



RHD Rural Delivery

New York State Rural Housing Coalition, Inc.

July, 2003

National Housing Conference Lauds USDA/HUD Housing Summit

The National Housing Conference issued a statement on June 16th applauding the Department of Agriculture for hosting the recent National Rural Housing Summit. According to NHC, the summit represents an important step forward in the overall effort to recognize and encourage new homeownership opportunities in rural areas, particularly among minority families. NHC also noted the execution at the summit of a memorandum of understanding between USDA and the Federal Deposit Insurance Corporation to train USDA employees to provide homeownership counseling.

In a report prepared for the Center for Housing Policy entitled 'America's Working Families and

the Housing Landscape 1997-2001', it is abundantly clear that the housing problems of this nation are not restricted to central cities. In 2001, while 1.9 million (40% of low to moderate income) working families with critical housing needs resided in the central city, 2.1 million (43%) lived in suburbs, and 900,000 affected working families live in non-metropolitan areas. Most homeowners with critical housing needs, according to the study, were located in suburban and non-metropolitan areas.

The summit also featured the signing of a memorandum of agreement between USDA and HUD in support of the southwest border initiative, which will help government

housing efforts in the colonias.

NHC member and Housing Assistance Council Executive Director Moises Loza noted "The Housing Assistance Council is glad to see this agreement between USDA and HUD to improve conditions in the border region. Border residents work hard and many of them own land but cannot afford good housing because their incomes are low. Their communities often can not afford to provide water and sewer lines, electricity or paved streets," said Loza. "HAC applauds federal efforts to improve their lives and stabilize their homeownership." For more information on the National Housing Conference, and the full release, visit www.nhc.org/061603press.pdf.

Annual Application Workshops To Be Held This Fall

The Governor's Office for Small Cities (GOSC) will hold its annual Small Cities Application Workshops in the Fall of 2003.

Please note that the timing of this event has changed from the past practice of holding the workshops in January and February. We hope to increase attendance at the workshops through this effort and to avoid winter weather conditions. The balance of the annual schedule will remain the same, with the Notice of Funding Availability distributed in Janu-

ary and applications due in April.

The workshops are open to all parties interested in New York State's Community Development Block Grant Program (CDBG). All eligible communities who are considering submitting an application for funding in Program Year 2004 should attend. The workshops will be held in several locations across New York State, with a complete schedule of times and places to be available later this summer. Topics for the workshops include the CDBG pro-

gram requirements, 2004 GOSC application requirements and program goals as well as a variety of issues related to assessing needs and developing competitive applications. Time will be dedicated to both the competitive round and the economic development open round.

Be sure to check the GOSC website later this summer (<http://www.nysmallcities.com>) for the complete schedule of dates and times for the application workshops and workshop locations.

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Rural Delivery is published by the New York State Rural Housing Coalition, Inc. a nonprofit membership organization. The Coalition is a statewide membership organization dedicated to strengthening and revitalizing rural New York by assisting housing and community development providers. Rural Delivery has a distribution of 255 copies per issue.

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For more information contact the Coalition at:
879 Madison Avenue, Albany, New York 12208
Tel: 518/458-8696 * Fax: 518/458-8896

E-mail: rhc@ruralhousing.org
Web Site: www.ruralhousing.org



Bits and Pieces...

Membership Showcase

At this year's Annual Affordable Housing and Community Development Conference in Auburn (October 6-8th) the Rural Housing Coalition will have 3 trade show booths set aside in the exhibit area for the exclusive use of members who would like to showcase a program, product or a project that they have developed or implemented.

If you are interested in taking advantage of this member benefit, please contact David Rustin at 518-458-8696 ext 10 for further information.

Lead Based Paint Tax Credit Proposed

Senator Hillary Clinton introduced legislation in the US Senate on June 10th to amend the Internal Revenue Code creating a tax credit to assist property owners to remove lead based paint. The bill, S.1228, was referred to the Finance Committee.

USDA Announces Economic Development Awards

On June 4th, Agriculture Secretary Ann M. Veneman announced the selection of 97 loan and grant recipients in 24 states that will receive \$20.1 million in rural business development funds, including \$1.6 million to support economic development in Native American and Native Alaskan communities. The loans and grants are expected to assist in creating or saving nearly 10,000 rural jobs and supports 772 business ventures as part of the Bush Administration's ongoing efforts to spur economic development in rural areas. The awards were funded under the Rural Business Enterprise Grants, Rural Business Opportunity Grants, Rural Economic Development Loans and Grants and Rural Business Enterprise & Television Demonstration Grants programs. The recipients are more than 80 cooperatives, non-profit corporations, local governments, tribal authorities, and other entities. Unfortunately, none of the awards were made in New York.

Reserve now for Conference 2003! Rooms are booking fast! Call the Holiday Inn Auburn for reservations at (315) 253-4531.

M-Ark Projects Dedicates New Park

State Senator John Bonacic, DHCR Commissioner Judy Calogero, and Assemblyman Clifford Crouch joined M-Ark Project Executive Director Jennifer Gould on Monday June 30th for the dedication of Binnekill Park in downtown Margaretville, NY. Binnekill Park is a pocket park located in the heart of Margaretville's downtown area, and connects the Main Street with the waterfront of the Binnekill, a small stream that runs behind the storefronts along Main Street.

During the dedication ceremony, the Binnekill was a placid backdrop for the celebrations for the opening of the new park. In 1998, however, the stream showed a different face, flooding the downtown area of the Village. After the flooding, FEMA financed the demolition of a number of the most heavily damaged businesses and homes along Main Street. M-Ark was heavily involved in the planning for the revitalization of Main Street following the flood, and the reuse of the newly vacant sites.

The owner of the park site worked with M-Ark to donate the land to the Village for a park. Funding from the Rural Community Revitalization

Program initiative of Senator Bonacic's office supported a significant portion of the redevelopment work. Other funding was secured through local fundraising efforts.

One of the highlights of the park is a kiosk displaying ceramic plaques depicting the buildings along Main Street prior to the flood. The plaques were made during a local high school art class project in 1995, and had remained in storage since then. A local resident constructed the display kiosk to provide a safe location for the community to appreciate the students' artwork. Landscape design for the project was provided by an instructor from SUNY Delhi.

A footbridge along one side of the park connects Main Street to a public parking area located on the opposite side of the Binnekill. The sloping topography of the site was utilized to develop a small amphitheatre setting to be used for performing arts productions. The amphitheatre has already been booked by a local performing group for 3 performances.

Dick Liddle, Chair of the M-Ark Project Board noted that the Binnekill project "was a lot of work, but was worthwhile because it really brought the community together."

Beta Testers Wanted

Become a member of a group of nonprofit professionals that will receive a free copy of Exceed! *Basic*, the latest addition to Telosa Software's line of fundraising software products. Exceed! *Basic* is designed specifically for nonprofit organizations that need an entry-level fundraising software product that is easy-to-use. It's designed to help nonprofits better manage their fundraising activities and develop stronger relationships with their donors, prospects and other constituents.

Telosa Software has been providing software products and services exclusively to nonprofits since 1986. Exceed! *Basic* was designed based upon the company's interest in continuing to best meet the unique needs of the broad range of nonprofit organizations in the U.S.

Exceed! *Basic* is in its final stages of product development and Telosa is looking for interested nonprofit professionals to provide feedback on the product and support services as members of the Exceed! *Basic* Beta Users Group.

For more information visit the company's website at www.telosa.com/ebasic.

FHA Address Change for Partial Claim Mortgage Processing

The name and address for the processing agent for partial claim FHA mortgages has changed. Clayton National is now known as First Madison Services, Inc. Their new address is 2 Corporate Drive, Shelton, CT 06484. The phone number remains the same: (800) 967-3050.

Verizon Offers Grants For DV Shelters

Verizon Wireless is accepting applications for competitive grants of up to \$10,000 to enable agencies, shelters, and other domestic violence advocacy groups to introduce or expand programs, add equipment, enhance facilities to better serve clients.

Applicants must be 501(c)3 nonprofits located in the lower Hudson Valley, Long Island, or New York City, plus certain counties in New Jersey. This program is an extension of Verizon Wireless' national *Hopeline* project, which recycles

wireless phones for use by victims of domestic violence.

Verizon will give strong preference in the selection of awardees to proposals that emphasize the benefits of a new or expanded program or services, include an implementation plan with a definable beginning and end, and define measurable results.

For more information, visit the sponsor website at <http://news.verizonwireless.com/news/2003/06/pr2003-06-25a.html>. See also www.verizonwireless.com/hopeline.

NYSERDA Help Available

Owners of low-to-moderate income apartment buildings in New York State looking to improve energy efficiency and to save money on utility bills should explore assistance available from the NY State Energy Research and Development Authority (NYSERDA).

NYSERDA's Assisted Multifamily Building Program (AMP) provides technical and financial assistance to buildings with five or more units to upgrade to energy-saving measures. To see if your building is eligible, and to receive an application, contact Debbie Rabbino at (212)977-5597 ext. 237 or at drabbino@ny.hra-inc.com.

New Member

The Rural Housing Coalition is pleased to welcome a new member: Judy Nordstrom, MA, Lead Educator, T.E.P.E. Training Institute, 4183 Rt 13, Truxton, NY 13158.

Congress Pays Attention to Home Ownership Month

As Homeownership Month continues, HUD has been promoting its own initiatives to increase home ownership rates, and several Members of Congress have applauded the Administration's attention to homeownership for low income people and minorities. In contrast, Representative Barney Frank (D-MA), ranking member of the House Committee on Financial Services, issued a press release this in mid-June on behalf of the Democratic members of the Committee, lambasting the Administration on its rhetoric on homeownership and a lack of commitment to affordable housing programs. The statement asserted

SHOP Funding Available From HAC

The Self-Help Homeownership Opportunity Program provides zero interest financing for land acquisition and site development associated with self-help housing. Loans of up to \$10,000 per unit are available on a competitive basis. Once units are successfully completed, 80% of each loan may be forgiven. Deadline is Aug. 29, 2003. More details and application information are available at <http://www.ruralhome.org> or from HAC's Caitlin MacKenzie, (202)842-8600, ext. 135, caitlin@ruralhome.org.

NRC Offers Minority HomeOwnership Training

The Neighborhood Reinvestment Corporation will hold a training in Washington, DC on August 20th on strategies for reaching minority home ownership markets. For more information, visit the NRC website at www.nw.org/network/training/tuitregis/dc2003/DCbrochure.pdf.

that the homeownership initiatives sponsored by the Administration have failed to create new homeowners. Citing statistics from the 2000 Census, the statement noted that homeownership rates for minorities have in fact dropped since President Bush took office. Mr. Frank said that the Administration's attention to homeownership initiatives is a tactic to cover up the cuts that have been made to several federal housing programs, including several related to public housing. The release also referenced the Administration's opposition to the National Housing Trust Fund, adding that last year "the Administration intervened to block an

Continued on Page 7

Fed Sponsors Tax Credit Training

The Office of Regional and Community Affairs of the Federal Reserve will sponsor a one day training on the New Markets Tax Credit on July 30th, at the Wyndham Hotel in Syracuse. The training will run from 9:00 AM to 3:30 PM.

The New Markets Tax Credit Program was created to encourage investment in low-income communities and is designed to generate \$15 billion in new private sector investment. In March, 2003, a total of \$2.5 billion of tax credits were allocated to 66 Community Development Entities nationwide. It is expected that the 2003 and 2004 funding under this program will be combined for a total award of \$3.5 billion. This seminar is designed to provide background on the New Markets Tax Credit Program and its applications for community and economic development, including:

The application review process;
Insights into what makes a winning application;

Description of the nuts and bolts of the recipients' strategies from the initial round of funding. These strategies include financing ranging from small business loans to real estate equity investments;

Providing familiarity with strategies that promote regional partnerships and collaboration;

Use of joint venture investment opportunities with CDE's that have already received allocations.

The deadline for registration for the seminar is July 24th. The seminar is free. For more information, contact Carolyn Lee at (212) 720-5349 (or carolyn.lee@ny.frb.org), or Reggie Melson at (716) 849-5085 (or reggie.melson@ny.frb.org).

2003 Call For Nominations

Do you know of someone that has made a significant contribution to providing affordable housing in his or her community? This year the NYS Rural Housing Coalition would like to honor individuals that are currently working in the affordable housing realm or who have in the past year. Nominees for the Coalition's Outstanding Community Service Award may be a member of a local board, an employee from a not-for profit agency or even the government! We are also looking to recognize an outstanding housing project or program. The project/program must serve a low/moderate income population. The nomination process is very simple, just complete the following nomination form and submit a brief narrative description detailing why you think the person, project, or program is deserving of special recognition (please limit narrative to no more than 3 pages).

- ◆ For the Outstanding Community Service Award, the narrative should simply describe the individual's accomplishments.
- ◆ For Housing Project/Program nominations, please let us know the basics:

Location of the project/program, population served, obstacle encountered and obstacles conquered, partnering and any special programming.

We know that there are many interesting and deserving housing professionals hard at work every day in all parts of rural New York. We need you help to recognize them and to acknowledge their high quality work.

Check one _____ individual _____ project _____ program

Nominee Name: _____

Business or Organization: _____

Address: _____

Name of Individual, Project or Program to receive the award: _____

Phone: _____

Name and Phone Number of Person Completing Nomination: _____

Then simply attach the one-three-page narrative. Please return to the NYSRHC by August 29, 2003. Fax this form to the Coalition at (518) 458-8896, or mail it to NYS Rural Housing Coalition, Inc., 879 Madison Ave., 2nd Fl. Albany, NY 12208.

Governor Announces Lowest Interest Rates in SONYMA History

Governor George E. Pataki announced on June 17th that the State of New York Mortgage Agency (SONYMA) is lowering the interest rates on all its low- and moderate-income homeownership programs. In addition, closing cost assistance and “no points” are available to all qualified applicants. The new rates, effective June 18, 2003, coupled with closing cost assistance and zero “points,” will help thousands of hardworking families and seniors realize the dream of homeownership in New York State.

“Homeownership is something all New Yorkers should have the opportunity to achieve,” said Governor Pataki. “These initiatives will make it easier for every New Yorker to buy a home, build a vested interest in their community and provide a stable environment for their families.”

The interest rates the Governor announced today are the lowest in SONYMA’s 30-year history and range from 3.99% for the Achieving the Dream Program to a stepped 3.375%/ 5.375% for the Construction Incentive Program.

In addition to the lowest rates in history and already low down payment requirements, SONYMA has created the Closing Cost Assistance Program to encourage more New Yorkers to become homeowners. The program provides borrowers with the greater of \$5,000 or 5% of their total loan amount to cover the expenses associated with “closing” a SONYMA mortgage loan. All reasonable and customary closing costs

are eligible for assistance. The assistance will be in the form of a 0%, non-amortizing loan which requires no monthly payment and will be forgiven after 10 years.

“The greatest barrier to homeownership in the United States is insufficient savings for closing costs and downpayments,” said Joseph Strasburg, Chairman of SONYMA. “By removing that obstacle, more families will be able to enjoy the safety and security that comes with owning their own home.”

SONYMA has also eliminated the “points” borrowers pay on SONYMA mortgage loans. One “point” is equal to 1% of a mortgage loan amount. Traditionally, borrowers have paid 1.75 points on most SONYMA loans.

SONYMA offers four innovative homeownership programs, each designed to make homeownership a reality for New Yorkers of modest means. The Low Interest Rate Mortgage Program, SONYMA’s most popular program, will offer a 4.75% interest rate, no “points,” up to 97% financing, and closing cost assistance to moderate-income families who wish to purchase one- to four-family homes, co-ops, condos or manufactured homes.

The Achieving the Dream Program will offer SONYMA’s lowest interest rate*3.99%*to the families and seniors who need it most - those with low-incomes. ATD targets New Yorkers who earn 80% or less of the area median income and will be available with no “points,” up to 97%

financing and closing cost assistance.

The Remodel New York Program encourages the revitalization of New York’s older housing stock by providing financing to moderate-income families for the purchase and renovation of a home in one, low interest, fixed-rate loan. RNY will offer a 4.75% interest rate, no “points,” up to 97% financing and closing cost assistance to qualified applicants.

The Construction Incentive Program spurs new home construction and thereby stimulates local economies by offering low interest rate financing for the purchase of a newly constructed home. CIP will offer a stepped interest rate of 3.375% for the first four years, and 5.375% for the remainder of the 30 year mortgage. Borrowers are qualified at the initial 3.375% interest rate and will receive no “points,” up to 100% financing and closing cost assistance.

“This administration’s commitment to helping low- and moderate-income New Yorkers become homeowners has helped thousands of families and communities across the State,” said Stephen J. Hunt, President and CEO of SONYMA. “With these new rate cuts, closing cost assistance and zero points, we expect to help thousands more.”

SONYMA’s website (www.nyhomes.org) provides detailed information about SONYMA loans, including eligibility requirements, FAQs and a list of Participating Lenders. Interested individuals may also call (800)382-HOME for more information.

USDA Seeks Comment On Proposed Rule

The Rural Housing Service is accepting comments through August 11th on a proposed rule to the regulations for the Guaranteed Rural Rental Housing Program. The proposed

rule reduces the minimum level of rehabilitation work needed when guaranteed loans are used for acquisition and rehabilitation. The regs

are being amended to allow the RHS to buy back guaranteed loans from investors in the case of a default. For more information, see the notice at www.hudclips.org.

SLCHC Secures Wastewater Treatment Funding

The St. Lawrence County Housing Council, Inc. recently announced that it is finalizing arrangements for the financing of a municipal wastewater treatment renovation project in the Village of Hammond, NY. USDA Rural Development State Director Patrick Brennan visited the village on June 6, 2003 to announce that Hammond will receive \$715,000 in permanent grant and loan financing through the Rural Utility Service's Water and Waste Water Program. The proceeds of the grant and loan financing will be used to make major improvements in the collection and treatment systems, the Ham-

mond Brook storm channel modifications, and the extension of sewer service to 13 households not yet served by the village. The improvements will flood-proof the village's main waste water line, reduce infiltration of storm water into the system, and modernize the village's wastewater treatment plant. Interim construction financing will be provided by the New York State Clean Water Revolving Fund at zero percent interest.

Renee Haines, the Housing Council's Community Facilities Specialist noted that the project will bring the system into compliance

with state regulations, and eliminate the discharge of untreated sewerage into Hammond Brook, a tributary stream of Black Lake, the county's premier bass fishing lake. The Housing Council has been working with the village since 1999 to implement a comprehensive revitalization strategy that includes: the rehabilitation of substandard housing units, infrastructure development, the development of a community center, and the replacement of aging fire and rescue vehicles. For more information, contact Renee Haines or SLCHC's Executive Director Fred Hanss at (315) 386-8576.

Congress Pays Attention to Home Ownership Month

Continued from Page 4

affordable housing construction initiative, which would have funded both affordable rental housing and homeownership."

On June 13, the Senate Committee on Banking, Housing, and Urban Affairs held a hearing on homeownership. Secretary Mel Martinez testified at the hearing and was followed by a panel of representatives of the housing industry community. The witnesses on the second panel were Bobby Rayburn of the National Association of Home Builders; Cathy Whatley of the National Association of Realtors; Tom Jones of Habitat for Humanity International; and Terri Montague of The Enterprise Foundation. The resonating theme throughout the hearing was that low income people may be able to afford a mortgage, but they cannot surmount the obstacle of providing a down payment.

The Secretary spent a considerable amount of time discussing the American Dream Downpayment Act, which would create a set-aside

within the HOME program. Several Senators questioned the relevance of the new program, since current HOME funds are already used for homeownership purposes. The Secretary insisted that this initiative would increase the scope of the HOME program. Mr. Martinez also discussed several of the Administration's other homeownership initiatives and programs, including using Section 8 vouchers towards homeownership.

Some members of the committee urged the Secretary to keep in mind that there are barriers to homeownership other than the inability to make a downpayment. Senator Jack Reed (D-RI) mentioned that homeownership requires having affordable homes to buy, so more attention should be placed on production. He also noted that HUD's proposed cuts to public housing funding would mean that "we won't have the ability to put people in decent housing until they have a chance to buy." Senator Jon Corzine (D-NJ) echoed that sentiment, saying that there was a need for more

federal programs to increase the housing stock, including rental housing.

The chair of the committee, Senator Richard Shelby (R-AL), concluded the hearing by asking the second panel of witnesses to tell the committee what barriers other than income existed in buying a home. The responses included lack of affordable housing, land, and credit.

The Senators also gave substantial attention to the HOPE VI program. Some Senators expressed concern that HUD was not funding HOPE VI, a program that provides funding to create affordable housing for low income people in the form of both rental and homeownership, while increasing funding for a program that focuses solely on one aspect of the affordable housing shortage.

Reprinted from "Memo To Members", Vol. 8, No. 24, June 13, 2003. National Low Income Housing Coalition. Our thanks to the NLIHC for keeping an eye on federal policy issues.

Career Opportunities

The New York State Rural Housing Coalition is happy to be able to provide help wanted advertising opportunities for our members and non-profit community development agencies. Ad copy must be provided in Microsoft Word format, and may be transmitted by email to rhc@ruralhousing.org. Ad copy must comply with federal and state equal opportunity requirements to be published, and must be received by the 25th of the month to ensure placement in the succeeding issue of *Rural Delivery*. Ads provided in this fashion will also be posted in the Career Opportunities page of the Coalition's website, unless a request is specifically made not to place the advertisement online.

Chief Operations Officer

Community Action Agency seeks chief operations officer to provide oversight for day to day activities of the housing and business development programs and services. This position reports to the CEO.

Position requires a Masters degree in public administration, business, or related field, and 3 years of progressive administrative or management responsibility, or a Bachelors degree in one of the above majors and 5 years of progressive administrative responsibility; and knowledge of government funded housing programs and not for profit management experience essential.

To apply, submit resume to Opportunities for Chenango, attn: Norma Smith, 4 West Main St., Norwich, NY 12815. AA/EOE

Fire Equipment Grants Available

Grant applications are now being accepted by the First Responder Institute for the purchase of life saving equipment by fire departments. Grants ranging from \$2,500 to \$10,000 will be available under this program, which is made possible by financial support from GlaxoSmith-Kline Consumer Healthcare Corp. It is important to keep firefighters protected and our communities safe. Volunteer firefighters make up to 88% of our nation's firefighting force.

Applications will be accepted, reviewed and grants distributed on a quarterly basis.

For more information, visit the First Responder website at www.FirstResponder.org.

Visit our website at <http://www.ruralhousing.org>