of \$6,930,626 and provisions for forgivable SHOP loans of \$7,585,219	23,611,445	24,075,889
Accrued interest receivable	325,635	346,223
Investment in subsidiary	531,469	564,989
Contract and Grants receivables	1,191,864	2,105,874
Management fee receivable	185,787	185,787
Prepaid and other assets	39,240	74,814
Furniture and equipment, net of accumulated depreciation of \$124,147	3,904	15,617
Land held for resale, net of provision for unrealized losses of \$611,775	773,253	669,150
<b>Total Assets</b>	<b>\$60,476,646</b>	<b>\$59,508,787</b>
<b>LIABILITIES</b>		
Accounts payable	\$ 82,720	\$ 70,639
Accrued personnel costs	471,549	446,852
Accrued interest payable	114,133	97,303
Refundable advances	51,420	51,420
Other liabilities	443	443
Notes payable	16,362,484	16,406,559
<b>Total Liabilities</b>	<b>\$17,082,751</b>	<b>\$17,073,216</b>
<b>NET ASSETS</b>		
Unrestricted	\$ 8,807,847	\$ 9,191,065
Unrestricted (Board designated)	4,086,185	4,086,185
Temporarily restricted	18,858,561	17,517,019
Permanently restricted	11,641,302	11,641,302
<b>Total Net Assets</b>	<b>\$43,393,895</b>	<b>\$42,435,571</b>
<b>Total Liabilities and Net Assets</b>	<b>\$60,476,646</b>	<b>\$59,508,787</b>

\*unaudited

# HAC STAFF

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## NATIONAL OFFICE

**Moises Loza,**  
Executive Director

**Joe Belden,**  
Deputy Executive Director

**Karin Klusmann,**  
Loan Fund Director

**Jeff Mosley,**  
Training and Technical  
Assistance Director

**Theodore J. Russell,**  
Finance and Administration  
Director

**Lance George,**  
Research and  
Information Director

**Alem Berhane,**  
Managerial Accountant

**Montika Brooks,**  
Special Projects Coordinator

**Cara Brumfield,**  
Research Assistant

**Janice Clark,**  
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**Tiffany Clark,**  
Administrative Assistant

**Myra Cobb-Davis,**  
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Network Administrator

**Michael Feinberg,**  
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**Tierah Holloway,**  
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**Kristine Kizzie,**  
Senior Loan Specialist

**LaVerne Lawrence,**  
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**Frank Martinez,**  
Senior Loan Officer

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**Eric Oberdorfer,**  
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**Dierdra Pressley,**  
Loan Officer

**Hannah Sholder,**  
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**Rachana Shrestha,**  
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**Dan Stern,**  
Communications and  
Outreach Manager

**Leslie Strauss,**  
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**Lilla Sutton,**  
Executive Coordinator

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Loan Specialist

**Yuqi Wang,**  
Emerson National  
Hunger Fellow

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Senior Research Associate

**Rochelle Young,**  
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**Anselmo Telles,**  
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**Carolyn Branton,**  
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**Christina Adeshakin,**  
Housing Specialist

**Shonterria Charleston,**  
Program Manager/ Housing  
Specialist

**Cheryl Cobbler,**  
Administrative Assistant

**Kelly Cooney,**  
Housing Specialist

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**Dara Adams,**  
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**Stephanie Nichols,**  
OneCPD Program Manager/  
Housing Specialist

## WESTERN OFFICE

**Karl Ory,**  
Director





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